

Google buys restaurant review service Zagat

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(AP) -- Google has bought the restaurant review service Zagat as it tries to help people connect with local businesses.

The founders, husband and wife team Nina and Tim Zagat, said they will remain co-chairs of the 32-year-old company and will use Google's resources and expertise to expand. Zagat currently offers reviews and ratings on restaurants in more than 100 cities around the world, based largely on surveys of diners.

Google plans to integrate New York-based Zagat with its search and mapping products, where users are already invited to write reviews of businesses and services.

In a blog post Thursday announcing the purchase, Marissa Mayer, Google's vice president of local, maps and location services, said Zagat "will be a cornerstone of our local offering."

Google and other companies are trying to improve their local offerings as a way to sell more ads to local merchants.

BGC Partners analyst Colin Gillis said the purchase was smart. He said Zagat is like the little brother of Yelp, the leading online review site and a pioneer in a space that was founded in 2004. Google had attempted to buy Yelp in 2009, at one point offering about \$500 million for the San Francisco-based company, according to numerous published reports.

Terms of the acquisition were not disclosed. It is likely a windfall for

Zagat's founders, who tried to sell the company in 2008.

Google's stock rose \$3.19, or 0.6 percent, to \$537.22 in afternoon trading Thursday.

The purchase may have rattled investors in OpenTable Inc., which provides ways to make reservations at restaurants along with diners' reviews. That company's stock fell \$5.45, or 8.7 percent, to \$57.28.

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