

Epinions co-founder launches Facebook-like startup

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Nirav Tolia was still in his 20s when he co-founded high-flying startup Epinions, which let users ask questions and post opinions about everything from books to banks to baby strollers. It became one of the bright lights of the dot-com era - raking in millions of venture capital dollars, going public in spectacular fashion and eventually selling to eBay for \$600 million.

Along the way, Tolia helped lay the groundwork for Web 2.0 by blazing the "user-generated content" trail now followed by companies like Yelp and Quora. Now he's hoping to show the social networking types that an old pro can still play the game: He recently unveil his latest startup, Nextdoor.

Tolia describes the site as "the intersection between social and local." Part <u>Facebook</u>, part <u>Craigslist</u>, with a smattering of Evite, it lets users create social networks specific to their neighborhoods, then swap safety tips, troll for merchant recommendations or find homes for unwanted second-hand goods.

"It's Facebook for your neighborhood," said Bill Gurley, a partner at Benchmark Capital, which is backing the site and previously bankrolled Epinions.

Lest anyone ask why the world needs another social network, Tolia said that while Facebook's sprawling community is good for catching up with far-flung friends and LinkedIn helps keep track of your business



contacts, neither is focused by geography.

"These days, we've lost touch with our neighbors," he said, citing a 2010 study by the <u>Pew Research Center</u> that found 60 percent of Americans didn't know the people who lived nearby.

After a yearlong beta, the site is already up and running in more than 200 neighborhoods around the country.

"I'm not one of the active, active users of it, but I've got to say, it's pretty cool," said Andrew Bales, who lives in San Jose's Palm Haven neighborhood. The president of Symphony <u>Silicon Valley</u> said he's been on the service for a few months and uses it to keep abreast of neighborhood happenings, crime and traffic.

Tolia said the site goes beyond neighborhood email listservs by giving users a simple and visually appealing interface and search tools. The key, he added, is software developed by an early Google Maps employee that makes sure only people who live in a specific neighborhood are able to join its network - giving users a level of privacy that sites like Facebook don't.

Depending on how much information a given user chooses to put in his or her profile, the mapping feature also lets neighbors see who lives in the homes around them.

Someone in the Stanford Hills neighborhood of Menlo Park, Calif., was recently offering a free pair of black boots for a Halloween costume. A user in Hamilton, New York had invited neighbors to a "wet-felting workshop."

Tolia said many of those neighborhoods have joined Nextdoor virally: Anyone can invite a friend via email to join the site and set up a network



in his or her community. (For neighbors who don't have email, Nextdoor will even drop an invitation postcard in the mail.)

Redwood City, Calif., officials use the site to broadcast messages to residents in the 22 neighborhoods that have launched Nextdoor networks. And Tolia eventually plans to make money by allowing local merchants - from mom-and-pops to big companies with a presence in a given area - to offer specials to neighbors.

Nextdoor also is busy with plans for a mobile application that will let users check in while on the move. The San Francisco company has fewer than two dozen employees, about half of whom used to work at Epinions, Tolia said.

He's not exactly chummy with all of his former co-workers: The other co-founders of Epinions in 2005 sued Tolia, Gurley, Benchmark and the company's other venture capital backers, claiming they'd been cheated out of millions when Tolia engineered the merger of Epinions into Shopping.com, which eBay later acquired. The auction giant settled the suit for an undisclosed sum.

Tolia, who had worked at Yahoo before becoming an entrepreneur, doesn't shrink from questions about the scandal. "Things happen in companies," he said, "and sometimes people end up on different sides."

Sarah Leary, the former vice president of marketing at Epinions, certainly didn't hold the past against Tolia: She's Nextdoor's co-founder, and she approaches the job with an idealist's fervor.

"Most of these people have never met their neighbors before this," she said of the site's users. "Now when people ask them where to find a good dry cleaner, they love the idea of being the helpful neighbor."



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