

Silicon Valley mystery: Why the 'time is right' for Eric Schmidt to leave as Alphabet chairman

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If the first thing you asked was "what did he do" when you heard the news that Google fixture Eric Schmidt is stepping aside as Alphabet executive chairman, you have company.

The Silicon Valley tech giant didn't say why Schmidt is out.

"Larry, Sergey, Sundar and I all believe that the time is right in Alphabet's evolution for this transition," Schmidt said in a statement last week. "In recent years, I've been spending a lot of my time on science and technology issues, and philanthropy, and I plan to expand that work."

Schmidt, who was brought in 17 years ago to be the "adult supervision" to Google founders Larry Page and Sergey Brin, will transition to technical adviser on science and technology issues, Page said in a statement.

Why now?

The two most commonly reported theories involve politics and sex.

Schmidt was a huge Hillary Clinton supporter and obviously came out on the losing end of the presidential campaign. Couple that with the backlash against tech today—including against Google—and having Schmidt as the company's top brand ambassador may no longer make

sense.

During his first meeting with tech executives last year, President Donald Trump asked adviser Steve Bannon whether Schmidt was "the guy that tried to help Hillary win the election," according to the Wall Street Journal, which in the fall examined the apparent decline of Google's influence in Washington.

Schmidt reportedly said he thought the Trump administration will do "evil things."

Google and other tech companies stepped up their spending on lobbying after Trump was elected president. In addition, there are growing calls for Google—and other companies—to be broken up because they've grown too big and dominant.

Also, Schmidt's fairly rich romantic life is back in the spotlight. He is married but brings dates to corporate events pretty openly, the New York Times reported. And he is known to have dated at least one Google employee.

In the age of #MeToo and the spotlight on sexual harassment in the workplace, that might be a problem for Alphabet.

A recent report by the Information took a look at Google's culture and noted that its top leaders, including Schmidt and Brin, dated women who worked for the company. In Google's early days, Page dated Marissa Mayer, former Google executive and Yahoo CEO.

Schmidt has long been Google/Alphabet's public face. Although he had his share of gaffes—including his famous quote about privacy ("If you have something that you don't want anyone to know, maybe you shouldn't be doing it in the first place," which led to much ridicule) - he

was the company's resident policy sage and salesman.

"At a moment when the world needs to have more conversations with Google about its growing power and influence, my question is not why is Eric stepping down," John Batelle, author of "The Search: How Google and Its Rivals Rewrote the Rules of Business and Transformed Our Culture," told the New York Times. "It's who is going to fill the void."

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