



Stanford eCorner

What Would You Change to Make Google More Successful?

Larry Page, *Google*; Eric Schmidt, *Google*

May 01, 2002

Video URL: <http://ecorner.stanford.edu/videos/1083/What-Would-You-Change-to-Make-Google-More-Successful>

Everything at Google has turned out perfectly, making it hard to determine which decisions were good and which were bad. Co-founder Larry Page remarks that they could have started the company earlier, but were working on their PhD's. Also, it would have been difficult to achieve the same thing five years ago because the market was not as advanced -- and technology was more expensive and less established.



Transcript

Yeah, that sure is a hard question because you don't really know, right? You don't know which decisions you made were good and which were bad, or it can be kind of unknown. I mean I think we could have started the company earlier. We were certainly resistant in starting Google because we were PhD students and we wanted to graduate, and all those good things which we haven't yet. In retrospect, I think things would have gone even faster for us if we have started earlier but, as I said, we were very resistant to that. When you look at highly successful companies, there's the brilliance of the founders. I think I should make it very clear here that working with Larry and Sergei has been one of the most wonderful professional experiences of my life. They're young but they're really smart. So we sort made a relationship where I made all the grunt work while they work on strategy and the fun stuff, right? Yeah. And it works. I think that if you look, it would have been hard to do what Google has attempted to do five years ago because DRAM prices weren't so cheap.

Linux wasn't as well established. The companies that attempted to do what Google tried to do have a higher cost structure. They use other people's hardware, like Sun's. I used to work there for many years. I would have sold it to them. So there's a set of reasons why at this particular junction, the model worked; for example, DRAM prices have fallen by a factor of 10. Disk drive performance, performance has improved in disk drives and prices have fallen dramatically. We had this amazing conversation yesterday where we concluded that the single determinant of our cost structure in our data centers is the cost of electric power in the state. And we're now thinking about where we'll put our data centers based on which state has more hydroelectric power than grid power. It's a new core competency on my part.

I just study electric power generation, because we use so much power to run the data centers. But even today, the power requirements we have are so much lower than computers even two years ago. So there's lots of reasons why we can do it at the scale we're doing it now where we couldn't two or three years from now. The good news is that with the mission that Larry outlined, the algorithmic improvements at the scale of information that we have ahead of us are so much greater than we can do today, that we can reasonably predict that we will continue to be able to meet our mission for the foreseeable future. DRAM prices are not going up. The only thing we're worried about is electric power going up, right, and we can work on that with a little...