Google moves into intranets
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GOOGLE is sharpening the search tools that it sells to companies, schools and
government agencies, hoping to mine new revenue sources as it strives to become less
dependent on online advertising. The Mountain View, California-based company on June
2 took another small step beyond its renowned online search engine releasing its most
significant upgrade of a two-year-old kit that's sometimes called "Google in a box".

The hardware-and-software package is supposed to provide prospective customers with
everything they need to do a better job indexing and searching the information on
corporate intranets.

Google's top-of-the-line system, priced at $US175,000 ($255,000), will index up to 1.5
million web pages and perform 300 search queries per minute - five times the capacity
and speed of the earlier version, said Dave Girouard the company's general manager of
enterprise.

A less sophisticated version of the kit will sell for $US32,000.

The original version of Google's search kit is being used by "several hundred" customers,
Girouard said. Google is hoping to drum up more demand by offering a more powerful
product and making it even simpler to run - the company says the kit can be installed in
about 30 minutes.

The market for intranet search products remains relatively small. The industry leaders,
Verity and Autonomy, combined to generate slightly less than $US200 million last year.


Online advertising accounted for all but 4 per cent of Google's first-quarter revenue - a
heavy concentration that has raised mild concerns among some industry analysts as the
company prepares for a highly anticipated initial public offering of stock.

The IPO is still several months away.

Although online advertising is expected to remain its financial foundation, Google is
trying to diversify.

The company reportedly is working on a product, code named "Puffin", that would
search information stored on the hard drives on individual computer users - an initiative
that would intensify Google's rivalry with software giant Microsoft.

Google so far has declined to discuss the Puffin project.

Microsoft's next operating system, expected to be released in 2006 or 2007, is supposed
to include a search feature that sorts through the content stored on computer desktops and
the internet.

Other recent Google projects have included a free email system - still available only to a
select group - and an online social networking site called Orkut.
Google's success searching publicly accessible websites doesn't necessarily mean the company will be able to transfer its prowess to privately guarded intranets, said industry analyst Stephen Jue of RBC Capital Markets.

Both Yahoo! and Inktomi - now owned by Yahoo - have previously pursued largely disappointing expansions into corporate search, Jue said.

*The Associated Press*

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