

Message

From: Dan Taylor [dantaylor@google.com]
Sent: 4/15/2016 11:23:19 AM
To: Jason Spero [jspero@google.com]
CC: Chris LaSala [chrisl@google.com]
Subject: Fwd: PRIVILEGED: AWBid review next week

Hi Jason,
Wanted to flag something for you, No action needed.
Without reading the thread, it comes down to this:

- PM+Sales+Marketing on both buy & sellside all aligned on launching GDN X-Exchange for remarketing at GPS and worked on messaging together, all the way down to wordsmithing Sridhar's script for the livestream.
- Some questions were (re)surfaced by Scot & Eisar last week that are requiring that we review this again on Monday. Funnily enough, their question is about whether GDN should go bigger on x-exchange beyond RMKT. But if we do that, we need to wait for AdX to redefine its value prop in the absence of exclusive demand.
- My heads up is that I will be pushing *hard* to follow-through on the current plan as I think it's the best approach; It's the top launch (other than Narnia2) for GDN this year and something all the regions are counting on and something I need to ensure continued sales engagement. Timing is actually important here.

Copying Chris who is missing some of the fun on vacation this week.

Dan Taylor | Director, Global Display | Google | dantaylor@google.com | 917.338.0468

----- Forwarded message -----

From: **Woojin Kim** <woojink@google.com>
Date: Thu, Apr 14, 2016 at 5:32 PM
Subject: Re: PRIVILEGED: AWBid review next week
To: Jonathan Bellack <jbellaack@google.com>, Brad Bender <bradbender@google.com>, Tobias Maurer <tmaurer@google.com>, Eva Hung <evah@google.com>, Jonathan Meltzer <meltzerj@google.com>, Keum Yoon <kyoon@google.com>, Max Loubser <maxl@google.com>, Bahman Rabii <bahman@google.com>, Dan Taylor <dantaylor@google.com>

+Dan Taylor FYI

-- Woojin

On Thu, Apr 14, 2016 at 2:25 PM, Woojin Kim <woojink@google.com> wrote:
Forgot to mention: the review is currently scheduled for next Monday, though it might get moved around a little as the admins work out the schedule.

Given the tight timing, could we get the slides lined up by Friday EOD so we can make some adjustments/edits Monday morning as necessary?

PTX0333

1:23-cv-00108

On Thu, Apr 14, 2016 at 2:23 PM, Woojin Kim <woojink@google.com> wrote:
ATTORNEY CLIENT PRIVILEGED

Folks,

As discussed over the previous thread with VPs and as I mentioned to some of you in person, we have a last-minute (urgent) meeting scheduled with the VPs to work thru some of the concerns/objections/questions around AWBid plans for GPS.

There's a lot of stuff on the VP thread (attached below) with questions spanning a wide spectrum of issues related to AWBid, some GPS-related, others not.

The primary objective of the Monday meeting is to unblock GPS announcement plans and share a quick status update on the other key non-GPS pieces that have come up as concerns.

To that end, I've put a quick outline deck [here](#) with the following framing:

Topic #1 - Short-term

“Solving most urgent buy-side competitive gaps without hurting AdX”

1A: Discuss RMKT-only AWBid config

1B: Review GPS messaging for AWBid

1C: GDN/DBM defensive buying strategy

Topic #2 - Long-term

“Capture the full opportunity of AWBid and help AdX be more competitive”

2A: Future improvements to AWBid

2B: Buy-Sell joint projects to help AdX

I'd like your help filling this out with some content. I don't think we have to be super lengthy with content, but enough to guide the discussion.

Slide 1A - **Tobias** - can you put some content on:

- quick current status - # of exchanges, \$ARR, %uplift to RMKT
- plans on scaling further - which other exchanges are in the pipeline
- why we believe RMKT-only is a good tradeoff/balance of buy-side needs (RMKT is most urgent competitive gap) and sell-side concerns (limiting to RMKT-only is deemed sufficient of a protection per sell-side friends)

Slide 1B - **Eva** - can you work with Jonathan M. to share the more detailed messaging strategy - the slides that you used previously on overall strategy is good; if you could share more concrete wording of some of the announcements from e.g. Sridhar's script, that'd be good too.

Slide 1C - **Tobias** - can you work with Nirmal to put together current status / plans on how we are looking to buy more defensively to prevent second-pricing ourselves and defeat first-price-like auction designs of some exchanges?

Slide 2A/2B (currently on one slide) -

- **Tobias** - can you work with Nirmal and Eujin to list out what are the things we would like AWBid to be able to do in the future unrestricted state?

- **Max/Jonathan B** - can you help populate the right half of this slide to give some status on our work so far on Make AdX Awesome effort (I think ideas like using buy-side data in RPO should go here), and what other Buy-Sell efforts we could take up here?

-- Woojin

----- Forwarded message -----

From: **Eisar Lipkowitz** <eisar@google.com>

Date: Fri, Apr 8, 2016 at 7:45 PM

Subject: Re: PRIVILEGED: following up on AWBid plans

To: Jonathan Bellack <jbellaack@google.com>

Cc: Paul Muret <muret@google.com>, Scott Silver <ssilver@google.com>, Woojin Kim <woojink@google.com>, Brad Bender <bradbender@google.com>, Keum Yoon <kyoon@google.com>

On Fri, Apr 8, 2016 at 4:02 PM, Jonathan Bellack <jbellaack@google.com> wrote:

I understood there was also a 0) or 1a) ask to make sure that before or in parallel to expansion, both GDN and DBM become more protected against problematic buying situations such as publisher yield strategies that create risk of second pricing themselves.

YES, that's the part that got completely dropped on the floor, and what I explicitly asked about yesterday.

I'm pretty sure we said that "(0)/(1a)" isn't blocking AI for AWBid expansion, so I can see how Woojin might've interpreted to say that as long as buy and sell side agree it's all good.

My intent of such statement was to imply that the team actually work together on technologies that do it thoughtfully, including a specific discussion about GDN being subject to RPO, the kind of stuff that involve actual joint projects.

What I am hearing in this thread is that "aligned" == "we found a way to continue operating independently"

My problem with that is that I want GDN programmatic to extend well beyond AWBid to anything our advertisers might want and have enough spend behind it. Surely contextual keyword targeting on x-exchange isn't super hot but I don't want to be limited.

Given this x-team collaboration and building tech takes time AND I actually promised such effort to assuage Jerome (and other PBS people) I would like to get started on it right away EVEN if it's not "blocking" anything.

Clearly GPS being just around the corner we should down scope what we offer and carefully decide how to communicate it. I actually think that a very narrow communication might be ok for the sell side but potentially weakens the GDN programmatic vision.

Until we (or PBS) see proposed a text it's hard to debate whether we stroke the right balance. But FWIW I don't actually feel I'm super qualified to add value in PR space.

On Friday, April 8, 2016, Paul Muret <muret@google.com> wrote:

So I'm clear, we are saying:

- 1) if we didn't have sellside issues, we would make gdn x-exchange beyond remarketing
- 2) given sellside timeline on creating new differentiators, we want to expand gdn x-exchange remarketing first, and consider beyond remarketing later at a future time.
- 3) we believe the messaging to the primarily affected pubs can be controlled through sales so they understand the distinction.

Is that right?

On the comms side, let me ping Danielle so she knows to pay attention to AIs coming out of reviews so are more clear on what needs following up. thx. -paul

On Fri, Apr 8, 2016 at 9:57 AM, Scott Silver <ssilver@google.com> wrote:
Yes to reviewing the communications.

On Fri, Apr 8, 2016 at 9:51 AM, Woojin Kim <woojink@google.com> wrote:
Scott - the communication plans around announcing AWBid is something we are working with Bellack, sellside sales, and sellside marketing so that we have a message that is good for both buy-side and sellside (or at least mitigates some of the risks on the sellside). I did not know this was something we had to run by you guys; I was operating under the impressions that it was good as long as Bellack+sellside and the me+buy-side were aligned on it (and we are). But given this thread, I now see that this is a topic that needs more upwards communication.

Eisar - In general, you seem frustrated with undercommunication around AWBid product strategy, and I apologize for that, it sounds like we should talk about this more since you guys care much about this.

On the points you raise, I'm not sure which aspect of AWBid you're discussing on this thread. I fully agree with you about protecting advertisers from 1st price-like auction dynamics -- that's future work that we are going to be doing for AWBid + DBM and it is something that I'm as excited about as you are. But I'm not sure why you're raising this point -- are you trying to say that that bidding strategy work should gate AWBid announcement (I don't think you are)?

I'm not sure how your interest in bidding strategy topic has implications for the topics on hand -- (a) announcement and sellside competitive advantage; (b) RMKT-only or all-demand. For (b) specifically, this is something we openly discussed in several media reviews (the Display Buy-side Strategy ones), and I thought we were aligned there.

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Should I find some time for this group to discuss this?

I would like to specifically focus on the announcement strategy and all-demand v. rmkt-only since those are most time sensitive. the bidding strategy stuff, i agree it's important, but i think we can cover this in a separate, future session once we have an idea of what we want to do there.

On Fri, Apr 8, 2016 at 8:37 AM, Jonathan Bellack <jbellack@google.com> wrote:

I think we are aligned. We are going to be announcing both Jedi and RPO/Ads Quality to pubs over the next few weeks, which makes the most of our current roadmap. Pub sales and I are comfortable that is enough to counterbalance a GPS announcement that is about remarketing only. I do not think that is enough if the GPS announcement were to be that GDN is going 100% cross-exchange. The "Make AdX Awesome" group has met regularly and has a lot of good ideas ([spreadsheet](#)), but has not come up with any obvious major differentiators that don't require more discussion for both strategic and privacy reasons.

I am optimistic that if the move from RMKT to 100% happens over time, pub-side will be able to get the full advantage from Jedi (which should be in GA by early 2017) and Ads Quality, and also hopefully to get more differentiators approved and launched (from this list or other good ideas).

-- Jonathan Bellack / jbellack@google.com

Director, Product Management / Publisher Ad Platforms

On Fri, Apr 8, 2016 at 7:49 AM, Brad Bender <bradbender@google.com> wrote:

+ Jonathan

Jonathan and I IM'd this morning and have the same recollection of the agreement. Adding JB to confirm.

Brad

On Apr 8, 2016 5:44 AM, "Scott Silver" <:ssilver@google.com> wrote:

We did not close out the counter-balancing messaging to the market to a cross-exchange AdWords to my knowledge. Perhaps I was out and it is decided. Shall we include Jonathan on this thread to confirm?

Scott

On Thu, Apr 7, 2016 at 4:30 PM, Brad Bender <bradbender@google.com> wrote:

Re: the first concern I thought we agreed to have sell-side messaging to offset (vs being gated on specific "make AdX awesome" features); per marketing that is starting next week with DFP First Look at Programmatic I/O and sharing that we have begun testing exchange bidding in Dynamic Allocation, followed with two additional posts in early May covering additional yield optimization efforts underway (reserve price optimization, optimized private auctions). Given the above I think we should still push to announce at GPS given how foundational x-exchange is to our credibility in the programmatic space.

Happy to take up the conversation about when to expand AwBid to other targeting types - purely from a focus perspective I think expanding exchanges for remarketing is job 1 but understand the second concern listed.

Brad

On Thu, Apr 7, 2016 at 2:10 PM, Woojin Kim <woojink@google.com> wrote:

Scott added some clarification in person:

- His primary concern in all this is not as much around all-demand v. RMKT-only. His primary concern, if I understood him correctly this time around, is that the AWBid announcement will partially or completely

(depending on whether it's RMKT-only or all-demand) hurt one of AdX's competitive advantages, and the joint workgroup for Making AdX Awesome has not yet come up with other competitive advantages to replace this. He would like us to consider gating AWBid announcement on our ability to come up with a new competitive advantage for AdX. (My belief and understanding from past reviews was that this was not a gating item.)

- His secondary, smaller concern is that if we do lose publishers to other exchanges because of these announcements, then doing RMKT-only AWBid is adding insult to injury because we'll only buy RMKT on those pubs and not buy all demand on those pubs. This is certainly a valid perspective for those pubs we lose in the process. It sounds like RMKT-only AWBid has the interesting dynamic of: (1) it'll reduce the chances of losing the pub; (2) but when we lose them, we unfortunately end up spending less on those pubs than we could be.

On Thu, Apr 7, 2016 at 1:55 PM, Woojin Kim <woojink@google.com> wrote:
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To follow up on our OKR discussions, the current plan is to scale up AWBid by adding more exchanges (8 live so far; +4 in Q2; more thereafter; end-goal is to match DBM's list of partners), and keep it to RMKT demand only.

Scott expressed the opinion that scaling up to all exchanges but limiting to RMKT demand only is not a good solution because we're compromising AdX's market positioning (by announcing AWBid) but reaping partial benefits from it (because we're doing it for only a subset of demand). Wouldn't it be better -- if we're announcing it -- to go all in and do AWBid for all demand?

We've considered the option of doing it for all demand and decided against it (with Bellack/sellside guys). Announcing AWBid for RMKT and announcing AWBid for all demand are two very different things from sell-side's perspective. If we announce RMKT-only AWBid, then we are still giving a competitive advantage to AdX -- they're still the only SSP/exchange that will get the entirety of GDN demand, and they would still be our 'preferred' partner. On the other hand, if we go with all-demand AWBid, that fully compromises AdX's competitive advantage w.r.t. its exclusivity to GDN demand.

If we stick to RMKT-only flavor of AWBid -- one, again, where AdX still maintains an advantage compared to other exchanges -- going live with a handful of exchanges v. all exchanges (i.e. scaling on breadth) doesn't make that much of a difference to sell-side, because AdX will still maintain an advantage over each and every one of them w.r.t. GDN demand access.

On the buy-side, the strategic urgency is on the RMKT side -- this is where we face the most competition and face the volume gaps relative to competition. On mid-funnel targeting types, we feel a much smaller pressure and have not felt as much urgency from advertisers to go cross-exchange.

That's why we have concluded RMKT-only AWBid is a superior tradeoff of risk/reward compared to all-demand AWBid. This perspective will certainly change if the landscape changes and we feel a lot more competition in the mid funnel.

Brad Bender	VP, Product Management	bradbender@google.com	<u>212.381.5430</u>
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