

Message

From: Ezra Brettler [ebrettler@google.com]
Sent: 9/29/2017 11:10:24 PM
To: Sierra Feitshans [sierraf@google.com]
CC: Gabe Kronstadt [gabekronstadt@google.com]; Andrey Donovan [adonov@google.com]; Jessica Mok [jmok@google.com]; Ron Zember [zember@google.com]; Rocky Cole [rtcole@google.com]; Sam Hancock [samhancock@google.com]; David Crary [dcrary@google.com]; Adam Sebestyen [sebee@google.com]; Bryan Rowley [browley@google.com]
Subject: Re: Project Yavin (Formally Demand Project)

+Bryan

Hi Gabe,

As promised, following up with you after Andrey and I had a very helpful meeting with Bryan today about Demand Product. Bryan made a fairly convincing case that Demand Product revenue should count towards sell-side quota.

tl;dr:

- Demand Product is being positioned as a replacement for "AdX Direct pubs" - i.e. pubs that we have AdX relationships with even though they are not on DFP
- Once a standardized Demand Product contract is developed, LPS teams will be driving these deals, and there is some risk of channel conflict if we don't count this towards LPS quota

General Demand Product learnings from conversation:

- AdX is disadvantaged in "AdX Direct" relationships because AdX does not integrate with other ad servers as well as it does with DFP (no dynamic allocation), so AdX does not pass through real-time bids to these other ad servers (instead it passes through a "dumb" flat CPM based on historical averages)
 - With move towards Header Bidding, the market is moving towards real-time bidding
- Initially, Demand Product will just be offered to a small subset of publishers that are building their own proprietary ad servers (e.g. LinkedIn and eBay)
 - It will likely be rolled out as an upsell for pubs who are using "AdX Direct," as the ability to pass through real-time bids should lead to Demand Product winning a larger number of impressions than AdX was previously
- Design doc states that they will "ensure Demand Product margin is more than DRX margin as we do not want to create incentive for existing DFP pubs to move from DFP to Demand Product." Margin will be dynamic, and probably be on buy-side only (still being finalized), and Bryan believes they will be targeting 32%

Answers to your specific questions:

- 1) Who would actually be doing the deals with publishers? (is it LPS or another BD team)
- For the LinkedIn deal, someone from Chris Maxcy's Emerging BD team is driving the contract work, but LPS is assisting
 - Emerging BD will be driving the contract work in the early stages because we don't have a standard contract in place yet
 - Once standard contract is in place (by end of Q1 or Q2 2018), longer term view is for LPS teams to be driving these deals

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2) Who (if anyone) would work with pubs to try to optimize / drive more revenue through Demand Product?

- It would likely be a buy-side team that would manage/troubleshoot spending issues since this is a buy-side bidder solution
 - Demand Product probably won't require much optimization though, post-launch it will really just be a matter of making more inventory available and adjusting advertisers / category blocks

3) Is there any risk of channel conflict if we don't count this for LPS? (e.g. would LPS and another BD team be going to pubs with competing products)

- Yes
 - For "AdX Direct pubs," not counting this for LPS would create an incentive not to move pubs over to Demand Product, which would lead us to miss out on the opportunity to benefit from winning more inventory due to real-time bidding
 - LinkedIn is an unusual case where there is no incentive for LPS teams not to push Demand Product because the pub already completely moved off of AdX earlier this year
- Having said that, we need to make sure that this is truly a fallback upsell to a defined set of pubs who are very unlikely to ever migrate over to DFP, as DFP+AdX is still a better outcome for us than Demand Product

4) Can we technically implement?

- Yes, according to the design doc, Demand Product revenue will be a separate transaction in the YM tables, the data source that XPP uses for AdX data.

We can set up time for you, Andrey, Rocky/Ron and I to discuss if helpful.

Thanks!

Ezra

Ezra Brettler	Financial Analyst, Partnerships - Americas LPS	ebrettler@google.com
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On Wed, Sep 27, 2017 at 2:50 PM, Ezra Brettler <ebrettler@google.com> wrote:

I just heard back from the SPL who manages LinkedIn re: questions 1+2:

1) Who would actually be doing the deals with publishers? (is it LPS or another BD team)

Someone from Chris Maxcy's BD team is driving the contract work, but LPS is assisting

2) Who (if anyone) would work with pubs to try to optimize / drive more revenue through Demand Product?

It would likely be a DBM team that would manage/troubleshoot spending issues since this is a buy-side bidder solution but that has yet to be fully determined.

Thanks,

Ezra

Ezra Brettler | Financial Analyst, Partnerships - Americas LPS | ebrettler@google.com

On Wed, Sep 27, 2017 at 10:24 AM, Ezra Brettler <ebrettler@google.com> wrote:

Makes sense Gabe, I just put time on cal for Andrey and I to discuss with Bryan on Friday. We'll update this thread after we connect with him.

Ezra Brettler | Financial Analyst, Partnerships - Americas LPS | ebrettler@google.com

On Wed, Sep 27, 2017 at 8:24 AM, Sierra Feitshans <sierraf@google.com> wrote:

+Sebee

On Wed, Sep 27, 2017 at 10:44 AM, Sierra Feitshans <sierraf@google.com> wrote:

To Gabe's question on EB -it's not actually its own product in XPP. XPP's products are at the WebProperty-level and EB is determined by transaction_type. A single (AdX) WebProperty can have some EB revenue and some non-EB revenue.

AwBid is its own product as whole WebProperties are IDed as being AwBid.

HTH,
Sierra

On Wed, Sep 27, 2017 at 5:48 AM, Gabe Kronstadt <gabekronstadt@google.com> wrote:

I'd suggest we have a discussion with Chris L's team (looks like Bryan is on point for this product). I *think* the questions we should evaluate are:

- 1) Who would actually be doing the deals with publishers? (is it LPS or another BD team)
- 2) Who (if anyone) would work with pubs to try to optimize / drive more revenue through Demand Product?
- 3) Is there any risk of channel conflict if we don't count this for LPS? (e.g. would LPS and another BD team be going to pubs with competing products)
- 4) Can we technically implement

To Ezra's point, we should also make sure we are applying a consistent set of principles for this product as with AwBid and EB.

In any event, I agree with Meg we should classify this as a separate product (pretty sure we should do so also for EB, no?)

Ezra/Andrey, do you want to have an initial discussion with Bryan? Once we have a joint pov on this, its probably something we should discuss with Don and/or GP Leads.

On Tue, Sep 26, 2017 at 2:07 PM, Ezra Brettler <ebrettler@google.com> wrote:

+Sierra, David

I just +d Andrey into a thread I had kicked off last week with some of the folks on this thread, as well as Sierra and Meg, to try to get to the bottom of whether Yavin revenue will count towards LPS quota. From

Sierra's response in that other thread, it sounds like this revenue will show up in XPP. Slide 5 of [this deck](#) has a good overview of Yavin. We have to decide whether this should be its own pub product (Meg's vote is that it should, and I tend to agree), and whether it should be quota bearing or not.

Fundamentally, I'm not sure who would be making the final decision on whether Yavin revenue should be quota bearing - arguments could be made on either side. On one hand, we give LPS teams revenue credit for Exchange Bidding. On the other hand, I don't believe we give LPS teams revenue credit for AwBid.

Thanks,
Ezra

Ezra Brettler	Financial Analyst, Partnerships - Americas LPS	ebrettler@google.com
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On Tue, Sep 26, 2017 at 1:48 PM, Andrey Donovan <adonov@google.com> wrote:
Hi guys,

would appreciate some help in answering Laurent's questions, as I am not familiar with that project. Who is the best person to reach to?

thanks.

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

From: **Laurent Cordier** <laurentc@google.com>
Date: Tue, Sep 26, 2017 at 9:09 AM
Subject: Fwd: Project Yavin (Formally Demand Project)
To: Andrey Donovan <adonov@google.com>

Andrey,

I was said Sales Finance is looking at revenues attribution between buy/sell side for the project Yavin. It seems that some major partners like e-bay are looking into this.

Is it within your radar? if yes by when can we expect resolution and do you see some revenues being attributed to the sell side?

thank you

Laurent

On Wed, Jul 26, 2017 at 8:55 AM, David Stoller <dstoller@google.com> wrote:
Hi Laurent,

I appreciate you taking time yesterday to reconnect. It was great to see you and I hope we can align our collective schedules for a team event on one of your upcoming trips our west.

As we discussed, I am thrilled that we are now in a contract stage with LinkedIn and Project Yavin. I have been on a quest to solve this challenge for well over a year so it's very exciting to me that we are on the verge of restoring LinkedIn supply back into the Google Demand ecosystem, but it does come at a high cost with respect to DRX. While it was our client expertise and relationships that were the primary drivers of this deal, at the end of the day, this is a buy-side product/deal, that is baking sell-side capabilities into its core. Naturally, all of the revenue will flow through the buy-side in this model. In the unique use case LinkedIn presented us, moving forward with Yavin makes perfect sense, but with other partners, the decision may not be so black and white. I have enclosed a couple of additional background documents as you requested and happy to chat more about this at any time.

Executive Summary

Design Doc w/More Details

Take care,

David

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