

## Is Google Building Alternative Internet?

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Google is working on its most ambitious project to date, the creation of a global data transfer network that could effectively serve as a private Internet. Since the introduction of AdWords three years ago, Google has become the world's largest media company and advertising vehicle. It has grown to rival Microsoft in scope and scale. The process has made it a fully globalized corporation.

Google has an estimated \$7billion in the bank and employs many of the brightest brains in IT. It also has a reputation for being one of the best tech firms in the world to work for and has been known to use that reputation to headhunt intellect from its rivals. It is focused on the burgeoning Chinese market and appears to be performing better there than its chief rival Microsoft is. Google has the obvious capital and intellectual resources to do just about anything it wants to.

There are a number of reasons backing speculation that Google is building its own global digital communications network. Google has formally entered the telecom business with the release of a VOIP client known as Google Talk. VOIP is an acronym for Voice Over IP, which is a synonym for Internet telephone. In order to provide this service Google has had to acquire technical and physical resources that, along with other assets held by the company, point to the construction of an alternative Internet.

As Microsoft has so ably demonstrated over the past twenty-five years, there are a number of profitable ventures found in a space monopolized by a single mega-corporation. If that is the path Google is taking, building the infrastructure to capitalize on it would be considered the crucial but difficult first step. Over the past ten months, Google has been purchasing a large quantity of redundant fiber-optic lines, (commonly referred to as dark-fiber), in cities around the world. This fiber was laid during the boom years of the late 1990's but left surplus after the dot-com crash in 2000. Speculation about Google building an alternative Internet has been circulating since early [January 2005](#) when Google started buying and accumulating lots of dark-fiber.

Telecommunications industry news-source [Light Reading](#) today reported on some of Google's recent real estate acquisitions. Google is leasing large amounts of floor space in or near major telecom interconnection facilities such as the recent leasing of about 1/10<sup>th</sup> of the rentable space at [111 8<sup>th</sup> Ave](#) in New York, one the world's largest telecommunications interconnection hubs. It is also said to be in negotiations for large amounts of space at enormous co-location centers (known as [carrier hotels](#)) on the west coast, with the goal of linking Google's North American and Asian networks.

In early 2005, Google began issuing RFP notices to relevant tech firms for the development of a DWDM fiber optics network. The RFP process ended earlier this month and Google is now reviewing bids from multiple tech vendors. Google is said to be planning to first establish a network in North America and then connect it with similar networks established in Europe and Asia. The construction of such a network could give Google the ability to deliver multiple branded media such as music, video, online telephone and other Internet services to every home in the United States.

DWDM (Dense Wavelength Division Multiplexing) is a technology that exponentially increases the carrying capacity of fiber optic cables. According to an article in yesterday's [IPMedia Monitor](#) (sub req.), only a handful of the largest telecommunications providers operate commercial DWDM networks. A small number of private DWDM networks exist but few are large enough to need such capacity.

Google's need for bandwidth capacity is increasing rapidly. It currently pays the traditional telecom firms like AT&T who own the long-haul fiber lines a premium for bandwidth. Building its own data transfer network could be seen as a cost savings solution, especially as it could cost as little as \$100million (in new spending) to construct one. Google already owns fiber throughout North America and around the world. It just needs to connect it all together.

Once connected, what could Google possibly do with a homebrewed state-of-the-art fiber-optics system? It could develop the kind of exclusive branded environment AOL originally dreamed of. It could capitalize on its recent innovations to provide life-service technologies such as Google Talk (VOIP) and interactive information resources such as local search alerts and the delivery of news, video and music files.

According to the IPMedia Monitor article, "... those who have reviewed the RFP say that Google's plans extend far beyond cost-saving motivation, with an architecture that puts a Google-controlled hub deep within all major metro areas."

Google's stated goal is to organize the world's information. A big part of that goal is to turn a profit while doing so. Google turns a very tidy profit each quarter but has long been seen as too reliant on one form of income, paid search advertising. Google draws between 90 – 95% of its revenues from paid ads. The development of a Google operated data transfer network would give Google any number of ways to expand the number of productive revenue streams from 1 to 1+ more.

Then again, Google has always prided itself on its ability to organize the world's information and provide it free of charge to its users. The cost of Google's services is bourn by the advertisers. Google might simply be exponentially increasing its online real estate inventory by enticing hundreds of millions of new registered users to take a look at whatever it is they are creating. Assuming it is the coolest thing on the block when released and is faster and cheaper than its competitors (as most of Google's new products tend to be), many of those new users will choose to stick around to use the services offered by a Google branded network.

Google appears to be preparing to become the world's greatest data delivery vehicle. Perhaps this phase of Internet history will be summarized with the neo-business aphorism, "If you can't beat them and you can't join them, you can just make your own reality and make lots of money over there." Google has \$7big in the bank, much of it being investor money. From all accounts, it is preparing to light up and connect millions of miles of dark fiber, starting in North America possibly as early as the first quarter of 2006. Today we wire America. Tomorrow we wire the world. On Saturday, we'll [do bunch](#).