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## JAY ADELSON

### CEO of Digg

**Born:** September 7, 1970; Detroit, Michigan

**Died:** -

**Primary Field:** Internet

**Specialty:** Social media

**Primary Company/Organization:** Digg

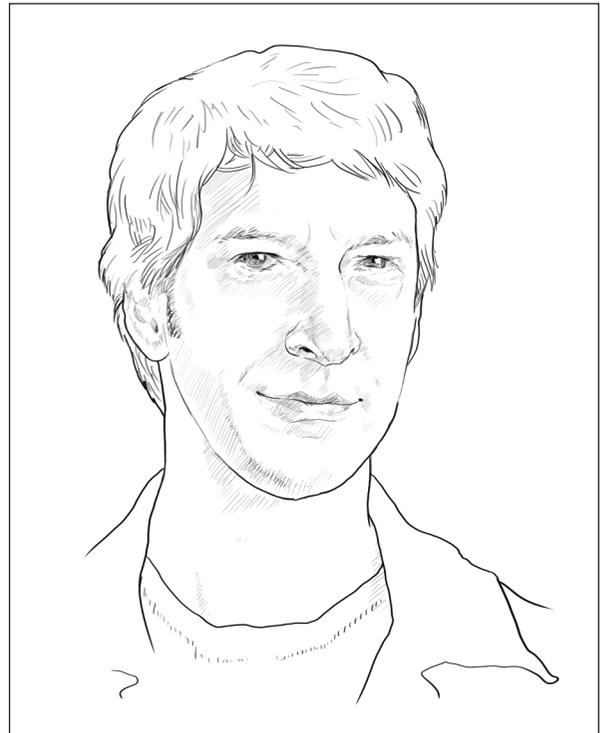
#### INTRODUCTION

*One of the founders and the first chief executive officer (CEO) of the social news website Digg, Jay Adelson started with Netcom, one of the first wide-scale Internet providers, and was among the industry representatives called to testify before the U.S. House of Representatives' Homeland Security Subcommittee on Cybersecurity, Infrastructure Protection, and Security Technologies on the role of the private sector in securing the Internet. After leaving Digg in 2010, he became the CEO of SimpleGeo, Inc., a position he held for less than a year before the company was purchased by Urban Airship. He continues to serve as an adviser for SimpleGeo.*

#### EARLY LIFE

Jay Steven Adelson was born on September 7, 1970, in Detroit, Michigan, and grew up in the suburb of Southfield. His parents, Sheldon and Elaine Adelson, were schoolteachers during his early childhood; then his father inherited a small electric supply store in Detroit that he strove to build into a sustainable business. His parents lost both the business and their house during a recession that hit Detroit hard in the late 1980s. Adelson has acknowledged that this experience shaped his fiscal philosophy and his belief that it is important to grow a business slowly to the point of sustainability, rather than chase billions in income.

In 1988, Adelson graduated from Cranbrook Schools, a private college preparatory school located in Bloomfield Hills, Michigan. That autumn he enrolled in Boston University, graduating in 1992 with a degree in film and broadcasting, having minored in computer science. After graduation, Adelson moved to San Rafael, California, because he had an unpaid internship as a sound engineer at Skywalker Sound. To earn money,



*Jay Adelson.*

Adelson relied on his college minor to land temporary tech jobs. He had a friend who was working with Netcom, and when he was offered a job with the company in 1993, Adelson took it.

### LIFE'S WORK

Begun in nearby San Jose in 1988, Netcom was a start-up put together by Bob Rieger and Bill Gitow to provide dial-up shell accounts to college students who wanted to be able to access their universities' networks when off campus. Shell accounts are accounts on remote servers that provide a command-line interface to a "shell," that is, software built around something, in this case the network connection. Shell accounts were more common before the World Wide Web became popular, because their interface is text-only; web access was available beginning in 1992 through a text-only browser called Lynx, and other services could be accessed through programs like Telnet (or its more secure cousin SSH), FTP (for "file transfer protocol," to transfer files to and from servers), Pine (an e-mail client), tin or trn (newsgroup clients), IRC (for "Internet relay chat," a group chat program), or talk (an instant-messaging program). Netcom also provided e-mail accounts to its customers, with an @netcom.com address.

Although the academic and scientific communities formed the traditional user base of the Internet when Netcom began, the company soon expanded its customer base and found that the demand for Internet access was higher than expected. Service extended beyond the academic community, and soon beyond the San Francisco area. The staff was expanded, and a Windows program called NetCruiser was developed to provide a graphical user interface (GUI) with the Internet service provided, in lieu or in addition to the command-line interface of the shell account. T1 accounts (faster-speed Internet access through dedicated lines, such as cable) were soon offered. In late 1995, toward the end of Adelson's tenure, the company expanded into Canada as it grew to become the world's largest Internet service provider (ISP) with the largest territory of coverage.

Adelson was hired as part of the staff expansion, initially as an installation coordinator. He soon became the director of network operations and was responsible for Netcom's network. He was in charge of the network at the time that hacker Kevin Mitnick was tracked down by computer security expert Tsutomu Shimomura and journalist John Markoff, after Mitnick used Netcom's network to access Shimomura's computer illegally, leading to an arrest that inspired a film and several

books. Netcom also made the news during Adelson's tenure when the ISP was sued for copyright infringement for providing service to an electronic bulletin board system (BBS) that hosted documents alleged to infringe on the copyright held by the Church of Scientology, part of Scientology's ongoing effort to control access to its internal documents and prevent leaks onto the Internet.

Adelson left Netcom toward the end of 1996, shortly after getting married, and was hired by the Digital Equipment Corporation (DEC). He joined the team at DEC's Network System Laboratory that was developing the Palo Alto Internet Exchange (PAIX). PAIX is an Internet exchange point, part of the neutral Internet infrastructure used by ISPs to send traffic back and forth between their networks. PAIX was eventually spun off into PAIX, Inc., renamed the Peering and Internet Exchange, acquired by AboveNet, and sold to Switch and Data when AboveNet declared bankruptcy; Switch and Data was acquired by Equinix (which Adelson founded) in 2010. Adelson worked both on scaling the exchange point's operations to Internet traffic and building its data center.

Adelson left DEC along with his supervisor, Albert M. Avery IV, to found Equinix, Inc. in the summer of 1998. As chief technology officer and cofounder, Adelson continued in the same kind of work he had performed at the Network System Laboratory, responsible for the company's Internet exchange points and data centers as well as its research and development and patent generation. Although it was his technical expertise that he contributed to the venture, he proved instrumental in funding as well, raising capital in several private equity rounds prior to Equinix's August 2000 initial public offering (IPO); it is listed as EQIX on NASDAQ. The Equinix business model was to provide data centers to meet the demands of a rapidly growing Internet, and the IPO in the midst of the dot-com boom raised nearly \$300 million. Like PAIX, the Internet exchanges provided by Equinix were network-neutral, meaning that no network received favorable treatment. When the bubble burst, Equinix was one of the survivors, and it bought up, at a discount, many of the surplus data centers left behind as dot-com businesses failed. It was able to prosper when many other companies in the industry were disappearing, and it was the best-performing stock on the NASDAQ from 2003 to 2004.

During this period, Adelson testified before the U.S. House of Representatives' Homeland Security Subcommittee on Cybersecurity, Infrastructure Protection, and

### Affiliation: Digg

The social news site Digg was founded after Kevin Rose, host of Tech TV's *The Screen Savers* (the predecessor to G4's *Attack of the Show*) met Equinix founder Jay Adelson while interviewing him. Digg began in February 2005, with the collaboration of Adelson (the first CEO), Rose, Owen Byrne, and Ron Gorodetzky. The site's initial design was developed by Dan Ries.

Digg allows users to share and recommend content on the web, with a focus on news. Members vote on shared content, using a system familiar from Slashdot, Reddit, and other sites: A given page shared with the site may be voted up (a "digg") or voted down (a "bury"). The front page displays currently popular and trending content, which is constantly in flux as users read and respond to content and share new links. Changes to the website in the first year included adding categories for stories (technology, science, world and business, videos, entertainment, gaming), the capacity for users to build a friends list and keep track of their friends' stories, and improvements to the interface. Popularity grew steadily, and, like Slashdot, Reddit, and other sites, Digg experienced spikes in traffic resulting from a story becoming popular. One of Digg's primary merits was its ability to focus a spotlight on something on the Internet that might otherwise go unnoticed by most, so that audiences no longer had to rely as heavily on the news "curation" of traditional media.

The impact of user votes on the site inevitably led to attempts to game the system. There were several known attempts, uncovered by sting operations, to upvote stories for cash (with the implied threat of a downvote if no payment were made—a sort of protection racket). There was also the explicit, openly conducted Bury Brigade, which responded to the popularity of Ron Paul among Digg users—social news users in the United States long having included a vocal libertarian contingent—by downvoting every Paul story submitted in an attempt to bury any mention of him. Digg's popularity led to a high ranking on Google's PageRank, meaning that "digged" stories would feature prominently in Google search results—providing a clear financial motivation for abuses of the system.

Around the height of the site's fame, Google attempted to purchase Digg for \$200 million but eventually walked away from the table without completing the deal. Digg was considered one of the ripest websites for purchase, and other deals were entertained, but by the end of the year, then-CEO Adelson announced that the company was not for sale. Fox News, Microsoft, and Yahoo! had been among the suitors. Over time, the shine may have left the apple, although hits remained high, with about 20 million visitors per month; Digg never developed the level of mainstream awareness that Facebook or Twitter did, and its niche competitor, Reddit, began to attract mainstream media attention because of several high-profile news stories and the celebrity involvement in AMA/IAMA threads. In 2010, the site had to lay off more than a third of its staff, and Adelson left after disagreements with Rose and others.

Google's AdSense was originally used to provide ads, the source of Digg's revenue, but in 2007 the company switched to Microsoft's ad service.

In 2012, Digg went through significant changes. Although it was widely reported that the site was sold for a paltry \$500,000—an extremely low amount relative to both the market for popular websites and the previous offers that had been made—this price, paid by Betaworks, was only for the website, technology, and Digg brand. Patents developed under Adelson were sold to LinkedIn for an additional \$4 million, and staff were transferred to *The Washington Post* for \$12 million. The total was still a far cry from the \$200 million once bandied about, but that reflected the financial realities of the intervening years as much as anything else.

On July 31, 2012, a new version of Digg launched, based in part on user surveys collected through Betaworks' RethinkDigg.com. The new site integrated better with social media (the site had been integrated with Facebook Connect since 2009 and offered an iPhone app, although a previously offered Android app was no longer available with the relaunch), featured a more image-heavy design, and was built around an editorially centered front page.

Security Technologies and worked extensively with the government in its inquiries into the nature of cyberspace threats and vulnerabilities. The work reportedly exhausted him. He and his family moved to New York in

2004 and commuted back and forth for five years between New York and San Francisco, where he founded Revision3 and Digg. In 2009, he moved back to California.

Equinix grew into a company with more than one thousand employees, a growth attributed to its flexibility and efficiency in creating “ecosystems” for different types of business customers, including an ecosystem of data centers and related services for the prosperous financial industry, designed to meet its needs. The company took advantage of the surplus of postboom data centers and used many of them for data colocation, the off-site storage of data for businesses like Microsoft, Google, and major banks. The boom in cloud computing has been a boon to Equinix, and Google uses Equinix data centers to back up much of its cloud for safekeeping. In addition to offering simple data storage, Equinix allows companies to outsource their information technology functions.

Adelson left Equinix in October 2005, a few months after starting the privately held companies Digg (in February) and Revision3 (in March). Digg was a social news website designed by Dan Ries for Adelson, Kevin Rose, Owen Byrne, and Ron Gorodetzky. Rose and Adelson had met when Rose was interviewing Adelson for TechTV’s *Screen Savers* show (which, following TechTV’s merger with G4, became *Attack of the Show*), and Rose put up the initial investment in Digg while Adelson acted as CEO, provided mentorship based on his experiences with Equinix, and raised a round of venture capital, after which he left Equinix to focus on the two start-ups full time. The offices were established in San Francisco despite Adelson’s continuing to live in New York.

Adelson also became CEO and chairman of the board of Revision3, cofounded with Rose, Gorodetzky, Dan Huard, David Prager, and Keith Harrison. The name of the company refers to the third “revision” of television delivery, of which broadcast and cable were the first and second. Revision3 was founded to produce and distribute special-interest television shows (reflecting the increasingly narrow audience of any given show over the course of television history, from the age of three networks to the present day’s diminished ratings expectations) for the web. Most of the employees were former TechTV employees Adelson met through Rose. Revision3 series had much in common with *Screen Savers*, as well as with the podcasts that were becoming popular. The flagship series, begun in July 2005, was *Diggnation*, hosted by Rose and Alex Albrecht (previous hosts of the *Screen Savers*), discussing stories from Digg. “Diggnation” had originally been proposed as the name for Digg.

Adelson stepped down as CEO in 2007 but continued serving as chairman of the board and hosts the *Ask*

*Jay* show, answering viewer questions. Recent Revision3 initiatives include a partnership with Gawker Media to produce video podcasts associated with the site, including the *Lifehacker* show and io9’s *We Come from the Future* and the popular cooking show *Epic Meal Time*. In 2012, Revision3 remained a small, privately held company.

Adelson left Digg in April 2010 over disagreements about the direction of the site, which by then had experienced a decline in popularity. In November 2010, he became the CEO of SimpleGeo, Inc., replacing cofounder Matt Galligan; Galligan had founded the company with former Digg lead architect Joseph Stump, whom Adelson had advised. The company provides location-aware services to mobile app developers. Adelson became an adviser to the company in 2011 after it was acquired by Urban Airship.

Today Adelson is on the board of Revision3, SimpleGo, and 3Crowd Technologies; he also serves as a consultant to start-ups. His clients tend to be entrepreneurs and individuals who have recently become CEOs.

#### PERSONAL LIFE

In 1994, while working for Netcom, Adelson met Brenda Shea. They were married in June 1996 and have three children and a cat named Watson. Unlike many individuals associated with the dot-com boom, Adelson has never made accumulating a fortune his goal. He has said that his career choices are guided by the long-term effect of his work and his desire to pursue projects about which he feels passionate. In 2008 he was named to *Time* magazine’s list of the 100 Most Influential People in the world.

*Bill Kte’pi*

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## TOM ANDERSON

### Cofounder of Myspace

**Born:** November 8, 1970; Los Angeles, California

**Died:** -

**Primary Field:** Internet

**Specialty:** Social media

**Primary Company/Organization:** Myspace

#### INTRODUCTION

*The cofounder of Myspace in 2003, Tom Anderson was for years the face of social media, his account being added as a friend by default to any new user on Myspace—making his profile photo possibly the most-viewed face on the Internet, at least in North America, during that time. Although Myspace was neither the first social network nor in the end the biggest success, it was the first success, and introduced most of the general public to the idea of online social networking.*

#### EARLY LIFE

Thomas Anderson was born on November 8, 1970, in Los Angeles, California. As a teenager, he was a hacker known as yLord Flathead and was raided by the Federal Bureau of Investigation (FBI) after breaching Chase Manhattan Bank's network. He attended the University of California, at both Berkeley and Los Angeles. While attending film school at UCLA, he joined digital storage firm XDrive as a product tester, later becoming a copywriter. When XDrive went bankrupt in 2001, he and coworker Chris DeWolfe founded a direct marketing company, ResponseBase. ResponseBase was sold to eUniverse in 2002, bringing the two into contact with Brad Greenspan. Greenspan had founded eUniverse, a marketing company, in 1998 and survived the bursting of the dot-com bubble.

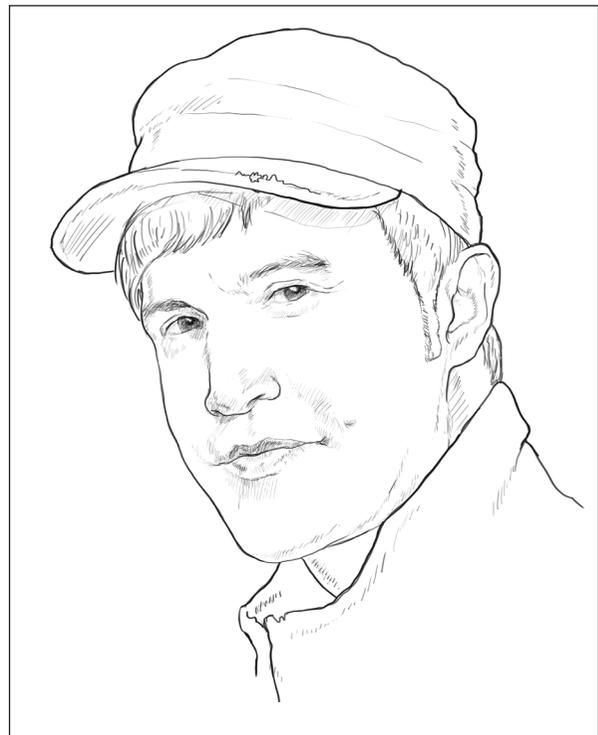
#### LIFE'S WORK

Anderson, DeWolfe, and Greenspan founded Myspace in 2003 as a division of eUniverse. DeWolfe had previously written a proposal for a social network while at UCLA and was responsible for the prominence of music on the site. Anderson, who was put in charge of product development, also instituted the policy that allowed users to use fictional names, in contrast with Friendster, then the most popular social network.

Anderson became the public face of the site. His account was added as a friend to every new user's account by default, although they could remove him if

they wished. He was often recognized on the street as the site grew in prominence. Although always present at the celebrity-filled company parties and events, Anderson was known as a workaholic behind the scenes, staying at work late as a matter of routine or logging on from home.

Myspace became an enormous success. Anderson was made president of eUniverse, now called InterMix Media, and in 2005 InterMix was sold to News Corp. (owner of Fox News and *The Wall Street Journal*) for \$580 million. The main aim of the sale was to acquire Myspace—the cost was more than recouped when News Corp. made a \$900 million deal with Google to make Google the single search engine of Myspace. Anderson continued to work on Myspace, but as many entrepreneurs find after buyouts, he found that he now answered to a larger and more involved hierarchy and that his decision-making ability was constrained by needing to account for his actions to other people. Anderson had hands-on involvement with the Myspace 2.0 redesign in 2008, adding and enhancing video features



*Tom Anderson.*

### Affiliation: Myspace

Myspace was not the first social network, but it was the first to become a huge success and the first to popularize the idea of social media and come to the attention of the Internet novices in the general public. It was founded when Tom Anderson and Chris DeWolfe met Brad Greenspan, the head of eUniverse (later Intermix Media), the company that had just bought out their marketing company in 2002.

Myspace premiered the next year. Anderson, who became head of product development and the public face of the company (wholly owned by Intermix), was dissatisfied with Friendster, the largest extant social network. DeWolfe implemented some ideas he had developed during college project while at the University of California, Los Angeles, and brought a focus on music, which remains the site's most distinctive feature.

In 2005, Intermix Media was bought for \$580 million by News Corp., Rupert Murdoch's corporation, which also owns *The Wall Street Journal*, Fox Television, and the 20th Century Fox film studio. The purpose of the Intermix purchase was simply to acquire Myspace, and while some thought the price was too high, within a year Myspace was worth at least \$1 billion.

One of the strengths of Myspace was its use by bands, from the arena-touring to the unsigned. Bands that established a Myspace page (for free if they were unsigned) could host MP3 files of their music on it, with a built-in streaming player and the possibility of allowing downloads. For young, struggling bands, this was an enormous boon: They did not need to pay for server space or worry about bandwidth issues to encourage fans and potential fans to check out their music; all they had to do was agree to let Myspace users add their songs (with attribution) to their profile pages and allow other promotional uses. Even once Myspace began to decline, it continued to be a strong base for music; it was, for example, the launching pad for Lily Allen's career.

Little by little, Myspace was overtaken by Facebook, which exceeded its user base in 2008 and went on to become the subject of the Oscar-winning movie *The Social Network*, several lawsuits, and the default Internet destination for a large chunk of the online demographic. Part of the reason for Myspace's decline was its association with news stories about pedophilic predators and pornography; Myspace had little control over

content and ineffective spam filters relative to Facebook. Meanwhile, sites like Twitter, while offering comparatively few features relative to the richness of profiles at Facebook and Myspace, nevertheless prospered because their leanness suited them to the growing use of smart phone apps to interact with the Internet—part of the growing “post-PC” Internet. In 2009, when founder DeWolfe stepped down as CEO to become a strategic adviser—as Anderson had already left the Intermix presidency to do likewise—he was replaced with a former Facebook executive, Owen Van Natta.

The shift from Myspace to Facebook was not universal or uniform. In 2007, researcher danah boyd (she deliberately lowercases her name) noted a class difference between Facebook-using teenagers and Myspace-using teenagers. Middle- and upper-class teens, especially teenagers expecting to attend college, were for the most part either switching to Facebook from Myspace or, if young enough to be creating their first social media profile, choosing Facebook over Myspace. Teenagers from poorer backgrounds, teenagers with parents who had not attended college, and teenagers who identified with certain subcultures were more likely to choose or remain with Myspace. That Facebook had originated as a social network for college students may have played a role in this. A major exception, ethnicity-based rather than class-based, was the tendency of Latino teenagers to use Myspace regardless of economic background and collegiate aspirations. Thus the Myspace demographic was shifting, at least in the United States, and it was less affluent and less WASPy. Boyd also noted that teenagers who had more than one social media profile were more likely than adults to differentiate those profiles—they would use a different profile photo for each and perhaps list different interests, whereas adults were likeliest to use identical information on every profile they actively maintained.

While its peak had passed, Myspace continued to develop, with a new design referred to internally as Myspace 2.0. Features were added to allow users to watch streaming television (featuring licensed content from News Corp.'s holdings), while music and photo-sharing features were refined and expanded. The overall aesthetic of Myspace was made cleaner and brought forward, away from the chaotic black screens and

### Affiliation: Myspace (continued)

blinking text of the early social web. Support for apps was added, as well as compatibility with Twitter.

In 2011, News Corp. announced its readiness to sell Myspace, hoping to get \$100 million for it—less than a fifth of what it had paid, although that money had long been earned back. After several months of enter-

taining offers, Myspace was sold to Specific Media for \$35 million, with News Corp. retaining a small stake in the company's shares. Many of the games once hosted on Myspace by developers like Zynga (which also develop Facebook and mobile games) have been closed.

(with licensed content from News Corp. and its Fox television and 20th Century Fox holdings), music, photo sharing, and integration with Twitter, while cleaning up the physical look and feel of the site to something more streamlined and functional. The business side did not seem to appeal to him as much, and when he was replaced as president in 2009, he seemed content in his “ambassador” role—although he has not seemed to have much involvement with the company since.

Since 2010, the default friend on Myspace has been a nonpersonal profile called Today on Myspace rather than Tom Anderson. In 2012, Anderson's profile page displayed the same profile photo (and about fifteen thousand others) and directed users to send him a message if they had questions or want to suggest a feature. As of 2012, however, his most recent Myspace blog entry was from 2009.

Although Anderson always downplayed the significance of Facebook, he has made his admiration of Google+ known. In his view, Google+ realized much of what he had hoped Myspace would become, incorporating a social overlay that would draw users into as much of the Internet experience as possible.

Anderson's web page describes him as retired and traveling the world. In summer 2012, he became an adviser to the Los Angeles start-up RocketFrog Interactive, developers of Facebook games. RocketFrog's business model combines games and ads; the prizes won in games like poker and blackjack are provided by sponsors who also pay to display their brand on game objects.

#### PERSONAL LIFE

Anderson remains active on social media sites, with hundreds of thousands of followers on Twitter and active Facebook and Google+ accounts. According to his own Myspace profile, he is a fan of the young Michael Jackson and the Jackson 5, Teenage Fanclub, and the Beatles, and he names as his heroes his favorite authors: Friedrich Nietzsche, George Orwell, and Laurens van der Post.

*Bill Kte'pi*

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