GOOGLE, INC.

Moderator: Jacquelline Fuller
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11:00 a.m. CT

Operator: Please stand by. We're about to begin. Good day and welcome, everyone, to the Google.org

conference call. Today's call is being recorded. If you'd like to ask a question during today's call,

please press star, one on your touch-tone telephone. At this time, I would like to turn the call over

to Ms. Jacquelline Fuller. Please go ahead, ma'am.

Jacquelline Fuller: ((inaudible)) and some history followed by a summary of today's news by Dr. Larry

Brilliant. Then we will close with a question-and-answer period.

Before Larry and Sheryl start, I want to remind you that today's discussion may include

predictions, estimates, or judgments that may be considered forward-looking. These forward-

looking statements are subject to risks and uncertainties that could cause actual results to differ

materially from these statements. These forward-looking statements speak as of today and you

should not rely on them as representing our views in the future and we undertake no obligation to

update these statements after this call.

Well, with that, it's my pleasure to turn it over to Sheryl Sandburg.

Sheryl Sandburg: Good morning, everyone, and thank you for joining us. We're very happy to be here to

share with you our plans for Google.org. As I think most people are familiar with, we launched

Google.org as a bold effort led by our founders to take the power of Google, the power of scalability, the power of information, and try to help make the world a better place. Today we're announcing five core initiatives to help combat climate change, global poverty, and emerging threats such as pandemic disease.

As we said, we started trying to make – trying to help make the world a better place. And a goal of Google.org was to have enough impact on the world that it would have as much or more impact than Google.com, the company, so we've set a high bar. In April of 1906, as I think people – 2006 – sorry, as I think people remember, we hired Larry Brilliant to lead our efforts. And under his leadership, we've focused in these areas of climate change, global health, and pandemic diseases – sorry, climate change, global poverty, and pandemic diseases. And we've come out with the five initiatives – the five things we are really going to focus on.

The five initiatives include three new ones – predicting and preventing; 2. Informing and empowering to improve public services; 3. Fueling the growth of small and medium-size enterprises. These join the two initiatives we announced earlier this year – developing renewable energy that's cheaper than coal and accelerating the commercialization of plug-in vehicles, our RechargeIT initiative.

This is the vision we have moving forward. As we thought about our vision, we thought long and hard about Google uniquely adds to any of these problems, and we focused on what we think our core competencies are – the core competence of information and the core competence of scalability. Larry is going to describe in more detail now what these initiatives are, but this was our starting point and this is how we hope to approach these problems and, obviously, work with people all over the world to help improve the – find solutions to these issues.

Larry Brilliant: Hi. Thank you very much. This is Larry Brilliant. Thank you, Sheryl. If I could just pick up on what Sheryl just said in thanking the people who have helped us think through the challenge of

what initiatives to pick. I want to really point out that we're brand new, we're young, we're really just coming to the starting line. We look at other foundations – Gates, and Rockefeller, and Omidyar, and Hewlett, and the long list, and we really thank them, we honor them, we learn from them. So, people listening to our call today should hear how grateful we are to have an opportunity to help just a little bit to make the world safer and better.

So, in order for us to have an impact on some of these complex global challenges such as climate change, global poverty, public health, we received thousands – maybe tens of thousands of ideas of big initiatives and what we could do. We had to establish a funnel and a mechanism for choosing focal areas, we had to figure out a handful of things that we could do that were directly linked to results. We pored through data, we conducted dozens of research trips to Africa and Asia, we talked to climate and development experts.

Some of the most important interactions during this process really were from inside of Google – our employees that we call Googlers – the India Team, our Search Engineers, our Executives, as we worked to try to clarify what are the comparative strengths that Google has so that it's not just money we're talking about. What can we do with all these engineers and Google's IT capacity to try to aid these initiatives?

I'd like to briefly walk you through these initiatives and highlight some of the amazing groups that we're working with. I don't want to repeat what's on the press – in the press release or on our Web site. I invite you take a look at those. The Web site really is packed with videos from the field and speeches and talks and white papers and backup material. We're really happy to have had an opportunity to pull all that together.

The first initiative is Predict and Prevent. In the last 30 years, there've been three dozen new emerging communicable diseases. And you're familiar with many of them. The press is filled with stories of bird flu, and it was filled with stories of SARS and West Nile Fever. But there's

also Ebola, Lassa and Marburg Fever, Hantavirus. We could chant a long list. And these are new diseases that 75 percent of which originate in animals. Even HIV-AIDS was originally a disease of monkeys, and it jumped to humans. How different the world would have been if we had an early warning system to find the first person when the first virus jumped from that monkey to that person.

And that's really the heart of this initiative to find a way to find hot spots where bad things are likely to emerge – pandemic disease and droughts and other things caused by climate change. Let me give you an example of two of the most important of our grants to highlight what we want to accomplish in Predict and Prevent. I want to talk a little bit about (Instead). You can read more about InSTEDD at InSTEDD.org, and InSTEDD's remarkable new Chief Executive Officer, (Eric Rasmussen's), happy to talk to you if you want to take more interest in that.

InSTEDD is a 501c3. It was started by Google.org. It has now been funded by Google and by Rockefeller and an increasingly long list of other funders. It works in trying to build up the capacity of the disaster response community to work together and do a better job of stopping pandemics before they become pandemic, of finding and responding to drought earlier than otherwise.

I mean some of the things they've done are just clever reusing of technology from Silicon Valley and companies and companies all over the world – an SMS system where you can write your SMS in (Kamir) and have it read in Burmese, which is particularly helpful in the Mekong River where the six countries there are engaged in a group regional surveillance network trying to pick out the first cases of bird flu before they become pandemic and mount a regional six-country response.

And in fact, the second group that we are funding is that group. That's being led by our own (Mark Smolinski). This organization is attempting to build up the capacity of countries for early

warning and response to pandemics. (Instead) also plays a role in that, but its primary interest is building up the capacities of response organizations. The Medecins Sans Frontieres, Red Cross, UNICEF, and WHO – InSTEDD has a long list of partnerships that you may see on its Web site.

The last grant is to Clark University for looking at ways to predict drought and its consequence, which is usually famine, earlier than otherwise you would find it, and we're pleased to be co-funding that with the Gordon and Betty Moore Foundation, which has a longstanding interest in environmental issues. Let me now speak about two paired initiatives in the area of global health. And I – I'll just tell you that I was in Africa last year at the TED Conference, which was remarkable, in Arusha. And there was a debate at that conference – aid, trade, aid, trade, aid, trade. It sounded like a chant at a Michigan – Ohio State football game.

This is much more serious than that, though. If you talk to villagers and you ask them, "Do they want aid or trade?" They'll tell you they want jobs and they want better public services. They want to be able to get out of poverty. They want jobs. And they want to be able to get education for their kids and water and sanitation and healthcare services. So, these two initiatives are aimed at those twin problems, those two halves of the same coin.

The first, Inform and Empower to Improve Public Services, is intended to help governments who have a commitment to improving their services use the newest technology, other resources, to improve what they do. Now, a lot of people think that governments in developing country are corrupt; they don't care about their people. That's not true. There are so many excellent governments who have a commitment to the villages and the rural communities, and many of which are publicly identified with those goals. You can think of Tanzania, Andhra Pradesh – there are so many of those governments that we want to work with to try to improve their ability to deliver services to the rural poor.

We also want to work with rural communities to empower them so they know what services have been promised to them and how they can avail of them. And a really good example of a grant that we're giving is (Pratam), which is an NGO in India, which has created the Aser Report – A – S – E – R. And this is a nationwide survey on educational outcomes. The issue is that when you are educating children in a community that is not literate or semi-literate, it's very difficult for the parents to know if the children are really becoming educated or if they're just going to schools that have more classrooms.

So, there's three parts to this. There's improving the capacity of the public services to deliver; improving the ability of the communities to find those services; and improving third-party organizations who can tell whether those services deliver or not. The twin of that is jobs. You improve government services. Now, you have to increase jobs. So, in the United States, two-thirds of our jobs and two-thirds of our GDP come from what are called SMEs – small and medium-size enterprises.

But in Africa it's 20 percent or less, and why is that? It's because it's very difficult to fund these small and medium-size enterprises. It's difficult to fund them because there's no exit vehicles, because there's a high cost of transactions, because there's no Generally Accepted Accounting Principles, laws regarding land and property ownership are opaque. On top of that, money goes easily into funding large national telecoms. If you need a loan of over $2 million and you've got a national telecom in India or Africa, it's fairly easy to get debt financing. And there's a lot of money these days, thank God, to the work of Muhammed Yunus and (BRAC), there's a lot of money available in micro-credit.

But micro-credit ends at about $500, the loans to the large companies begin at two million. There's a missing middle. And a very small amount of capital goes into the most critical sector of all. This is the butcher, the baker, the candlestick maker that really generates the most jobs. And the grant we'd like to highlight here is a $4.7 million to Technoserve. Technoserve is an

organization that has been sponsoring business plan competitions in Africa. We've been working with them in Tanzania and in Ghana. I just want to tell you a story of one guy who won the business plan competition, (Joseph Taki), who's a butcher. He fits into the butcher – baker story.

And (Joseph) started off with one butchery and one refrigerator. And then the electricity went down, he lost all the meat that he had bought and he was just about to go out of business when he heard about Technoserve's business plan competition. He won that competition – got a $5,000 prize and used that to buy a generator, another butchery. And I think (Joseph) is on his way to becoming the next Sysco – not C – I – S – C – O, but (Syco) – a business services company that could be a Pan-African delivery service – clean, healthy, meat and vegetables. So, we're really happy about that.

The last set of initiatives we have previously announced I'll briefly talk about them. Happy to answer any questions. As we looked hard at climate change and the issues in front of us, which are clearly one of the most critical issues facing humanity, it became clear that we can't win the battle to preserve earth's atmosphere unless the oil and the coal stays in the ground. It's not enough just to have lots of wind energy or solar thermal or solar energy. That energy must be available at a price less than coal because in China and in India and much of the United States, if coal is the cheapest source of energy, it will become the greatest source of energy. We need to find a way to make renewable energy at such a low cost that it becomes the choice of everyone. And this requires a lot of capital upfront, but more than that requires great engineering. And that's a strategic advantage that Google has.

If you pair that with the fact that the other major source of greenhouse gas emissions are vehicles on the road, it would be great if they were plug-in hybrids or if they were electric cars, and Google.org has an initiative in that area, but how much better if the grid that they are plugging into is a green grid, not a grid that itself is fueled by coal. We'd like to highlight one investment that we're announcing today for the first time, and that's a $10 million investment in eSolar, a

company specializing in solar thermal power which replaces fuels but does it in a traditional power plant, so it's like a utility scale solar thermal plant that literally just removes the boiler from coal and puts in a boiler that's boiled by the sun.

Those are our initiatives. I do want to mention again this work that we're doing in the Mekong area along with the nuclear threat initiative. You know, this is a project that was started by Sam Nunn and his group, a wonderful, remarkable group of people. And what they have done is to – I think they've looked honestly all over the world to see where is the threat of pandemic flu most likely to originate and what can we do that if we hadn't done, we'd feel really bad about missing it. And the early warning systems and the disaster response systems that they put in place and we have supplemented along with Rockefeller are really sensational.

Let me sum up by expressing my thanks to everybody in Google who've supported us through 18 months of a funnel of agonizing decisions trying to figure out what we're going to do and let me thank all the foundations, non-profits, business leaders, experts who've helped us, especially the people in developing countries who've spent so much of their time sitting with us and our teams, helping guide, challenge our thinking. I do want to say again – we haven't done anything yet. We are not announcing that we're at the finish line. We're at the starting gun, and I'm so pleased that you joined us for that announcement.

Thank you very much and I'll turn it back to Jacqueline.

Jacquelline Fuller: Great. Thanks, Larry. Sheryl, do you have a last comment?

Sheryl Sandburg: I think the last comment I'd make is to echo Larry's sentiment of where we are. We started with an idea and a vision to try to use the power of Google to make the world a better place. We start with our belief in the power of information to transform lives, and we now embark on trying to work with people all over the world to help make an impact on some of the world's

largest problems. This is going to take the energy of everyone. We realize we are a small player, but we hope to be a player that helps catalyze more people and work with others to learn from their experiences so that we can really focus the world's energy on problems that we're all trying to solve together.

Thank you all for your attention, and we look forward to your questions.

Jacquelline Fuller: Great. Well, thanks, Sheryl, and thanks, Larry. So, as a reminder to everyone on the call, we've got a lot more information about Google.org available at our Web site, creatively titled – creatively found at www.Google.org. So, now we're going to start the question-and-answer session, and I'd just like to remind everyone please specify who you'd like to answer your question, either Larry or Sheryl or either. And, operator, I think we're ready to start with the questions.

Operator: Thank you. The question-and-answer session will be conducted electronically today. If you'd like to ask a question, you may do so by pressing the star key, followed by the digit one on your touch-tone telephone. If you're using a speakerphone, please make sure your mute button is turned off to allow your signal to reach our equipment. Once again, it is star, one for questions, and we'll pause for just a moment to assemble the roster.

And we'll take our first question from Geoffrey Lean from The Independent.

Geoffrey Lean: Hi, Larry. It – first, let me say how exciting this is. It's really ((inaudible)) my mind around it, but I do congratulate you on the innovative way you've done this. And …

Larry Brilliant: Thank you, Geoff.

Geoffrey Lean: … you know, it's stuff that other people aren't doing, so it's not duplicated like so many stuff – so much stuff does. And the way you seem to sort of (thought laterally) and cut to the core of some of these things, and that seems to be key in the old SME stuff which is something that's been a long obsession of mine. But can I just test the boundaries of a couple of things in the first category?

Larry Brilliant: Sure. Could I just say it isn't necessarily that other people aren't doing it. They are doing it. And one of the things that I've been so impressed with over the last year-and-a-half is the nobility of purpose of so many people working in the field. And, you know, we've just got a little bit of engineering and a whole company behind us, but it's – I don't think it's that we're doing stuff that other people aren't doing.

Geoffrey Lean: No, no. I didn't mean to disparage that at all, as you know. It's just that these projects are not the kind that have been highlighted a great deal in the past and it's good to see your muscle going behind them. It's slightly different than what some of the foundations are doing, but maybe I'm wrong.

But could I just test the boundaries of a couple of things early on?

Larry Brilliant: Sure.

Geoffrey Lean: The – talking about in the – in the Predict and Prevent category, on bird flu, I mean, fully agreeing with you of the importance of Southeast Asia ((inaudible)) many of these diseases, surely bird flu has rather moved beyond that area, as well, now. I mean it's (a fact) it's emerged from Indonesia or from Africa, the pandemic has from Southeast Asia now, perhaps, and are you just limited to that area or are you looking maybe beyond bird flu to the new diseases about to emerge?

Larry Brilliant: OK, perfect question. No, we are absolutely not limited either to the area or to bird flu. It is any of these novel communicable diseases, including in Africa, you know, we have some friends who – from UCLA, (Nathan Wolfe) especially, who is going around to something like 20,000 hunter gatherers who catch bush meat and giving them a kit so that when they kill an animal, they take a drop of blood from themselves and a drop of blood from the animal. And then we run virological screens at UCLA under (Scott Lane), looking at any new disease which appears in animals and humans are immunologically naïve and haven't seen it before, which ones are fit for movement.

Last year, Africans consumed 700 million wild animals, two billion kilograms of bush meat. It's definitely a hot spot. Indonesia is definitely a hot spot for bird flu. Half of all the cases – 200 – have occurred in – human have occurred in Indonesia. You're actually right. What I would say about South Asia is that there is a willingness on the part of the health ministers and the prime ministers of those countries to ban together and to make a community surveillance network. That's just step one. If the willingness wasn't there, it would be a lot harder.

And so, we're looking for ways that we can get started, get experience, fund people who are on the ground, and move on from there. But we're certainly not limited only to South – East Asia nor are we limited only to bird flu.

Geoffrey Lean: ((inaudible)) and if I could just test the other boundary in my mind. A lot of these animal-based diseases – a lot of them seem, and in fact have come from environmental destruction in the first place, i.e. you take the rain forest down or your bush meat is a very good example. You've half answered my question anyway, which is are you – do you come in at the point where the first case emerges or is your work going beyond that to saying, you know, because actually deforestation is happening here, for example, we have a – we have a particularly strong problem. Are you going beyond the point where – behind the point where the first disease emerges?

Larry Brilliant: Another excellent point. We've labeled this Predict and Prevent specifically because of that. You know, I didn't talk much about Clark Labs and this project that we are doing with the Gordon Moore Foundation – Gordon and Betty Moore Foundation. But this is a project that's just – it's breathtaking. It is looking at 50 years of NASA data – climate and meteorological data, and at the same time looking at deforestation and at moisture and – in the soil. And see – in the soil of Africa, and seeing if you could predict a drought due to the climatological factors you're looking at, as well as deforestation.

Same thing really is true in Southeast Asia. I won't spend a lot more time on it. We have a lot of information on our Web site about that. But if you – if you visit Laos, 80 percent, I think, of the houses in Laos have chickens in the field. If you have chickens and pigs and humans living together, and when the chickens are eaten, their remnants are rendered and fed to the pigs. When the pigs are eaten, their remnants are rendered and fed to the chickens. So, you have humans and pigs and chickens now living in a compressed area because of population. And it is like a caldron. I couldn't imagine a better caldron if I was trying to create bird flu.

So, you're actually right. Predict the hot spots, prevent the disease, through InSTEDD try to improve the response to it. Thank you very much.

Geoffrey Lean: Thank you.

Jacquelline Fuller: OK, next question, please?

Operator: And once again as a reminder, it is star, one for questions. And we'll go next to Nicole Wallace from The Chronicle of Philanthropy.

Nicole Wallace: Morning.

Larry Brilliant: Hello, Nicole. How are you?

Nicole Wallace: Good. How are you?

Larry Brilliant: Very good, thank you. Thank you for taking the call.

Nicole Wallace: Great. Dr. Brilliant, I was wondering, you talked about the difficult process of winnowing it down to five issue areas. What were some of the ones that you considered that just didn't make the cut?

Larry Brilliant: Oh, you're terrible. I mean it's brutal. You know, you know that. This is hard. This is not easy. First let me tell you we've looked at – I'm a – I guess I'm an Ethics and Religion major, and tried to look at the guiding ethical principles. What are the (simumbonums)? You know that – what are the guiding principles that are the form – come out of all the religions (in cant) and Utilitarianism, and look at the biggest problems in the world first. This is how we made our decision, then I'll tell you what got left out.

You look at the hardest problems and the biggest problems in the world and we started with thousands of ideas – big ideas. And then, we look at Google and we said, "What do we have to offer?" It's not – this should not just be more money. This should be something unusual that Google has, whether it's information, or engineers, or global reach, or whatever the assets that Google has. And that's how we got down to these five initiatives.

Now, what that means is we've left some heartbreaking problems off the table. How do you not do female genital mutilation? How do you not do water as a content area? We're doing water in the context of services, but how do you not identify that as one of the most important problems in the world and highlight and underline it.

How do you not do education – early childhood education? We all know that that's the most important thing in all the multiple logistic (aggression) analyses as determinants of poverty? These problems that we are not addressing are no less important than the problems we are addressing. Maybe sometimes they're more important.

But just like in going after disease eradication which I really wanted to do, we determined that the five that we chose, we had more to offer than we did in the hundreds that we didn't. No one should feel that we're saying that we've chosen the most important. That would be not fair. That would be disingenuous. We're trying to do the things that fit who we are at this moment in time and look both at the biggest issues and at what Google has to offer.

Is that fair? Is that reasonable?

Nicole Wallace: That – no, that sounds like a good answer. It's certainly not a – it's not something that I would want to have to make a decision of just a handful of the world's problems.

If I can ask you also a question about the structure of Google.org?

Larry Brilliant: Sure.

Nicole Wallace: If in the future some of the investments that you're making now are successful, will the financial return be earmarked to go back to Google.org activities?

Larry Brilliant: Oh, from your mouth to God's ears. We should – I hope that we're presented with that problem.

It's such a small percent of what we do, it's insignificant compared to the money that we're spending. So, of course, everything that Google.org does is philanthropic.

Nicole Wallace: Great, thank you.

Larry Brilliant: Thank you. Thank you so much.

Jacquelline Fuller: OK, next question.

Operator: And we'll take our next question from Michael Singer from Informationweek.

Michael Singer: Yes, hi. Thanks for taking my call.

Larry Brilliant: Hi, Michael. How are you?

Michael Singer: Very good, thank you. Two questions – micropayments have been cropping up in the news because it, as some reports have indicated, creates some circle of debt. Help me understand how this next level of helping the butcher, the baker, and the candlestick maker might avoid those pitfalls – number one?

Larry Brilliant: Are you speaking about microcredit rather than micropayments, by chance?

Michael Singer: Yes, I probably am.

Larry Brilliant: OK, OK. Yes, I think – I think you've identified an issue. Microcredit is essentially microdebt. It is essentially loans and people do go and they behave differently I think. At least I do. Ask yourself if you do.

If I borrow money in order to try to start a new business, I think I'm kind of conservative because I know I've got to pay it back. Especially with the high rate of repayments because of these social

circles in the structure of microcredit, there's a lot of community guilt and pressure to pay back the loan. We're looking at equity. Big companies haven't been founded very often on debt, if at all. They're founded on equity, money that is given to an entrepreneur for a share of her company with the idea that if the company fails, that money's gone, and if the company succeeds, the investor joins in the profits.

People tend to take more risks if they're funded by equity. We want those risks. We want to try to bring the concept of Silicon Valley with our (Angel) investors and our venture capitalists and private equity and our bankers and our accountants who want to bring the advantages of Silicon Valley to the Rift Valley. And that's a real equity-based business.

Michael Singer: So, is there, like, a guideline of what – you know, what kinds of areas ((inaudible)) or not ((inaudible)) areas per se ((inaudible)) …

Larry Brilliant: Yes, we're looking …

Michael Singer: … numbers of …

Larry Brilliant: Sure, sure. We're looking in the 25,000 to $1 million – that missing middle as an area that we want to invest and try to find ways to unleash other money to go into that area. Let me just mention, you know, with the knew sovereign funds, whether it's Dubai or Singapore, they're now trillions of dollars that are owned by these sovereign funds, they really would like to invest some of that money in small and medium-size businesses in the developing world. We're looking also at the obstacles, the exit vehicles that aren't there, the accounting principles that aren't there, as ways to try to, in a way, unleash or unlock that capital flow.

Thank you very much.

Jacquelline Fuller: OK, next question, please?

Operator: And we'll take our next question from Sam Gustin from Conde Nast Portfolio.

Sam Gustin: Thank you, gentlemen. Congratulations on today's announcement. What would you say to investors who might view this as a publicity stunt on Google's behalf? Thank you.

Larry Brilliant: Do you want to take that? Which one of us wants to take that?

Sheryl Sandburg: Either one of us. You know, I think I don't know what a publicity stunt would look like. I certainly don't think it's what we're doing here. You know, this is a real commitment. We have committed real time, real energy, and real money to this effort. We've taken an enormous amount of time and focus form our founders, we've, you know, hired a world leader like Larry Brilliant, we're building a team, we're working with partners all over the world, and we're putting out real money. I think …

Larry Brilliant: $20 – $25 million.

Sheryl Sandburg: Well, we're starting the process of putting out real money.

Larry Brilliant: Right, right.

Sheryl Sandburg: You know, we've said very clearly …

Larry Brilliant: Your – the company's – the company's market capitalization is 191 billion as of this morning.

Sheryl Sandburg: Yes, so, our plan is to, you know, spend the one – the one percent over time when we think it can be – it can be most valuable and money spent wisely. You know, there's two ways to do this process, right? One is we'd wait until we spent a whole lot of money and then do, you know, communications like this with the media and with others. Or the other is you be very open and honest about the process.

So, our announcement today is not that we spent our one percent. Our announcement is that, you know, given the interest and given the importance of collaborating with the world on solutions to these problems, we're trying to be open and honest about our process, tell you what we're going to work on, you know, as we start working with partners, and then what you should see and you should hold us accountable for is real spending and real results. That's the stage that comes next.

Sam Gustin: Got it. Thank you.

Larry Brilliant: Thank you, Sam.

Jacquelline Fuller: OK, next question?

Operator: And we'll take our next question from Vishesh Kumar from TheStreet.com.

Vishesh Kumar: Hi, there.

((inaudible))

Vishesh Kumar: Congratulations on the announcement. I was wondering if you could elaborate a little bit further on exactly what those, you know – those information technology competencies are that you bring to the table and how they could be used in the Predict and Prevent initiatives that you

announced and also the Inform and Empower initiatives, and secondly, if you do see any sort of business aspect to this. You did mention that it is a philanthropic effort first and foremost, but is there an element of, you know, to use the cliché, doing well and doing good at the same time here?

Larry Brilliant: How about is I take the Predict and Prevent, and Sheryl takes the Inform and Empower? We didn't try to have cute names. It just turned out that way.

We've funded, for example, an organization called HealthMap at Children's Hospital in Boston. This is one of the category of entities that we hope to support going forward, organizations which use the power of the Internet to look for either Web sites or press releases or mentions in the local press or radio or other electronic media that give rise to a concern that there might be an early example of bird flu or a cholera outbreak.

And they can do that either by looking at news reports, they can look at people's purchasing patterns – is there a run on the market for Tamiflu, for example, are there newspaper reports of chickens that have died or unknown hospital infections? So, the power of this, if you take a look at it, they're actually taking news feeds from Google News – and by the way, for the gentleman from Reuters, news feeds from Reuters, and then displaying anything about unknown diseases on a Google Earth map background. This is the beginning – well, actually it's not the beginning. (Gefin) was the beginning.

But there's a whole long list of these organizations which are now using IT technology for early warning display of novel communicable diseases. And we hope to make that industry – not any individual entity – we're not going to pick winners. We hope we can support all of the organizations in that space and try to build the entire capacity.

Now, Google knows a lot about (these) things, so when we fund these entities, we're not just giving them money. We're giving them engineers, we're talking to them, we're trying to help actually in many cases, we're trying to help change our products so they serve their needs better. And that's, I think, a good example of Predict and Prevent. And Sheryl will talk a little bit about the Inform and Empower.

Sheryl Sandburg: Yes, it's a great question. You started your question asking about what are our core competencies and kind of how do we see those playing out. So, when you think about working with the poor of the developing world, you know, the billions of people that live on, you know, dollars a day, if you define our core competencies are as delivering information over a laptop or desktop connected to the Internet, very hard to work in that area. And that's not how we define our core competencies as a company, anyway.

We believe we are at heart an information company, a company that believes in the power of information to transform people's lives. You know, there have been the traditional approaches to improving, you know, the provision of services in the developing world. I started my career working at the World Bank a long, long time ago. The World Bank works with governments to provide services through their governments. You know, other organizations provide the services directly. So, if you were trying to work in education, as an example, one approach is you work with the government to restructure the education system in a whole country, and there're lots of great efforts that are being done there.

There are also lots of independent organizations or non-profits that provide the services directly. They go in and set up the schools. Either one of those didn't make sense for Google because, as your question alludes to, it doesn't point to our core competency. Our core competency is not building large infrastructure type of solutions with governments. Our core competency is not being a direct service provider in villages of the world ((inaudible)) people we're trying to reach.

Where our core competency comes in is information. So, rather than work as the World Bank does, to build schools or go in as, you know, a non-profit, a typical NGO does, to build our own schools, we believe that we can insert information into the process such that schools get reformed, tell parents that kids don't read, and then let the markets and the system work so that the parents go in and provide – go in and, you know, provide the impetus to reform those schools.

We also want to be clear that when we think about providing this information we think about providing it to everyone who's part of this ecosystem. The people who are getting the services we need to provide the information – so, in this example, the parents, but the people that are providing those services – the governments, the civil service organizations – civil society organizations.

For the most part, those organizations are legitimately and genuinely trying to provide great services, and they may not know that they have huge teacher absenteeism, they may not know that they have health worker absenteeism. They probably don't know that the textbooks or the medical supplies aren't where they were supposed to be, and we believe that by providing information to everyone involved in an open and honest way, we can find the thin edge of the wedge which helps the system transform itself and, importantly, plays for us on what we think we can add to this puzzle as, you know, the world works together to solve some of these problems.

Vishesh Kumar: Great, thank you.

Operator: Are you ready for your next question?

Jacquelline Fuller: OK. Yes, operator, and I think that we have time for just one or two more questions. Thank you.

Operator: OK, and just as a reminder, it is star, one for questions. And we'll take our next question from Bob Keefe from Cox Newspapers.

Bob Keefe: Thanks so much for taking my call, guys. You've talked a lot about – you and others have both – have talked about the need to be a catalyst more than just a company or an organization that does things for good. Can you expound on that a little bit more on how you do that? Is it simply by leading by example, et cetera? And when do you go, I guess, from just doing good things yourself, like installing solar panels to being concerned with what others are doing if that makes any sense?

Larry Brilliant: It does make sense. Let me give you three examples if I can.

In the plug-in hybrid program, RechargeIT, if you get on that Web site, you can take a look at what has happened after we announced that we were going to do a request or proposals for plug-in hybrids and we're in the process of going through proposals to make investments in companies that have battery technology or smart grid technology.

But more than that, other people have now joined in on the call for more electric cars and rechargeables. Actually I'll tell you a funny story because it's funny, but Neil Young came by when we were doing our plug-in hybrid program and he wanted to see a plug-in hybrid and I took him for a ride and he liked it very much and he said he though he was going to convert his car to a plug-in hybrid because he saw what we were doing. And I thought that was great and I thought he had a Prius. Turns out he had a 1958 Lincoln Continental Mark III Convertible, the largest, longest boat made to go on American roads. But he did that. He converted it into a plug-in hybrid, he took it – …

Bob Keefe: Neil Young, the singer?

Larry Brilliant: … Neil Young, the singer. He took it on the road and did a movie. He picked up every hitchhiker, gave them a ride, and then asked them, "What do you think about global warming?" So, I can't wait to see that movie.

You know, in the area of RE<C, trying to create renewables at a price – at a cost less than coal, our goal is to find new technology that stimulates that entire industry. We've made a commitment to build internally one gigawatt of renewable energy at a price less than coal. And one gigawatt is enough electricity for all of San Francisco, perhaps. But it's not enough for the world. There have to be lots more actors coming into it, and maybe by an example, we can stimulate their interest in doing that. Most important …

Bob Keefe: ((inaudible)) this seems like the first time that you all have expanded. You talked a lot about energy, but expanded beyond energy initiatives. How big does energy figure in going forward in your initiatives? And if you – if you care to, any thoughts on what the United States might have to do at the climate summit in Hawaii next week?

Larry Brilliant: Well, on the issue of relative importance of the initiatives, I can't choose amongst my five children. I actually only have three. But these five initiatives, and so, they're all equal to me. It's clear, though, that if you don't solve the problem of climate change, everything else that we do becomes harder. Global poverty increases.

I mean you can just imagine, I mentioned Muhammed Yunus before and all the work that the Grameen Bank and (BRAC) have done in Bangladesh. But if, indeed, climate change occurs and the earth warms by four degree centigrade, there will be a likely increase rise in sea levels in meters, and much of Bangladesh will just disappear and all the good work that Muhammed Yunus has done will be washed away quite literally.

So, we can't forget climate change as one of the key issues affecting health and development.

It's very important to us. It think that's the best answer that I can give you.

Jacquelline Fuller: OK, great. Operator, we're going to need to take the last question now. Thank you.

Operator: And we'll take our final question from Tom Watson from OnPhilanthropy.com.

Tom Watson: Yes, thank you for taking my question.

Larry Brilliant: Hi, Tom.

Tom Watson: Hi, how are you?

Larry Brilliant: Good.

Tom Watson: When you talk about the core competencies of Google, one of the things clearly that it does incredibly well is to connect hundreds of millions of people to trillions of pieces of information that they can act on. My question sort of on the Google.org initiative is how – you know, is there a way to use that core competency? How do – and how does the general public kind of plug into this, given the rise of social networks and the excitement really among younger people around causes? How do – are there ways for those folks to kind of plug into what you're doing?

Sheryl Sandburg: Yes. We think so; we hope so; we believe so. You know, Google has been founded on – built and grown on our relationship with our users. We provide information to users, you know, hundreds of millions all over the world. But just as importantly, they provide information to us. We learn through working with them on all of our products. The ad side I've worked on for so long. What works for them and how to improve?

These are challenges the world faces. I don't even know if we know in all the ways our users and citizens of the world will interact will interact with these challenges and already are. But I think certainly the power of the Web and the power of applications that connect people is going to be really important in the – in the answer to some of these solutions.

That's part of why we're – we make these announcements publicly before we've made as much progress as we – you know, we expect to make going forward. We're talking about what we're doing early because we want to incite that sight of interest and get the best ideas from all over the world.

Tom Watson: OK.

Jacquelline Fuller: Great. Well, thank you all for joining us today. I'm just going to look back to Larry and Sheryl and see if they want to add any final comments.

Larry Brilliant: We've received a lot of e-mails, and I just wanted to respond to one from our own Health group who asked me to say with regard to the Southeast Asia program that we're doing, we also are responding to their priorities. If the countries in the region ask for an increase in human capacity for basic laboratory capacity, we help provide that. And our grant to (NTI's) Global Health and Security initiative will help train public health workers in epidemiology and bring laboratory training to the region. We think this will help us not only work on early detection, but early response, as well.

Thank you very much and thanks very much for everybody for attending this call. We really appreciate it.

Jacquelline Fuller: OK, well, just to wrap it up, then, I want to thank everyone for joining the call. And just before the call today, we issued a press release, and that's available on Google's Press Center which can be found at www.Google.com/press. And as a reminder, we have more detailed information, as well as links to broadcast quality footage on that site. So, the recording of today's call is available for replay, and that's going to begin at three p.m. Eastern time today through midnight on Thursday. And you can reach the playback by calling 888-203-1112 in the U.S. or 719-457-0820 for calls outside of the U.S. And the confirmation code for replay is 4699562. This concludes our call for today. Thanks again for joining.

Operator: This concludes today's conference. We thank you for your participation. You may now disconnect.

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