Jeff Bezos Bought The Washington Post For One Thing: Distribution

It's not a coincidence that billionaires keep buying newspapers. Warren Buffett has been buying them up for the last year, and last week, Red Sox owner John Henry bought the *Boston Globe*.

Jeff Bezos didn't buy the *Washington Post* yesterday to "re-invest in the infrastructure of our public intelligence," as James Fallows wrote in the *Atlantic*, and he didn't buy it for a propaganda machine.

He did it because he understands something about media the rest of us don't: distribution. Having conquered long-form, evergreen content (also known as books), he's now interested in distribution mechanisms for short-form, timely, and topical content. The fact that many before him have failed to find a workable business model for newspapers, the traditional delivery mechanism for this kind of content, only makes the challenge more interesting.

To understand his motivations, you should take another look at two 2011 Google+ posts by Steve Yegge, a former Amazon and current Google engineer. With no disregard meant toward our staff writer J.J. McCovey, who wrote an excellent profile of Bezos in the latest issue of *Fast Company*, Yegge's hilarious rants are probably the most insightful things ever written about the enigmatic Amazon CEO.

In his second post, a war story about presenting to Bezos, Yegge describes him as hyper-intelligent, constantly thinking years ahead of his executives:

I mean, imagine what it would be like to start off as an incredibly smart person, arguably a first-class genius, and then somehow wind up in a situation where you have a general's view of the industry battlefield for ten years. Not only do you have more time than anyone else, and access to more information than anyone else, you also have

this long-term eagle-eye perspective that only a handful of people in the world enjoy.

In some sense you wouldn't even be human anymore. People like Jeff are better regarded as hyper-intelligent aliens with a tangential interest in human affairs . . .

Trust me folks, I saw this happen time and again, for *years*. Jeff Bezos has all these incredibly intelligent, experienced domain experts surrounding him at huge meetings, and on a daily basis he thinks of shit that they never saw coming. It's a guaranteed facepalm fest.

In the original post, which was intended to be posted internally at Google but accidentally made public by Yegge and later pulled, we learn how Bezos applied this ability to think ahead to Amazon. One day, an edict came down that all engineering teams had to redesign their systems to be service-oriented. If you wanted to use another team's data, you had to use their service interface. No internal-only APIs or database access. The result was Amazon Web Services, now one of its most profitable divisions. We understand why he did it now, of course, but this was 2002, back when Amazon was still just an e-commerce site. Amazon saw that e-commerce companies were quickly becoming infrastructure for smaller online vendors. Yegge says:

You wouldn't really think that an online bookstore needs to be an extensible, programmable platform. Would you?

Well, the first big thing Bezos realized is that the infrastructure they'd built for selling and shipping books and sundry could be transformed an excellent repurposable computing platform. So now they have the Amazon Elastic Compute Cloud, and the Amazon Elastic MapReduce, and the Amazon Relational Database Service, and a whole passel' o' other services browsable at aws.amazon.com. These services host the backends for some pretty successful companies, reddit being my per-

sonal favorite of the bunch.

The other big realization he had was that he can't always build the right thing . . .

I'm not really sure how Bezos came to this realization -- the insight that he can't build one product and have it be right for everyone. But it doesn't matter, because he gets it. There's actually a formal name for this phenomenon. It's called Accessibility, and it's the most important thing in the computing world.

Understanding Bezos in this way begs a tantalizing question: What does he see in the publishing industry? For that matter, what did Warren Buffett see in the several mid-sized daily newspapers he bought into? Bezos also invested in *Business Insider* earlier this year, so this isn't a bet on just one title or brand--it's a bet on the category.

When you look at these as capital investments in the context Yegge offers, you can start to think of the newspaper as a computing infrastructure for distributing information. The *Washington Post* has one of the best APIs of any newspaper; it's a distribution mechanism for short-form content. (Although reportedly the team that developed the API was not sold to Bezos as part of the deal.) Purpose-built distribution networks for different kinds of content are beginning to solidify into infrastructure, just as e-commerce did 10 years ago. And if we've learned anything about Bezos, it's that he loves to own his own infrastructure and leverage it into new kinds of business we can't even imagine right now.

As our writer McCovey says in this month's issue, "Bezos may have proved himself the best CEO in the world at taking the long view." Now that Steve Jobs has departed us, he's vying for the position of most prescient living CEO. Only time will tell what he sees in newspapers, but it would be unwise to think that it's just some good press or social goodwill.

[Image: Flickr user Rosscrawford1]