

Class of 2000

CNET Networks pokes fun at, takes shots at, strips the bark from, and, ultimately, honors the Class of 2000.

Let's hoist a glass and toast the hale and hearty survivors who make up the Class of 2000. In the past we've honored the winners, the innovators, and the not so fortunate as they broke new ground. But not this year. Although we still pay homage to this year's class valedictorian, overachiever, and philanthropist, this Y2K-compliant yearbook uncovers the rabble-rousers, revolutionaries, and reactionaries who set the tone and direction for this year and, quite possibly, for the decade to come.

And what a year of challenges these innocents online faced. It was a year that started out as *Who Wants to be a Millionaire?* but quickly devolved to a lifesaving scramble for funding as many high-tech companies hoped to play *Survivor*. Of course, all hands were not lost as lots of lawyers cashed in, especially at the Department of Justice in their triumph against Microsoft, for the RIAA against MP3.com and Napster, and those tireless attorneys who worked on the AOL/Time Warner merger. For those who weren't aware, lawyers charge by the hour; they have little need for stock options.

The year 2000 arrived harmlessly enough, like a Bengal tiger that had been unceremoniously drugged and debugged. The famed and previously hyped-to-death Y2K bug didn't show, and the greatest show on earth this year turned out to be the brilliant flameout of the Nasdaq. In the blink of an eye, the stock market went from giddyup to gone, taking with it the hopes and dreams of hundreds of dot-coms clinging to fat IPOs while waiting in the wings to turn sow's ears into silk purses.

What Y2K did deliver on was the rich cult of personalities. Some were uncharacteristically silent, such as Sun's Scott McNealy, who toned down his anti-Microsoft rhetoric and became, so he claims, humble. Some got richer, especially Oracle's Larry Ellison, who nearly matched arch-nemesis Bill Gates as the world's richest human. Some were chastened with doses of reality, such as last year's darling, Jeff Bezos, when an analyst issued a negative report on Amazon, saying the emperor of e-tailing was in deep weeds.

There was a rash of CEO comings and goings, mostly goings, including Bill Gates, Corel's Michael Cowpland, Excite's George Bell, Marimba's Kim Polese, and CNET's own Halsey Minor. Steve Jobs was resurrected as chairman of Apple in January, only to see shares of Apple crucified in September when sales and earnings shrank.

The new century stumbled on with paradigms of near-biblical proportions: Love Bugs rained down and closed businesses, Microsoft was ordered cleaved in two, human organs and other oddities were up for auction on eBay, and peer-to-peer distribution threatened to crash not the walls of Jericho, but the very foundations of music and movie companies worldwide.

Still, the B2B, B2C, P2P, e-commerce, v-commerce, 1-GHz, new-economy, wireless, portable, high-bandwidth, underdog Class of 2000 labored on in hopes of becoming the

next Cisco, Yahoo, Intel, Qualcomm, JDS Uniphase, AOL, Sun, Oracle, or even Microsoft. This yearbook is a testament to their ideas, drive, and most of all, their sense of humor. Please join CNET Networks in honoring the Class of 2000.

Class Valedictorian—Larry Ellison

From hiring a detective agency to snoop through Microsoft's trash, to suing the city of San Jose for the right to land his \$38 million luxury airplane (along with his fighter jet) there anytime he wants, to briefly becoming the world's wealthiest man, Oracle CEO Larry Ellison made quite a name for himself again this year. Truly a millennial Renaissance man, Ellison, now the world's second-wealthiest person, briefly dethroned his arch-nemesis, Bill Gates, for the top spot earlier this year, when Microsoft's stock took a dive and Oracle's went through the roof. Never one to mince words, Ellison's no-holds-barred approach has made Oracle the world's number two software company, threatening to topple Microsoft from the top of the totem pole.

Most Popular—Shawn Fanning

Leave it to a teenage college dropout to set both the entertainment and the Internet industries spinning. To his parents' dismay, the 19-year-old Fanning turned what pundits called a pipe dream into one of the most celebrated and controversial ways to amass a huge music library without spending a dime. Fanning's creation, better known as Napster, drew the battle lines between the multi-billion-dollar recording industry and those espousing musical free love, giving rise to a cult of hardcore disciples and a pop culture phenomenon. Think this guy is having any trouble finding coeds to grab a soda with? Best of all, he's managed to keep himself out of the war of words between Napster and the RIAA, letting his lieutenants bear the brunt of the mudslinging and court appearances.

Class Bully—Lars Ulrich

One of rock and roll's most diminutive poseurs made quite a name for himself outside his usual domain of head-banging, ear-bleeding heavy metal music. Acting as spoiled spokesman for his Metallica brethren, Ulrich engineered the year's most contentious media spectacle. He descended on the Redwood City offices of MP3 renegade Napster clutching the names of several hundred thousand people the band accused of pirating Metallica songs with the help of the company's Web site. Vowing to sue each and every person who infringed on the band's intellectual property, Ulrich's antics succeeded in alienating thousands of devoted Metallica fans and took the band's bad-boy image to a whole new level. Apparently, his Napoleon complex knows no bounds.

Class Clown—Pets.com Puppet

How much is that doggy in the window? About \$27 million; at least, that's how much Pets.com paid to run ads featuring its canine sock puppet mascot last year. Attracting a cult following with its quirky television commercials, this crooning canine made quite a splash by endearing himself to TV audiences around the U.S. with its memorable antics. Unfortunately, Pets.com missed the mark in its effort to build brand recognition as viewers paid scant attention to the company with its name behind the mascot, commonly confusing it with competitors Petopia and Petsmart.com. However, in a marketing strategy shift, Pets.com began selling copies of the sock puppet to the public in June, quickly making it the company's fastest-selling item. Take that, Taco Bell!

Class Overachiever—John Chambers

How do you increase a company's market cap by more than 40 times in five years? Sound impossible? Not if your name is John Chambers, this year's class overachiever. Far from his humble beginnings in West Virginia, Chambers has guided Silicon Valley-based Cisco to unprecedented heights in his five years as CEO. Combining a tenacious work ethic, humility, and the fire-and-brimstone inspirational skills of a Baptist preacher, Chambers has piloted Cisco's ascension to become one of the world's most valuable companies. The company's market cap is more than \$400 billion—it was under \$10 billion when he took the helm—largely because 80 percent of the Internet's worldwide infrastructure is built on Cisco routers and switches. Lending credibility to the idea that "the network has become the computer," Chambers and Cisco have made networking *the* business fueling the Internet revolution.

Most Likely to Succeed—Lawyers

"What do lawyers use as contraceptives? Their personalities." We've all heard the abundance of cruel attorney jokes out there, but judging from this year's glut of high-profile legal sagas, lawyers have had the last laugh. With the frenetic pace of the Internet revolution and all its accompanying drama, these suits have been too busy to chase ambulances. From the Microsoft antitrust suit and the AOL/Time Warner merger to the RIAA vs. Napster and the death knell of so many dot-coms, attorneys have been there at every turn. And don't think they're going away anytime soon. With virtual Goliaths swallowing upstart Davids on a daily basis and the issues of privacy and intellectual property high on courtroom dockets, not many J.D.s will be sitting around waiting for the phone to ring.

Best Dressed—iMac

Maybe they're not destined for the runways of Paris, but the new line of iMacs released by Apple are certainly en vogue on desktops. iMac's new earthy tones are the height of tech fashion this year, with color schemes that escape the vocabulary of most men. Out went

1999's comparatively pedestrian strawberry, grape, lime, tangerine, and blueberry; in came the more sophisticated indigo, ruby, sage, and snow. Although manufacturers weren't tickled pink when confronted with the challenge of negotiating the color clash between new and old, fashion editors raved. Maybe 2001 will bring us aubergine, celadon, turquoise, and moss.

Class Philanthropist—Melinda Gates

What do you do when your husband has more money than most countries? You share the wealth—well, at least some of it. With Mrs. Gates at the helm, the Bill & Melinda Gates Foundation doled out grants to the tune of nearly \$2.5 billion in 1999. She seems to have a soft spot for children, because \$1 billion was earmarked for vaccines for preventable diseases, while another \$1 billion went to education, and more than \$200 million went to reproductive services and children's health. In light of the Gates' contribution of almost \$16 billion to the foundation last year, it seems the Gates' philanthropy ball is just beginning to roll. Maybe Bill's not such a bad guy after all.

Cutest Couple—American Online and Time Warner

In what may be a harbinger of marriages to come, America Online swallowed Time Warner for a whopping \$160 billion in stock to create a \$350 billion corporate monolith. Not bad for a company that was shunned by the digerati for more than a decade. The new-media-buys-old-media blockbuster helped position the newly formed empire to change the online landscape and speed the development of interactive telecommunications, especially in the burgeoning broadband market. Who's on top? The AOL Time Warner merger produced a second cute couple as well: AOL grand pooh-bah Steve Case and Time Warner chieftain Gerald Levin, a marriage that should keep paparazzi flashbulbs illuminated for years to come.

Class Gossip—DoubleClick (Privacy Scandal)

How would you feel if someone eavesdropped on you and told everyone what he'd found out? You'd probably be as ticked off as those who filed suit against online advertising facilitator DoubleClick for committing the Internet Age equivalent. Using data-gathering digital tags, or cookies, DoubleClick aggregated information on consumers' online surfing and shopping habits and threatened to tie it to an offline database. Consumer and privacy groups cried foul, and DoubleClick quickly found itself submerged in hot water with the feds and several state governments. After a sound pummeling from lawmakers and the press, DoubleClick backed off (for now). Remember, gossip hounds, loose lips sink ships.

Most Promiscuous—I Love You Virus

Okay, who didn't think they had a secret admirer when this insidious email landed in their in-box? Cynics often equate love with getting screwed, and if that's the case, this love bug screwed companies around the globe. The brainchild of a Philippine computer programming student, the omnipresent "I Love You" virus wreaked havoc on Microsoft Outlook systems the world over by paralyzing them with potentially data-destroying agents. Experts called it the most expensive computer virus of all time, with damage estimates in the billions. The nefarious Love Bug served as a wake-up call to Net police and a boon to computer and data security firms.

Teacher's Pet—Sony Aibo

A pet you don't have to worry about feeding, cleaning up after, or taking for walks? Well, for \$2,500 maybe you could teach it to wash your car, too. Or maybe you could program your pet. Aibo, Sony's foray into virtual life, is a robotic version of man's best friend that responds to external stimuli and communicates with its owner. The traditional family dog isn't destined for the pet cemetery anytime soon, because Aibo has its limitations: it isn't developed enough to play fetch, for instance. And the price tag will probably preclude packs of teeth-gritting Aibos from marauding around your neighborhood—only a couple thousand were sold in the U.S. However, with the advent of robotic canines, you have to wonder how far off programmable gardeners or maids are...preferably ones who can clean up after the pooch.

One to Watch—Transmeta

The best-kept secret in the tech world for nearly five years, Transmeta is looking to take a big bite out of Intel's slice of the chip market. Vowing to go head-to-head with both Intel and AMD, the company unleashed its "fuel efficient" Crusoe chips that require far less power than Pentiums, enabling laptops and portable Internet devices to run all day without a recharge. Transmeta went through early growing pains as customers didn't exactly line up at the door, but funding from companies such as AOL, Compaq, and Gateway gave the nascent chipmaker a stamp of approval that should help assuage concerns. Recently, several major computer manufacturers have signed deals with Transmeta, setting the stage for what could be a slugfest for market share with the big boys.

PTA Award—The Sims

Imagine being God, Satan, and an urban planner all rolled into one. Welcome to The Sims, a sequel to the archetypal SimCity, where the imagination runs wild as players create simulated neighborhoods. Virtue and vice are on a collision course as you choose between Pleasantville and the Twilight Zone. Think of the hours of fun you and your kids can have creating strange bedfellows, such as the Brady Bunch living next door to the Simpsons, or

Ozzie and Harriet Nelson cozying up to the Addams Family. Any scenario is possible. Kind, gentle, G-rated Fourth of July barbecues complete with horseshoes and watermelon, or egg-throwing, pool-hopping hellions terrorizing your community while the local swingers host an X-rated hot tub blowout. These make-believe parents are appealing to kids and PTAs alike.

Talk of the Town—Peer-to-Peer Distribution

Adding fuel to the "we are the world" community the Internet has spawned, digital music and the peer-to-peer (P2P) method through which it's distributed have everyone talking in 2000. Proving that our parents succeeded in teaching us to be good sharers, music file swapping is all the rage amongst teenagers, college students, and crusty grown-ups alike. P2P is threatening to change how movies, DVDs, and even software programs are distributed, a notion that's rocking the foundations of ivory towers everywhere. This is a revolution, baby! Power to the people! Word to the corporate bourgeoisie: might as well give them cake, because Internet freeloaders will settle for nothing less than having their cake and eating it, too.

Most Predictable—Dot-Com (Nasdaq) Crash

It was just a matter of time before the cyberbubble burst. Businesses with dubious business models were getting multi-million-dollar allowances from their deep-pocketed investors. Companies losing millions of dollars a year were trading on the open market for more than a hundred dollars a share. Call it counterintuitive or a ticking time bomb, but this gravy train was destined to derail sooner or later. And in the spring of this year, the inevitable became reality. Darwinism reared its ugly head everywhere from Silicon Valley to Silicon Alley to the Nasdaq, and scores of dot-coms were ripped to shreds in the new-economy version of survival of the fittest. Those that didn't go belly-up got a big dose of reality, as scores of employees drew pink slips and stocks plummeted below pre-IPO levels. Meanwhile, pundits from coast to coast wondered out loud if the dot-com revolution had just gone up in smoke. Stay tuned.

Biggest Bust—Y2K Bug

The doomsayers predicted that as soon as 1999 rolled over into the year 2000, the world as we know it would be in peril. Computers around the world, programmed to assume the year in dates began with 19, would be baffled. Because much of the world's infrastructure relies on computers seamlessly operating from one day and one year to the next, a media frenzy fed off the fear that the world's computer networks would come to a grinding halt. Survivalists stocked up on supplies in anticipation of the apocalypse. Lo and behold, the clock ticked 12 on January 1, 2000, and much to the disappointment (or relief) of those who bought into the hype, there were no blackouts, no air disasters, no government shutdowns, no anarchy...and the party continued uninterrupted. Kudos to the programmers.