

The Long Facebook Week (and the week-end too!): here's a summary of news, hints and thoughts about this event [part II]

Following my [previous post](#), here are more news and thoughts about Facebook (and Mark's life as well) and social network present and (near) future.



What happened about all the other Social Networks?

Other social media companies, most of which have gone public in the last year, saw their shares plummet when it became clear what kind of reception Facebook was getting in the public market. Shares of game-maker **Zynga Inc.** and reviews site **Yelp Inc.** both hit all-time lows.

The stock market will now begin assigning a dollar value to Facebook based primarily on its financial performance. If Facebook can continue to increase its revenue and profit at the rate it has the past few years, the stock should rise. Google reported strong earnings after it became a public company, and its stock price more than tripled the first year, from \$85 to \$280.

Facebook's stock price will also depend somewhat on broad economic forces, as well as the whims of investors.

Few of the Internet companies to go public recently have been profitable. But Facebook had net income of \$205 million in the first three months of 2012, on revenue of \$1.06 billion. In 2011, it earned \$1 billion on revenue of \$3.7 billion, up from earnings of \$606 million and revenue of \$2 billion a year earlier.

That's a far cry from 2007, when it posted a net loss of \$138 million and had revenue of \$153 million.

The company makes most of its money from advertising. It also takes a cut from the money people spend on virtual items in Facebook games such as **FarmVille**.

About **Zynga**, specifically, here's what **TechCrunch** reported:

The App Center is Facebook's response to the big dog, Zynga, who recently launched their own social game portal on Zynga.com. While Zynga.com is Facebook-friendly for now, the threat of independence hangs heavy in the air. 15% of Facebook's Q1 revenues were tied to Zynga games. It doesn't take a genius to see that the App Center is hedging and diversifying.

Facebook's IPO almost certainly will enrich other up-and-coming entrepreneurs as Zuckerberg uses the company's cash and stock to buy other startups in an effort to bring in other talented engineers and promising technology. That's what Google has been doing for years. Since it went public in 2004, Google has spent \$10.2 billion buying nearly 200 other

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companies. Those figures don't include Google's pending \$12.5 billion acquisition of cellphone maker Motorola Mobility Holdings Inc., which is still awaiting regulatory approval in China.

Zuckerberg's biggest deal so far came when he agreed to buy Instagram, a maker of a popular mobile app for photos, for \$1 billion in April. Because most of the deal is being paid for in stock, Instagram is already getting richer. Based on Facebook's current share price, Instagram is in line to receive about \$1.2 billion.

Facebook acquires (more) Karma

Facebook [acquired mobile commerce startup Karma, which makes apps for gifting friends and family](#).

The terms of the deal are undisclosed but 16 employees of the startup will be joining Facebook. The purchase will help Facebook build up monetization prowess on mobile platforms — an area it's admittedly weak in. The price was not disclosed.

With the deal, Facebook gets two extremely experienced leaders in building and monetizing mobile apps. Karma's chief executive Lee Linden and its co-founder Ben Lewis were behind Tapjoy, a company that became a huge force in distributing and making money from mobile games. Both he and Lewis were product managers at Google and Microsoft. Linden and Lewis have known each other since they were kids and have been building companies together for a couple years.

This acquisition makes sense for a couple of reasons. Facebook needs all the help it can get in making its mobile platform produce revenue. Linden and Lewis built Tapjoy into what became a \$100 million annual runrate business for app distribution and monetization. Now they've turned their attention toward mobile commerce. Facebook hasn't figured out how to make money from mobile apps quite yet. It's starting to show sponsored stories in the mobile news feed, but it doesn't have that many opportunities to make payments revenue from third-party mobile developers because it's blocked from taking a revenue share on iOS. Android offers some possibilities but it's quite complicated to build a rival app ecosystem like Amazon has done over the past few years with the Kindle.

Mark & Priscilla marriage: "Like" just married!

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Not happy with enough overexposure, **Mark married long-time girlfriend Priscilla Chan** - the Facebook-way: just as any two simple guy-girl couple get married.



Priscilla Chan and Zuckerberg live together in the modest house in Palo Alto where they were married on Saturday.

The couple met as undergraduates at Harvard University in 2004. Zuckerberg, now 28, dropped out of college to work on Facebook, while Chan, a pediatrician, stayed to earn her undergraduate degree in 2007.

Chan's work led to Facebook created an organ donation page. The pair recently travelled to China.

Of course, Mark updated his Facebook status as **Married** and posted a very simple, yet nice, photos of him and Priscilla.

They got nearly one million Like, the Facebook equivalent of **Congratulations** (mine too!!)

[Via [TechCrunch](#), [Hollywood Reporter](#), [Yahoo News](#), [and more](#)]