

November 10, 2006

STREET SCENE

## The Dress Code Is Relaxed, but the Courting Is Intense

By [ANDREW ROSS SORKIN](#)

Dozens of the world's biggest media moguls and investment bankers, dressed in perfectly pressed suits, mingled in the lobby of the Pierre Hotel in Manhattan yesterday at the annual FourSquare conference.

And then there was Mark Zuckerberg, the 22-year-old chief executive of the social networking site Facebook, wearing Adidas flip-flops — sans socks — with a blazer and jeans.

Welcome to Web 2.0, Wall Street style.

The FourSquare conference has become the East Coast incarnation of Allen & Company's annual summer gathering in Sun Valley, Idaho, which has been the hatching place for all kinds of major and minor deals.

And if Chad Hurley, the chief executive of YouTube, was the belle of the ball at Sun Valley this summer, then Mr. Zuckerberg was the "it" boy of FourSquare.

Mr. Hurley was also in attendance yesterday, still basking in the glow of his company's sale to [Google](#) for \$1.65 billion — and also wearing a blazer and jeans, though he had shoes on.

YouTube's sale may be only a month old, but Wall Street had already appeared to move on to the next big deal with all eyes on Mr. Zuckerberg, who has been in on-and-off negotiations with [Yahoo](#). At the conference yesterday, Mr. Zuckerberg could be seen standing amid a throng of high-powered would-be suitors. Analysts have estimated that Facebook could have a value of as much as \$1 billion.

Mr. Zuckerberg demurred when asked whether he would sell to Yahoo. (Terry S. Semel, Yahoo's chief executive, was also in attendance, though he was not seen talking to Mr. Zuckerberg.)

Many speakers and attendees at the conference, including [Barry Diller](#) of [IAC/InterActiveCorp](#), Shari E. Redstone of National Amusements, David J. Stern of the National Basketball Association, Martin Sorell of [WPP](#) and Harvey Weinstein of the Weinstein Company, among others,

attended a dinner the night before, where much of the conversation was about the YouTube deal and its astronomical price tag. Several people questioned whether Internet valuations had once again gotten out of control.

“We’ve seen how this movie ends,” said one executive at a traditional media company who nonetheless was still looking at a bevy of new media acquisitions. “But we all believe we can change the ending.”

Among the companies being whispered about as takeover targets were sites with user-generated content like Digg and del.icio.us and other video sites like Brightcove.

The two-day FourSquare conference, now in its fifth year, has become a hot spot for executives to see and be seen and also attracts much of Wall Street’s banker elite. The conference is run by the Quadrangle Group, a private equity firm that specializes in media and technology. The firm was founded in 2000 by Steven Rattner, Peter R. Ezersky and Joshua L Steiner.

Much of the conference also focused on how user-generated content was upsetting the traditional media model and whether it was a fad or here to stay.

During a luncheon panel, Howard Stringer, chief of [Sony](#), joked that in 10 years, “I will be on my MySpace page entirely alone.”

Jerry Seinfeld, the comedian, lamented the quality of the comedy on user-generated YouTube clips. “It’s terrible,” he said. Mr. Stringer retorted, “It’s funny to them.”

The discussion turned to how the erosion of the economics of television had forced networks like NBC to decide to show only lower-budget reality and game show fare during part of evening prime time.

“I think of the entertainment industry and Detroit similarly,” Mr. Seinfeld said as he dressed down the television executives in the room for not being bolder in their programming. “They don’t have confidence in their instincts. Maybe they don’t have instincts to be confident in?”

For all the technological shifts going on in media, Mr. Stringer described an article from Time magazine in 1960 that lamented the dearth of new programming on television. “Nothing changes,” he said.