

The tech industry needs to reckon with the dark side of advertising, WordPress CEO Matt Mullenweg says

On this episode of **Recode Decode**, Mullenweg calls for a “Time Well Spent”-style movement for ads and data privacy.

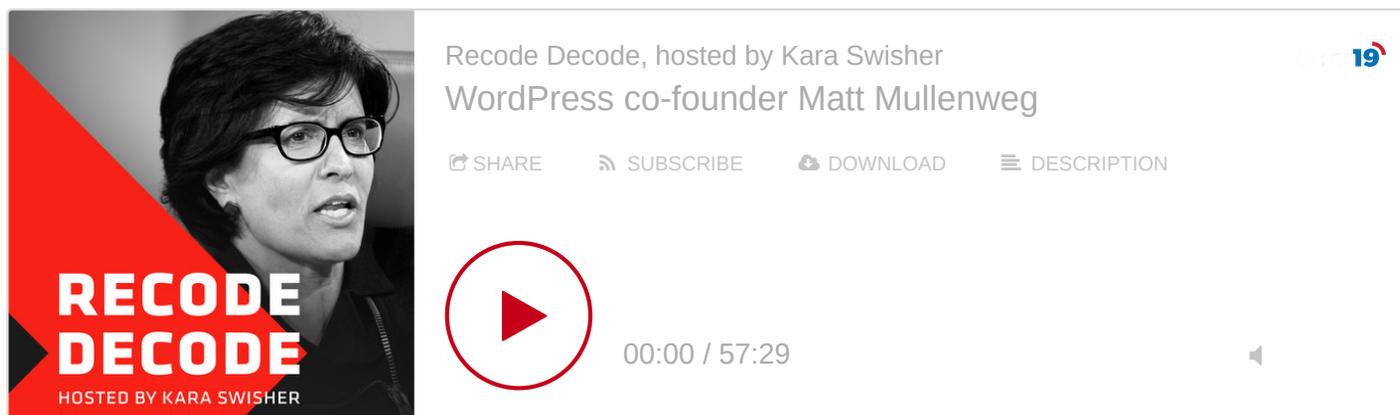
By [Eric Johnson](#) | [@HeyHeyES](#) | Aug 2, 2018, 1:42pm EDT



Brian Ach / Getty Images for TechCrunch

On this episode of **Recode Decode**, Matt Mullenweg, the co-founder of WordPress, talks with **Recode's** Kara Swisher about how the blogging platform has evolved in the 13 years since it launched, powering a huge number of websites that included AllThingsD and an earlier version of Recode.net. Mullenweg also talks about WordPress' recent acquisition of a mobile journalism startup, the Atavist; how he manages 750 employees without an official corporate

office; and why “every tech company should have an editorial team.” Plus: Why it’s time for a “Time Well Spent”-style movement for ads and data privacy.



You can listen to **Recode Decode** on [Apple Podcasts](#), [Spotify](#), [Pocket Casts](#), [Overcast](#) or wherever you listen to podcasts. Below, we’ve shared a lightly edited transcript of Kara’s full conversation with Mullenweg.



Kara Swisher: In the red chair today is Matt Mullenweg, the co-founder of WordPress. It’s been 15 years since it began. WordPress now powers nearly a third of the websites on the internet. Matt’s company Automattic has 740 employees but no physical office, still. It’s also the owner of Longreads and just acquired another media startup, the Atavist. And I know him ... how long have we known ...? Forever. And AllThingsD was on WordPress forever, and so was Recode.

Matt Mullenweg: It was one of the first-ever VIP sites in the world.

Yeah, yeah exactly. It was. And so we’re gonna talk about that, and actually we’ll talk about a little snafu that just happened with it.

But first, we have so much news. You have a lot of things going on. But let’s give people who don’t know, you were one of the people on the podcast a couple years ago when we were early to the podcast game. Why don’t we talk and just update people. Explain what WordPress is, where you guys are

now as a company, and then I want to get into these purchases you just made and some other ... we have many topics.

A lot to catch up on.

And you're a very thoughtful person, so it's gonna be lovely.

WordPress started as an open source blogging system that myself and some other folks were contributing to, and really started to have some early adoption by people who thought that the web needed something that really ... the web standards, we had our early tagline, "Code Is Poetry," so we attracted a lot of developers. And it evolved from being just a blogging system to being a CMS. That was around the time that AllThingsD got on it.

Right.

Where you could really power robust sites on it.

That's 2007, I think. Somewhere around there. About 10 years ago, yeah.

Yeah, so very early. It was only four years old.

Yeah.

And over time, it really became much more of a platform and kind of like a web operating system.

Right, right.

So, much like any open source natural monopoly, it started to pick up tons of market share. Now powers 31 percent of the top websites and is actually accelerating. So even though we are 15 years old and larger than ever, the growth is picking up.

Yeah. Now, one of the things that you did ... there were a lot of sites like yours in the beginning and I remember looking at all of them and I'm blanking on every single name.

Six Apart, Movable Type, TypePad.

Six Apart, yes, right. Exactly.

Blogger.

And a lot of people thought that business would sort of go away, in a weird way. And a lot of them did go away. Give me an idea of how you guys shifted in focus, because I think a lot of those either got bought up or then ... I don't know what happened to all of them. You can tell me. You probably know.

There were some fundamental technology and architectural bets that I think enabled us to win. Fundamentally, we bet on Moore's Law. So our biggest competitor at the time that had a probably 90 percent market share was Movable Type.

Right.

And they would ... in technical terms, pre-generate the pages. Like, make static files.

Right, I remember that.

Which is very fast to serve but then slow and got slower the more posts you had. Like, the longer you ran your site.

Right.

So we kind of bet on page appraisal and rich MySQL databases, and then that servers were going to get faster and faster, so doing it dynamically, while a little bit slower to serve each page, would allow so much more flexibility. And it would get so fast within a couple of generations that ...

That it wouldn't matter.

... it wouldn't matter.

Right.

So everyone can run things fully dynamically now. It just ... it's fine.

Right. And when you say that 31 percent of the top ... explain who that is. How people come to you now. 'Cause there's lots of different services with WordPress, at this point.

Yeah. Again, WordPress ...

Dot com, it's just ...

A good analogy is actually Android.

Okay.

So Google has their Pixel phone, we have Wordpress.com. So you can get WordPress from us and we run it for you and we run it very well.

It's a big ... it's a ... just put it up kind of thing.

Yeah. Twenty, 30 billion pages per month.

Lot of features.

We run it on a very large scale. It's basically bulletproof because we now have I'd say 25 points of presence all over the world. So we can ... very very quick, very very speedy.

You can also get WordPress from GoDaddy, Amazon, Bluehost, all sorts of other web hosts there. It generally accounts for half or more of all of their customers, running WordPress.

And they offer it to them as a service.

They offer it and then ideally the best ones also contribute back. So when a new WordPress release comes out, a core open source release, it'll often have 350 contributors, of which maybe only 10 percent are Automattic — Automatticians, or Automattic employees. And it'll be translated into 50 languages on day one. So again, that's kind of the ... I could probably only name 45 of those languages.

Right, right right right.

Much less speak them. That's the benefit of open source, though, when you get that kind of communities going. I just came from WordCamp Europe. It was in Belgrade this year.

Oh, wow.

Two thousand people. A huge audience of folks who are really, really passionate. And they work on WordPress not just because it's their job, but they love it.

Right. Okay. And then you have a VIP server. Is that most of the big ones or what's the ... how does that work?

VIP's doing really well.

I'm acting like I'm dumb. I do know how it works, I just want to ...

VIP is kind of an enterprise WordPress. It's small for us. It's only about 10 percent of Automattic's business. But it has some new customers, including like, actually one of the largest new ones is Facebook. All of the websites that aren't Facebook.com are on the VIP servers. And back in the day we were very proud to host AllThingsD and Recode. And it's basically where if you were running enterprise WordPress, like you wanted something that just absolutely never is gonna go down and you have a lot of support, they'll audit the code, they'll do all those sorts of things. You can pay a lot of money for it.

Right. Why does Facebook do it? Explain "all the sites that aren't Facebook." They can't make that themselves?

Well of course they can. They're the best technology companies of the generation. VIP is also extremely secure. So if you're gonna put something on the web, you want it to be sort of like super ultra secure. WordPress has signed off ... WordPress on VIP has been signed off by all the security teams, all these different companies. And so it's very very easy for them to spin up new sites. And maybe it's like an internet.org or a Chan-Zuckerberg Institute or like a ... their press

release site, newsroom.fb.com, all that stuff. So it's just easy for people to spin things up, versus going through IT, getting developers, everything like that.

A lot of the customers ... traditionally, we're known for media, so it does still tie into the media sites. But like, FiveThirtyEight on election day, it gets crazy traffic and it works perfectly fine 'cause we're running it. But a lot of the new adopters of WordPress VIP are more traditional enterprises. I mean, tech companies, even.

Right, they just want to put them up. So what's changed in the period that you've been around? Fifteen years is an enormous amount of time in web terms.

Oh, there's these new smartphone things and they do really well.

Yeah, I've heard about them. Yeah.

JavaScript has really become ...

Yeah, I heard about screens. The small screens. Yeah.

Yeah, everything has changed. What hasn't changed is that people still love to publish. And there's an appetite for original voices. There's an appetite for people to share things — probably more than ever, actually. Literally everything else has changed. Even WordPress itself has changed. We talked about PHP ...

From your perspective, how do you look at the arc of publishing, essentially?

In what regard?

Well, in the regard of how people use the — obviously, in mobile. That's the most important thing, I would imagine. In terms of being able to post mobily, to be able to have ... that seems to be the biggest trend. But maybe not.

Consumption. People are reading more than ever. Which is something that ... I think when phones first came out and screens were small and low resolution, we

thought no one would read longer stuff on it. And now people really do. They read ... I mean, we run Longreads and Atavist which is 15,000-20,000 words per article. These are primarily consumed on mobile. So traffic's actually gone up.

Social networks, which everyone thought would kill blogs, actually increased the traffic to independent sites quite a bit. The thing that's changing right now that I'm really excited about — and I've been working on it for about a year and a half, that's why I have this crazy beard — is we're doing this thing called ...

You have *another* crazy beard. Let's be clear. This is your latest. You've had crazy beards sometimes.

Never beards. I've always worn different hair but never a beard.

Is it? Oh yeah, the Jesus hair, right. Okay. Yeah, you have short hair now and a long beard. Yeah, you look like you live in Brooklyn, but go ahead.

We have this new thing I've been working on for about a year and a half called Gutenberg.

As in Bible?

You know, the inventor of the printing press.

Yeah, I know him. Gutenberg.

For the longest time people would very much write for the web like it was a Word document. In fact a lot of folks would still write things in docs and then email them around and someone else would post them. And the web can create so much richer stuff than that. And actually some Vox properties like The Verge and things like that, like their feature pieces, do a really great job of being something you actually want to visit or be on.

So what Gutenberg does is it takes that kind of richness, where you have like beautiful widescreen photos, videos, interactive elements; or business site things like contact forms, menus, maps, and makes it so, without any code, you can kind of drag and drop and move things around. Assemble a post kind of like Lego

blocks. And it's a lot of fun. And we're doing it in a way that brings a lot ... it's Backups compatible with tens or hundreds or billions of posts and pages that have been created with WordPress already. And brings along our 50,000 plugins and themes.

So it actually takes ... WordPress has evolved, has lots of different concepts of widgets and short codes and all these different things. We're able to flatten it all into these blocks and they have a much better interface, too.

So people will do more with things and create more interactive experiences.

You can do stuff you really used to need an engineer or a coder before, or to know HTML. You can now do it just with this very, like, drag-and-drop interface. And of course it works great on mobile.

Right. Now what are the features people have changed over the time period?

That is the biggest one that's coming. It's definitely one of the biggest changes to WordPress I'd say in the past 10 years.

That's now work.

Yeah.

Yeah. That is video, that is graphics and what?

It allows you to bring all that in.

Right, right.

Other changes that are big ... one thing that, we'll see where it goes, but are you familiar with Google's accelerated mobile pages?

Mm-hmm.

Google AMP?

Mm-hmm.

It gets a bad rep 'cause Google kind of ...

Yeah, it does.

They botched the rollout a little bit, but the underlying tech is open source and it's actually quite good because, for you as an independent publisher to have a future, we need you to load just as fast as something that's embedded in an app. And Facebook's done the bait and switch. They're like the ...

Yes, Instant Articles.

Was it Lucy that would always pull the football away?

Yeah, yeah yeah yeah.

So many times that people were like, "We need an independent alternative." And I think AMP could be that.

Because? Explain that for publishers. Because it's a really ... it's something I hear them griping about all the time between Facebook and Google 'cause you have to sort of have presence there and at the same time, it's sort of a Faustian deal with the devil kind of thing.

Well, the cool thing about AMP is that it is an open standard, so it's supported by search engines and other apps besides Google, including Twitter, Bing. I think Twitter is a huge one. So all the social networks can support it. It basically takes HTML, which is this wild thing, and says, "Here's a subset that we can make really really fast."

Right.

Actually I think some of the biggest improvements in AMP are some very strict guidelines around advertising. That's part of the reason all publisher sites are so slow, is they load like five megabytes of JavaScript and like 70 different scripts and everything.

Right.

The actual site now, especially if they're using WordPress, can be basically instant. They would load in sub 50-100 milliseconds. All the ads really slow things down. So it actually constrains that as well. So it's sort of a set of constraints that allow webpages to load basically instantly, especially with a pre-rendering.

Right. Which is what you want to do when people are looking for things.

There was a study back in the day where Amazon would slow it down 100 milliseconds and they'd sell 10 percent less stuff, or like Yahoo or Google experiments would slow down pages. The faster things are, the more people use them.

Right.

And the truth is, what's gonna happen, is if you ... if I see two articles talking about the same thing, I'm gonna click on the AMP one 'cause I know it'll load instantly where the other one could be spinning for five, 10, 20 seconds.

Right, which is just an eternity for most people. It is now, it absolutely is.

On your phone, it is.

It is, 100 percent. Now when you think about publishing and on the web when you think about publishers — one of the things that's so nice about WordPress is you've sort of been a friend to publishers. But publishers do not feel that friendly with a lot of the internet companies. Where do you think that relationship is? 'Cause it goes back and forth and back and forth. First they embrace, say, Facebook or Google and then they pull away 'cause they feel used by them or they don't get the results they want or the money or anything else.

I think publishers ... well, historically, publishers have been the greatest aggregators in the world and have terrific economics because of that.

Sure.

And that's now changed. The aggregators are now the search engines, the social networks. And so it always felt like publishers, especially large ones, would clash with these social networks and advertising firms 'cause they have fundamentally the same business model. Like, intermediating access to an audience. We've never run into it because we've never been an advertising company.

Right, right.

So, we want to make the best tools in the world. And we want to do it for decades to come. I've been doing WordPress for 15 years. I want to do it the rest of my life.

Wow. Okay. We're gonna talk about that.

I can sit across the table from you and say, "Hey, use WordPress. It's not gonna go away where those other CMSs come and go so many times." And by the way, if you say no now, I can wait 10 years.

You'll have a better server.

You know, Vox has its own thing now. I would bet \$100,000 that within the next 10 years you'll switch to WordPress again, because it's just like ... no one writes their own mobile phone operating system now. You're just gonna use Android. Like things like that. There's just so much more you can do on top of an existing platform, versus reinventing the wheel yourself.

Right. Which a lot of publishers and technology people like to do.

Yeah. Well, we'll just wait out that CTO and catch you next time.

He's really good. Trei's pretty good.

Trei's actually awesome.

Trei's awesome. And he's from Austin.

Texas.

Texas.

I love Texans.

That's right. Yeah, I know you do.

We need to hang out.

You do.

You introduced us, but I think we did not connect.

I can't keep introducing you! I can't ... it's like a man date or something. Like a tech date or whatever. A geek date. He's wonderful.

So when you think about where publishing is going then, with this disconnect in power essentially, is what has happened. How do you look at it long term for publishers? Because I think they really do seem as worried as I've ever seen them.

So there's a disconnect and distribution mechanism, which is very, very true. But I think that you do have ... there can be another wave. Not certain it'll happen, but where ... Payments are so much lower friction than they've ever been and people are developing habits around certain sites and some that are really tailoring their content to both be fast and kind of move you between things in a consistent format. Quartz was very innovative here, a WordPress site. I'll say a non-WordPress one, Axios has done, I think, a really good job. And things like newsletters are actually making a huge comeback.

They are.

So there's this whole kind of like, "what's old is new again." It's not that what's old is new again. It's that the behaviors that it was built on were actually really fundamentally good ones. It's nice to be able to hear the same voice talking about the latest in tech on a consistent basis and you develop a relationship with that voice, with the Kara Swisher take on things.

Nobody develops that as a practice. It's the Stockholm Syndrome.

The beauty is that you don't need to be intermediated by so many layers as the amount of tech and money and everything needed for you to reach an audience of millions gets lower every year.

Yeah, yeah. So when you think about that, I mean, look, give me the example: What does Quartz do and Axios do? What do they do that creates that?

So something Quartz had incredible innovation on was, one, they made it incredibly fast. They issued traditional advertising. So, they did a sponsored post model. And then they created this, where the site essentially would infinite load post to post. A lot of people are copying this now, including TechCrunch. So you could just keep scrolling a very natural way, almost like flipping through a magazine.

You don't come to a bottom, right.

Yeah. That's really compelling.

Why is that? Tell me why.

It's not hard to do.

Why is that?

It's the same reason that you eat more when there's a buffet. When there is a ... there actually is an amazing experiment by a food researcher that I really like. And they have this test kitchen, test restaurant. And they hooked, to track how much more people would eat, they hooked little tubes to the bottom of these soup bowls. And so as you were eating the soup or drinking ... spooning the soup, you would ... it would kind of refill it. And it turns out people consumed like 80 percent more. A lot of that research is actually driven by the U.S. military because the Army needs to get people to consume, sometimes 5,000-6,000 calories a day, that are deployed in Afghanistan or Iraq or something.

So they use soup bowls with tubes? All right.

And the amazing funny end of it is like, the experiment was going great, it was going so well till this one patron lifted his bowl like a Viking to his mouth and that the tube started squirting soup everywhere. People started screaming 'cause I guess it was like a tomato soup and so ... I think it's Brian ...

But no one noticed the soup wasn't ending? That it was a neverending bowl? Oh my gosh.

The book's called "Mindless Eating." It's a really good one. I want to say the guy's named Brian Wansink.

Oh man.

It's fascinating human psychology because humans ...

Absolutely. People are stupid. I've already gotten that one. I've learned that.

We're not stupid.

Oh come on.

We're just ... We have a lot of different parts of our brain.

Oh please. Don't talk to me today. Today they're stupid. So they do that loading, what did Axios do that you thought was cool?

Axios ... I would actually defer to you here because I feel like they really innovated on the editorial format.

Yeah.

What would you say?

I like a lot of it. I think it'll eventually get tired.

It's nice because it's bite-sized.

It is.

They do the infinite scroll. They do all that sort of stuff that's kind of best technology.

I think it works in certain topic areas but it depends on the person doing it. I think that's the problem.

That's true.

It's always the problem.

I'll contrast it to another site I like.

I think it's something nutritionally deficient. But not everybody.

Perhaps.

Not everybody. So I want more and I ... there's not enough soup.

There's an awesome WordPress site called the Intercept. It's got Glenn Greenwald and everything. Amazing journalism. But when I load one of those, I'm like, "Oh this is gonna be long."

Right. Yeah.

And I kind of want maybe like the more bite-sized version of it.

Yes, I see that. I see that. I think about that a lot. I think about ... you do but you don't, kind of thing. It's like eating an empty calorie kind of thing. But not all of it is, that's the thing. Depends on the person.

I would say that the format's ...

Format's interesting.

You know, they had to fill a certain number of inches on the newspaper, you *would* pad things. It's why a lot of business books could be really great HBR articles but they stretch them out in the books.

Yes.

I think we have some of that in news as well.

Absolutely. But then there's ... I have a concept. Yes, I agree with you on some level but it's ... yes, I do. Yes, I do.

And again, I defer to you in this.

I think I like part of it, so it's a more complicated discussion because I like part of it and I don't like part of it. You know what I mean? Like, I see the problem in it. And I do think ... When you have any formula, like a TV show or ... you know, there's been TV shows people love and then ... or Pokémon Go, they love it and then they don't. Like, it feels a little formulaic and so that's a lot ... some of these new concepts feel, not just Axios, but a lot of others, feel a little formulaic and I think people, like you said, when something is a good idea, like newsletters, it just is a good idea. You know what I mean? Like it works really well.

But how long, for example, has the Wall Street Journal had that side rail that has the bullet points?

Oh, they changed that? That was not that long, they had something there before. They had long stories there before and they changed the long stories out.

I feel like the kind of idea, they already know. Just a lot of bullet points.

They did, they did it when I was there. They changed it. And they used to ...

At least a decade.

Yes, yes.

You know?

They had a long story there and then they got rid of that. I don't know, it's interesting. I think people surprise you on what — Longreads.

I agree.

I like Longreads on Twitter, every week they have one of those ... I like Moments a lot. I don't know why I like that so much, but I do. I don't know if it's working or not but it's working for Kara Swisher. The Moments thing.

Cool. I'm glad to hear it. No, we love people writing and consuming long-form stuff.

Innovating in the way I'm trying to think of how I consume it.

How long have we known each other? Long long time. Long long. Like 10 ...?

Yeah, more like 13 years now.

Thirteen years. Yeah, yeah exactly. Which is another ... it's a very long time in the internet world. So you just recently, you bought Longreads and then you bought Atavist. Explain those two companies and also, why did you do this? Why are you acquiring media itself? You're a servicer of media, in a way.

Yeah, y'all for sale?

No. Not today. Well, I don't know, I don't own it. I'm a shareholder though. I'm a large shareholder.

We've always tried to support people doing innovative things that support the web that we wanna see. So Longreads was a good early example of that.

Explain what Longreads is, for those who don't know.

Sure! Longreads started just as a Twitter hashtag, right? Of people highlighting some really great longform writing, happening anywhere on the web. And it has evolved. As part of Automattic we've been able to give it a lot more resources,

where they're actually commissioning and writing a lot more content, in fact being nominated for a National Magazine Award last year.

Right.

So it now is having a very strong editorial voice and providing a place for writers on becoming writers, readers, everything to engage with this type of content.

Is that like Medium to you? Or competitor to Medium or ...

Medium's a bunch of different things, right?

It has been about seven or 10. But go ahead.

Yeah. I would say it's more our support of great literature, great writing, great longform journalism.

Why is that important though? Just because you like it?

I think it's important for the world.

It's like, "I like ginkgo trees so I'm going to plant them"? What?

There's a little bit of that. You know, some companies sponsor golf tournaments. We support editorial.

Right. But why is it good for WordPress? You just think it's in your mission or ...

Wow. You know, think about ... How did you become a writer?

I don't remember. I'm really awful.

It wasn't that long ago.

It *was* that long ago. I started writing for the school newspaper ... the college newspaper.

Mm-hmm — you were probably a reader before you were a writer.

Yeah, absolutely. But not a lot to say.

And that's the path a lot of people take.

Yeah.

That's how I started blogging, is I was reading great blogs at the time: Kottke, Dave Winer, Anil Dash, and that inspired me.

Remember Suck?

What's that?

Suck?

I vaguely ...

So good.

That was a little before my time. Those great writers made me wanna write. So, if we can bring great writing into the world and support those creatives, which they're having some trouble now, too, so provide a sustainable business model that isn't reliant on advertising, that supports great creative voices and allows them to do things that maybe they couldn't at other publications, yeah, we'll absolutely do that.

The business model for Longreads is ...

Subscriptions.

Subscriptions, yeah.

So people can become a member of Longreads and we actually multiply that subscription, so every dollar you put into Longreads, we I think triple it, and that 100 percent goes to writers.

Right. Okay. And so you did that. And so how many people read that on a weekly basis or how do you have that?

I don't know, off the top of my head.

All right. Okay. And then Atavist. What was the thinking on that? Explain what it is, for people that don't know.

Sure. Atavist is an interesting beast. So there is an Atavist magazine which publishes one thing per month — longer, like tens of thousands of words sometimes, and narrative. So typically really really interesting stories. So complementary to Longreads, but also a bit different. They also created a platform so they had their own CMS, like many people do. But we found the CMS very very interesting. They have some great publications like California Sunday Magazine on it, a lot of great literature-type folks, and they've built in some features, including some membership-type stuff that we were like, "Wow! This is really cool!" It's hard to get people to adopt a non-WordPress CMS, especially in 2018. But we said, "Well, if we could take some of this functionality, plug it into WordPress, we could make it reach a much much wider audience and perhaps create some really interesting business there.

Right. And what attracted you to that particular ... because there's a lot of magazines like this, correct?

They had the platform.

Right.

As well as the magazine. I'll tell you, the magazine is something that will continue to go, and it's very complementary to Longreads, but really it was the platform that brought us to the table.

So are you combining them? Or are they running separately?

Combining Atavist platform and WordPress?

Mm-hmm — no, with Longreads. I mean, how do you look at that?

Because Atavist has a very distinct format — once a month, super long — that'll continue as its own magazine. But it'll share resources. Editors, fact-checkers, etc.,

with Longreads.

Right. And how many people are now ... I guess now you're a publisher. Well, you are a publisher, but not of your own stuff.

When you get nominated for a National Magazine Award you feel like one ...

How do you ... listen, Jeff Bezos going to the Oscars or whatever.

No, we definitely want to push that. Atavist actually has done a lot better there — I think nine nominations for NMAs — so we wanna create world-class content. And it's a little-known fact, but IMAX had an editorial team now for the better part of a decade. You know, so many companies put so much into their code and so much into the pixels and the design, and we wanted to create a group of folks who thought just as much about crafting the words.

Right. And there's often a disconnect between the word people and the engineers. I've often ... I was just with someone running a big site and still was complaining about it, the issues of ... and someone who is on the geek side talking about that. And it was really interesting. Separate conversations, but it was a similar disconnect in terms of product people understanding journalism, or media content, and media people understanding products and what products they actually needed.

I think every tech company should have an editorial team, actually.

Well, me, too.

And you know, just the feedback they can give, both to our public, everything that we do publicly, but also just like copy on interfaces, or things like that. It's great to have them involved in every step of the process.

Do they have to be technical, do you think? How do you bridge that gap?

No, they tend to be technical because we're that company, so folks who are generally a little bit more tech-forward ... to work at Automattic, you need to be.

But what they bring is really that love and craft of the written word. Something that is a craft and skill that develops over many, many years.

Right. Now when you're talking about "everyone should have an editorial," people talk about that in places like Facebook and Google. Now Google has Google News Lab where they're doing experiments in all kinds of things, like really interesting stuff, and they're funding it, but it's largely an effort to assuage publishing ... they actually do more stuff, they do some really cool stuff under Richard Gingras and others there. There's all kinds of experiments going on there. And I'm always surprised by how thoughtful a lot of them are. Facebook, same thing, trying all kinds of things. I'm not as impressed with their editorial efforts over the *many* years, and it's changed and changed and changed again and I've largely come to the conclusion they don't care.

Mm-hmm.

Or they don't understand or something's wrong ... I don't quite understand what's wrong with them. I don't think it's malevolent. It's ... I can't tell what's going on. So talk about that and those kind of companies having ... when you say everybody should have ... you would think they would have a robust editorial point of view. Yahoo certainly did.

You're talking kind of about two things. One is like support of publishing and news and everything like that.

Which is important-

Which is a business model thing, I would say, as much as anything else.

Yeah they've gotta do that because they need the stuff on the ...

And why I think the company should have an editorial team is to bring that care to the written word, and the voice and everything, that you do to your design, to your code, to the performance, everything else that you have dedicated people to ... It seems like just a huge [missed opportunity] that most teams don't have that.

Right.

Our love of publishers, you know, you kinda went back to it, we actually just hired Kinsey Wilson who was at NPR, head of digital at New York Times, grew their subscriptions quite a bit. He's now running WordPress.com and Jetpack for us. So we just have both deep connections throughout the whole company to this space, and I would say it's kinda deep in our heart. We really love it. So we'll continue doing it as long as we're around to do it. It's not like a short-term business thing.

Right. And why don't you think they do it? Because those companies seem to push away from the idea of it and wanna make everything ... Mark's answers are all about algorithmic answers about figuring things out around news. It's obviously a very loaded topic.

You know, it's hard to deconstruct why companies do or don't do something, especially super-companies like that.

All right, reflect on the fake news thing, that they just didn't recognize it, they didn't do anything about it fast enough and now they're ... they're almost ... they're saying they're doing something about it but it feels like not nearly enough effort has gone into it.

What I will say is that getting this to be something the company really cares about has to come from the very very top. So if I were a news publisher I would be very excited that Sundar is a rabid news reader.

Yes he is. At Google. This is the CEO at Google. Sundar Pichai.

Yeah. So that makes me think that Google is actually gonna do some really awesome stuff around newspapers in coming years. And perhaps companies who don't do as well with it don't have that same passion.

Are you saying, do they have to? When you have like a crisis like you did with fake news or Russians just ... people ... they always use the word "hacking" but they used tools that were available. They weren't hacking anything. They were using essentially what was existing. How did you look

at all that as it was rolling out? Because you have a platform, you have to be careful of people misusing it.

We do. And people do publish things on WordPress and some are untrue and things like that.

Well I didn't see a lot of testimony about your ... Russians being all over the WordPress platform, but maybe that's me.

They use WordPress, or course, but it doesn't matter if there's no distribution. People have published false things and fake things forever. What changed was the super-platforms providing a ton of distribution for it. So it was on the equivalent, if you went back 50 years, it was on the equivalent of the front page and reaching millions and millions of folks. I think that's the difference. So regardless of whether those fake news sites used WordPress or not, the fact that doesn't matter if no one sees them is why ...

You're just not big enough for them! They just went to ... where the bank is, where the money is. But what do you do about something like that, in this era? Do you think a lot about this concept of putting out false information?

Definitely. And so another reason is, we've always had a robust terms of service team, you know, being something that people publish kind of everything on. We had to develop that very early on. So we're big supporters of free speech, and WordPress is open source so even if we don't like you, you can run it someplace else on your own host. But for things that we host and run and provide our kind of company backing to, implicitly through hosting it, we do avoid hate speech, we, you know ... egregiously fake or harmful things, we're pretty good at getting off the system.

Right, but do you think the companies need to move more aggressively into that? We had Daniel Ek from Spotify [at Code]. They went very far one way and then they pulled back rather dramatically.

That's an interesting and different issue. So the sort of moral standing of musicians and whether their music should get distribution I think is almost a

different issue than, are you providing distribution for malevolent content or things that are knowingly trying to mislead people?

All right, let's do the first one. Because what do you do then? If you were running Facebook, what would you have done? Now, when I asked this of Tim Cook he said I wouldn't have been in this situation in the first place.

The first one meaning the music one?

The first one, the Facebook one. This platform was used by malevolent players, in the way it was designed to be used essentially. What do you do then? What would you have done in that situation?

One thing they're doing which would also be on my list is a transparency around the ads so you'll be able to see every ad, who ran it, who paid for it, and you can see an archive of them. The fact that we ... I mean, it was their business model. If I'm a business advertiser I don't want everyone else seeing it, so the product had been kinda designed to have these dark ads, the hyper targeting. It was in hindsight perhaps obvious, but at the time obviously, to some very smart people, it wasn't clear how that could be abused so strongly.

Mm-hmm. And why is that? Why do you think that is?

That, I would say, is more intrinsic to the advertising business model. Facebook got a lot of heat for it, but I would say any sort of ad ... I mean I could hyper-target ads on y'all's sites, if I used the right distribution, the right ad provider, everything like that. We're just at the tip of how this is being abused. Is the ... do you know about ads being used to distribute malware? Some of the things that have come out around state-sponsored hackers. One of the things they'll do is ...

"Hacktors?"

Hackers. Sorry.

No, I like "hacktors," though, but go ahead. State actors.

Hacking actors. Yeah, let's coin that!

Bad actors. Hacktors. I like it.

... is they would actually ... like let's say I wanted to target someone who reads your site. I would buy advertising, looks like normal ads, and then use that to distribute malware.

Mm-hmm. And so who's responsible for this? Do you think there's been a reckoning? People talk about this concept of reckoning in this area. Do you think what Facebook's doing by starting the transparency is enough? Or are these platforms too enormous to control? That's sort of the obvious question.

It's playing out interesting with this privacy thing going on in California right now.

Right right. Explain.

There is a ballot initiative that's gonna have very strong privacy protections for California residents to be able to ask, "Is the company selling your data, sharing your data?" And then you can ask them to stop. And so the company would have to disclose that. Great ... actually great legislation. Feels like something that could have come out of Europe, which I say as a compliment.

Aligned against it are all the tech companies, the ones you would hear and think of. If it does go to ballot initiative, because California ballot, the direct democracy thing, it's very difficult to change once it happens. And so they're saying that if it becomes a ballot thing for the November election, there could be \$100 million-plus spent against this. And it kinda got on this because of a random real estate developer who spent \$3 million to getting it on the ballot. So they're gonna attack him, they're gonna smear him, they're gonna do like all of this sort of crazy stuff. And I would love if we could just kinda reverse that and say, hey, much like there's been a change around "time well spent" where technology was distracting us a lot, probably just making our lives worse, now all the operating systems are building in systems to help ... what's the guy's name? He's so good.

Afterwords ... oh, Tristan Harris.

Tristan Harris, yeah. It really caused an industry change. I think we need that around privacy data ownership and advertising business models.

Right, except the train has left the station on that one. Like with this ballot initiative, with people in Europe, the pressure, they didn't do anything about it before.

Has the train left the station? I don't know. I would say the GDPR is actually huge tech company-friendly legislation that penalizes smaller players.

Yeah, that's what most people think.

And that's partially because, you know, the big people lobbied and heavily influenced it.

Right, and they can handle it. So what's really interesting about that is the idea of how much consumers care. Because I was at a big tech company and they were like, "Consumers don't really care about any of this." Do you think they do on these topics?

You know, I'm a lifelong open source advocate, so I'm very familiar with things that I feel like are moral imperatives that the whole world needs to get on that are difficult to get the general public to worry about. So I would say it doesn't matter if they care or not.

Yeah. I would agree.

If you have a position of power, in any regard, it's a responsibility to try to do the best thing for the world.

Right.

And so, regardless if whether the public is gonna poll around a certain issue, you know in your heart of hearts, you really know, we can convince ourselves — by the way, it's easiest to fool yourself, especially if you're making money from it. You can convince yourself it's not. But at some point something will wake you up to it

and maybe it's a two thousand ... what was the year ... whatever the election just happened.

16?

2016 election, sorry, but at some point you'll wake up and it behooves you to correct it as soon as possible.

One would assume. When you talk about this ethical quandary and the way people have thought about, when you find yourself in a situation, do you feel like the mood has changed in Silicon Valley? You've been around a long time. You've always been pretty ethically sound compared to most people.

I would say the mood has changed *outside* of Silicon Valley too.

Yes, so talk about both those things.

My home base is Houston, Texas.

Right. You do live there?

Yeah. And so that's nice to be connected to a part of the country that a lot of my peers ...

Beto! Are you helping Beto?

Yeah of course.

Look at that thing that happened in Queens is sort of an interesting situation.

I missed that, you'll have to tell me after.

This woman beat a guy who was gonna possibly become speaker of the House, he's been in office for like ...

Oh yeah, I did see that!

She's like 28 years old. No one ever wrote about her ... like the New York Times hardly wrote about her and she's fantastic. Just won. Just like that.

That's awesome!

It was interesting. She's very far ... progressive, I'd say ... I was gonna say far left but she's pretty far to the left. Anyway, it's interesting. It's interesting what's happening with Beto, obviously, in Texas. So you've lived there, go ahead. So you've been seeing the rest of the country change, how so?

I think that particularly, so the post-election 2016, people have woken up to the dark side that tech can have on our lives. And people also just live it every day, when like they find themselves at dinner with their loved ones and being distracted, or being interrupted, or just how the incentives of particularly the social networks and advertising platforms is not necessarily aligned with what they want in their life.

Right. Their incentive to have you stare at the phone or to use it excessively, and not as a utility.

Sure, and then they start duking it out with each other, right?

Right.

Because there is ... I love Reed Hastings. I remember once he had this funny quote. He was like, "Our biggest competitor is sleep." And also like when you start to look at, like, there's a finite amount of hours in the day, and you're trying to capture as many of them as possible. We're kind of caught in the crossfire there.

Mm-hmm. Because?

Because Netflix is competing with sleep, and YouTube, and everyone else that's trying to capture your attention.

Right, absolutely.

I tend to prefer the more subscription based models there.

Because you go and pull.

Or models where you pay. Also, I feel like it aligns with the intentionality of what people are trying to bring to the table.

Yeah, that you wanted to do it.

We've all experienced it where you open something, maybe Twitter, I know you love Twitter.

I do. It's a disease.

And you just find 20 minutes have passed. You're like, "What just happened? I just lost some time."

Right. I don't even think about that anymore.

And Twitter just gained a ton of impressions that they can sell to advertisers.

Right. So how do you solve that problem, with Silicon Valley, and understanding it? Because it's within their financial interests to continue the constant nature of it. You know, the vampire screen, that you never leave it?

Mm-hmm.

And it is enjoyable.

I think we talked a little bit about it earlier. That around things like memberships, around more direct relationships between people creating things, and people consuming things. You have an opportunity for potentially huge and disruptive business models, without even needing any blockchain magic to create other really compelling businesses.

"Blockchain magic." It's a ... "hacktors" and "blockchain magic," go ahead. Right, right, which has to be done. So when you think about that responsibility, do you think that ... you said people outside are getting in. Do

you think people in Silicon Valley ... now you don't live here, but you know everybody here. Do you think that they understand what's happening?

The people outside or inside?

Inside.

Oh, yes, I think so, as well. If anything, I compare to other industries, finance, entertainment.

Oh sure.

I would say that tech is very, very self-aware, extremely intelligent. Our biggest weakness is ... I say this about Google, it's like, "Smart people can convince themselves of anything," can rationalize anything. So that's where we've messed up. And I'll put myself in this as well. Our biggest strength is I think it's an industry filled with incredibly thoughtful folks, a lot of long-term thinkers, like *really* long-term thinkers that think in terms of 10, 20 years out.

Mars, yeah.

And a lot of power in the hands of the proletariat in this case, which is the engineers and designers at the company. I think it's very, very interesting to start to see like these little internal revolts around ...

Yeah, like at Microsoft over ...

... around, yeah, immigration stuff, at Google around drone, military contracting for the facial recognition, like different things, really starting to come to a head. And I find that incredibly fascinating.

Where does that go? Because these are not top-down cultures, you're absolutely right. They're not fascist ... like, it's not hierarchical.

Not at all. It probably doesn't surprise you, I'm an optimist. So even the companies I feel like have made huge mistakes thus far, some of the ones we've

named, I'm actually highly optimistic about them adapting and moving to the direction that's more beneficial for them and society over the next five years.

Mm-hmm. Should tech people have a ... do they have to ... because one of the ... I was talking to one the other day, and they're like, "Look, we have a responsibility to the product. Do we have to have a social statement on every product?" And then you'd contrast to say with Brian Chesky where he'd say, "Yeah I do, I don't care if the Trump administration hates me. This is important to our company and our mission." And he's like, "I can't pick every topic." But you certainly can pick the ones that are near and dear to our hearts, immigration in their case.

I think that one of the dangers in today's political environment is kind of outrage fatigue.

Well, they're pretty outrageous.

And there's multiple scandals per day. It's a reality show. So I think what is really important for our tech companies and everyone is also take a step back. To not hop on every single bandwagon of every single issue, and say like, "Are there more fundamental issues?" Perhaps around enfranchisement, perhaps around getting people to the vote, perhaps around funding elections, that are kind of the issue underneath everything going on with ...

Right, because it doesn't really matter.

... immigration and gay rights and everything else.

Mm-hmm. And that's where you would focus? Or where you ...

That's where I *do* try to focus, yeah.

Mm-hmm. And what do you imagine ... at the same time, there's companies that do want people to stand up on, say, an immigration issue, or ... immigration is one of the bigger ones for Silicon Valley, obviously, but gay

rights is another one. You know, encryption popped its head up, that's going to happen again at some point.

What is it Silicon Valley has to do to get people thinking ... you know, you have Amazon, which looks like a behemoth coming everywhere, and obviously Trump's attacking Amazon. How does tech cope with this? Not one group of people, but it is, in a weird way.

You know, I think tech just has to realize that we've grown up and we're now a huge percentage of the top 10 most valuable companies in the world. And these companies are wildly, wildly profitable. So first is accumulating another 10 billion in offshore cash, like what are ways to reinvest that back into the community? And so, we made ... a little bit talked about Google's putting what, 300 million in?

Yeah.

Back in the newspapers, and it feels like they're paying penance or feel guilty. I would say that we all should feel a little bit of guilty, and try to ...

Oh I think Facebook should fund every local newspaper in the country.

Right? So there's ...

Yeah, why not? Why not?

There's versions of that that I think would be really, really valuable for the companies and for society. And it's not just greenwashing or something like that where you're just doing it for a PR point of view.

I don't care if it's greenwashing.

It's actually really fundamentally aligning the companies with their long-term plans, and it became one of the reasons I'm optimistic, is tech companies tend to have leaders that are around for a long time.

Mm-hmm. Their founders.

Contrast that with media, not the things where people change every couple of years.

Change every, yeah, that's because it's an older industry.

So I feel like we've been kind of harsh on Facebook in this thing. But under Mark Zuckerberg's leadership, which I expect to last more than a decade, and like over the next 10 to 20 years, I would bet more on that than one of these companies changing management and leads every couple years.

Yeah, so 100 percent, no, I want him to evolve, you know that, I want Mark to be a better man. Do you know that country song, A Better Man?

Ah, no, I don't know it. I should.

Yeah, he needs to be a better man.

I'm losing my Texas cred.

Yeah, you really are! So I want to finish up talking about, you have a new board member, and one of the issues has been diversity, that's the other one. I'm going to harp on all these issues when we continue to ... explain who you've just added, and talk about why it's been so hard to create a diverse environment. I think it's good, but you may have a different opinion.

Ah, well, you know, one of the unique things about Automattic is we're 100 percent distributed, we alluded to it, so we have 750 people across — I want to say like 64 countries?

So no offices?

No, negligible.

You did have someone here, right? You had a nice place here.

We had a nice building on Hawthorne Street. Yeah, you did some events there.

Yeah, do you still have it?

Shut it down.

Oh you did? Why? It was so pretty.

You know, traffic got really bad in the Bay Area, and so even people who lived in this area stopped wanting to go into that office. Working from home is really awesome, if you like it. We still ... we have some desks in a WeWork here, so we downgraded.

Often in the U.S., we have a very U.S.-centric discussion around diversity. So we're saying, okay, and we're actually, with the EEOC, anything that required reports or demographic data, what is the percentage of Asians, Latinos, you know, different things in the company? We've tracked these percentages and we publish the numbers. But fundamentally, what the companies would like, when Google talks about this is, they're moving people to Mountain View. So they're kind of constraining to people who are going to go into a Google office, or be at the Google campus, one of their offices around the world.

How we approach that is actually saying, "Well, let's actually have someone that's not just from Mexico, but actually lives and works and wakes up every day in Mexico. And what kind of viewpoint do they bring to our project development and the teams?" So it's all the benefits of diversity — which are innumerable — you can get from people really across cultures and geographies. And I truly do believe this is the future of work and the future of all companies.

That people are distributed everywhere.

Yeah. Especially with talents.

Right, why have an office?

If you believe, as I do, people are equally intelligent and talented all over the world.

Yes, I do.

Of course, there's seven and a half billion people. There's just been a difference in opportunities. You know, you have a bunch of companies, the Googles, the Facebook world, catfish in the same small pond, which is the Bay Area. And there's a whole ocean of talent out there that distributed companies are taking advantage of. And it's not just us. But companies like InVision is coming up on 800 people, Elastic is about to IPO and they're totally distributed.

Elastic, yes.

And so these companies are saying, "Wait, there's smart people all over the world, let's not try to move them to one place and let's get them together."

What's the downside of that, besides not having to go in the ... I mean, would you create a company culture? Is that important?

Culture is still really strong. Because what happens, we think of Google as really earning more than one floor of a building, like you need to ... you figure out ways to do that. The downside is that in person is really powerful. Like you and I are sitting across from each other right now. So, we try to get people together a few times a year. Because we do think that's really important for human bond. It is something built into our operating system, that getting together is important. But the other 48 weeks of the year, work wherever you can, wherever you want.

Right. And you're going to continue to do that.

Yeah. So one area that we weren't very reflective of, this was our board. So Automatic —

You had a man board.

Yeah. The board has been identical since the day we started. So we've dropped one person, so it was a four-person board, including me.

Four person, it was from a ... it was you, who was it?

Two people named Tony.

Yeah, Tony, yeah.

Toni with an I, Tony with a Y. It was kind of the original folks who started with the founding of the company 13, 14 years ago. And we haven't added anyone to it since. So we are just now, board meeting is actually in two days, adding the first new board member in that whole time. It's an amazing, amazing woman. I was studying distributed companies. Because I'm actually going to work on a book on this.

Oh, that's cool.

And reading about different distributed organizations. There's actually a ton of distributed organizations. And one of them I came across was the military.

Yeah, they are.

And so I started really reading ton of books on the military.

They do have some offices though.

Nah. And then ...

They've got this Pentagon thing that's kind of big.

They do have some offices, but ...

It's real big.

... their effectiveness is often in a distributed manner. And then I started to look, well, wow, these things are really won and lost on logistics. So I started reading a ton about logistics. And I came across this amazing woman, now retired, General Ann Dunwoody. She was the U.S. military's first-ever four-star general, female four-star general. And when she retired, her command was 68,000 people, yearly budget of \$60 billion across 150 countries.

So she knows how to run some things.

So basically the supply, the logistics for every other branch of the military. And so it was like ... so at first, I read her book. She has a book called the "The Higher Standard," which talks about her journey, and she's 14, raised in West Point, joining the army at the time when there was a separate women's corps, and like moving up, literally through the ranks. And I was like, "I got to meet this woman." So we finally met, I flew out to Florida, and she is now ... she's agreed and has now joined in the Automattic board.

How did you convince her? I bet nobody in tech went to see her, and that's a perfect person.

This is her first tech company board. She's on ...

Yeah, but the way everything in life comes down to logistics, in case you're interested.

She's on some other public company boards, but this is her first tech. And it was really ... I think about going out there and having that in-person rapport. You know, we both had some similar backgrounds, both raised Catholic. And I think that one of the things that really resonated her with Automattic is, in the military, people don't do it for the pay. They really need to believe in something larger.

Mm-hmm. They do.

That they're fighting for something back home, accounts to their freedom, there's a mission. And as she started to learn more about Automattic, you know, the mission around open source, and democratizing publishing and commerce, and all the things that are really key to us, the things that I'm going to work on the rest of my life, and the folks I'm lucky to work with want to as well ... That started to resonate with her at a level. And even just being in procurement and logistics, understanding the benefit open source can have on technology and our society, started to resonate with that. And that was how the conversations kicked off.

Wow, and then she's just joining?

Yeah. She's joined, and so we're announcing it imminently.

Wow, now you get two down.

This is actually the first time I'm talking about it publicly.

Well good. Well, two would be great.

Oh yeah.

Three, four.

Oh I am. So, anyone listening, I am actively talking to and meeting with lots of amazing candidates.

Yeah, you can dump a Tony. One of them. Dump a Tony, you can't have more Tony's on the board, Tony men, than you have women.

They spell it differently.

I don't care.

I know, I know. No, like I 100 percent agree with you so, we've restructured the board, kind of resetting it a bit. And I would love to bring folks, particularly folks with experience at the scale that we're going, you know, multi-billion dollar revenue, thousands of people. And then the Tonys can still be around the table, they can be observers.

Tony, they're dead. No, I'm kidding, no I'm teasing.

No, no, no, no.

This is a particular Tony I'm talking ...

We love our Tonys.

Yeah, okay, sure you do. Anyway, Matt, this is really fascinating. Last question: If you had a ... I ask a lot of people this. If there's something you would do differently, what would you ... you know, some mistake you've

made, or something you did really well, either one. It doesn't have to be a negative.

You know, especially early on ... well, I even up to like the past few years in Automattic's life, I think that, like many tech companies, we try to work everything from first principles and reinvent the wheel a bunch. And also, I didn't really realize, or even think, maybe, that the distributed model would scale, that we could be much bigger. And so particularly, I'd say when we were kind of 50 people to 300 people, to artificially keep the company kind of smaller than it needed to be, so we were getting stretched very thin, and underinvested in things like finance, that were roles that either I didn't fully understand, or didn't appreciate.

And so one of the big changes on the past couple of years is bringing on really experienced and amazing executives: Kinsey Wilson, head of design; John Maeda, Chris Taylor in marketing; like, folks who have done this many times before. Actually, the lead designer at Axios just joined. So, people who have a ton of deep experience. And then building the organization in a way that invest in those other areas, not just engineering, design and support, which are kind of our big three normally. But in those other areas that make the engineering, design and support — and editorial — work even better.

Right, on a ... especially on the distributed model, where you have to be very careful.

Totally. Distributed actually doesn't change a lot. Automattic looks like a normal company. It has an org chart, there's a hierarchy, team leads do one-on-ones. Almost everything is normal. Except, just where you go to work every day is a desk somewhere.

When does that book come out? That's fascinating, right? That's a great idea for a book.

We'll see. So, I'm doing a lot of interviews and writing a lot this year.

Good.

And I'm learning about the publishing process as well.

Yeah, oh man.

I'm writing this because it needs to exist, probably going to open source it.

Oh man, the publishing process, I'll talk to you about it.

But as you know, there's a publishing process that ...

Oy, that's why I haven't written a book in 10 years.

There's a pony in there somewhere.

There's not a pony in publishing. I mean, just a pile of shit. Anyway ...

That was a reference, by the way, to one of Kara's previous books.

... yeah, to my book, yes indeed, "There Must Be a Pony in Here Somewhere."

Old-school deep cut.

Absolutely. Anyway, Matt, thank you so much, it was great talking to you. Thanks for coming on this show. And we'll have you back when that book comes out.



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