

What happened in the lead-up to the Internet Bubble burst of 2001? What went right, what went wrong, and what lessons did we learn? (Part 1 of 3)

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**SHOW NOTES:**

- [Mosaic Web Browser](#) (1993) / Netscape 1994 / IPO 1995
- [Yahoo! Launches](#) (1994) / IPO in 1996
- [Telecommunications Act of 1996](#) (Regional vs. National Carriers)
- [US Taxpayer Relief Act](#) (1997)
- [Y2K Problem](#) (1997-1999)
- Linux created 1991 / Red Hat IPO 1996
- Google founded 1998 / IPO in 2004
- Amazon founded 1994 / IPO in 1997 / AWS launched in 2006
- Windows 95 added native TCP/IP (August 1995)
- Internet Speed (1995-1998) was 24-56kbps
- US Interest Rates (1995-1997) 5.5% to 7%
- [A Brief History of AOL](#)
- [Bill Gates "The Internet Tidal Wave" letter](#) in 1995
- [Matt Taibbi's Review of Goldman Sachs involvement in dotCom bubble](#)
- [US Govt vs Microsoft - AntiTrust](#) (2001)

**Original Tweet:** <https://x.com/forrestbrazeal/status/1719827334834913283?s=20>

"Looking for recommendations: what's the best book ever written about the dotcom bubble? Specifically looking for something that captures the emotions of that time as well as the mechanics"

### **Didn't exist before/during the Internet Bubble:**

- Linux OS
- Open Source Databases, Middleware, AppServers, WebServers
- Widely Used x86 Servers
- Fast Internet (WAN) Access
- Fast Network (LAN) Access
- WiFi
- Native TCP/IP / Native NIC cards
- Native Video Players in the Browser
- Cloud Providers
- Google Search
- Internet Advertising
- Personal Mobile Phones
- Online Payments
- SF being the center of the tech world

### **THE BROWSER, THE NETWORKS, THE CARRIERS AND POSSIBILITIES**

- Information was freely exposed to the Internet (and Intranets)
- It was Digital Transformation 1.0 era - Everything on the Internet
- The New Industrial Revolution
- Lots of focus on new Online Purchasing
- Lots of focus on new Telecommunications services (VoIP, VoD, etc.)
- Lots of focus on new media partnerships

### **EVERYTHING ALWAYS GOES UP, EVERYDAY, RIGHT?**

- Massive network build outs
- Lots of Engineers and MBAs moved out to Silicon Valley
- Every startup built their own data-centers, networks, applications, etc.
- IPOs were happening every week
- Telecom vendors vs. Internet/Networking vendors
- Stock prices going up \$1-2 per day

### **Lessons Learned**

- Infrastructure has to match the ambitions
- Business models always come back to revenues and profitability
- Each wave can create the new big winners (and losers)
- Understand Manias vs. Fundamentals (where in the wave are we?)

- Stupid money eventually finds a bottom

## **FEEDBACK?**

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