In February 2004, Mark Zuckerberg, with the help of Andrew McCollum and Eduardo Saverin, launched a website that would change online social interaction forever. The Facebook started on the campus of Harvard University, where the three friends were students, Zuckerberg being a psychology major of all things. Within 24 hours of going live, The Facebook was a community of 1200 Harvard University students. The Facebook buzz grew on the Harvard campus and within weeks students from Stanford and Yale wanted in. The network was extended and by April 2004, The Facebook was available on all Ivy League servers.

But Zuckerberg needed help to grow his little social networking site that could. He would not stop until The Facebook had been installed on all university campuses in America. In May 2004, only 4 months after The Facebook was born, he dropped out of Harvard and moved to Silicon Valley with McCollum and Dustin Moskovitz. In September 2004, they secured venture capital from PayPal founder Peter Thiel. The $500,000 investment was a start, but Zuckerberg and friends had big plans for The Facebook. Seeing the potential value in The Facebook, Jim Breyer and Accel Partners ponied up $12.7 million to assist Zuckerberg in the expansion of his virtual empire.

Jim Breyer is an interesting character with many high-level connections. He served as chair for the National Venture Capital Association (NVCA) with Gilman Louie, who also happened to be CEO of Q-Tel, a CIA established venture capital firm. Breyer also currently sits on the Board of Directors of Wal-Mart Stores Inc, in the capacity of Lead / Presiding Independent Director, and Chairman of the Strategic Planning and Finance Committee. But wait, it gets better. Breyer also sits on the Board of BBN Technologies along with Anita Jones, who, along with Louie, sat on the Board of Directors of Q-Tel. Previous to entering the private sector, Jones, interestingly enough held the position of Director of Defense Research and Engineering for the U.S. Department of Defense where she was an advisor to the Secretary of Defense and oversaw the Defense Advanced Research Projects Agency (DARPA).

It should be no surprise then, that BBN Technologies has had many research and development contracts with the National Security Agency (NSA) and DARPA. BBN Technologies has been around for a while, since 1948 in fact, if their corporate timeline is to be believed as accurate. In 1969, BBN Technologies launched ARPANET, the first version of the modern day Internet. In 1982, BBN Technologies “won the contract to build and operate the worldwide Defense Data Network for the Department of Defense” and in 1984, they developed the data encryption standards for the NSA, DARPA and the Air Force. Since then, they’ve worked on a number of military and defense projects, as well as educational and voice recognition software, they’ve won awards from NASA and are, generally, the company that provides the technology and support which powers the
Internet. Among other things, they currently offer data mining solutions boasting, “There has never been so much information available so easily.” And with a $13 million investment in the fastest growing Social Networking Site online, they are probably quite right.

So by October 2004, Zuckerberg had the money, the manpower, and the institutional backing to go global. Beta-testing continued on within the American University population for the next year, and in August 2005, The Facebook dropped the “The” and Facebook.com was registered for $200,000. The network opened up, and within months anyone with a valid institutional email address from over 30,000 organizations across the planet were eligible for membership, including high school students, government employees and the corporate community.

In September 2006, Facebook expanded once again. Now anyone with a valid email address could sign up and populate their profile with their stats, and sign-up they did. Even after a bit of bad press with the introduction of the “News Feed” feature, which was labeled intrusive and viewed as a violation of privacy by many of its long-time users, membership continued to grow. In fact, between May 2006 and May 2007 Facebook traffic grew by an astonishing 89%.

Facebook remained a closed network until May 2007, when Zuckerberg announced that Facebook was to become the “social operating system for the Internet.” Up until that time, the Facebook platform was for Facebook alone, but now, users could integrate all of their Internet activities into their single Facebook profile. Developers quickly started to build applications for all the popular sites and users started adding them in an effort to streamline their virtual identities. Flickr, MySpace, iTunes, YouTube, del.ici.ous, and Digg had official apps, and users started creating unofficial apps for these sites as well. Plus there was a whole host of independent developers creating quizzes, games, friend organizers and a variety of profile customization apps like virtual gardens and profile picture sketches. CatBook and DogBook allowed users to create profiles for their pets to network with their friend’s pets, and Human Pets allowed users to become pets themselves for other users.

The next step for Facebook was direct advertising. In August 2007 Facebook announced that it was looking to “translate its popularity into bigger profits” by offering advertisers direct access to their targeted demographic consumers. Indeed, Zuckerberg and Co. were certainly within their right to exploit the popularity of the phenomena, why not? What’s the point of offering the service and collecting all this data if it can’t be used towards lining the company’s shareholders pockets? And if Facebook isn’t a massive Homeland Security Database, as some have speculated, advertising is all they got. As a Wall Street Journal article put it, “While the Web site had roughly 30.6 million visitors in July, the company says it needs to do a better job profiting from its huge user base.”

And through it all, Zuckerberg still plays the role of the dotcom darling, presenting Facebook as a little independent start-up who is holding out against the big corporate
bullies like Viacom and Yahoo, despite its ties to Accel and Silicon Valley’s corporate elite.