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Russia Presents New State-Owned Search Engine Called Sputnik

By Matthew Bodner

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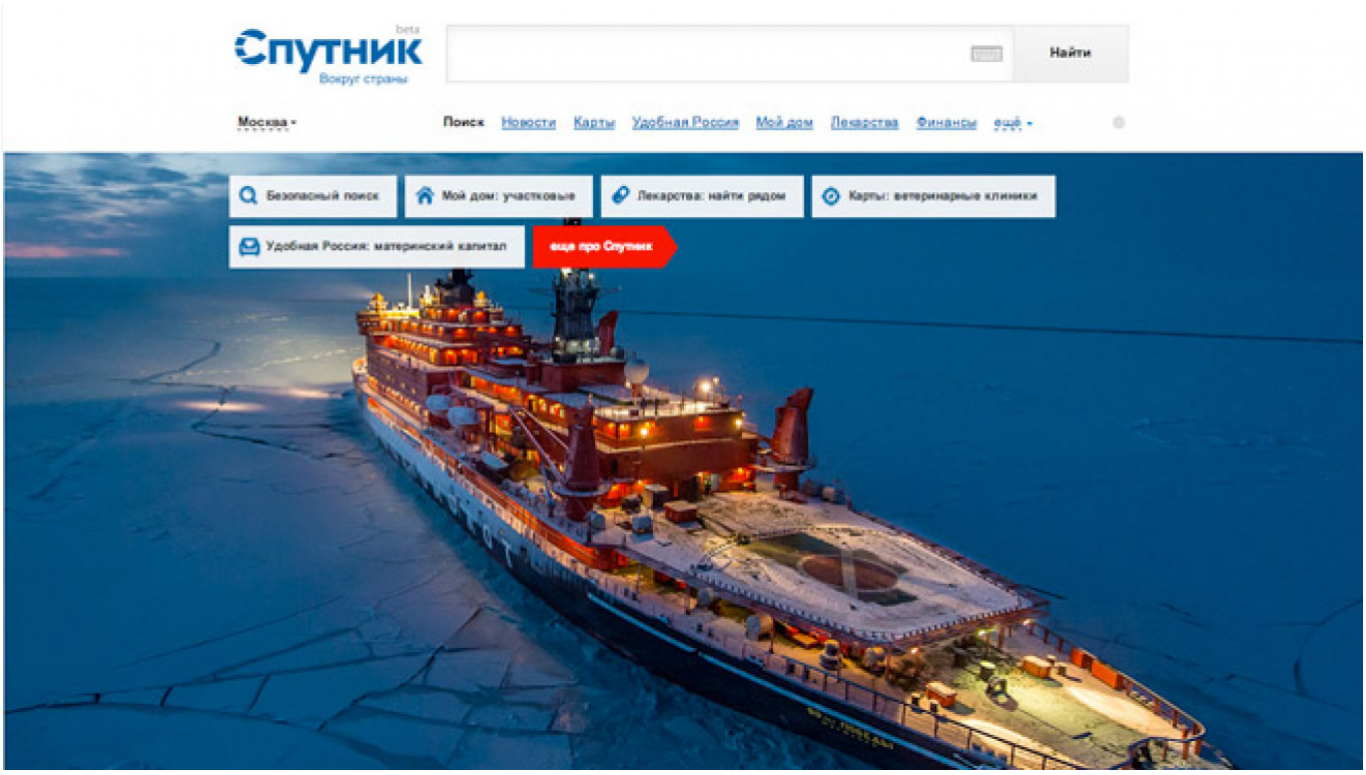

A screenshot shows what users will see when they run a Sputnik search.

Special report for MT

State telecom giant Rostelecom has unveiled the beta version of its new domestic Internet search engine Sputnik, which its creators say is aimed at capturing a share of the Russian market by gearing its search results to local services and everyday needs.

Rostelecom vice president Alexei Basov said Thursday at the St. Petersburg International Economic Forum that the service's competitive edge over the two most popular search engines in Russia — Russia's Yandex and the U.S.' Google, which enjoy 62 and 27.6 percent of the market respectively, according to Livenet.ru — will come from providing new Internet users with access to everyday necessities.

Noting that around 40 percent of the Russian population has never used the Internet or are

not regular users, Basov said Sputnik will tailoring its search algorithms toward helping Russians easily access what he described as "social services," which he characterized as "finding specific drugs in nearby pharmacies or gasoline prices at specific gas stations."

"We are attempting to make Sputnik a niche search engine, and believe that users ... can work with several search engines to solve various problems," Basov said. "Sputnik is oriented toward providing users with social rather than commercial services.

Some industry observers, however, expressed skepticism that Sputnik would be able to compete.

"It has been hard for Google to get a significant share of the search market vs. Yandex," said Adrien Henni, editor-in-chief of East-West Digitan News, an outlet that monitors Russian digital industries. "One may wonder how any newcomer — probably with far fewer technological and marketing means — will compete effectively against the two giants," he told The Moscow Times by e-mail.

One advantage in carving out a niche that Sputnik will have is its status as the default service at state companies and government agencies, which in 2012 the Economic Development Ministry said employed 25.7 percent of the workforce.

Basov has denied reports that state employees will only be able to use Sputnik, and said they would be free to use whatever engine they wanted at work. Sputnik will simply enjoy the status of default search engine on their computers.

Yandex spokeswoman Asya Melkumova told The Moscow Times that competition among search engines on the Russian market "drives the continuous improvement of search quality and brings new products and technologies to the market."

Andrei Soldatov, a in Russian security services who follows the development of Russian Internet policy, said that the Sputnik search engine is indicative of how the government would like the Internet to look: with "national [telecom] operators given the leading role, and a focus on government services."

As to why Russia needs another national search engine when Yandex is already hugely popular on the Russian Internet, Soldatov said that the government's attitude is now that "it is no longer enough to have national companies; instead the companies should have close ties to the state."

Kevin Rothrock, RuNet Echo project editor at Global Voices Online, told The Moscow Times that his understanding of the idea behind Sputnik "is to take state officials' search queries out of outside hands" in light of its status as the default engine in government offices.

"A more cynical explanation is that this is just another government spending project designed to line Rostelecom's pockets," he said.

Henni said that the Sputnik project may conceivably be part of the government's efforts to wrestle control of the Internet.

"In spite of the presence of the Russian state in Yandex's capital via Sberbank's golden share,

Yandex seems to have remained so far a politically independent company ... So one may suppose that, in the Russian government's strategic perspective, it would be better at least to reduce the influence of Yandex and Google on the search market," he said.

"A supposedly stronger state influence via the Rostelecom search engine would provide any benefits to the authorities only in the case this engine succeeds in getting a significant share on the market — which will be far from easy," Henni said.

News that Rostelecom was creating a state-owned search engine hit the media in October last year. At the time it was reported that Rostelecom was looking to poach top Russian talent from Yandex and Google for the project.

In April, President Vladimir Putin described the Internet as a CIA project, and said that Yandex was subject to Western influence when it was founded, calling into question its status as a true Russian search engine.

The government has made increasing efforts to control the Internet since 2012. In April, the State Duma adopted a law requiring social media services to store Russian data on Russian soil for six months, prompting speculation that companies such as Facebook, Google and Skype would eventually come into conflict with the government over data storage policy.

The idea of creating a state-owned search engine in Russia was sparked by the realization that negative reports and unflattering information about Russia's 2008 war with Georgia were featured prominently by popular search engines, State Duma Deputy Ilya Ponomaryov told Vedomosti last month.

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