

Chapter 3

American Multimedia Giants

Learning Objectives

1. Review the top US-based global media leaders.
2. Understand the impact of US multimedia on other core, semiperipheral, and peripheral countries (i.e. tastes, values, markets, culture, and language).
3. Describe the development of the America Online–Time Warner merger.
4. Explain the history of Time Warner Entertainment (TWE).
5. Understand the connection between Cable News Network (CNN) and Time Warner Entertainment (TWE).
6. Describe the impact of Viacom as the second largest communication giant in the world. Focus on MTV and Blockbuster.
7. Understand the impact of News Corporation's media properties in the US and abroad, particularly its international satellite holdings.
8. Review Disney and the culture clash that happened at Disneyland Paris.
9. Outline the broad range of General Electric's (GE) products.
10. Explain the repositioning efforts of AT&T.
11. Explain the impact of STAR TV and how its new commercial model is a direct application of electronic colonialism.

Chapter Outline

Time Warner

TWE history

CNN connection

America Online – AOL

Disney

History

ESPN Inc.

Theme parks: marketing media heroes

Viacom

News Corporation

History

BskyB – UK

StarTV – Asia

DirecTV Group

General Electric

History

Milestones

NBC-Universal

Bravo

CNBC

Dow Jones & Company

Gannett Company

Wal-Mart

Key Terms

Multimedia

Global multimedia

America Online (AOL)

Electronic colonialism theory (ECT)

World-system theory (WST)

Cable News Network (CNN)

News Corporation

Time Warner Entertainment (TWE)

Viacom

Blockbuster Entertainment Corporation

Disney

General Electric (GE)

AT&T

Activities

- Request that students watch CNN for 30 minutes. Students should outline what they viewed. They will share and evaluate what they saw with their classmates.
- By searching the World Wide Web, ask students to research one of America Online's latest technological services. (For example, DSL speed.)
- Searching the World Wide Web, ask students to find and bring to class information about Disney's newest theme park, located in Hong Kong. Discuss the theme park as it relates to the exporting of US cultural values.
- Take-Home Assignment: students should explain their position regarding the exporting of US/Hollywood films to foreign countries. Students must explain in detail.

Test Questions – Chapter 3

Multiple Choice

- 1) Which one of the following is NOT one of the major US media owners that dominate many global media and related markets?
 - a. General Electric
 - b. Time Warner
 - c. Disney
 - d. News Groups*

- 2) Which one of the following is NOT a reason why Hollywood- and New York-based communication corporations do well on a global scale?
 - a. Operate in English
 - b. No government regulations*
 - c. Access to substantial fiscal resources
 - d. Access to the broadest range of acting and writing talent

- 3) Which merger created the largest communication organization in the world?
 - a. AOL and Disney
 - b. AOL and Time Warner*

- c. AOL and Sony Corporation
 - d. CBS and Viacom
- 4) What did Ted Turner employ to enrich all humanity, regardless of politics, national boundaries, and historical feuds?
- a. Goodwill Games*
 - b. a 24-hour history channel
 - c. 500 free online hours
 - d. a baseball team
- 5) Time Warner became the largest media company through a strategic plan involving major mergers. Which company does NOT belong to the Time Warner groups?
- a. AOL
 - b. Turner Broadcasting
 - c. Disney*
 - d. Warner Communications
- 6) What company did Viacom purchase in 2000 that immediately gave them control of more than 35 percent of the US broadcasting market?
- a. ABC
 - b. NBC
 - c. CBS*
 - d. Fox
- 7) What company, which included more than 6,000 video and music stores, did Viacom control until 2000?
- a. Streetside Records
 - b. Hollywood Video
 - c. Sam Goody
 - d. Blockbuster Entertainment*
- 8) The production of _____ was Disney's introduction to the world of animated film and the beginning of the Disney empire.
- a. Flicks
 - b. Laugh-O-Grams*

- c. Snap-Shots
 - d. Viewfinder
- 9) In 2005, Disney opened another major international theme park. In which international city is the theme park?
- a. Frankfurt
 - b. Hong Kong*
 - c. Montreal
 - d. Moscow
- 10) Which television network was the first to broadcast in color, the first to broadcast in stereo, the first to present a made-for-TV movie, and the first to offer an early-morning news program?
- a. Turner Broadcasting
 - b. Fox Network
 - c. CBS
 - d. NBC*
- 11) Which telecommunication company is trying to reposition itself as a major global player in the international communications sector?
- a. AT&T*
 - b. Southwestern Bell
 - c. Verizon
 - d. MCI
- 12) Which international city features the first foreign Disney theme park, opened in 1983?
- a. Paris
 - b. Tokyo*
 - c. London
 - d. Barcelona
- 13) Which international media giant owns MTV and VH1?
- a. Disney
 - b. Time Warner
 - c. News Corporation
 - d. Viacom*

- 14) What is News Corporation's major Asian satellite broadcasting property, acquired in the mid-1990s?
- BskyB
 - PanAmSat
 - STAR TV*
 - CTV
- 15) NBC's first major organizational change came in 1986 with GE's acquisition of what company?
- RCA*
 - C-SPAN
 - Paxson Communications
 - Dow Jones

True/False

- 16) AOL's major internet provider activities include CompuServe and Prodigy. (F – Netscape, not Prodigy.)
- 17) ESPN Inc. is owned and controlled by ABC/Disney. (T)
- 18) Rupert Murdoch still controls all News Corporation properties on a daily basis. (T)
- 19) In terms of revenue, two of the three largest global media empires are American. (F – all three are American – Time Warner, Disney, and Viacom.)
- 20) Ted Turner still holds an important executive position at Time Warner. (F – Turner has resigned.)

Short Answer/Essay

- What are two reasons that corporations in the United States have aggressively expanded into semiperipheral nations?
- List some of Time Warner's major properties.
- What happened when Disney opened a theme park in Paris and trained the personnel with "the Disney Look?"
- How can telecommunication and broadcasting be linked? (*answer*: convergence & digital technology)
- Explain the issues faced by Time Warner during regulatory review of past mergers (and failed ones), such as the AOL merger. Discuss the

reviews by the FTC and FCC, the European Commission review, or both.

- Name at least three properties of Time Warner, three properties of Disney, three properties of News Corporation, and three properties of Viacom.