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The Family Racket: AOL Time Warner, HBO, *The Sopranos*, and the Construction of a Quality Brand

This paper examines HBO's The Sopranos *in the context of several industrial factors. I begin with the series' generic inscription. As a gangster program,* The Sopranos *comes to us in the form of a pedigreed pre-sold product, a television text of esteemed cinematic lineage. This leads to the examination of branding. In order to corral* The Sopranos *into the slogan, "It's Not TV, It's HBO," HBO seeks to differentiate its product from lowest common denominator, broadcast fare. The separation results in the construction of the "quality" brand, a problematic concept academics have linked to demographics. HBO's branding strategy has also intensified the claim of competition between pay cable and broadcast television in popular discourse. This claim is problematized by the ratings gathering methodology of A.C. Nielsen and by AOL Time Warner's tiering strategies. By examining the aforementioned strategies, I uncover the materialist—rather than auteurist—foundations of* The Sopranos.

The Sopranos, HBO's second original dramatic series, debuted in January 1999. HBO placed the gangster series on its schedule at a time when the press had declared broadcast network programming to be in a state of emergency.[1] Negative discourse surrounding television content is nothing new, but the idea that HBO had single-handedly saved television by beating it at its own game was new. Critical exuberance over *The Sopranos* overshadowed that surrounding its predecessor, *Oz*, essentially marking the distinction between the two series as a matter of accessibility. Prison violence is dark and disturbing; mob violence is sexy and presold. In *The Sopranos*, HBO had found a strong link to the cinematic gangster tradition—a generic showcase for violence legitimated by Academy Awards, Hollywood auteurs, and best-selling novels. The best part of the deal was that the broadcast networks had passed on series creator David Chase's pitch. HBO emerged as the savior, rescuing television from itself. The eagerness to play up competition between broadcast and cable through *The Sopranos* does everything to reinforce the methods by which HBO's parent company, AOL Time Warner (along with every other

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conglomerate), obscures its anticompetitive hold on media. *The Sopranos* as gangster television series stands as a significant link between programming strategies and corporate strategies, between winning approval and manufacturing it.

HBO positions *The Sopranos* in the marketplace in such a way that touts creativity, quality, and the auteur. The position that the series occupies in AOL Time Warner is what makes it an intriguing case study in the larger arena of competition. I will begin by exploring the ramifications of the generic inscription of the *The Sopranos*. To engage with the series on a marketing level, I will delve into the ways in which genre, coupled with HBO's distancing from broadcast television (evidenced even in its promotional slogan, "It's not TV. It's HBO.") culminates in a distinguishable brand name and a noticeable schism between pay cable and broadcast television. The carefully cultivated brand, hinging as it does on popular notions of "quality" television, perpetuates the idea of competition between broadcast network and cable television in spite of the evidence to the contrary. Such evidence is located most notably in the illegitimacy of the Nielsen ratings methodology and in the anticompetitive tiering strategies of AOL Time Warner.

Although the crux of this article is based on critical political economy, I will also rely on cinema and television genre study, auteur theory, and television industry history. The mix of disciplines, all leading to very specific ideas about ownership of media, illustrates the irrefutable connections between the textual craft and the commercial landscape. To begin to investigate the materialist rather than auteurist base for my case study, I begin by considering the industry.

Differentiating Pay Cable

Paying for television is nothing new. Subscription television, a service that required an extra fee in exchange for the privilege of viewing otherwise scrambled signals, was originally worked on by the Zenith Radio Corporation in the early 1930s (Gershon 1990, 3). The Federal Communications Commission (FCC), the federal regulatory body that selectively grants broadcast licenses and regulates visual and aural media, reluctantly gave its blessing to the subscription television ventures of the 1950s. Efforts to make subscription television the next best thing met with substantial opposition from theater owners and the three broadcast networks: ABC, NBC, and CBS (Gershon 1990, 8). The broadcasters vehemently argued that pay television would " 'siphon' the quality and availability of free television" (Gershon 1990, 7). Two issues arise from this. The first is the highly publicized nature of the presumed siphoning effect, an issue underscored currently by the success of HBO and by the networks' so-called desperate attempt to lure audiences back (Weinraub 1999, 1E). The second issue is pay cable's history of unrest in relation to broadcast television.

Pay cable developed out of subscription television, and in the late 1950s and early 1960s, three separate efforts were launched to institute pay cable in the United States and Canada (Gershon 1990, 12). All three failed. In spite of these outcomes, the FCC authorized pay cable in 1968. In 1971, Charles D. Nolan, a Time Inc. cable company owner, developed HBO. By 1972, HBO was licensing films and covering major sports events for an extra fee (Wasko 1994, 75). In an effort to keep pay cable from siphoning broadcast network audiences, the FCC prohibited pay cable channels from running films and sports, HBO's bread and butter. Also prohibited was the inclusion of series programming on pay cable. These rules were put into place in March 1975. Not content to accept these restrictions, HBO took the FCC to court. In *Home Box Office v. Federal Communications Commission* (567 F. 2d [1977]) the U.S. District Court found all of these regulations to be unconstitutional.

The lifting of these restrictions left HBO free to distribute films and sports via satellite, which had the added benefit of simultaneity—reaching cable systems across the country at the same time. Notwithstanding the difficult relationship between HBO and the major Hollywood studios regarding theatrical film releases, pay cable channels in general have had an easier time with programming content than broadcast television networks. In 1952, the U.S. House of Representatives held hearings to examine "objectionable television programming," the end result of which was a foray by the television industry into self-regulation: the Television Code (Boddy 1990, 246). This code operated much like Hollywood's Production Code, the independent system in place from 1934 to 1968 that enforced Christian ideas about decency in motion pictures. FCC regulation and industrial constraints have assured that although standards of decency have loosened over the years, broadcast television cannot abandon its roots in the public interest. One main reason for the maintenance of decency standards is advertising revenue. For instance, any program that offends the moral sensibilities of viewers-consumers might lose family-friendly advertisers.

For broadcast television, FCC regulations cover material that is not just obscene but simply indecent (Blumenthal and Goodenough 1998, 193). In 1992, Congress instituted a safe harbor block of time from midnight to 6 A.M., which was eventually moved back to 10:00 P.M. from midnight (Blumenthal and Goodenough 1998, 193). Family viewing hour, an hour of programming suitable for consumption by both adults and children, has been dropped. Network standards and practices departments have met with a similar fate, since staff cutbacks have hit them the hardest (Lowry 1999c, 4). Despite earlier deregulation, the Telecommunications Act of 1996 prompted the television industry to self-regulate once more. Key to the industry's voluntary development of a ratings system was the underlying threat that failure would result in government intervention. The ratings system would be the basis for the government-instituted V-chip, a device that allows parents, specifically, to selectively block programming from entering their homes.

In contrast to broadcast television, cable television is subject to laws that only prohibit the distribution of the slippery area of obscenity. Pay cable, in particular, has been a privileged party in the "tradition of greater latitude in the cable area" (Blumenthal and Goodenough 1998, 193). This tradition stems not only from legal aspects of cable control but also from the idea of private control. Cable and pay cable are extra services bought and paid for by the viewer-consumer directly as opposed to "free," over-the-air, broadcast television.[2] Broadcast television automatically enters the home with the aid of no special equipment (other than a television set and an antenna for better reception). Policy makers can therefore use such factors as automatic entry and the scarcity of the broadcast spectrum to guarantee more stringent regulation for broadcast television with little or no opposition.

HBO's unique position in a less regulated arena has been highly conducive to product differentiation on a massive scale. Although HBO began as a "program broker," buying up as many theatrical releases as possible, it quickly realized the necessity and potential of creating original programming (Mair 1988, 51). The impetus was twofold: original programming would mean some independence from movie studios and sports programming suppliers as well as more broadcast-type programming variety (Mair 1988, 51). As early as 1975, HBO launched *Standing Room Only* and *On Location* to fill time in its slate of feature films and sports programs. In 1985, another incentive prompted HBO to reinvigorate its programming: the VCR. The scheduling and monetary convenience of watching a movie on tape supposedly threatened HBO's ratings, prompting it to turn again to original programming. And, although earlier original programs served as fillers between movies, this time, the goal was to replace movies and to differentiate pay cable channels from one another (Garay 1988, 73).[3]

When viewed in retrospect, the reasons for the two initial thrusts toward original programming (noted as occurring a decade apart) reappear in much of the discourse surrounding HBO's original series lineup in the late 1990s. As in earlier times, HBO claims that competition from other channels and technologies as well as the need for programming diversity prompted the original programming of the 1990s. For much of the 1990s, *The Larry Sanders Show* was HBO's flagship series, but when the program concluded its six-year run in 1998, "HBO officials admit[ted] they were 'a little scared' . . . wondering what would qualify as an encore" (Lowry 1999a, 1F). HBO's first move was to ask Tom Fontana and Barry Levinson to create the channel's first dramatic series. The result was *Oz*, "the most brutal, vulgar show that's ever been on television"

(Lieberman 1999, 3). But, this explicitness is precisely the point. In industry discourse, the future of pay-per-view television poses a threat to the exchange value of HBO's movie programming. HBO attracts subscribers by promising television premieres of Hollywood movies. If viewers can see their chosen movies on pay-per-view channels before they run on HBO, HBO cannot claim exclusivity. With movies premiering on television through pay-per-view channels, HBO could potentially become a second-run home theater rather than an exclusive home box office. Again, feeling vulnerable to the potential of another technology, HBO has taken broadcast programming a step further (Hamilton and Brown 1999, 68). This resurfacing of a winning strategy involves the systematic co-optation of traditional broadcast formats (hour-long dramas, half-hour-long sitcoms) through the addition of a pay cable sensibility—more leeway in the area of explicit content and no commercial interruptions.

The press sees in *Oz* and *The Sopranos* a combination of HBO's "inherent advantages" and creativity, amounting to a qualitative difference from broadcast television (Hamilton and Brown 1999, 68). Evaluative descriptors do nothing more than obscure the basic industrial factors behind HBO's strategies, though. HBO does not have to fill an entire weeklong primetime schedule with programming. Its movie library is always at its disposal. Similarly, HBO's original series producers are not bound by the broadcast standard of a season of twenty to twenty-five episodes; one season on HBO is thirteen episodes, approximately half that of broadcast networks. Fewer episodes ordered means more money to spend and more production time in which to spend it. Because of the calculated and self-perpetuating system of commerce that has supported broadcast television since its inception, the broadcast networks have neither the luxury nor the immunity from advertisers and ratings that HBO boasts. Without the financial constraints under which the networks function, HBO can target narrowly segmented niche markets, a concept essential to its branding.

Numbers, in the broadcast sense, are not key to HBO's survival. With its roughly 35 million subscribers (compared to the 100 million homes receiving the major networks), HBO has room to maneuver in terms of pleasing specific demographics (Lowry 1999a, 1F). To begin with, HBO has that already-privileged demographic base to work with: these viewers have the extra $10 per month to spend on HBO in addition to the $18 to $20 average for basic cable. Although ratings do not make or break HBO, the channel cannot "be content producing the TV equivalent of art-house films" without a sizable audience to support it (Lowry 1999a, 1F). The pressure is very real both to retain and lure subscribers.

HBO's decision to make series a significant portion of its lineup is indicative of three economic influences. The first, which some consider the primary influence, is to attract a substantial number of subscribers during the first run while accumulating episodes for subsequent runs on HBO's multiplex channels (HBO, HBO Plus, HBO Signature, HBO Family, HBO Comedy, and HBO Zone) and for digital video disc and video sales and rentals (Dempsey 1999, 3). Second, domestic syndication, once considered to be out of the question for *The Sopranos* because of explicit content, is now a viable option. David Chase shoots "HBO-lite" versions of every episode for the potential syndication market (Peyser 2001, 54). The third influence behind HBO's emphasis on original programming is the need to differentiate itself from uncut theatrical movies and made-for-TV movies: "glossy fare being presented by competing networks like Showtime and TNT" (Lowry 1999a, 1F). Consider a parallel scenario in the broadcast arena. The realism of programs such as *NYPD Blue* (1993 to present, ABC) and *Homicide* (1993 to 1999, NBC) has come as a response to explicit content in basic cable and pay cable programming as well as "declining network audiences and the almost desperate attempt to lure them back" (Weinraub 1999, 1E).[4] Product differentiation may come at least superficially in the form of a few programs, but the overriding agenda is far greater than its disparate parts. There is always a brand to be created.

The Brand Name

HBO works exhaustively to rope each of its original programs into the confines of flow and branding. *Flow*, the sequence of television programs, refers here to HBO's original programming lineup on Wednesdays in 1999: *Arli$$*, *Sex and the City*, *Oz*, and *The Sopranos* (Lieberman 1999, 3). Each program is introduced with a short, self-appreciating spot that declares HBO's original programming to be "refreshing, uncensored, groundbreaking." By asserting these values, HBO necessarily attributes the opposite to programming of its broadcast and basic cable "competitors": boring, constrained, routine. This eagerness to differentiate its product from that of broadcast television amounts to the creation of a brand.

Branding is a concept popularly associated with the field of marketing. It is not as widely discussed or written about in the field of television, either because it seems callous to apply a commercial aspect to the text or because it seems superfluous in a commercial medium. Because television is constructed as a profit-seeking business, it is not surprising that the literature on branding would translate well into the field of visual media. Branding is "the development and maintenance of sets of product attributes and values which are coherent, appropriate, distinctive, protectable, and appealing to consumers" (Murphy 1987, 3). HBO built its reputation on showing uncut theatrical films and boxing matches, products to which it held exclusive rights. The idea that subscribers can get products at HBO that they can get nowhere else has been a significant part of the channel's allure. In broadening its programming base to include original programs,

> HBO appears to have charted a new course in which series represent a primary component of its programming mix, hoping to distinguish the channel in a manner merely running uncut theatricals and even classy made-for-TV movies cannot, given the glossy fare being presented by competing networks like Showtime and TNT. (Lowry 1999a, 1F)

Inherent in the televisual branding process is channel differentiation, what is called "positioning" the brand (Marconi 1993, 38).

In this process, the brand's status or value is established in relation to other brands (Marconi 1993, 38). In the case of HBO's original programming branding strategies, the frame of reference for us is broadcast programming, and HBO is sure to incorporate that into its promotional slogan, "It's not TV. It's HBO." The implication is that TV is everything else. HBO's calculated effort to distance itself from television fare is also tied to niche marketing, the identification of "a segment of the market that has unique characteristics . . . not fully in agreement with the mainstream" (Marconi 1993, 101). Broadcast television programming is almost entirely synonymous with the mainstream, so there is no better way to appeal to a niche audience than to relocate a standard broadcast series format to a site that boasts its antitelevisuality. HBO has used its relative lack of FCC regulation to co-opt traditional broadcast series formats. In doing so, HBO has not only transformed industrial circumstances into an opportunity to brand but has also used its privileged position in pay cable (financially, legally, and demographically) to welcome the use of a very specific brand: "quality."

"Quality" Programming

The leeway that HBO has in terms of content relates to another facet of branding that involves "non-tangible factors" in the differentiation between products (Murphy 1987, 1). HBO's "refreshing, uncensored, [and] groundbreaking" programming uses its privileged position in pay cable to incorporate a greater degree of "realism" (read "sex and violence") (Littleton 1999, 1). Chris Albrecht, HBO's head of original programming (for both movies and series), has claimed that "the biggest single thing [HBO tries] to do is fulfill the purest form of the writer's creative vision" (Littleton and Torres 1999, 1). For HBO chairman and CEO Jeff Bewkes, this commitment to authorial freedom means that HBO's programs must "be judged to have a quality that is superior to what you can get on commercially-supported free TV" (Lowry 1999a, 1F). The channel's fostering of a pure, unfiltered "voice" led writer Larry Gelbart to conclude that *The Sopranos* is "chock-full of quality . . . point[ing] up the difference between what's possible in cable and in network" (Rochlin 1999, 25[2]). For Albrecht, Bewkes, and Gelbart, then, the nontangible factor at play in *The Sopranos* is what separates it from most broadcast programming: the fundamental, if elusive, notion of "quality."

The term *quality* is tossed about with great frequency but little regard for its disparate meanings among the popular press and interest groups on one hand and among television industry scholars on the other. "Quality" television is historically associated with Grant Tinker's independent production company, MTM Enterprises, Inc. MTM was responsible for such "quality" programs as *The Mary Tyler Moore Show* (1970 to 1977, CBS), *Hill Street Blues* (1981 to 1987, NBC), and *St. Elsewhere* (1982 to 1988, NBC). In her discussion of the MTM style, Jane Feuer noted the many uses of *quality* in the popular press. Innovative visual style, the use of film over video, actors with training in improvisational work rather than television, and a high degree of creative freedom all amount to how the press defines "quality" (Feuer, Kerr, and Vahimagi 1984, 32). In the industrial sense, though, Feuer took into account the fact that television programs are both text and commodity. The television industry's shift in 1970 to valuing upscale demographics over sheer ratings numbers is vital to the definition of "quality." "Quality" programs are those that appeal to young, urban adults from 18 to 34 years of age (Feuer, Kerr, and Vahimagi 1984, 3). If a series appeals to (and captures) decent numbers of an upscale demographic, large numbers of lower income viewers are secondary—quality over quantity.

To equate "quality" demographics with "quality" programming connotes a set of assumptions that link actively consuming urbanites to television programs that tackle "issues" in an insightful manner (Williams 1994, 143). If *The Sopranos* is "quality," as HBO and the press would have us believe, then the explicit violence is not problematic, as it would be on ABC, for instance. The critics who laud HBO for *The Sopranos* and bash FOX for its "bleep-heavy" 1999 sitcom *Action* fall back on "quality" and its attendant assumptions, barely concealing their "double standard for broadcast and cable TV" (Littleton 1999, A8). This pay cable chauvinism not only holds broadcast TV to a different standard but also implies that pay cable consumers can handle graphic language, sex, and violence in a more thoughtful and productive way than broadcast viewers. "Quality," then, is invoked to separate HBO from the masses.

"Authorial style," another important aspect of "quality," is essential to HBO's positioning of *The Sopranos* (Littleton 1999, A8). Key to the "quality" discussion is Feuer's assertion that Grant Tinker's involvement in achieving creative freedom for MTM's staff is "reminiscent of auteur historians' claims for certain film directors" (Feuer, Kerr, and Vahimagi 1984, 33). The television auteur is a controversial topic, but it is linked to cinema and therefore to a so-called higher brow entertainment medium than television. David Chase has fulfilled the roles of producer, director, and writer at various points in the three seasons of *The Sopranos*, and this solidifies his position as the auteur in the conventional sense. But, like Chase's broadcast TV colleagues Steven Bochco and David E. Kelley, it is in his role as producer that he maintains authorship. In spite of television's collaborative nature, scholars consider it to be a "producer's medium" (Newcomb and Alley 1983, xii). The producer is legally and financially responsible for the final product and oversees entire projects, whereas directors and writers may only work on a program for one episode (Newcomb and Alley 1983, xii). David Chase has filled all of these roles, and discursively, this lends an air of legitimacy to the series.

The notion of authorship links *The Sopranos* to cinema (and not just movies) and therefore to a more solidified notion of "quality" than that of television. The highest descriptor a television series can aspire to is "quality." But the "quality" of the cinema is called "art," a classification that supposedly negotiates no tension between economics and aesthetics. The belief that there is no appearance of commerce in art is a reflection fitting for *The Sopranos*, since the program is never interrupted by commercial breaks. Product placement is increasingly becoming a staple in each episode, but with the current state of Hollywood filmmaking, this only makes it more cinematic.[5] All comparisons of *The Sopranos* to cinema are not accidental. The fundamental link between *The Sopranos* and cinema is its generic inscription.

Generic Prestige

As mentioned before, *The Sopranos* is billed as a gangster drama or, as in a *Variety* article, an "unconventional Mafia drama" in which the criminals are clearly the sympathetic characters (Schneider 2000, 97). The use of the word *unconventional* in relation to genre speaks to a number of issues surrounding *The Sopranos* as a television text. There is no heritage of gangster dramas or even crime dramas on television. The common grouping is "police genre" (Kaminsky 1985, 53). Programs such as *The F.B.I.* (1965 to 1974, ABC) and *Ironside* (1967 to 1975, ABC) define the structure of the cop show and the inevitable capture of the criminal. The televisual Mafioso may be smarter than the cops, but he lacks the commitment to the people that the police have in abundance (Kaminsky 1985, 58). Throughout television's history, with the heavy influence of such cop shows as *Dragnet* (1951 to 1959 and 1967 to 1970, NBC) and *Hill Street Blues*, the emphasis has always been on getting the bad guy. *Wiseguy* (1987 to 1990, CBS) pushed boundaries a bit with an agent working undercover in various criminal organizations, but the program ultimately sided with the law. A decade later and following the success of *The Sopranos*, CBS in 2000 announced its own crime drama, *Falcone*. Postponed because of the violence at Columbine High School, the program follows an undercover policeman infiltrating a Mafia family in the style of the film *Donnie Brasco* (directed by Mike Newell, 1997). One could argue that the broadcast networks' commitment to the public interest plays into this privileging of the law and the justice system over the criminal, and for this reason, HBO is simply meeting a demand that could not be met on broadcast television. *The Sopranos* revels in siding with and even glorifying the criminal. Law enforcement is a very real, if secondary and annoying, threat to the stability and happiness of our hero, Tony Soprano (played by James Gandolfini).

For the aforementioned reasons, the placement of an actual gangster drama on television is unconventional. Equally unconventional is the structure of *The Sopranos*. The series lacks commercial breaks and therefore lacks the typical pacing strategies that broadcast hour-long dramas use to accommodate breaks. But although its form breaks with tradition, its content is not terribly radical. Yes, the gangster is the protagonist, but that atypical aspect is balanced with an ordinary family melodrama storyline. The program's tagline is "Family. Redefined." Publicity photos show Tony Soprano flanked on one side by his crime family and on the other by his biological family. A photo such as this combines the tropes of family programming and the "working 'family' " of the MTM "quality" tradition (Schatz 1987, 85). So, although *The Sopranos* deals with beating pregnant prostitutes to death in parking lots, it also deals with high school football games and empty nest syndrome. Likewise, the program's more melodramatic and serial elements recall conventions of the soap opera. Still, as connected to the series tradition of television as *The Sopranos* is, its tendency to "recombine" with other television genres is not acknowledged openly by the text (Feuer 1992, 158). A concession of that sort would negate the cachet already established through the careful combination of the auteur and the ancestral line.

The texts that *The Sopranos* references are not television texts. That would be impossible given the absence of a gangster heritage on television. *The Sopranos* owes its very existence to the cinematic gangster canon, and it advertises this through blatant and veiled intertextual references. The pilot episode contributed a small portion of screen time to a discussion of how Tony ranks *Goodfellas* (directed by Martin Scorsese, 1990) and each of the three installments of *The Godfather* (directed by Francis Ford Coppola, 1972, 1974, and 1990). Later, two characters relate their predicament to the "Luca Brasi situation," a direct but unnamed reference to *The Godfather*. Episode 2, "46 Long," concluded the teaser with Silvio (played by Steve Van Zandt) quoting Michael Corleone's famous line from *The Godfather: Part III*: "Just when I thought I was out, they pull me back in." Other instances of intertextual referencing include casting decisions (Dominic Chianese appeared in *The Godfather: Part II*, and several cast members are Scorsese alumni); borrowed storylines in "Legend of Tennessee Moltisanti" (episode 8), in which Christopher (played by Michael Imperioli) shoots a bakery clerk's foot, clearly referencing his character's fate in *Goodfellas*; camera work in "Proshai, Livushka" (episode 28), in which the elevator-ride shot of an undertaker mirrors the shot of Bonasera in *The Godfather*; general exuberance over gangster films in "D-Girl" (episode 20); and Freudian connections in "Proshai, Livushka" (episode 28), in which Tony finally deals with the loss of his mother Livia (played by Nancy Marchand) by sobbing at the end of *The Public Enemy* (directed by William A. Wellman, 1931). This collapsing of maternal ties onto a classic Warner Bros. gangster film is the quintessential example of HBO's branding strategies.

These examples are integral to notions of niche marketing. Virtually anyone can appreciate an overt *Godfather* reference. But a special kind of viewer—a committed viewer with an involved, working knowledge of gangster films—can catch the covert references that persist throughout the three seasons of *The Sopranos*. These intertextual references of varying degrees of difficulty are interesting means of deconstructing the larger, paying audience into a more well-defined niche—that of the film buffs. But, these are not just any films. As Hollywood films go, these are royalty. They are what *The Sopranos* aspires to be and what HBO is betting *The Sopranos* will become, while the conglomerate behind it all carefully positions its product in the marketplace.

Time Warner Siphoning Itself

The earlier claim that HBO's programming strategies were directly affected by offerings from Showtime and TNT is telling, since both TNT and HBO share the same parent company. As Janet Wasko (1994, 96) noted, "industry lines have been blurred considerably since the formation of Time Warner," and this blurring has effectively obscured the basic illegitimacy of the rampant competition (which exists discursively, at least) in the television landscape.[6] The illegitimacy itself is rooted in Time Warner's status as the world's largest media company, a title the conglomerate earned when it swallowed Turner Broadcasting System in October 1997.[7]

HBO's parent was Time Inc. until the merger with Warner in 1989. Since then, HBO has become one in an increasingly long list of the conglomerate's entertainment holdings. Time Warner's television holdings currently include HBO, Cinemax, The WB, TBS Superstation, TNT, Turner Classic Movies, Cartoon Network, CNN, CNN Headline News, Comedy Central (of which it is a 50 percent owner), and Court TV (of which it is also a 50 percent owner). Time Warner's Warner Bros. Television currently produces such network programming as *ER* (1994 to present, NBC), *Friends* (1994 to present, NBC), and *The West Wing* (2000 to present, NBC). With the merger of Time Warner and America Online, the media conglomerate will maintain a large presence on the Internet, another so-called threat to HBO's interests.

If one examines the list of holdings more generally, one can clearly see that Time Warner has interests in three different tiers: over-the-air television, basic cable, and pay cable. In fact, Time Warner's position in television is so solidified that its networks and production companies received 42 percent of the 397 primetime Emmy nominations in 2000 (Time Warner Inc. 2000). HBO alone received 86 nominations, Warner Bros. Television received 54, TNT received 10, The WB received 5, and Cartoon Network and Comedy Central each received 1. The numbers only continue to rise, as evidenced by HBO's 94 nominations in 2001.

From publishing (*Time*, *Entertainment Weekly*, *People*, *Life*, and thirty other publications) to cyberspace, television, and feature films, it is not outrageous to argue that Time Warner has its bases covered. But, if one studies Time Warner's 2000 annual report of holdings and earnings, one can fully grasp the implications of the company line. The conglomerate claims to control more than its share of media in circulation, yet it also claims that it is in constant danger of being wiped out by competition (Time Warner Entertainment 2000). In its annual report, Time Warner simultaneously boasts its monopolistic might and attempts to persuade the reader and/or investor of the thriving, competitive atmosphere of media. These two ideas are in complete conflict with each other, yet they make the leap from Time Warner's annual report to the mouths of executives and the lines of the popular press.

In 1999, explaining a concentrated effort to return to movies after so much success with original series, Chris Albrecht cited competition from none other than TNT (Pursell 1999, 23). Given the above estimations about Time Warner's annual report, the attempt by an HBO executive to replace issues of ownership with free market ideas of competition is not surprising. In 1980, many consumers subscribed to both HBO and Cinemax, "which is exactly what the Time Inc. planners intended" (Mair 1988, 52). Time Inc. was after the appearance of competition between HBO and Cinemax, even going so far as to consider staggering the release of blockbuster movies onto the two channels (Mair 1988, 53). Twenty years later, the unwillingness to directly link ownership to the televisual landscape reinforces the status quo. Channels such as HBO are still seen as independent entities looming over broadcast networks rather than just cogs in a larger conglomerate's entertainment holdings. And, while HBO executives and employees of Time Warner publications are significant disseminators of this propaganda, much of the imaginary landscape is shaped by the allegedly impartial institution of audience measurement.

The Numbers Lie

One of the foundational campaigns of misinformation in the entertainment industry is the practice of counting radio listeners and television viewers. The Nielsen ratings amount to little more than a mutually agreed-on deception between the industry and the talent. Although the ratings are not a complete failure in terms of revealing general viewing patterns, their accuracy is highly questionable and industrially dangerous, especially since so much rides on what the numbers convey (Streeter 1996, 280). In the heyday of radio, the search for consumers propelled advertisers, who paid for programming, to measure radio's "productivity," or its skill in attracting the "commodity audience" (Meehan 1990, 121). Both advertisers and broadcasters were invested in determining if radio was indeed producing "an audience of consumers rather than of listeners," and to do this required a systematic mining of information about the audience (Meehan 1990, 121). Not content to rely on any research the radio networks produced, advertisers commissioned measurement for themselves. The same sort of bias evident in network research was also a problem for the advertisers' researcher, the Cooperative Analysis of Broadcasting (CAB). In 1930, the Hooper ratings subverted the CAB's dominance by manipulating methodology in such a way as to produce numbers that would please both the advertisers and the broadcasters (Meehan 1990, 123).

From this simple scenario, we can ascertain that if different methodologies can yield very different results, some selective tweaking can alter results in anyone's favor. This is even more evident in the ACNielsen company's entrance into the market in 1942. Because ACNielsen's advanced technological approach and minute-by-minute monitoring were more in keeping with America's postwar economic affluence and its attendant high-tech mind-set, by 1950, the audience measurement company was able to achieve monopoly status and buy out Hooper (Meehan 1990, 129). The ratings monopolist has remained relatively unshaken in a landscape that has seen cable and satellite superstations create fundamental shifts between networks and advertisers (Meehan 1990, 129). In this landscape, ACNielsen has honed its selectivity and definition of the commodity audience. In other words, of the entire lot of television watchers, ACNielsen's calculated selection of cable subscribers has drastically swayed the conception of the audience. The methodology behind this shift toward measuring the cable audience contributes directly to the popular conception of cable siphoning and the erosion of the broadcast audience.

To once again incorporate the company's creation of discourse into the equation, consider the ideology implicit in literature produced by Nielsen Media Research, a subsidiary of VNU, Inc.[8] As the "official national measurement service of the television industry for over 40 years," Nielsen (2000) maintains that "somebody has to count the viewers." In other words, to continue to operate as a monopolist for another 40 years, Nielsen has to count the viewers. Because the statement never clearly expresses why there is a necessity to count, it conceals its true mission: to construct a commodity audience for advertisers and networks. Nielsen maintains that its sample is representative and scientific and that its measurement is the "most democratic." However, advertiser interest in cable audiences has made broadcast households a minority. By equating larger audiences with successful audiences, Nielsen avoids any mention or discussion of prime demographics (inherent in its selection of cable households). Nielsen also relates its research process to the process of voting, further obscuring the selectivity of the sample. And, the statement neither differentiates between the cable and broadcast audiences used in its sample nor discusses the ramifications of including both.

As mentioned before, the proliferation of cable subscription rates prompted an advertiser interest in this audience. The abundance of cable channels also created an entirely new and untapped marketplace for ratings. Turner Broadcasting System persuaded Nielsen with monetary compensation to include cable subscribers in its sample. Turner's actions prompted the "official" downturn in network viewership (Meehan 1990, 131). The perception that the broadcast networks remain in severe decline depends on the number of broadcast households no longer included in Nielsen's sample and the number of cable households that have taken their place. The logic is simple: if the representation is not there, neither are the numbers.

But, this information has not found a place in a sea of publications and entertainment news magazine programs that tout the ratings as a weekly obsession. The excessive value (mis)placed on ratings is no longer just a staple of trade magazines such as *Variety* and *The Hollywood Reporter. Entertainment Weekly*, a fan magazine that dabbles in an easily consumed version of trade reporting, carries television ratings on a weekly basis (not in terms of rating points and shares but in terms of millions of households tuning in). When Chris Albrecht bases the success of *The Sopranos* on "ratings and critical acclaim," he escalates the power of Nielsen and the words of critics (Lowry 1999b, 1F). Nielsen is responsible for the numbers that convince the critics that the broadcast networks are "desperate" with "audiences and profits dwindling rapidly" (Sterngold 1999, 1E). The critics then blame the mass exodus to cable on "quality." As popular discourse moves from numbers of households to lofty intangibles such as "quality," the generative mechanisms are left behind. An instrument for determining monetary worth has become what many presume is an interactive game complete with democratic votes. An AOL Time Warner publication such as *Entertainment Weekly*, with its ratings reports and annual issue on ratings winners and losers, has solidified this presumption and naturalized the mere existence of ratings, just as Nielsen has worked to naturalize its methodology in its own publications.

Asking the Right Questions

The crux of the problem, then, is the saturation of the marketplace by conglomerates that seek to steer discourse in a direction that obscures ownership and questionable methods. The alleged competition that drove HBO to cultivate its original programming slate with *Oz*, *The Sopranos*, and *Sex and the City* is the very same that Time Warner insists exists in spite of its own admission of its gargantuan presence in the three televisual tiers: pay cable, basic cable, and broadcast television (not to mention pay-per-view television). So, HBO brands itself an outsider in the televisual terrain, a channel more akin to a grandiose cinematic heritage than a broadcast one. Its "quality" programming, the producers of which are wooed away from the networks, mimics this branding in content and form, while the complementary marketing obscures why this is so. No mention is made of the constraints under which broadcast television must operate, just as HBO officials omit the parentage that it and an alleged main competitor, TNT, share.

More profitable to Time Warner is the David-versus-Goliath, "quality"-versus-"trash" narrative surrounding *The Sopranos*. The telling and retelling of the narrative manifests in numbers posing as cardinal truth. Until less than a decade ago, ratings were strictly a trade constant. The skewed results on which the entertainment industry stakes careers have developed into a conversation piece for the populace. What better way to conceal the fact that Time Warner has its hands in every possible prized demographic in every possible tier than by creating a landscape in which the creativity of auteurs is compromised by such a crassly commercial tier as broadcast television? Meanwhile, HBO positions itself as the last bastion of creative freedom with uninterrupted programming. It would be interesting to research the supplementary income from product placement in *The Sopranos*. That is yet another aspect that is left out in discourse. But, it is not unusual for the channel that subsists entirely on a privileged, "quality" demographic to hide its commerce behind the brand of "quality" drama.

Notes

1. In writing this statement (and others like it), I do not intend to ascribe agency to HBO, the pay cable channel. When I use the term *HBO* as a subject in this sense (as in "HBO did this or that"), I mean HBO executives, officials, and general decision makers. These parties work in concert to serve the interest of HBO as a company, so I include them under the heading "HBO."

Whenever possible, I refer to specific individuals who are responsible for certain statements or actions. At different points in the article, the term *HBO* will be used to represent its various incarnations. *HBO* will be synonymous with its decision-making employees, its status as a pay cable channel, the sum of its programming, and/or the company itself. Context will clarify usage.

2. I place the word *free* in quotation marks because the idea that over-the-air television programming is free is erroneous. Viewers pay for broadcast television by purchasing a television set, electrical services, and finally products advertised on television.

3. Although this move came in 1985, the pay cable market had more players by 1980. According to George Mair (1988, 56), between 1980 and 1981, HBO's (Time Inc.) share of the pay cable market had dropped from 60 percent to 49.3 percent. Showtime's (Viacom) share was up from 15.6 percent to 16.4 percent, and The Movie Channel's (Viacom) share was up from 5.4 percent to 8.8 percent.

4. *Oz* producers Tom Fontana and Barry Levinson also produced *Homicide*.

5. Among frequent and/or conspicuous products or manufacturers on *The Sopranos* are Coca-Cola products, Nintendo, Philips, Mercedes-Benz, Uncle Ben's rice, Marilyn Manson, Honeycomb, and Office Depot.

6. As of January 2001, Time Warner is AOL Time Warner.

7. October 1997 was the date of the merger's completion. The Federal Trade Commission gave its approval in February 1997.

8. VNU, Inc. is a publishing and information company based in the Netherlands.

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