

Chapter 4

Non-US Stakeholders of Global Communications Systems

Learning Objectives

1. Review the non-US global communication stakeholders.
2. Understand the common denominator of the global stakeholders and the concern about possible side-effects.
3. Review the theoretical viewpoint of Herbert I. Schiller.
4. Describe the impact of Sony Corporation's acquisition of Columbia Pictures.
5. Explain how the European nations are working more as a collective, rather than as individual nations, when it comes to international media.
6. List and explain the United States of Europe (USE) communication stakeholders:
 - a. Bertelsmann
 - b. Vivendi Universal
 - c. Hachette Filipacchi
 - d. Canal Plus
 - e. Pathé
 - f. Pearson
 - g. VNU
 - h. Mediaset
7. Explore the foundation on which the Canadian-based distillery, Seagram, entered into multimedia entertainment. Explain why Seagram sold the entertainment segment, now known as Vivendi Universal.

8. List and explain the non-US and non-USE major communication stakeholders:
 - a. CanWest Global Communication Corp. (Canada)
 - b. WETV (Canada)
 - c. Aboriginal People's Television (Canada)
 - d. Grupo Televisa (Mexico)
 - e. Globo Communications (Brazil)
 - f. Cisneros Group (Venezuela)
 - g. Sony (Japan)
9. Explore the roots of the Azcarraga family and the birth of the Grupo Televisa empire.
10. Overview of Sony Corporation's technology and products offered.

Chapter Outline

Cultural imperialism

The United States of Europe

Bertelsmann

Vivendi

Hachette Filipacchi

Canal Plus

Pathé

Pearson

VNU

Mediaset

Axel Springer

Telefonica SA

European Broadcasting Union

Hollinger

CanWest

WETV

Aboriginal People's Television Network

Grupo Televisa

Globo Communications

Cisneros Group

Sony

Bollywood: India's film industry

Conclusions

Sports connection

Global stakeholders

Key Terms

Cultural imperialism
Global communication
Herbert I. Schiller
United States of Europe (USE)
Bertelsmann
Vivendi
Hachette Filipacchi
Canal Plus
Pathé
Pearson
VNU
Mediaset
Axel Springer
Telefonica SA
Bollywood

Activities

- Have students list five of their favorite music artists. After completing the list, the students are to search the World Wide Web to determine if their favorite artists are signed with US major communication stakeholders or non-US communication stakeholders. Students are to state which stakeholder holds rights to their favorite artists.
- Ask students to go to www.wetv.com and describe the uniqueness of the program schedule.
- Ask students to go to www.aptn.ca to learn why there is such a great deal of children's programming. The instructor will facilitate an open discussion as to why there is a great deal of history and cultural programming instead of programming done the "Disney way."
- Take-Home Assignment: regarding the "sports connection," students should explain if they think that media has a place in sports or if the two entities should be kept separate. They must explain in detail.

Test Questions – Chapter 4

Multiple Choice

- 1) Which scholar focused on issues such as cultural imperialism, global ownership, one-way flow of information, power, and the impact of advertising?
 - a. John Tagliabue
 - b. Herbert Schiller*
 - c. Ben Bagdikian
 - d. Thomas Middelhoff

- 2) Who is the number one United States of Europe (USE) communication stakeholder?
 - a. British Sky Broadcasting
 - b. Bertelsmann*
 - c. Vivendi Universal
 - d. Hachette Filipacchi

- 3) BMG Entertainment was the first major music corporation to present music _____ not only by label but also by genre.
 - a. by direct mail order
 - b. on a music channel
 - c. on the internet*
 - d. all of the above

- 4) What is the name of Europe's largest private broadcasting company?
 - a. VOX
 - b. RLT
 - c. RTL Group (formerly CLT-UFA)*
 - d. M6

- 5) What liquor company was Vivendi seeking for its studio, picture, and music group?
 - a. Seagram*
 - b. Anheuser-Busch

- c. Jack Daniels
 - d. Sutter Home
- 6) In which US company does Vivendi hold an 18.5% stake?
- a. Viacom
 - b. News Corporation
 - c. Time Warner
 - d. NBC Universal*
- 7) The primary focus of the various magazines of France's Hachette Filipacchi is on _____ rather than circulation.
- a. content
 - b. appearance
 - c. advertising*
 - d. low price
- 8) This network is a clear example of development communication. The goal of the network is to present prosocial and proactive messages on behalf of aboriginal communities as an alternative to the traditional mainstream TV networks.
- a. Grupo Televisa
 - b. STAR TV
 - c. CanWest Global Communication Corp.
 - d. Aboriginal People's Television*
- 9) Which is the largest Spanish-language network in the United States?
- a. Telemundo
 - b. Estadio Azteca
 - c. Univision*
 - d. Editorial Televisa
- 10) In 1988, Sony Corporation expanded its US media empire by acquiring CBS Records from CBS and _____ from Coca-Cola.
- a. Paramount Pictures
 - b. Columbia Pictures*
 - c. Tri-Star Pictures
 - d. 20th Century Pictures

- 11) Which two music companies merged in 2003, creating a company that controls approximately a quarter of the global music market?
- Warner Music and Sony
 - BMG and Sony*
 - Columbia and Blockbuster Entertainment
 - None of the above
- 12) France's Vivendi Corporation, established in the nineteenth century and having major interests in public utilities and construction, first entered the communications business:
- in the 1990s, with the purchase of Havas*
 - in the early twentieth century, as a telegraph carrier
 - in 2000, with its acquisition of the Seagram Company
 - in the 1960s as an independent motion-picture studio
- 13) Which of the following companies is not, and never has been, based in France?
- Vivendi
 - Canal Plus
 - Hachette Filipacchi
 - VNU*
- 14) Which of the following companies is the European leader of pay-TV?
- Sport 1
 - Canal Plus*
 - Pearson
 - Grupo Televisa
- 15) Which of the following companies owns Nielsen Media Research, the audience ratings firm?
- VNU*
 - Pathé
 - Gruner + Jahr
 - the EBU

True/False

- 16) Hachette Filipacchi has significant magazine publishing interests in the United States. (T)
- 17) With its acquisition of the Seagram Company, Vivendi picked up a stake in Bertelsmann. (F)
- 18) The structure of the international advertising landscape, of which Nielsen is a major part, is such that it is almost impossible for a new ad firm, or a semiperipheral-based ad firm, to emerge. (T)
- 19) Vivendi failed to create the synergy needed to become a major global player in the communications sector when it acquired Universal. (T)
- 20) The EBU's Madrid Declaration emphasizes the importance of free-market principles in forming national broadcast policies. (F)
- 21) Though a niche cinematic industry with a much smaller budget, Bollywood has survived surprisingly well in the face of core-nation competition. (T)

Short Answer/Essay

- How do non-US major global multimedia corporations maximize profits in order to increase or improve the rate of return for their stakeholders?
- What event took place in 1988 which caused critical scholars of cultural imperialism to take a step back and reevaluate US industries being bought by foreign corporations as part of the expanding global economy?
- What is Sony Corporation's most recent venture that is attempting to apply its cutting-edge technologies and entertainment systems to a much broader urban landscape in order to attract millions of visitors with substantial annual disposable income?
- Why are the major communication stakeholders based in core nations?
- Explain why Vivendi's merger with Universal, and the presence of Euro-Disney, is troubling to the host nation. (Answer: France is the host nation, and many of its cultural industries are increasingly US-controlled; historically, France has been quick to play the culture card.)