Financialization and the “Crisis of the Media”:
The Rise and Fall of (Some) Media Conglomerates in Canada

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ABSTRACT New media have expanded the size of the media economy without cannibalizing the economic base of traditional media. The current woes facing some media primarily reflect a short-term, cyclical decline in advertising revenue caused by the economic downturn, the accumulated results of media consolidation, and the financialization of the media. The latter process saw vast sums of capital investment in the creation of massive media conglomerates based on wildly optimistic projections where future profits would grow faster than the expanding network media economy and exceed the high profits that characterized the media in the past. When that rosy scenario failed to materialize, some media companies were indeed in trouble and saddled with unsustainable debts, but there has been no crisis of the media per se.

KEYWORDS Financialization; Media concentration; Network media economy; Political economy

This article examines the crosscutting dynamics that have reshaped the network media industries in Canada over the course of the past 15 years, and with occasional glances back to the 1980s. Three questions are at its core: First, do new digital technologies, especially the Internet, pose fundamental threats to well-established media players or create a larger media economy within which they can expand?
Second, have media markets become more concentrated, or less? Third, are the media “in crisis”? I argue, first, that the media economy has grown substantially and that the rise of new players such as YouTube (Google), Apple, Facebook, MySpace (News Corp.), and Wikipedia has been especially strong in Canada and added to the media economy, without cannibalizing the economic base of traditional media. Second, I show that the media have become more concentrated, and that a half-dozen media conglomerates now form the centrepiece of the network media economy in Canada. Adding four other second-tier firms to the list yields what I call the “big 10” media firms: Rogers, Shaw, Quebecor, CTVglobemedia, Bell, Canwest, Torstar, Astral Media, CBC, and Cogeco. Finally, while I agree that the media are in a heightened state of flux, I argue that the current woes besetting some media enterprises are not primarily due to the steady onslaught of the Internet or declining revenues as advertising shifts from “old” to “new” media. Instead, I argue that contemporary conditions reflect a short-term, cyclical decline in advertising caused by the economic downturn, the accumulated results of two waves of consolidation (1995-2000 and 2003-2007), and the “financialization of the media.”

The concept of financialization directs our attention to the capitalization of the media industries alongside the traditional focus of critical media political economy on media ownership, markets, regulation, commodification, digitization, and so on. The concept highlights the extraordinary growth in the size of the financial sector and financial assets relative to the industrial and other sectors of the economy over the past 25 years and especially since the mid-1990s. These developments have been enabled by the steady liberalization of financial markets, the search for new modalities of capital accumulation in the face of persistently low levels of overall economic growth in the Western capitalist economies since the 1970s, the rapid growth of network information and communication technologies, and accelerated global flows of capital. It also refers to a condition where financial capital and, crucially, financial models drive the strategies and evolution of the rest of the economy, as has been especially evident with respect to the telecom, Internet, and media sectors globally and, as this paper demonstrates, in Canada (Duménil & Lévy, 2005; Foster & Magdoff, 2009; Phillips, 2009; “The great telecoms crash,” 2002). Paying close attention to the dynamics and discourses of financialization also offers a potential bridge between critical political economy and critical cultural political economy insofar as it highlights how the discourses and models of financial actors constitute an image of reality around which financial actors organize their behaviour, including allocating enormous sums of capital investment to financial market trading, mergers and acquisitions, corporate restructuring, and so forth—even if the desired aims fail to materialize or, worse, lead to calamitous consequences, as attested by the ongoing global credit crisis that began in 2008 (Jessop, 2008; Sayer, 2001; Thompson, 2010).

The logic of financialization is particularly important to recent developments across the media industries because it has, paradoxically, created greater media concentration but also bloated media giants that have sometimes stumbled badly and occasionally been brought to their knees by the two global financial crises of the
twenty-first century (2000-2002; 2008). Indeed, several bastions of the “old order” assembled just before or after the turn of the millennium subsequently have been restructured (Bertelsmann, ITV) or dismantled (AT&T, Vivendi), have collapsed in financial ruin (Canwest, Craig, Kirch), or have abandoned early visions of convergence altogether (Bell Globemedia, Time Warner). The woes of these entities offer a cautionary tale regarding the impact of financialization on the media, rather than a tale in which the Internet, changing media behaviours, and declining advertising have precipitated a “crisis of the media.” These trends are global in scope, but as this paper shows, the conditions in Canada are unique (Scherer, 2010).

A bigger pie? The vast expansion of the network media economy, 1984-2009
That the media are in crisis often appears to be a given, with no shortage of examples that seem to prove the case. To take just a few of these for examples, Canwest and CTVglobemedia closed several television stations in 2009, while workers of the former acquired one of its stations in Victoria, British Columbia, and another in Hamilton, Ontario, was sold. TQS, the second largest private French-language television network, was sold to Remstar in 2008 by the consortium of Cogeco, the Canadian Imperial Bank of Commerce (CIBC), and BCE that had previously backed the beleaguered network. Even the CBC’s advertising revenue dropped significantly in 2007-2008. Profits for private conventional television fell to zero in 2008, and revenues declined from $2.2 billion to $2.1 billion (Canadian Radio-television and Telecommunications Commission, 2009b). Daily newspapers also seem to have been hit hard, and several—the National Post, The Brockville Recorder and Times, The Chatham Daily News, and The Daily Observer (Pembroke)— pared back their weekly publishing schedule in 2009 from six days to five. Newspaper revenues declined slightly, and daily circulation fell yet again from 4.3 to 4.1 million units between 2008 and 2009 (Canadian Newspaper Association, 2010). A slew of layoffs by Rogers at its CityTV stations in 2009 and 2010 (140 jobs), CTVglobemedia in 2009 (248 jobs), and Canwest in 2008 (500 jobs) and 2009 (an additional 15% cut in the work force, or 1,400 jobs) only seems to reinforce the view that a secular wave of destruction has pummeled the traditional media (Canwest, 2009; Toughill, 2009).

Broadcasters’ incessant pleas to the Canadian Radio-television and Telecommunications Commission (CRTC) to shore up their supposed faltering economic base have been met with several modest initiatives, including the implementation of a “local programming improvement fund,” more flexibility for broadcasters to negotiate fee-for-carriage arrangements with cable and satellite distributors, permission to include advertising in video-on-demand services, and a willingness by the regulator to entertain the potential for all television distributors—including currently exempt Internet service providers, wireless service providers, and content aggregators such as Apple, Google’s YouTube, and Zip.ca—to be required to financially support Canadian content (CRTC, 2009c; 2010). At the same time, the regulator’s decisions regarding “network neutrality” and media concentration have favoured established telecom and media providers, on the dubious grounds that they possess the deep pockets and inclination to invest in network infrastructure and high-quality journal-
ism and programming (CRTC, 2008; 2009d). Clearly, the “media in crisis” argument is being mobilized, but policy responses thus far have been subdued relative to the anguish hanging over the press in the U.S. and television news in Britain, or relative to the $850-million newspaper bailout in France in 2009 (Benkler, Faris, Gasser, Miyakawa, & Schultze, 2010; Nichols & McChesney, 2009; Scherer, 2010).

It is one thing, however, to recognize that the media industries face tumultuous times, but another altogether to see current conditions as cataclysmic (Picard, 2009). In fact, notions that the media are in crisis must contend with the reality that they have grown immensely over the past 25 years, as Figure 1 demonstrates.²

Figure 1: The growth of the network media economy, 1984-2008

Source: CRTC, Communication Monitoring Report, 2009a and various years; Canadian Newspaper Association, Ownership of Canadian Newspapers, 2009 and various years; Internet Advertising Bureau, Canada Online Advertising Revenue Survey, 2009; Corporate Annual Reports.

Figure 1 indicates that the total telecoms and network media economy expanded enormously over this period, from $38 billion in 1984 to $56.6 billion in 2000 to $73.6 bil-
lion in 2008.\textsuperscript{3} Even after removing the wired and wireless telecoms sectors, the remaining seven sectors of what I call the network media industries— television, cable and satellite distribution, newspapers, Internet access, Internet advertising, radio, and magazines—expanded substantially from $21.4 billion to $32 billion between 2000 and 2008.\textsuperscript{4} Newspaper revenues have stayed flat; almost all sectors of the media have survived well (radio, television, magazines), while some have flourished (cable and satellite television); and Internet access and Internet advertising have exploded. The decline in wired telecoms from 2000 to 2008 is substantial, but not without precedent (e.g., 1984-1992), and it has been offset by the immense growth in wireless and Internet services. In fact, almost all new revenue from the latter services goes to incumbents: BCE, Telus, Manitoba Telecom Services (MTS), SaskTel, Rogers, Shaw, Quebecor, and Cogeco. These firms are not in crisis.

Claims that television is in desperate straits typically highlight the relative decline of conventional advertising-supported television, where profits fell from 11% in 2005 to 5% in 2007 to zero in 2008. This argument is disingenuous. For one, it confuses short-term events with long-term patterns. Profits for conventional television hovered between 10% and 15% from 1996 to 2006 and have declined for only the two most recent years. In addition, revenues have been steady for the past half-decade and have not fallen except for a slight decline in 2008. Moreover, the television universe as a whole has grown enormously. New distribution channels, as well as cable and satellite television, pay-per-view, video-on-demand, the Internet, and so forth, have proliferated and are exceptionally lucrative. There were 48 cable and satellite television services in 2000; today there are 189. Indeed, revenues for these services ($3.1 billion) in 2008 were nearly four times those of a decade ago and slightly less than those for conventional television (if the CBC's annual subsidy is included) (CRTC, 2004; CRTC, 2009a).

Overall, profits for specialty- and pay-television services have hovered between 21% and 25% annually since 2002—roughly two-and-a-half times the rate of profit for all industries as a whole and equalled by just three other economic sectors: banking (25.2%), alcohol and tobacco (23.6%), and real estate (20.9%) (Statistics Canada, 2010a). Even at the height of the financial crisis in 2008 and 2009, pay- and specialty-television profits were 22% and 23%, respectively. Cable and satellite distributors are equally lucrative (CRTC, 2004; CRTC, 2009a). As a whole, the television universe has expanded from a $5-billion market in 1984 to $10.1 billion in 2000 and $13.9 billion in 2008 (see Figure 1). Thus, television is not in crisis, but one of the fastest-growing and most lucrative sectors of the economy!

The newspaper business offers the most challenging test to the arguments that I am making, but its current state is better described as a continuation of long-term trends, rather than a crisis. Picard (2009) and Goldstein (2009) argue that daily newspaper circulation has been in long-term decline relative to the total population in the U.S., Britain, and Canada since the 1950s, partly due to the steady rise of new sources of news over this period (e.g., television beginning in the 1950s, cable news channels in the 1980s, and the Internet in the 1990s). Measured in absolute terms, however, daily circulation in Canada rose until 2000, when 5 million copies were sold, before
falling to 4.7 million in 2005 and 4.1 million in 2009 (Canadian Newspaper Association, 2010; Goldstein, 2009). There has been no downward spike in circulation attributable to the advent of the Internet. In fact, there are indications that the tide is turning as Internet newspaper readership begins to yield some new subscribers. The catch, of course, is that Internet audiences are worth a tiny fraction of the value of “hard-copy” readers. Still, the Project for Excellence in Journalism lays a good part of the blame for the state of the press on a complacent industry that has been slow to adjust to the Internet over the past decade (Picard, 2009; Project for Excellence in Journalism, 2009, 2010; Zamaria & Fletcher, 2008).

Newspaper revenues in Canada have not plunged. They fluctuated between 1984 and 1992, grew steadily afterward from $3.9 billion (1992) to $5.7 billion in 2000, then fell to $5.5 billion in 2008. In addition, with operating profits of 12% to 15% between 2000 and 2008, newspapers are comparatively profitable outlets for investment (Statistics Canada, 2010). The profits for Torstar—owner of The Toronto Star and closest to a “pure” newspaper publisher in Canada—ranged from 16% to 18% annually between 2000 and 2005, then declined to 13% to 14.5% from 2006 to 2009. Looked at from a slightly different angle, however, the image of the press and media industries being in peril did have some basis in reality in recent years as net profits and return on equity plunged briefly for Astral (2009), Canwest (2008-2009), Cogeco (2009),

**Figure 2: Big 8 media companies’ operating profits, 1995-2009**

![Graph showing operating profits of Big 8 media companies from 1995 to 2009.](image)

Sources: Company Annual Reports; Bloomberg Professional; Statistics Canada (2010a and various years), Financial and Taxation Statistics for Enterprises
Quebecor (2007-2008), and Torstar (2008). These are five of the top ten media firms in the country, and therefore this is significant. Except for Canwest, however, the shock was short, sharp, and confined to one or two years between 2007 and 2009, depending on the firm.

Figure 2 illustrates the operating profit trends for the top eight firms in the network media industries from 1995 to 2009. As this figure shows, mid- and long-term profits for Canada’s leading media companies have been high, not low. Moreover, it also indicates that the occasional woes of some media firms have been transitory and have coincided with the two economic crises of the past decade, suggesting that broad economic forces, not the Internet, are the source of their problems. Indeed, recent troubles have been compounded by their close proximity to the crash of the telecom-media-technology bubble between 2001 and 2003 (Picard, 2009).

Clearly the network media economy has not shrunk, but grown and consistently allowed companies to achieve well-above-average profits. The pleadings of the industry, however, begin to make a bit more sense once we realize that some of the overall growth that has occurred has been ambiguous in the sense that it has occurred not in terms of money, but time. Indeed, “total media time” for Internet users (over three quarters of the population) surged from 46 hours to 62 hours per week between 2004 and 2007 (Zamaria & Fletcher, 2008). Canadians have long been intensive media

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**Figure 3: Relatively constant media expenditures and “bandwidth kings,” 1982-2008**

![Diagram](source: Statistics Canada (2008 and various years), Survey of Household Spending and Household Expenditures.)
users, and this is still the case, as their use of the Internet, online video, social networking, and blogs exceeds that of their counterparts in Britain, France, Germany, and the U.S., although the growth of the media economy “in time” is also visible in these and other countries (Benkler et al., 2010; “Changing the channel,” 2010; Comscore, 2009). A steady rise in spending on connectivity further highlights this trend, while spending on media content and cultural goods, conversely, has stayed remarkably flat for the past quarter of a century, as Figure 3 shows.5

The fact that spending on content and cultural goods in 2008 was the same as it was in 1982 (2.4%) suggests that people are using “bandwidth” and “connectivity” for their own purposes rather than consuming more commercial media content. If so, bandwidth, not content, may be king in the network media ecology. Such trends also coincide with the growing visibility of “mass self-expression” (Castells, 2009) and the “social economy of information” that has been enabled by distributed networked media (Benkler, 2006). This is an important point because it helps to illuminate the “multiple economies” of the network media ecology. As Aristotle observed over 2000 years ago, the production of things, in this case communication and media goods, does not have a singular purpose. Instead, we create things for ourselves (self-production), for exchange (markets), and for others (the community). It may be this reality that is essential to grasping the relationship between the commercial network media economy, mass self-expression, and the social economy of information. In other words, the growth of self-production and the social economy of information are likely behind traditional media players’ concerns that they are being deprived of their “fair share” of the “new media economy.” But if Aristotle was right, then the greater mediation of everyday life has only brought to the fore the multiple economies of cultural production that were already there. While this may be a difficult concept to wrap our minds around, Wikipedia can usefully be seen as the poster child for some of its core values. The collaborative online encyclopedia was launched in 2001 with 800 “stubs” to be developed by volunteer contributors. By 2010 it held more than 15,000,000 articles written in 270 languages by 91,000 regular contributors—all based on values of “self-production,” shared editing, and an alternative model of property, i.e., the GNU Free Documentation Licence, which lets everybody use one another’s work and even download the entire database for free. Canadians, on a per capita basis, are generous contributors to the venture (Wikipedia, 2010).

All in all, these trends express the multiple economies of digital capitalism, and while nestled firmly within the “belly of the beast,” so to speak, they should not be conflated with the logic of market exchange. The key point is that these trends add to the media economy, rather than taking away from it. People are using traditional media somewhat less, but this applies to all media users. As Zamaria & Fletcher (2008) observe:

Online activities appear to supplement rather than displace traditional media use. In general, new media ... activities are being added to an existing media diet that includes substantial time spent with conventional media, even for youth and younger Internet users. (p. 9)
The Canadian television industry has been slow off the mark in coming to terms with these new realities, but this may be beginning to change. Perhaps this complacency is not all that surprising, given that only 3% of television viewing occurs on the Internet, while mobile devices account for much, much less (Canadian Broadcasting Corporation/Media Technology Monitor, 2009; “Changing the channel,” 2010). Yet “digital download stores” (e.g., Apple), content aggregators (e.g., Google’s YouTube), and peer-to-peer networks (e.g., BitTorrent) are expanding rapidly, albeit from a low base, and a flurry of activity is occurring that will shape the future of the media. Indeed, there have been many attempts to transform nascent trends into viable services. The BBC’s iPlayer, created in 2008, now obtains 70,000 views a day, and Hulu, the jointly owned Internet television service of News Corp., Disney (ABC), and NBC Universal, is now one of the leading online video services in the U.S. None of these ventures, however, is profitable, others have folded (Joost), and still others are expected to be short-lived (Netflix) (Canadian Broadcasting Corporation/Media Technology Monitor, 2009; Canadian Film and Television Production Association, 2010). Broadcasters in Canada finally joined the fray in 2007/2008 when they began their own substantial video portals in a sustained way (e.g., CBC.ca, CTV.ca, GlobalTV.com) and started to offer programs through Apple’s iTunes store and YouTube. Behind-the-scenes clips also increasingly accompany scheduled fare, although imported programs such as The O.C. (aired by CTV) are more likely to use Facebook, YouTube, and MySpace pages than Canadian programs. Degrassi: The Next Generation (CTV), Star Académie (Quebecor’s TVA), and the independently produced Sanctuary are notable, but extremely rare, exceptions (Grant, 2008; Miller, 2007; Nordicity, 2007).

The main thrust, however, has been to prevent the rise of the Internet as an alternative medium for television. To this end, telecom and cable providers restrict peer-to-peer traffic and regulate their networks with a heavy hand, as the CBC discovered when Bell hobbled its attempt to use BitTorrent to distribute an episode of Canada’s Next Great Prime Minister in 2008. Geo-gating and content rights management technologies are also being used to shore up “national borders.” The U.S. cable companies’ “TV Everywhere” strategy is an excellent example of this. Created in 2009, it was quickly imported by Bell and Rogers as the basis for their own broadband video portals. Broadcasters have offered more programs to these services in response, but, as in the U.S., exclusively to existing cable and satellite subscribers. Geo-blocking and content rights management technologies are also being used to preserve the window-based model that has forever been central to the television and film industries, where the release of films and television programming is staggered over time and across territorial borders in order to maintain separate markets for the theatre, specialty and pay TV, DVD, conventional television, and so on. Deals have been struck with Google, Apple, ISPs, wireless service providers, and so on, but they have been hedged by broadcasters’ demand that the CRTC require all of these “new media” providers to contribute to Canadian television production funds (CRTC, 2009c; Grant, 2008; Miller, 2007). Of course, Google Inc. (2009) and Apple Inc. (2008), with ISPs at their side, staunchly oppose such a move, arguing that they offer additional channels of distribu-
tion that benefit not just traditional commercial media providers, but independents and the hordes of people involved in mass cultural production.

Financialization and consolidation of the network media industries
Instead of investing in cutting-edge network infrastructure and adapting to new media forms, incumbent media and telecom firms have mostly spent the past decade-and-a-half amalgamating and subsequently retrenching under the weight of fairy-tale levels of capitalization, enormous debt, and dubious business strategies (Benkler et al.,

Figure 4: Mergers and acquisitions in network media industries, 1984-2009

Sources: Thomson Financial, 2009; FPInformart, 2010; Bloomberg Professional.
2010; Organisation for Economic Co-operation and Development, 2008). The process of consolidation is usually explained as a response to new digital technologies, permissive regulation, and globalization, but the financialization of media is another phenomenon that has arguably been even more important and understudied. Kevin Phillips (2009) defines financialization as a function of the swelling role of the financial sector in the U.S. from 11% to 12% of GNP in the 1980s “to a stunning 20-21 percent … by 2004-2005 … while manufacturing slipped from about 25 percent to just 12 percent” (p. xiii). Duménil & Lévy (2005) highlight “the tight and hierarchical relationship between industrial capital and banking capital” as its signature feature. Foster & Magdoff (2009) define it as the growing reliance of the economy on the financial sector in response to general economic stagnation and overproduction—the “normal state of the monopoly capitalist economy” (p. 14), but also a source of chronic instability. Crotty (2005) and Shiller (2001) argue that such processes have been pronounced in the telecom, media, and Internet sectors, with detrimental effects (“The great telecoms crash,” 2002).

The financialization of the media and telecom industries also occurred in Canada in the latter half of the 1990s, as investment poured into mergers and acquisitions, yielding huge media conglomerates with unheard-of capitalization levels and enormous debts. Figure 4 reveals the spike of acquisitions in the telecoms and media industries between 1996 and 2000 and again, albeit more modestly, from 2003 until 2007, as well as the sharp rise in the market capitalization of the leading media firms in Canada. The financialization of the media and telecom industries also occurred in Canada in the latter half of the 1990s, as investment poured into mergers and acquisitions, yielding huge media conglomerates with unheard-of capitalization levels and enormous debts. Figure 4 reveals the spike of acquisitions in the telecoms and media industries between 1996 and 2000 and again, albeit more modestly, from 2003 until 2007, as well as the sharp rise in the market capitalization of the leading media firms in Canada.6

Media transactions alone in 2000 ($7.1 billion) were more than eight times greater than five years earlier, while telecoms and Internet acquisitions were more than ten times that amount. Indeed, primed by the easy cash of the telecom-media-technology (TMT) boom, media convergence, and the permissive policies of the Liberal government, media and telecom companies went on a buying spree. BCE acquired CTV and The Globe and Mail ($3.4 billion) in 2000, and Quebecor bought Vidéotron, TVA, and the Sun “Media” newspaper chain ($7.4 billion) between 1998 and 2001, making it Québec’s biggest media conglomerate. Canwest purchased Western International Communications ($800 million) in 1998, followed two years afterward by the Hollinger newspaper chain and the National Post ($3.2 billion). The capitalization levels of the largest eight publicly traded media firms soared alongside these trends, from $8.5 billion in 1995 to $25 billion in 2000. As the TMT bubble collapsed, however, their capital structure tumbled by nearly 45%, while rival telecoms and Internet firms created in the late-1990s went bankrupt or “ceased to exist” altogether (CRTC, 2002, p. 21).

This caused a lull of activity, but by 2003-2004 the process regained steam. Already struggling to bring its debt under control, Canwest sold several smaller newspapers to Transcontinental and Osprey Media (2002-2003). With financing from the U.S.-based private equity fund Providence Equity Partners, Craig Media expanded its modest A-Channel and created a new station, Toronto One (2003). The effort, however, failed; Craig was forced into bankruptcy, Toronto One sold to Quebecor, and the A-Channel system bought by CHUM (2004)—the fifth-largest broadcaster in Canada and owner of CityTV. That too was short-lived, however, and the debt-laden CHUM
was sold after its founder’s death to Bell Globemedia in 2006 ($1.6 billion). But even Bell Globemedia was in disarray, and the company abandoned its convergence strategy by scaling back its stake in CTV and *The Globe and Mail* (from 71% to 15%) in late 2006 and selling its stake in TQS the next year. A re-branded CTVglobemedia emerged from this restructuring with the Thomson family at the helm (40%) and the Ontario Teachers’ Pension Fund (25%), Torstar (20%), and Bell (15%) all holding minority interests. The last step in this tangled web of affairs occurred as the CRTC allowed CTVglobemedia to keep the A-Channel stations as well as the pay- and specialty-television services that it had acquired from CHUM, but forced it to sell the CityTV stations (CRTC, 2006). Rogers snapped them up within the year ($375 million).

Three other transactions occurred in 2007 that set the course for the rest of the decade. Astral Media bought Standard Broadcasting. Osprey was sold to Quebecor. Lastly, Canwest and the New York–based investment bank Goldman Sachs bought Alliance Atlantis for $2.3 billion. The CRTC blessed this transaction based on the fiction that Canwest maintained ownership control of the entity as required by the *Broadcasting Act*’s foreign-ownership rules, despite the fact that Goldman Sachs held two thirds of the equity in the acquired specialty- and pay-television services, and with few qualms for the rise in concentration the deal entailed. Some argued that the huge debt-levels involved would not be sustainable and that the increased media concentration that would result was unacceptable. This was all for naught, however, and Canwest’s takeover of Alliance Atlantis gave it ownership of 13 specialty- and pay-television channels (such as BBC Canada, HGTV, National Geographic, and Showcase). Goldman Sachs assumed half the stakes in Alliance Atlantis’ highly touted CSI series (with Viacom/CBS holding the other half), as well as a 51% stake in its film and television production venture (Communication Energy Paperworkers, 2007; CRTC, 2007; Goldstein, 2007). All in all, media acquisitions neared their dot.com highs and the market capitalization of the leading eight media firms outstripped even the levels set in 2000 to reach $53.3 billion, but this figure, too, began to plummet with the onset of the global financial crisis of 2008.

The scale and speed of these events suggest that the media were not only swept up in the financialization of the economy, but on the cutting edge of this process. The intensity of investment driving media consolidation has been wholly out of proportion to the media industries’ weight in the “real economy.” The dynamics are also important because, as Picard (2002) notes, institutional investors prefer firms that possess a reach across many media sectors and a deep treasure trove of content. The outcomes yielded a half-dozen media conglomerates and four other significant entities that now form the “big 10” media firms in Canada, as ranked by market capitalization and revenues, outlined below in Table 1.

Table 1 highlights the sheer size of the leading media conglomerates, but, as Terry Flew (2007) states, this tells us little about whether media markets have become more or less concentrated over time. Others also argue that media ownership no longer really matters because most media companies are now owned by shareholders and controlled by managers. As Demers & Merskin (2000) argue, the managerial revolu-
tion signals the death knell of the media mogul, and this is a good thing because corporate media managers do not have ideological axes to grind, but they do have deep pockets and the expertise needed to support better media performance and higher-quality journalism than owner-controlled companies. Others go even further and argue that the vast expansion of the television universe, explosive growth of the Internet, and the rise of YouTube, MySpace, Google, and so on, render worries about media concentration anachronistic. Indeed, Benjamin Compaine (2001) assures us that “the democracy of the marketplace may be flawed, but it is getting better, not worse”. Finally, Kenneth Goldstein (2007) argues that the issue is not concentration, but the fragmentation of audiences. Audience fragmentation is a problem because it threatens to yield a tower of babble as strident voices swamp civil discourse and the mutual understanding that democracies depend on to survive (Sunstein, 2007).

### Table 1: The big 10 media firms in Canada, 2008 (mill. $)

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<td>Diversified</td>
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<td>CTVgm</td>
<td>Thomson (40%), TPF (25%), Torstar (20%), BCE (15%)</td>
<td>N/A</td>
<td>2,288.1</td>
<td>932.9</td>
<td>806.4</td>
<td>388.8</td>
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<td>Canwest</td>
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<td>24.9</td>
<td>2,739</td>
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<td>Atkinson, Thall, Hindmarsh, Campbell, Honderich,</td>
<td>500.1</td>
<td>750.6</td>
<td></td>
<td>750.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cogeco</td>
<td>Audet Family (80%), Rogers (20%)</td>
<td>336.1</td>
<td>888</td>
<td>111.3</td>
<td>2</td>
<td>561.5</td>
<td>213.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Ind. $</td>
<td></td>
<td>31,148.0</td>
<td>0,3,565.8</td>
<td>3,045</td>
<td>6,953.5</td>
<td>$5,400</td>
<td>$2,000</td>
<td>$6,200</td>
<td></td>
</tr>
<tr>
<td>C4</td>
<td></td>
<td>41.6</td>
<td>80.6</td>
<td>71.3</td>
<td>87.6</td>
<td>77.3</td>
<td>61.7</td>
<td>54.6</td>
<td></td>
</tr>
<tr>
<td>HHI</td>
<td></td>
<td>615.4</td>
<td>192.9</td>
<td>1588.3</td>
<td>2,094.7</td>
<td>1819.3</td>
<td>1151.9</td>
<td>926</td>
<td></td>
</tr>
</tbody>
</table>

Sources: Corporate Annual Reports; CRTC Communication Monitoring Report, 2009 and various years; Canadian Newspaper Association. 2009 and various years.
The upshot from all of this is that the media are more competitive and fragmented than ever. Or are they? The fact that all of the “big 10” media firms are owner-controlled, except Bell and the CBC, suggests that Demers & Merskin’s (2000) case does not fit the Canadian context. Furthermore, their data from the early 1990s highlight a process of steady, incremental change, whereas the financialization thesis reveals a sharp, dramatic bout of transformation beginning in the latter half of the decade that led to a sharp rise in concentration, albeit without substantially altering the structure of media ownership.

To help determine whether the media have become more or less concentrated, I collected data from company reports, the CRTC’s Monitoring Reports, industry associations, and other sources for each sector of the network media between 1984 and 2008.

Figure 5: Network media industries concentration ratios (CR), 1984-2008
Data on the number of media owners and market share were gathered at four-year intervals and then analyzed using concentration ratios (CR) and the Herfindahl-Hirschman Index (HHI). The data were then pooled to create a portrait of the network media. The CR method adds the shares of each firm in a market and makes judgments on the basis of widely accepted thresholds, with 25% market share by three firms (C3), 50% or more by four firms (C4), and 75% or more by eight firms (C8) indicating high levels of concentration. The Herfindahl-Hirschman Index (HHI) squares the market share of each firm and then adds them to arrive at a total that will range from 100 (i.e., 100 firms each with a 1% market share—perfect competition) to 10,000 (1 firm with 100% of a market—monopoly) (Noam, 2009). The U.S. Department of Justice as well as Canadian competition authorities use the following thresholds to help determine whether markets are more or less concentrated:

- HHI < 1000 Unconcentrated
- HHI > 1000 but < 1,800 Moderately Concentrated
- HHI > 1,800 Highly Concentrated

Overall, the “big 10” media firms’ share of all revenues in 2000 and 2008 hovered around 71-72% in both years—a substantial rise from 61% in 1996, and a still-further increase from 54% in 1992. Taken individually, each sector was highly concentrated in 2008 on the basis of the CR method (see Figure 6). The picture according to the HHI is slightly more mixed. Cable and satellite distribution (2,094.7), conventional television (1929), and newspapers (1819) were highly concentrated in 2008, while specialty-
and pay-television services (1588) and radio (1151) were moderately so. Only Internet access (926) and the network media as a whole (616) were unconcentrated. The pooled network media score rose steadily to 667 in 2000, where it stayed until declining to its current level after BCE and Cogeco scaled back their convergence strategies in 2006-2007 and new players (the Thomson family and Remstar, respectively) filled the breach. As an aside, Thomson’s takeover of Reuters—the world’s largest news and financial information agency—two years later transformed CTVglobemedia into a subdivision of the eighth-largest global media empire. In short, media concentration has grown in specific sectors and plateaued at historically high levels after 2000 for the network media as a whole, with the sharpest increase occurring after 1996. Figures 6 and 7 illustrate the trends.

In some ways, this portrait understates media concentration. The national measure used does not fully capture the extent to which, for instance, Quebecor dominates the French-language media. The shares of media conglomerates in the English-language market would be higher as well if this factor was taken into account, but not to the same degree. A web of alliances between key players also blunts the sharp edge of competition. The Globe and Mail and Torstar, for instance, are rivals in some markets, but the latter has a stake (20%) in CTVglobemedia and a director on its board. Rogers owns 20% of Cogeco and has a director on its board, while CTVglobemedia, Rogers, Quebecor, Shaw (Corus), Astral, and Cogeco jointly own a dozen cable and satellite television channels (CRTC, 2009a).

Many argue that the Internet obviates such concerns, but the Internet is not immune to consolidation. Roughly 94% of Canadian high-speed Internet subscribers gain access from incumbent cable and telecoms providers (CRTC, 2009). Google’s growing dominance of the search engine market further illustrates the trend, where it accounts for 81.4% of searches. Trailing far behind are Microsoft (6.8%), Yahoo! (5%), and Ask.com (4%), yielding a CR4 of 97% and an HHI of 6,713—far outstripping the standards of concentration outlined earlier. Social networking sites display a similar trend, with Facebook accounting for 63.2% of time spent on such sites, trailed by Google’s YouTube (20.4%), Microsoft (12%), Twitter (0.7%), and News Corp.’s MySpace (.6%) (Experian Hitwise Canada, 2010). Again, the CR4 score of 86% and HHI score of 4426 reveal that social networking sites are highly concentrated in Canada. Google’s dominance in the search engine market and pivotal place in social networking helps to explain why it is such a powerful force in defining the relationship between “old” and “new” media.

The number of websites, blogs, and so forth continues to proliferate, but the amount of time that Internet users spend on the top 10 sites has nearly doubled from 20% in 2003 to 38% in 2008 (Comscore, 2009). In Canada, 8 of the top 15 Internet news sites belong to traditional media firms: cbc.ca, Quebecor, CTV, The Globe and Mail, Radio-Canada, The Toronto Star, Canwest, and Power Corporation; CNN, BBC, Reuters, MSN, Google, and Yahoo! cover almost all of the rest (Zamaria & Fletcher, 2008). A similar pattern prevails in the U.S. (Project for Excellence in Journalism, 2010), and Chris Paterson (2005) argues that concentration is even higher, given that
40% to 60% of foreign stories published by Internet news sites originate from Reuters or Associated Press.

The problem, therefore, is not the “fragmentation” of audiences, as Sunstein (2007) and Goldstein (2007) fear, but the concentration of attention. While Noam (2009) argues that this reflects the continued power of money and brands in structuring the Internet, Benkler (2006) argues that the concentration of attention on the Internet reflects the workings of “power law distribution.” According to this idea, most networks—communication, social, and transportation—have just a few nodes, blogs, websites, and so on that attract most of the traffic, attention, people, et cetera, after which a steep drop-off occurs, followed by a “long tail” that accounts for ever-tinier slices of attention. Benkler believes that this could be a good thing if communication networks remain open and processes of communication and social interaction, versus power and money, function to foster understanding out of the “tower of babble.” While strongly opposed to the trend toward closed and controlled communication networks, he sees popular sites arising out of the Internet’s hyperlinking structure, where relevance, credibility, trust, and communities of interest help to organize attention on the Internet. The outcome is not ideologically sealed “echo chambers” and a “tower of babble,” but a substantial improvement in understanding and knowledge relative to the standards set by the “industrial media” of the past. The upshot, however, is not that this diminishes worries about concentration, but that the suppleness of these structuring practices makes maintaining open networks and curbing the influence of money, power, and “business models” over network media more important than ever.

Debt, delusions, and the crisis facing the network media ecology

There is a giant, tangled paradox in all of this in that while media conglomerates have become larger and continue to be very profitable, and markets have become more concentrated, there are obvious signs of disarray all about us. Why? In addition to the impact of two economic crises and excessively capitalized corporate structures, part of the answer lies in the irony that convergence was embraced in Canada precisely as it was losing its lustre elsewhere. Indeed, by the turn of the twenty-first century, all the major regional telecom firms in the U.S.—SBC, Bell Atlantic, US West, and BellSouth—had drawn back from the close alliances they had forged with television and film studios over the course of the past decade. Microsoft has also wound down the stakes in cable and telecom systems WebTV and MSNBC that it acquired in the late 1990s, while its CEO, Steve Ballmer, lamented entering the media and telecoms businesses directly as early as 2001 (Olsen, 2001). AT&T sold off all of its cable interests in 2003, just five years after embracing the “convergence strategy,” and was sold to SBC in 2005. Time Warner is, ironically, the poster child of the failures of convergence, having dropped AOL from its moniker in 2003, sold the Warner Music Group in 2004, laboured under fraud charges for years until settling with the Securities Exchange Commission in 2005, and spun off its cable systems in 2008. Indeed, in 2009, its market value stood at $78 billion—about a fourth of its value in 2000, when the merger between AOL and Time Warner was the biggest in corporate history and supposedly a sign of things to come (Time Warner, 2009). The collapse of KirchMedia in Germany, the travails of ITV in
Britain, and the continued dismantling of Vivendi in France are further examples of crestfallen media conglomerates formed amid the fin de siècle convergence hype.

Figure 7: Leading media firms and debt, 1990-2008

So too have the “field of dreams” visions of convergence floundered in Canada. BCE’s capitalization soared from $15 billion in 1995 to $89 billion in 1999 but plunged to $26 billion three years later (Bloomberg, 2010). By the time the renamed CTVglobemedia was sold in 2006, it was worth roughly half of the $4 billion assigned to the venture six years earlier (BCE, 2003, 2007; CRTC, 2006; see Note 4). “Broadband multimedia trials” continue to come and go at other regional telecom providers in Canada, but they play tiny roles in the media. Canwest’s collapse in 2009-2010, the sale of its 13 dailies and the National Post to “old hands” in the Canadian newspaper business (e.g., Paul Godfrey) backed by a private equity fund in the U.S., and the tentative sale of its television operations to Shaw provide yet another example of consolidation gone bad. Quebecor has also struggled with enormous debt, but it has enjoyed considerable success presiding over the star system in Québec, with newscasts that rival those of the CBC’s Réseau de
l’information (RDI) and popular programs such as Star Académie. Quebecor’s case also reveals a striking feature that applies to all the “big 10” media firms: namely, that if profitability is a good proxy for success, then they have been very successful except for the sharp but short shocks felt by some media companies after the crash of the TMT bubble and the financial crisis of 2008 (see Figure 2, above). Even Canwest has been profitable, sometimes extremely so, every year since 1991 in terms of operating profits and all but two years (2004 and 2008) in terms of return on equity. The industry’s favourite “bragging rights” measure of profit—earnings before interest, taxes, depreciation, and amortization (EBITDA)—also reveals that its profits were in the low- to mid-20% range for the last decade before falling to 16% on the eve of its demise in 2009. How is it possible for highly profitable firms to be in such disarray? The answer is debt. Figures 8 and 9, below, put the issue of debt in historical perspective.

Figure 8: Leading media firms and debt-to-equity ratios, 1990-2008

As Figure 8 illustrates, the mountain of debt acquired by the eight major media companies soared from $8.8 billion in 1995 to $24.8 billion in 2001 and continues to hang

Sources: Company Reports; Bloomberg Professional
about the industry to this day. There are no hard-and-fast rules as to when there is too much debt. However, Figure 8 demonstrates a clear break with historical norms after the mid-1990s, although Rogers and Quebecor were already pace-setters for the trend to come. Likewise, there are no fixed rules regarding appropriate debt-to-equity ratios; however, historical norms and informed views provide a useful guide. Before 1996, most firms maintained a debt-to-equity ratio of less than 1, and this is still the case for Astral and Torstar, which are considered to be fiscally conservative entities. The Bank of Canada (2009) gives a sense of appropriate debt levels when it applauds the decline of corporate leverage from over 1 in the early 2000s to roughly 0.85 in 2009, while urging an even greater return to corporate fiscal probity. William Melody (2007) argues that a debt-to-equity ratio above 80% “is unsustainable in the long term [and that] running a firm’s debt up to an unsustainable level … is simply acquiring short-term cash at the expense of long-term development and increased financial risk and costs” (p. 2).

According to this standard, most major media firms in Canada throughout the 2000s, except Astral, Torstar, and, to some extent BCE, have been bloated corporate entities, run as “cash cows” rather than companies capable of sustained investment and innovation. Indeed, while the cost to specific firms has been high, the cost to the economy, society, journalism, and the network media ecology has been higher, as the following discussion illustrates. At the end of the 1990s, a slew of new rivals in telecoms and the Internet did lead to an unprecedented surge of investment in network infrastructure that put Canada near the top of “global league” rankings for basic communication and broadband Internet services. Most of those rivals vanished long ago,

**Figure 9: Stagnating network infrastructure investment, 1984-2009**

however, and their facilities were absorbed by the incumbents (CRTC, 2002). The result has been stagnating investment in network infrastructure and weak competition, buttressed by weak regulation and policies. As a result, in the past decade Canada fell to the middle or bottom of the rankings relative to other Organisation for Economic Co-operation and Development (OECD) countries in terms of the state of high-speed broadband networks; wireless connectivity; bundled telephone, cellphone, television, and Internet services; and public wi-fi services (Benkler et al., 2010). Figure 10 charts long-term investment trends in network infrastructure.

Spending on conventional television news and programming shows similar trends, while expenditures on foreign (mostly U.S.) programs have risen sharply to feed the expanded fleet of cable and satellite television services. Indeed, the trends shown in Figure 11 (below) comport with many studies that show that commitments to domestic television production continue to fall short of the pledges made by companies during regulatory reviews and when their acquisitions were approved (Auer, 2007; McQueen, 2003). Total television production grew slightly from $1.8 billion in 1998 to $2 billion a decade later in response to the growth of cable and satellite television channels, although full-time production jobs fell slightly (Canadian Film and Television Production Association, 2010). This parsimonious approach, however, has come back to haunt the industry by making it more vulnerable to rights-holders who have no qualms about playing off “old” and “new” media providers against each

Figure 10: Television program expenditures, 1996-2009

![Figure 10: Television program expenditures, 1996-2009](image-url)

other for television and Internet distribution rights, while leaving broadcasters badly equipped to benefit from the huge growth of television worldwide (Miller, 2007; Grant, 2008). In other words, this is one more small reason for the current woes facing some media firms.

Quebecor and Canwest are especially notorious for their “slash and burn” approach to the restructuring that inevitably follows the consolidation of ownership. Throughout the past decade, they have failed to meet pledges for television program production, eliminated journalists, centralized operations, and lost editors-in-chief and publishers under clouds of acrimony (Jim Jennings at The Toronto Sun; Russell Mills at the Ottawa Citizen) (Soderland & Hildebrandt, 2005). To be sure, CTVglobemedia and Torstar have also sought to revamp the conditions of media work, albeit with a little more finesse. Indeed, 281 positions were cut at CHUM on the day it was acquired by CTVglobemedia, while another 248 jobs were cut across the operations of the latter in 2009 (Toughill, 2009). In contrast, Canwest riled journalists and the public alike by withdrawing from the Canadian Press news service and initiating its national editorial policy, a move that ultimately collapsed under the weight of its own stupidity (Soderlund & Hildebrandt, 2005). Canwest also cut the number of its foreign news bureaus from eleven in 2000 to just two a few years later—exactly the opposite of what Canadians need as the country becomes deeply embroiled in complex and contested world affairs and military conflicts. The CBC, in contrast, has 14 foreign bureaus. In addition, just as Canwest was lining up its bid with Goldman Sachs for Atlantis Alliance, it eliminated 300 media jobs in the fall of 2007 and centralized its news operations in its Winnipeg, Vancouver, Montréal, and Toronto facilities. Despite all of this flailing about, uncontrolled debt finally triggered the fall of Canwest in 2009-2010.

Similar forces have continuously pushed Quebecor to the brink, but without ultimately pushing it over. Nonetheless, massive debt caused Quebecor to delay investment in its cable networks in the early 2000s (Marotte, 2000) and to push through aggressive changes to working conditions in the face of staunch opposition from journalists and other media workers. The Ryerson Review of Journalism refers to Quebecor’s “hatchet job” at the Sun in 2006, with another 120 jobs slashed and its production and printing operations centralized—a move that led Jim Jennings, the internationally experienced editor-in-chief of The Toronto Sun, to resign (Magarrey, 2006). Such conditions have created conflict between media workers and executives of the likes not previously seen in Québec or Canada. There have been at least nine lockouts in the past decade at Quebecor operations, including a protracted 15-month standoff at Le Journal de Québec that ended only after the Québec Commission des Relations du Travail (2008) ruled that its activities were illegal. Unbowed, Quebecor (2009) locked out reporters at the Journal de Montréal a few weeks later, arguing that newspapers everywhere were “in a state of crisis, given that the entire world is experiencing an economic crisis and is eager to embrace change.” Yet such opportunistic claims ignore the fact that, far from being innocents caught up in events not of their making, Quebecor, Canwest, Cogeco, Bell Globemedia, and so on took the lead in fostering the financialization of the media to begin with. It is this reality that has come back to
haunt them, while others are left to grapple with the underdevelopment of the network media system that has followed.

**Concluding comments**

Ultimately, this paper has shown that the network media ecology has become larger and, by and large, remains highly profitable. The declining costs of information creation and distribution have yielded important new players and rendered the multiple economies of the network media ecology more visible. These same considerations, however, have also amplified economies of scale and scope, leading to greater concentration and the rise of media conglomerates. Google’s dominance of search activities and its sizeable stake in social networking sites alongside Facebook also shows that the Internet is not immune to consolidation.

Yet the “fly in the ointment” from the perspective of the media industries is that while the cost of reproducing the immaterial stuff of information may be zero in a hypothetical world, this potential is difficult to achieve in practice. The Organisation for Economic Co-operation and Development’s observations about the music industry are relevant to most media on this point:

Contrary to earlier expectations, distribution of digital music is complex and far from costless … [and] requires … the digitalization of content, the clearing of rights, … online music storefronts, secure billing systems and new digital intermediaries (e.g., digital rights clearance, software such as Windows DRM, online billing.) (2008, p. 269)

To put this in more familiar terms to media scholars, different media work by different rules, and these distinctions are not easily reconciled within a single firm (Garnham, 1990; Miege, 1989). Mediation is a constitutive element of modern societies and economies that is magnified, not diminished, by communications media (Calhoun, 1992). This also helps to explain why Google stands mid-stream between the “new” and “old” media. It furthermore reminds us, as Bernard Miege (1989) observed long ago, that the distinctive qualities of media and cultural activities can and often do throw up obstacles to the “capitalization of the cultural industries.” The financialization of the media and the formation of media conglomerates according to the “slick rationality” of synergies ignored such realities, but the folly of doing so has been laid bare. To grasp contemporary conditions, it is essential to pay attention to this dialectical interplay between efforts to expand and accelerate the circuits of capital accumulation, on the one hand, and the distinctive aspects of media and cultural goods, on the other, as well as to the recursive effects of “discursive models” on the worlds that they represent and strive to create. These are also key elements for a critical cultural political economy of the media formulated along the lines that I have begun to sketch out in this paper (Jessop, 2008; Sayer, 2001; Thompson, 2010).

In the end, we can conclude that there are no clear cases in which specific media sectors are “in crisis,” although the two major global economic crises of the twenty-first century have dealt punishing blows to some media conglomerates. In fact, at the core of the network media industries are a number of stumbling media behemoths that are ill-equipped to create the kind of open, digital network media system needed for the
twenty-first century. Canwest is the poster child of the bankrupt media conglomerate in Canada, but others such as TQS, Craig Media, and CHUM demonstrate the stern lessons of hubris, empire-building, and debt. Add Bell Globemedia’s retreat from convergence and the perennially indentured state of Quebecor, Rogers, and Shaw to this portrait, and it is abundantly clear that media conglomerates can, and sometimes do, fail. Ultimately, if free and open media really are essential to democracy, then surely we cannot let the fortunes of the latter hinge any more than they already have on those who have done so much to drive the current media system into the ground.

Notes
1. The latter issue, however, has been deferred to the federal courts to ensure that the CRTC has the authority to regulate “new media” in this way.

2. All of the tables, figures, and data in this paper are based on the annual reports of the “Big 10,” the Bloomberg Professional electronic financial news service, FP Infomart and Mergent profiles, industry association reports, CRTC monitoring reports, et cetera, unless otherwise stated. Citing these sources for each use would clutter the text, but readers can check my analysis against these sources. Only revenues from Canada and sectors that fit the definition of the network media industries established at the outset of this paper are included. Bell figures include its DTH service, Internet access, and CTV and The Globe and Mail between 2000 and 2006. Data for CTVglobemedia is limited after 2006 because it changed ownership and became a privately held company at this time. Revenues for the television industry include the CBC’s annual parliamentary appropriation.

3. Unless otherwise noted, all dollar values are in real dollar terms, adjusted to 2010 as the base year. Using current dollars would make my arguments easier by showing even more pronounced growth.

4. I use the idea of the network media economy in a way that follows Yochai Benkler (2006). The construct refers to core and emergent public media that migrate around various distribution networks and media platforms and devices. It is not convergence, but rather a network of media tied together through strategies, ownerships, alliances, uses, technologies, rights regimes, and so forth. Methodologically and empirically, it is an important tool, because it puts a boundary around what is included and excluded from my analysis. It is a narrower construct than, for example, Dan Schiller’s (1999) digital capitalism. The distinction also reflects judgments about the extent to which digitally mediated forms of communication have been influenced by the logic of capital accumulation and/or commercialization (McChesney, 2008), with the inference that I see the “social economy of information” (Benkler, 2006) and “mass self-expression” (Castells, 2009) as having greater sway, and value, outside the forces of accumulation than Schiller (1999), McChesney (2008), or more recently Christian Fuchs (2011) would seem to believe. Some reasons I believe this to be the case will be evident over the course of this paper, while others are well beyond its scope.

5. Connectivity includes spending on telephone, cellphone and Internet access services and computers. The ‘media content and culture’ category covers cable and satellite subscriptions, newspapers, magazines, movie theatres, audiovisual equipment and attendance at sports, arts and culture events.

6. In Figure 4, I use data obtained from a custom analysis of “Announced Mergers and Acquisitions (1/1/1984-3/19/2009),” assembled at my request by an analyst at Thomson Reuters. Data is on file with the author and available upon request. The remainder of 2009 was filled in using Factiva to search for all completed mergers and acquisitions in these sectors for 2009. Market capitalization as of December 31st for each year covered and for each of the major Canadian media companies included in my “big 10” category was obtained from the Bloomberg Professional financial information service.

7. Bell sold 55% of its stake in the re-branded CTVglobemedia for approximately $1 billion—$685 million for the CTV portion and an estimated $300 million for The Globe and Mail. Altogether, this was about half of the value of $4 billion originally assigned to the entity in 2000 (BCE, 2001; CRTC, 2006).
8. Data for magazines is incomplete, so specific firm revenues are not reflected, except for Rogers ($184 million), which is placed under newspapers. Magazine-sector revenues ($2,394 million) are included in the total revenues for the “network media.” Including magazine revenues for specific firms, notably Quebecor, would raise the big 10’s share of total revenue.

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