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Radio stations tend to repeat existing formats, inhibiting diversity of musical broadcasting. Musical format homogeneity is problematic, because music conveys knowledge and ideas; therefore, an absence of musical diversity among radio stations indicates limits on knowledge dissemination. I contend that concentration of ownership contributes to the pattern of format redundancy in the radio industry; therefore, my research question is what causes format homogeneity in the radio industry? I tested two hypotheses. My first hypothesis is that both radio industry ownership concentration and format homogeneity are higher after 1996 (when telecommunications regulation changed) than from 1994-1996. My second hypothesis is that as ownership concentration increases, format homogeneity will also increase, regardless of year. I coded and analyzed data from *The Gale Directory of Publications and Broadcast Media*. I utilized means comparisons and ordinary least squares regression to test my hypotheses, finding a positive and strong relationship between ownership concentration and format homogeneity. My research confirms the danger of loosely regulated radio station ownership for promoting a pluralistic American society.

***THE SONG REMAINS THE SAME**: OWNERSHIP CONCENTRATION
AND FORMAT HOMOGENEITY
IN THE RADIO
INDUSTRY**

by

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Approved by

Committee Chair

*From the Led Zeppelin album of the same name

To my father and mother who

Provide me with

Inspiration, Faith and Love.

Although I don't say it nearly

Enough,

Thank You

APPROVAL PAGE

This thesis has been approved by the following committee of the Faculty of the
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CHAPTER I

INTRODUCTION

Literature, art and music all convey beliefs, values and ideas about society. Some ideas support the social status quo, while some ideas subvert it. Music is a powerful means of conveying ideas. For example, ideas in music can be so powerful that music gets subjected to public condemnation, such as when the Parents' Music Resource Council's movement initiated the music industry's "parental advisory" notification on recording projects deemed "objectionable."

Most music is heard via radio broadcasting, and radio station owners often determine their station's musical content. Radio station proprietors might possibly regard reactions such as parental advisories as a rationale for prohibiting innovative music broadcast, since musical diversity reflects alternative ways of thinking. Musical expression is influential, considering how controversial it can be.

In this sense, then, station owners may exercise disproportionate control over ideas. Currently, many radio station owners possess multiple stations and present a viewpoint of privilege through redundant formatting. Other viewpoints often are unrepresented in the radio industry, because station owners, by repeating one type of formatting, exclude others. Hence, ownership concentration would be expected to have an impact on format homogeneity in the radio industry.

Ownership concentration occurs when a few proprietors own most of the entities or companies in an economic industry (Croteau & Hoynes, 2000). Ownership concentration in the radio industry seems to derive from relaxed ownership regulation. Radio airwaves are the exclusive property of the state; therefore, the federal government regulates many aspects of the radio industry, including station ownership. Radio station ownership requirements are equally applicable to solitary proprietors or corporations.

The federal government began regulating radio station ownership in 1941. At that time, a single owner could possess no more than two radio stations in a local economic market; regulations after 1941 allowed an owner to possess as many as five. However, the 1996 Telecommunications Act increased ownership concentration even more: one proprietor can own as many as eight stations in a market of 45 or more stations; a sole proprietor can own seven stations in a market of 30 to 44 radio facilities; and a single owner can possess six stations in a market where 15 to 29 radio stations operate (FCC, 2003). Revisions to the act in 2001 and 2002 expanded ownership concentration by permitting a sole proprietor to possess radio stations on frequency modulation (FM) and analog modulation (AM) in the same market.

Government deregulation appears to facilitate corporate acquisition of existing independent radio stations in local markets. For example, Clear Channel purchased numerous local radio stations in several local markets across the United States. In the North Carolina “Triad” market cities of Greensboro, High Point and Winston Salem, Clear Channel owned one out of every five radio stations in 2001. Collectively, Clear Channel, Entercom Broadcasting and Truth Broadcasting owned over half (sixteen) of the

market's twenty-eight radio stations (Radio & Records, 2003). Because of their ability to purchase independent competition, corporations can dominate local markets.

Ownership concentration encourages product homogeneity because of reduced competition among radio providers. When there's competition, radio station owners seek a niche audience, a small core of listeners of an esoteric genre of music (such as jazz or classical). Because of their loyalty, niche audiences are a profitable market for radio stations and owners willing to cater to a niche's musical proclivities. Radio ownership concentration, however, makes niche formatting superfluous. The general market is adequate in size to profit from redundant formatting when there is a lack of competition. For example, in 2001 the Triad radio stations broadcast only eight distinctive formats out of the more than fifty musical formats recognized by Arbitron, the industry's ratings organizer (Arbitron, 2003). Because similar patterns exist in other markets, ownership concentration may impact local radio station's product, the musical format.

Hence, my general research question concerns the cause(s) of format homogeneity in the radio industry. Because I understand ownership concentration might possibly affect format homogeneity, my first hypothesis is that both radio industry ownership concentration and format homogeneity will be higher after 1996 than from 1994 through 1996. My second hypothesis is that as ownership concentration increases, format homogeneity will also increase, regardless of year. The hypothesized relationship between ownership concentration and radio formatting forms the basis of my thesis. Because airwaves are considered to be owned by the state, deregulation is an important

factor for ownership concentration. The most significant legislation for the radio industry occurred with the 1996 Telecommunications Act.

CHAPTER II

LITERATURE REVIEW

Radio is a public domain. The 1927 Radio Act designated radio airwaves as state property; operating a radio station was deemed to be a public undertaking that required governmental regulation. Current laws governing the radio industry, however, reflect a different view about radio station proprietorship.

The 1996 Telecommunications Act: From Media Trusteeship To Media Marketplace

The economic model has replaced the trusteeship model in regulation development. By comparing previous regulations with the 1996 Telecommunications Act, Bednarski (2003) analyzes the language of prior rules and compares the 1996 act against other laws to glean a rationale alteration in the 1996 legislation. According to the researcher, 1927 and 1934 radio acts represented the “trusteeship model” philosophy to industry regulation. For example, the 1927 law bestowed upon Congress the authority to regulate radio through license allocations, determining operation hours and making frequency decisions. The regulations considered radio station ownership as in the “public convenience, interest, or necessity,” as well as a “privilege” (p 275). In addition, the 1934 Communications Act established the Federal Communications Commission (FCC) as a sole governmental oversight agency of the radio industry. The 1934 act also restricted ownership concentration by limiting license transfers between owners.

Of course, the 1941 Radio Act set caps on the number of radio stations a single entity could possess.

By comparison, the 1996 Telecommunications Act presents the “marketplace model” of regulatory behavior by deregulating radio station ownership to the extent that single entities (either an individual or a corporation) can be proprietors over a number of radio stations on a national scale; this was done by increasing the cap limits and allowing ownership across frequencies in a single market. Program redundancy is now allowable in the radio industry. Radio station owners are able to repeat popular formats in the same market if it allows the owner to compete with other stations. Bednarski argues that the diversity portion of the 1996 act ignores the diversity of ideas rules from previous regulations. In this model, the market determines regulations. The philosophical transition from privilege based ownership and format choices to market determinism and format redundancy provides a legal basis for ownership concentration and format homogeneity in the industry. Softer rules that embody the shift in ownership alter the entire industry.

In markets where there are more radio stations there tend to be more program formats. Steiner (1952) sought to confirm a hypothesis that more radio stations in a market increases the market’s musical format diversity. Steiner utilized theoretical formulas that considered profitability, program format number of radio stations and format duplication as variables. One formula represents the calculation of the impact of number radio stations on the number of musical formats offered. Steiner implemented the previously mentioned formula across a hypothetical five-year period to assess

audience programming preferences based on the number of radio stations in a market, assuming that each station provided a different format. The results showed that the number of radio stations in a local market increases format diversity by illustrating that audiences have varied preferences in any market. The prior analysis presents the effects of ownership concentration on product variety in the radio industry; policy affects both characteristics.

The 1996 Telecommunications Act generated greater ownership concentration and undermined diversity. Drushel's (1998) secondary analysis of the 50 largest radio markets in the United States documented an increase in ownership concentration from 1992 to 1997. The results were generalizable; therefore, an increase in ownership concentration probably happened in the population of all commercial radio stations in the United States. However, Drushel lacked support for his hypothesis that ownership concentration from the 1996 Telecommunications Act created format diversity.

Even qualitative research confirms how station ownership affects broadcasting. Ahlqvist and Faulkner's (2002) qualitative analysis of interviews with 32 radio station program directors explored how music formats in commercial radio are managed. They found that group owned radio stations repeat existing formats, while independently owned radio stations transmit more unique formats. Independently owned radio stations formats are determined by the directors' musical tastes, because independent radio station programmers want their radio stations to educate their audiences. Conversely, formatting at group owned stations is determined by demographic information compiled by the corporate office. Radio station programmers that are components of a large

conglomerate believe that radio stations exist to make a profit. Programming is approached from an economic marketplace model that emphasizes generating the greatest revenue for the station. The result is often duplication of existing profitable formats. Since group owned radio is becoming prominent, radio stations sound more and more similar.

Only one research example suggested that ownership concentration increases format variety. Berry and Waldfogel (2001) discovered a positive association between ownership concentration and radio format heterogeneity that was also expected in the population from which their sample was drawn. Berry and Waldfogel found that concentration increased, but so did format variety. One reason for this unusual result may be their willingness to categorize hybrid formats, i.e., the combination of two existing formats, as a unique format.

Most other research reached a contradictory result. Rogers and Woodbury (1996) hypothesized that more radio stations in a market increases the number of musical formats. The researchers analyzed musical formats, ownership total and audience ratings of 115 markets from 1977 to 1987. Their data derived from industry sources: Arbitron ratings results and *Broadcast Publication, Inc.* The results support the researchers' main hypothesis: radio station totals influence format diversity in local markets. The researchers conducted ordinary least squares tests to determine that an increased number of radio stations increased format diversity. The researchers inferred that more radio station proprietors generate greater format variety.

An absence of ownership diversity drives format homogeneity. Greve's (1996) research specifically analyzed radio stations that adopted adult contemporary formats from 1984 through 1993.¹ Greve found that corporate ownership determined adoption of adult contemporary programming by radio stations. This association probably held true for all commercial radio stations in the United States. Greve's analysis inferred that ownership concentration creates format homogeneity.

Format homogeneity is becoming normalized in the radio industry. Wirth (2002) discovered that among 152 markets from 1995 to 2000, the amount of direct competition (i.e., radio stations broadcasting identical formats) increased by 11%. Ownership concentration is a possible reason for the format duplication because Wirth's study was conducted during proprietorship deregulation. Wirth considered direct competition to be a form of diversity. Ownership concentration may increase format homogeneity, in that format copying is normal, fiscally prudent and present wherever owners in local markets are fewer.

Concentrated ownership and format homogeneity are effective cost cutting practices. Eklund, Ford and Koutsky (2000) contended that ownership concentration in the radio industry is an efficient undertaking. Ownership concentration reduces operating costs by allowing multiple radio stations to share staff and programming, resulting in repeated formats. Analyzing all radio station procurements from 1995 and 1996, the researchers found a relationship between ownership concentration and efficiency.

¹ The researcher chose adult contemporary because the programming was popular at the beginning of the study.

Eklund, Ford & Koutsky discovered a relationship between ownership concentration and efficiency that probably exists in the population. Concentration of ownership may utilize format homogeneity to reduce expenditures. Their research identified corporate interests as the philosophical foundation of the 1996 Telecommunications Act.

The 1996 Telecommunications Act promotes a corporate state. Hunterman (1999) identified conglomerate concerns in deregulation efforts. The initial regulation, The 1927 Radio Act, established radio airwaves as public property, subjecting radio to the trusteeship model of ownership. The deregulation from the 1996 Telecommunications Act expanded ownership in markets and eliminated ownership restrictions on national radio organizations, which promoted corporate interests. Only one year after the 1996 Telecommunications Act, the number of radio station owners declined by 11.7% and the number of minority-owned stations decreased from 350 (3.1%) to 322 (2.8%). Because minority-owned radio stations cater to minority tastes in their programming, losing minority owned stations by corporate purchase reduces format diversity as new owners compete for listeners with more disposable income. The reduced number of radio station owners is assisted by statute.

Current laws encourage ownership consolidation in the radio industry. In this case, the radio industry's ownership concentration is due to antitrust laws (merger regulations) that allow industry consolidation (Leeper, 2000). For decades, antitrust laws espoused the trusteeship model to radio station ownership; however, recent antitrust legislation reflects a model that condones massive consolidation. Leeper examined the 1996 Telecommunications Act in specifically conveying this point. Because the antitrust

torts represent an economic view of ownership, Leeper argued that this philosophy ignores diversity in radio station formats; thus, antitrust laws also favor format homogeneity. Current laws encourage ownership consolidation in the radio industry. The capricious regulatory philosophy provides the impetus for a “manifest destiny” approach to radio station ownership, i.e., a few owners expanding their market share through procurement of existing radio stations, diminishing program variety as a normal aspect of business.

Consolidation of radio markets hampers radio programming diversity. Chambers (2003a) discovered that market structure reduces format diversity. He found a moderately negative relationship between ownership concentration and format diversity; as ownership concentration increases throughout radio markets, format diversity decreases. Ownership concentration promotes format redundancy. Chambers found three fewer formats in the high concentration markets in his sample than in the less concentrated markets. His findings were statistically significant and thus, generalizable: a relationship between market structure and radio programming diversity probably exists in the population of American radio markets. In reference to Berry and Waldfogel’s (2001) research, which found a positive link between ownership concentration and format heterogeneity, Chambers thought the impact of the 1996 Telecommunications Act was possibly undetected by the observation period of their study, which does not assess the prolonged effects of deregulation on ownership concentration.

Deregulation eschews ownership and content diversity in the radio industry. Prindle (2003) states that the 1996 Telecommunications Act harms diversity through the

marketplace model that the legislation advocates, which is similar to Bednarski's (2003) contention. He argues that deregulation has generated ownership concentration, which instigated program redundancy throughout radio. Prindle's belief is that the paradigm shift from a trusteeship perspective to a marketplace model of ownership has led to an industry taking advantage in lax rules by seeking ownership concentration and content redundancy because both are profitable, a value that is highly encouraged under the current deregulatory marketplace model. In the end, according to Prindle, an open ownership structure and diversity are absent in radio because of the marketplace model, which emphasizes industry consolidation.

Procurements and mergers have developed ownership concentration in radio through deregulation. Based on Chang and Ki's (2004) analysis of all mergers and acquisitions by United States radio companies from 1981 to 2002, mergers and procurements occurred most during deregulation episodes. Increases in merger and procurement activity occurred in 1984, 1988, 1993 and 1996, the years immediately after deregulation periods identified by the researchers. Merger activity was strongly associated with year (Pearson's correlation coefficient =.93). Chang and Ki's research quantitatively demonstrates the effects of deregulation policy from the 1996 Telecommunications Act. The procurement and merger activity that allows ownership concentration affects the radio industry product.

Deregulation in the radio industry inhibits programming specifically targeted to local communities. According to Chambers'(2003b) study of small markets from 1972 through 1998, the ownership concentration that occurred after the 1996

Telecommunications Act has negatively affected format variety in small markets. Large conglomerates often replace independent owners after industry deregulation, affecting the program choices of audiences because independent owners are often interested in local programming (such as community affairs broadcasts that reflect radio's diverse programming), while corporate owners utilize syndicated national programming that ignore community interests where radio stations are located. The conventional wisdom of regulation, especially in small markets, is that more local voices indicate diversity.

Deregulation ignores local community tastes. The concomitant ownership concentration after deregulation encourages program redundancy by utilizing syndicated broadcasts. Copps (2003) argued that such a practice lacks consideration of public interest concerns about past standards with format redundancy. Copps asserts that the 1996 Telecommunications Act reflected the change from trusteeship ownership regulation to the marketplace model, which advocates industry consolidation through the legislation.

Ownership concentration generates format decisions that override local voices, because local radio then relies on the corporate offices to determine formats. Rothenbuhler (1985) spent several months as a participant-observer in Georgia at a local radio station, a subsidiary member of a large radio conglomerate. He observed that station decisions about format and daily play-lists occurred through a hierarchy, initiated from the corporate headquarters located in the Northeastern United States. Then Rothenbuhler found that local radio stations utilized corporate references (e.g., a program consultant) and national publications more than local advertising and audience requests in

determining musical formats at the radio station. This research suggests that variety, when measured by the amount of local programming, suffers as the result of consolidation. Often, local tastes are esoteric regarding musical genres.

A 1974 ruling allowed radio stations to obviate niche formats that meet the best interest threshold for ones that generate greater station revenue, according to Glasser (1984). The FCC allowed radio owners to eliminate formats that were deemed economically unsuccessful, thus solidifying the duplicate formats practiced in the radio industry. For Glasser, the FCC's decision did not assess the impact of niche stations regarding the best interest standard. Glasser contended that commercial radio's heavy dependence upon advertising makes advertisers the 'consumers,' while the industry's 'product' is developing an audience for listening to commercials, not music. Competition does not occur under those circumstances, therefore, discouraging program diversity. Such practices often occur in free market economic systems.

Ownership concentration in Sweden and Canada occurred after industry privatization and led to the industry ignoring preferences of local audiences. Wallis and Malm (1993) conducted a historical analysis of Sweden's radio industry to show how radio ownership concentrated after privatization. Sweden's government controlled its radio industry from the beginning; however, the 1981 "Radio Neighborhood Law" allowed private radio operation by citizens. A small number of corporations profited from the deregulation by establishing privately owned radio station chains through Sweden's Program 3. Privatization of the radio industry reduced public affairs programming in favor of more music driven programming, especially Western music.

Ownership concentrated within a decade of the legislation, and by then a few corporations dominated Sweden's radio industry. Privately owned stations broadcasted 699 hours per week of programming in 1981, but 5700 hours were broadcast per week in 1991. Competition from state controlled radio decreased. From 1981 to 1984, as the industry converted to a private concentrated ownership structure, popular music increased on these Swedish radio stations. For instance, in 1981, 26% of Swedish radio programming was Western popular music, but by 1984 it increased to 33%. Meanwhile, rock broadcasting decreased from 16% in 1981 to 12% by 1984.² Format preference correlates with the programming hours data, suggesting that the increase in popular music was associated with the ownership concentration that accompanied privatization. Wallis and Malm implied that ownership concentration accompanied increased corporate presence in the radio industry.

Canadian radio formerly operated under state control. Private radio stations lobbied the Canadian government to gain industry access in the 1980's. Breland's (1990) analysis of Bureau of Broadcasting data indicated that ownership concentration dominated Canada's radio industry after privatization. The privatization in Canada decreased public affairs and local programming in Canada in favor of a narrow selection of music formats. This decrease in diversity, indicated by the elimination of public affairs programming after a change from state control to privatization, is similar to what Wallis and Malm (1993) discovered in Sweden, and the reduction in public affairs or community programming is similar to Chambers' (2003b) and Copps's (2003) analyses

² Rock music is an indication of diversity because indigenous performers played rock; thus, rock broadcasts catered to a niche market of Swedish society, especially considering rock's numerous subcategories.

of the United States radio industry. Canada's privatization efforts show that ownership concentration ignores audience distinctions. Other industries are not immune to the effects of ownership concentration on product variety.

The Television Industry

Acquisition and mergers establish a concentrated ownership structure which affects television program diversity, according to Bielby and Bielby (2003). Their research findings were similar to Chambers's (2003a). The researchers analyzed the effects of ownership concentration on programming by studying proposed shows from independent producers and the four large commercial networks (NBC, ABC, CBS and FOX) between 1990 and 2002. Results showed that the backdrop of television industry deregulation, which began in 1985, influenced programming choices. After deregulation, the major networks relied on self-produced programming, appearing less willing to provide diverse programming; by 2002 the networks owned 70% of the shows on television. Situation comedies and dramas became the dominant programming genres of network television. Such program redundancy may distort views on important social issues.

Ownership structure in the television industry influences public opinion. Busterna's (1988) regression analysis of ownership type and public opinion among commercial television stations showed that markets where group owners outnumbered independent owners have less diversity among public opinions. This research supports my own theoretical premise that ownership concentration is a means by which ideas are

socially controlled. Conversely, a diverse ownership structure encourages program variety.

Proprietorship diversity in local television markets creates more heterogeneous programming. By comparing concentrated and competitive ownership structures, Beebe's (1977) research assumed that audiences would rank their preferred programs, if provided with enough choices. Beebe utilized computer software to generate television markets from hypothetical viewer data. Based on his model, a competitive ownership structure yields greater program diversity and audiences will take advantage of such diversity with an ordinal preference scheme; on the other hand, a concentrated ownership structure produces program homogeneity and undermines preference. Diverse programming is unnecessary because a few owners control the market. Audiences either accept narrow programming or discontinue viewing television, which may be the operating principle in other industries with a similar ownership structure.

The Recording Industry

The record industry's ownership concentration also generates a redundant product. Anderson, Hesbacher, Etkorn and Denisoff (1980) compared concentrated and diverse ownership structures in the record industry. The researchers analyzed data from the *Billboard Top 100 List*, examining all records achieving number one ranking from 1940 to 1977. The researchers discovered that corporations reproduce song themes. Their results imply that the type of ownership structure influences product variety.

Ownership concentration produces homogeneity within the record industry. Peterson and Berger's (1975) research illustrates that instances of ownership

concentration in the recording industry result in musical production redundancy.

Conversely, the researchers discovered periods of ownership variety and concomitant production diversity. Conducting a longitudinal analysis, Peterson and Berger analyzed popular songs between 1948 and 1973, concentrating on all compositions attaining a top ten position. Peterson and Berger's findings depicted periods of ownership concentration, and ownership diversity impacted product variety. Peterson and Berger's (1975) research was replicated by Rothenbuhler and Dimmick (1982); their results were analogous.

Knowledge Producers and Knowledge Production:

Media Ownership, Content and Programming

Diversity of ideas in newspapers is also related to ownership diversity. Lasorsa (1991) hypothesized that newspaper competition plays a significant role in diversity among public opinions. Using data from all United States counties, Lasorsa's (1991) results allowed him to generalize a relationship between diverse ownership structures of newspapers and diversity of public opinion to all United States newspaper companies. These results are similar in their implication to Busterna's (1988) findings. The social force of deregulation affects ownership concentration even in the newspaper industry.

Proprietorship structure determines coverage diversity among newspapers. According to Hicks and Featherston (1977), multiple newspaper ownership by a single proprietor generates redundant news coverage. The researchers conducted a content analysis of newspaper companies in Baton Rouge and Shreveport, La. Baton Rouge represents the concentrated newspaper market, where both of the local papers are owned

by a sole entity; Shreveport's local papers are separately owned. A significant amount of news was repeated within Baton Rouge's concentrated ownership structure compared to Shreveport's competitive structure; therefore, their research shows that a relationship exists between the ownership structure of newspapers and story diversity that is not by chance. The ownership concentration of newspapers and radio stations occurs not only through legislation, but also through litigious proceedings.

Much of the literature suggests that competition's absence in the radio industry deters heterogeneity. This effect of social organization is not lost on some social theorists.

CHAPTER III

THEORY

Jacques Attali is a French economist best known for *Noise: The Political Economy of Music* (1985). Attali's premise is that the organization of society and music are connected: "Music runs parallel to human society, is structured like it, and changes when it does" (p. 10). As such, it functions as a sort of mirror where continuous and accepted patterns in it reflect a society that is well settled in its mode of organization, whatever that may be. Yet, music also provides a prophecy: "its styles and economic organization are ahead of the rest of society because it explores, much faster than material reality can, the entire range of possibilities in a given code" (p. 11). Attali characterizes the prophetic aspects of music as "noise."

In general, music is organized noise. As an example, consider the sound that someone who doesn't know how to play piano would make compared to an accomplished pianist playing a piece of Beethoven's. The players' sounds are similar, because they both play the same instrument; however, the sound of Beethoven is organized according to accepted codes, is regarded as music, and ceases to be heard as noise. Notice the social nature of music: To play music is to organize sound according to the social code of what constitutes music.

Once music has been organized, anything falling outside of that organization is considered "noise." Noise, then, expresses and gives focus to the disorganizing or social

change features in a society. For example, while listeners of society's music may have heard noise, punk rock musicians believed their music was an expression of frustration with the current social order and articulated a vision of what society could become.

To address the effects of sound more specifically Attali contrasts Lent with festival, or carnival, which embraces the potential of noise of human society. As in Durkheim's (1912/1995) view of ancient rituals, Attali sees in carnival the conventions of society put aside. Festival is a place and space where the human potential for spontaneous, unguided behaviors is explored and let loose. If we think of Mardi Gras in New Orleans as a type of carnival, then we can hear the noise that Attali describes. Lent, on the other hand, is ordered to the extreme.

The Civil Rights movement of the 1960's exemplifies the effect of both music and noise upon society. Prior to the movement, racial segregation was the status quo, and Blacks participated in that prevailing social order. However, Blacks utilized sound to organize against the racial status quo. For instance, spirituals conjuring metaphorical images of Jewish social suffering at the hands of the Egyptians organized and mobilized Blacks to civil disobedience against racist laws. The sounds of soul, jazz and rock altered how Blacks viewed their social status in the United States. The Civil Rights Movement utilized noise to influence its participants. However, without transmission of such sounds, the expression is lost.

Distribution networks are important for transmitting both music and noise. On the one hand, distribution networks can facilitate noise and thus social change. In many instances, the Civil Rights, anti-Vietnam War and "Hippie" movements would have

faltered without radio stations prepared to broadcast sound ideas that assisted in galvanizing each movements' participants. The "pirate" radio stations—from disc jockeys, managers, and even the owners—actively participated in delivering the new ideas presented in the new sound in each movement. Distribution networks, on the other hand, control society's messages by filtering noise.

Ownership concentration within distribution networks limits sound sources, which decreases the opportunities for noise transmission, through what Attali describes as "stockpiling." Stockpiling, according to Attali, entails owning as many musical sources as possible to control the distribution networks; stockpiling sound sources can develop a distribution network based on repeating musical sources. One observes the industry coming under corporate control and broadcasting quite conventional programming that impacts social organization through what audiences hear in music. Limiting sounds by homogenizing formats, sending a message of similarity is how distribution networks control transmission of alternative ideas, or noise.

Those who own the distribution network (e.g., radio stations) maintain the status quo through repeating formats among what theoretically are competing distribution networks. Variety in format indicates recognition of differences and caters to distinctions that expose inequalities in the status quo. Homogenized music formatting ignores audience differences and treats listeners as a mass market monolithic. Distribution networks manufacture music representing dominant class interests, with format homogeneity as the consequence.

Format homogeneity perpetuates the societal status quo, following the “cookie cutter” approach where sublimating noise is utilized, since innovative music occasionally derives from pariah demographic constituencies that present an alternative perspective of society through music (e.g., jazz, rock and roll, rap being formulated by Blacks). The use of format homogeneity eliminates unique musical performance elements and ideas contrary to the status quo through repetition. A performance’s musicianship, craftsmanship, labor and the distinct values of a musician’s heritage that connects the person to others, the things that make performances unique, are lost through format homogeneity. Recording and mass production provide the means for other musicians to duplicate the original performer.³ The ability to copy a musician’s unique style, to reproduce a single performance, transmits through music the organizing message of similarity. The consequence of ownership concentration is that a rigid social system occurs because radio and music convey ideas that support a hierarchy. A repetitive distribution network allows ownership concentration to prohibit transmission of subversive views of the social world. Ownership concentration solidifies social hierarchy by controlling information, which is a means of acquiring power (Smythe, 1982). Therefore, Attali’s theory provides some explanation to my hypothesized relationship between ownership concentration and format homogeneity.

³ The originator of jazz, Buddy Bolden, did not accept a recording contract, fearing the repetition of his unique musicianship by others.

CHAPTER IV

METHODOLOGY

My research is explanatory, because I want to understand what appears to be a dearth of musical genres broadcast among radio stations; my research aspires to explicate the presence of redundant programming in the radio industry. My research question is, what causes format homogeneity in the radio industry?

Research Design

My population of interest is all commercial radio stations in the Greensboro, High Point and Winston-Salem (Triad), North Carolina area. I collected and analyzed data on ownership concentration and format homogeneity among radio stations in this market over a nine year period: 1994 through 2002. This period is important because in 1996 the United States Congress initiated regulation reform with the Telecommunications Act, which seems to have concentrated radio station ownership. My first hypothesis is that both radio industry ownership concentration and format homogeneity will be higher after 1996 than from 1994 through 1996. My second hypothesis is that as ownership concentration increases, format homogeneity will also increase, regardless of year.

I obtained my data from *The Gale Directory of Publications and Broadcast Media*. *The Gale Directory* contains information on newspapers, television and radio stations, identifying them by location, format, commercial or noncommercial status, frequency strength, station address, and proprietor. The publication lists radio stations by

state. Because Greensboro, High Point and Winston Salem comprise the “Piedmont Triad” market, all radio stations located in those three cities are included in my population. I coded data for all of the Triad radio stations; my database includes year, radio station call letters, station’s musical format, station’s owner and city of operation.

Because some of these data were not available from *The Gale Directory*, I visited radio station websites to acquire any missing information and also to verify information. I drew a systematic random sample of ten radio stations.⁴ The confirmatory information came from the website [www. fcc.com](http://www.fcc.com) and keyword searches of the radio station identification symbols (i.e., call letters).

Definition of Terms and Operationalization of Variables

For the purpose of my research, I define a *radio station* as a privately owned and operated audio transmission facility approved by the United States government.

Ownership concentration and *year of broadcast operation* are my independent variables, while *format homogeneity* is my dependent variable.

I define ownership concentration as occurring when a few proprietors possess most of the privately owned and operated audio transmission facilities in the Triad economic market. I operationalize ownership concentration by dividing the number of radio station owners by the total number of radio stations, subtracted from one; therefore, a concentration ratio of “1” indicates the highest concentration (i.e., all radio stations are

⁴ My reliability analysis revealed only one discrepancy in the data from the three sources: Entercom Broadcasting acquired WKSI (Greensboro) in 2001; my original data source listed Dick Broadcasting as its owner.

owned by a single proprietor), and a value of “0” indicates the lowest concentration (i.e., every station has a different owner).

I define a format as content transmitted from privately owned and operated, governmentally-approved radio facilities (e.g., news, talk, top 40, jazz, classical, rock, urban contemporary). Commercial radio stations in the Triad market typically broadcast specific formats (while non-commercial stations disseminate mostly various musical genres). I operationalize format homogeneity by dividing the number of formats by the total number of radio stations in the Triad market, subtracted from one. In other words, a value of “1” indicates perfect format homogeneity (i.e., all stations broadcast a single format) and a value of “0” indicates perfect format heterogeneity (i.e., each station broadcasts a different format).

Year of broadcast operation is an additional independent variable. It is coded into pre- and post-legislation categories for part of the analysis.

CHAPTER V

DATA ANALYSIS

Results

From 1994 to 2002, there were increasingly fewer radio station owners than stations (Figure 1) and more homogeneous formats (Figure 2). Also, format homogeneity increased with ownership concentration over time (Figure 3), implying a tendency toward general proprietor consolidation and repetitious programming selection.

To address my first hypothesis, I compared the mean ratios of ownership concentration and format homogeneity between the period from 1994 to 1996 and the one from 1997 to 2002. Both ownership concentration and format homogeneity increased (Table 1). These increases in ownership concentration and format homogeneity after 1996 support my first hypothesis

To address my second hypothesis, I performed a linear regression analysis, a statistical procedure that allows a researcher to determine correlation between ratio variables, such as ownership concentration and format homogeneity. I regressed format homogeneity on ownership concentration to determine whether increases in format homogeneity were associated with increases in ownership concentration.

As ownership concentration increased, so did format homogeneity. Both ownership concentration and year combined relate strongly to format homogeneity;

ownership concentration and year of broadcast together explain 77% of the linear variation in format homogeneity ($R^2 = .77$).

Additionally, I entered year into the model to determine whether passage of the 1996 Telecommunications Act explained some variation in format homogeneity. I wanted to see if format homogeneity can be attributed more to ownership concentration or legislation. Results show that ownership concentration had a greater influence on format homogeneity than did the 1996 Telecommunications Act; standardized regression coefficients (betas) indicate that ownership concentration (1.3) had a stronger impact than time (-.53) on format homogeneity.

According to these coefficients, as time marched on, however, format homogeneity decreased holding constant for ownership concentration.⁵ One explanation for this negative coefficient, which contradicts a previous finding and one of my hypotheses, could be that my research analyzed ownership concentration and format homogeneity for a period of only eight years. Glasser (1984) described one case of deregulation that occurred prior to 1994. Having earlier data points for format homogeneity may have impacted the coefficient to make it a more valid measure and relate positively to format homogeneity. Despite this, higher levels of format homogeneity were associated with higher levels of ownership concentration, on average. Formats were more homogeneous after the 1996 Telecommunications Act, on average.

⁵ Tests of statistical significance could not be conducted because of an unacceptable level of collinearity between year and ownership concentration.

CHAPTER VI

DISCUSSION

My research indicating that ownership concentration influences format homogeneity confirms research in the literature. Based on what Chambers (2003a) discovered, ownership concentration reduces competition when corporations acquire independently owned facilities. My research showed that Triad radio stations are susceptible to the corporate presence based on fewer owners in the market (Rogers & Woodbury, 1996); with fewer local voices in the market, redundancy followed (Chambers, 2003b). Diverse programming is replaced with redundant formats (Table 3).

Because media convey information, media owners are knowledge producers. When only a few individuals or corporations own the primary means of knowledge production, they filter what information is disseminated to the masses (Lasorsa 1991); this is especially dangerous when the means for communication, such as radio stations, are so concentrated in their ownership. Because innovative music is outside the perimeter of current radio formats, audiences will continue to redundantly receive mainstream ideas about society. Promoting social change through music will continue to be a difficult task, because ownership concentration has raised the monetary value of owning a station so much that independent ownership is extremely complicated. The independent owners are more likely to broadcast music perceived as ‘esoteric,’ thus making social change very

difficult in an era of ownership concentration (Copps, 2003). So there is something greater to ownership than increasing revenue. Control of music is powerful.

Ownership concentration manipulates knowledge by filtering which ideas are disseminated. When radio station proprietors decide against broadcasting “noise,” they act as knowledge gatekeepers. They have the ability to determine what ideas audiences hear. Whenever music that presents an alternative view of society is omitted, social knowledge gets distorted (Busterna, 1988). New ideas are prevented from being disseminated because the distribution network is controlled by a few proprietors. The association between ownership concentration and format homogeneity (Figure 3) illustrates the willingness of the few station owners to engage in wielding the power of filtering knowledge by repeating formats.

Owners broadcast homogenized sounds to maintain the status quo, but it is a broadcast of restrained knowledge. Pseudo-collusion occurs in the radio industry due to format homogeneity. The collusion is unintentional, but the degree of format homogeneity in the industry has the effect of manipulating/distorting and even hoarding social knowledge. The redundancy of radio programming could be construed as collusion (Wallis & Malm, 1993 and Breland, 1990). According to my results, the contemporary regulatory climate encourages ownership concentration and format homogeneity in radio broadcasting.

My analysis illustrates trends toward greater ownership concentration and format homogeneity in the radio industry. With a greater emphasis on syndication that resulted from ownership concentration, I predict that radio will assume a more monolithic voice.

My data suggest a trend toward, at best, of a few formats repeated among radio stations, and at worst, a small number of syndicated programs throughout the industry.

Nevertheless, my results lead me to speculate that regulation and policy may not ultimately matter; therefore, the radio industry may possibly go the way of a monopoly (Leeper, 2000). Therefore, the future of the radio industry may be that *The Song Remains The Same*.

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APPENDIX A: FIGURES &
TABLES

FIGURE 1

Number of Radio Station Owners in the Triad

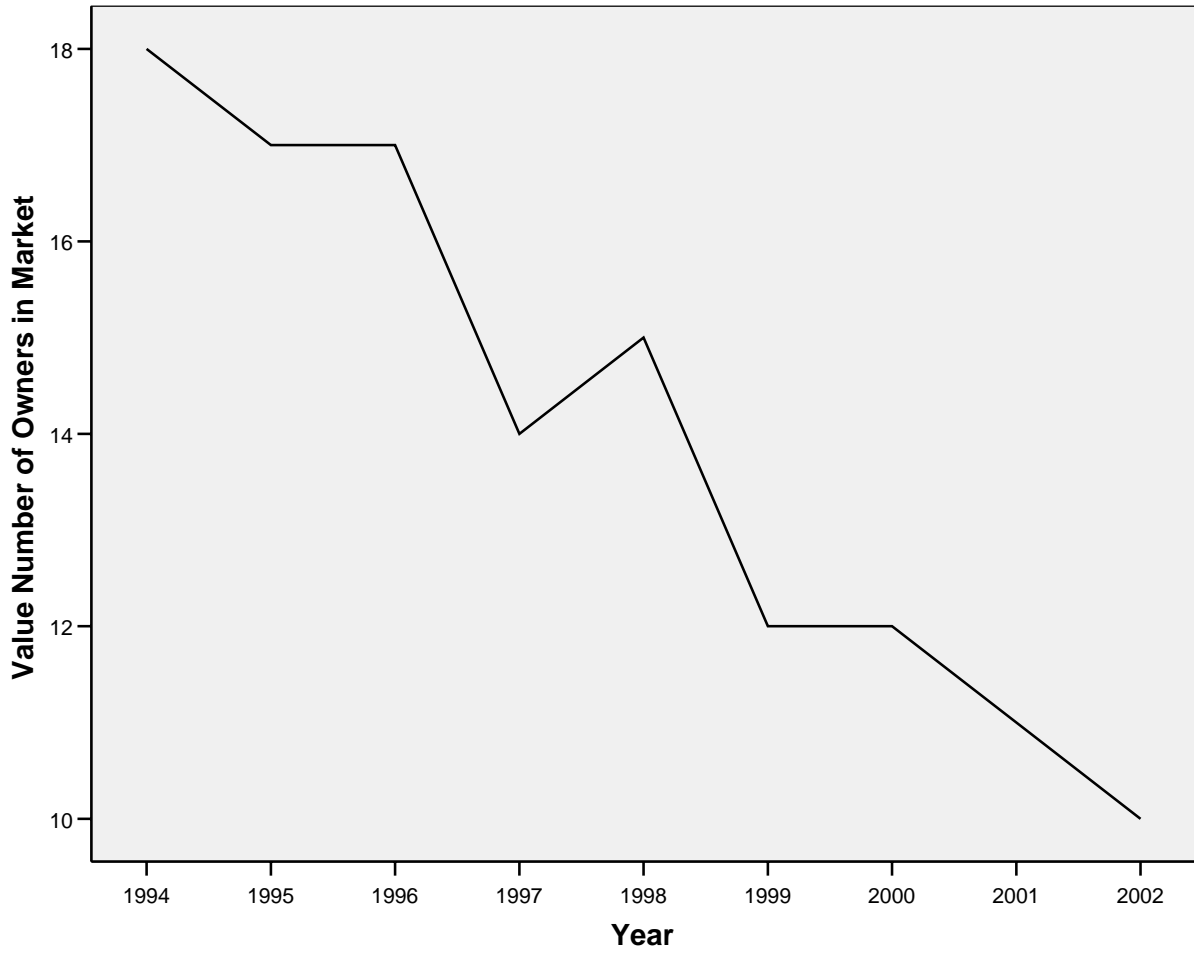
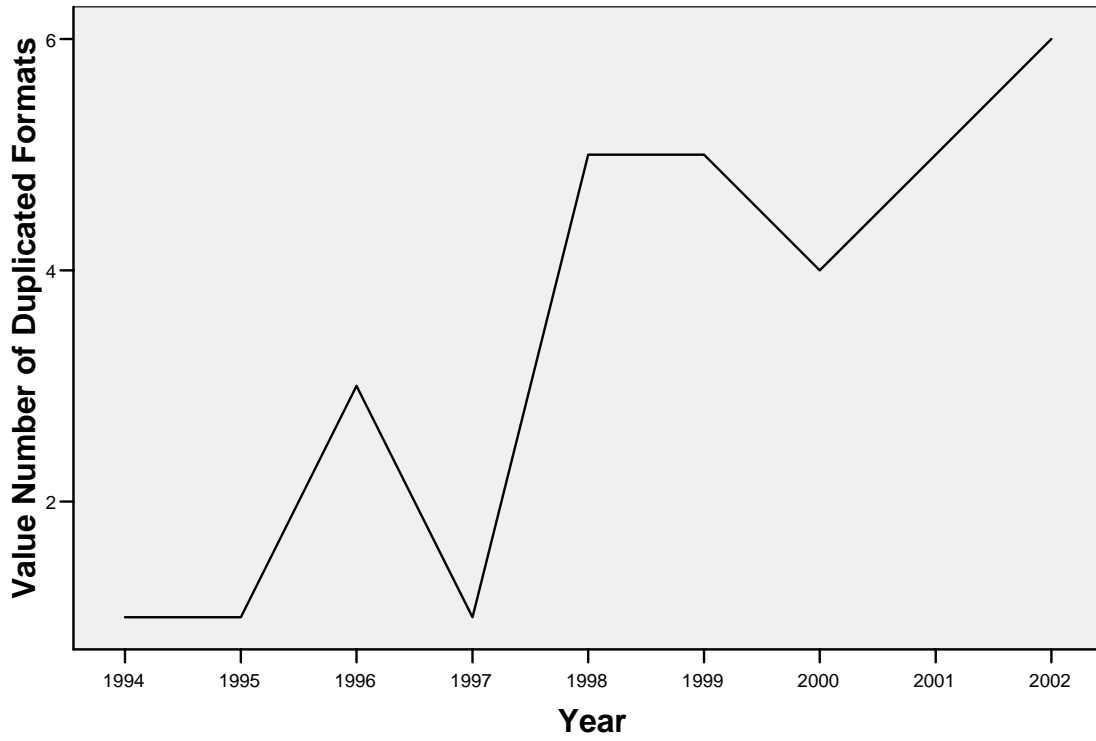


FIGURE 2

Number of Duplicated Formats in the Triad by Year



Number of stations by year: 1994 (25), 1996 (23), 1997 (23): 1998 (25), 1999 (25), 2000 (25); 20001 (25); 2002 (26)

FIGURE 3

Concentration and Homogeneity Ratios in the Triad by Year

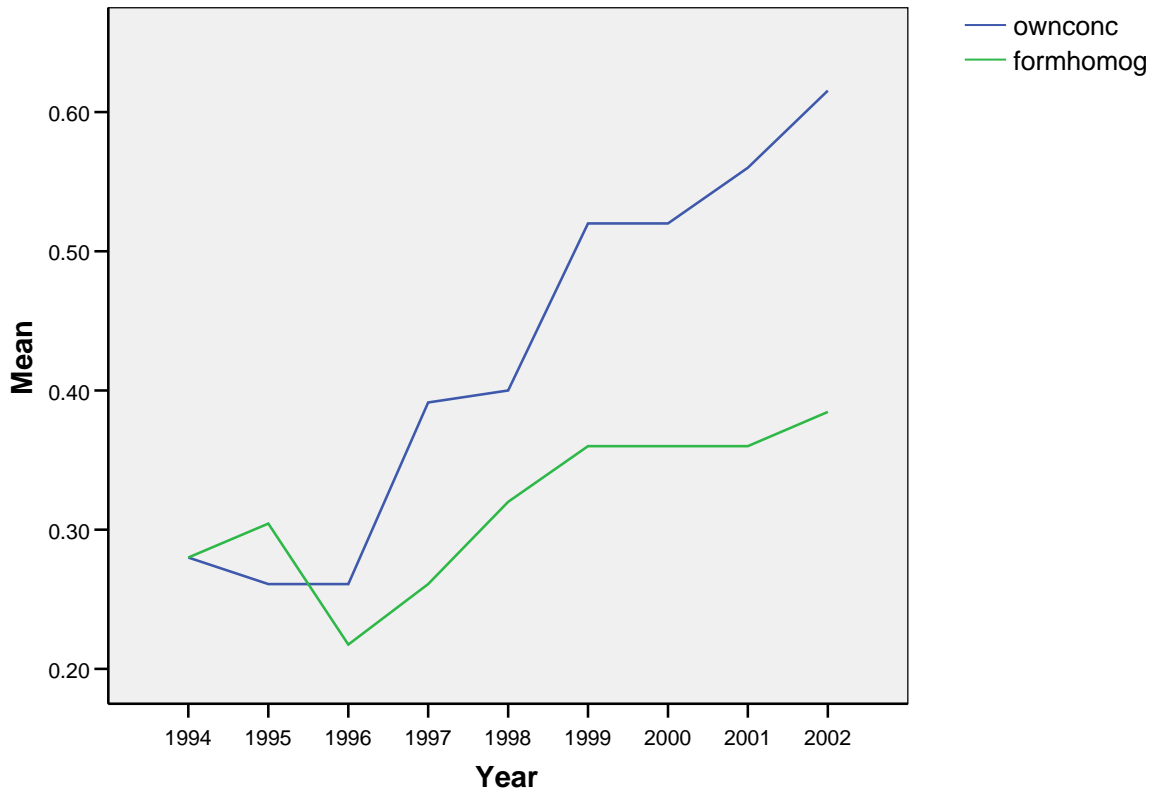


TABLE 1

Mean Ownership Concentration and Format Homogeneity Ratios by Year

	Ownership Concentration*	Format Homogeneity*
1994-1996	M =.27 SD =.01	M =.27 SD =.04
1997-2002	M =.50 SD =.08	M =.34 SD =.04

*p<.10

TABLE 2

**Results of OLS Regression for Format Homogeneity on
Ownership Concentration and Year**

	Standardized Coefficients Beta	t	Sig.
Constant		.714	.502
Ownership Concentration	1.38	1.83	.12
Format Homogeneity	-.53	-.71	.51
R Square	F	Sig.	
.76	9.7	.01(a)	

a Predictors: (Constant) Year, Ownership Concentration

b Dependent Variable: Format Homogeneity