

CHAPTER 6

The New Model of Black Media Entrepreneurship: BET Holdings, Inc.

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INTRODUCTION

It is a paradox that while the Black community is losing ground with ownership and control of the broadcast media in the information age, one Black media company is setting a new pace for media empowerment in this community and, in general, reaching new heights in the media world. While Black radio and television stations are being consumed in media merger mania, this company is creating a strong relationship with media power brokers, maintaining its own control and identity, and expanding into diverse, media-related areas.

BET Holdings, Inc. (BET), the parent company of Black Entertainment Television, represents a new model of Black media ownership and control in America today. Here, we explore this model by discussing the foundations of BET Holdings, Inc. and its early success, how it uses its ties to the African American community and Afrocentric culture to generate economic power to maintain its success, and the strategic expansion of this company, which is beginning to be a significant player in the media and entertainment industries. We also draw some conclusions about the contribution that BET is making to the Black community and the whole nation as the American Information Society continues to unfold.

THE FOUNDATIONS OF BET

The keys to BET's success are strong ties with influential media players, securing major advertising support, and expanding its subscription base. As the founder and chief executive officer (CEO) of the corporation, Robert L. Johnson has built BET into a major media player by forging strong relationships with powerful media brokers. BET's most powerful allies have been Telecommunications, Inc. (TCI), Time-Warner, Inc. (TWI), and others.

Starting in the early 1980s, Johnson arranged deals and formed ties with media companies that could guarantee success for his cable television network. One of his most insightful and rewarding moves was to form a financial alliance with John Malone of TCI. Early investments for his fledgling company came from TCI and Taft Broadcasting. In those days, Johnson persuaded the USA Network to provide his network with satellite time, and arranged for Warner Cable, American Telecommunications Corp., Teleprompter, TCI, and other national cable systems to carry his programming (Barchak, 1993). Johnson gave Time-Warner, Inc. part ownership of the network in exchange for airtime on its Home Box Office (HBO) satellite transponder. Likewise, at this time, TCI and Taft each owned 16% of the new network, but Johnson remained the majority shareholder and eventually purchased Time-Warner's shares of his company.

To establish economic stability in a highly competitive arena, BET used a strategy of combining advertising and subscriber revenues. Advertisers have been willing to advertise on the network because they can reach a wide African American audience and those who turn to BET for African American-oriented programming. Early on, Johnson convinced Proctor and Gamble (P&G), one of the largest media advertisers in the nation, that the BET network reached users and potential users of its products. P&G made a commitment to buy substantial time on the BET network, although it had a history of not spending much of its advertising budget with African American-owned media entities (Donaton, 1988).

Johnson was successful in gaining major advertisers by informing them that African Americans watch more television than any other group in the nation, that African Americans prefer programming that features African Americans, and that the BET network was the vehicle for African American consumers (Donaton, 1989). By the late 1980s key advertisers on the network included Amtrak, AT&T, Bristol-Myers, Campbell Soup Co., Coca-Cola Co., Ford Motor Co., General Foods, General Mills, General Motors Corp., Lever Bros., RJR/Nabisco, Polaroid Corp., Proctor and Gamble Co., Ralston Purina, Revlon, Inc., Time, Inc. United Airlines, and others. To bolster his advertising revenues, Johnson used program-length paid commercials on the network. One company paid the BET network as much as \$500,000 per month to run various "infomercials" (Beck, 1989).

BET continued to gain advertising revenue as the number of African Americans whom advertisers seek to reach subscribed to the network in increasing numbers. A growing number of "crossover" consumers, non-African Americans who watch BET for Black entertainment programming, also became a significant part of the population that advertisers wanted to reach through the network (Beck, 1989; Jones, 1990). By 1993 the network had over 35 million subscribers (Jeffrey, 1993) with 90% of the nation's African American cable households subscribing to this cable channel (Katz, 1993). At the same time, however, 60% of the BET audience was non-African American.

Gaining strong support from powerful investors, garnering revenue from major advertisers, selling large quantities of “infomercial” time, and securing “crossover” subscriptions brought BET Holdings, Inc. financial success and made it a force to be reckoned with in the media world. In 1992 Johnson made his company the first African American-owned and -operated company to be listed on the New York Stock Exchange and offered 4.2 million shares of BET stock for sale. This move alone brought BET and its investors nearly \$73 million in profits (Williams, 1992).

BET AND THE AFROCENTRICITY MODEL

BET maintains an Afrocentric approach to programming in all of its networks and operations. Afrocentricity involves a systematic exploration of relationships, social codes, cultural and commercial customs, mythofoms, oral traditions, and proverbs of the peoples of Africa and the African diaspora. Afrocentricity is the belief in the centrality of Africans in postmodern history (Asante, 1989). The real concern of Afrocentricity is whether or not the concern or issue is in the best interest of people of the African diaspora. *The Cosby Show*, although not explicating every avenue of African American life, represents the prototype Afrocentric television program, as the images produced in the show are consistently reflective of African American culture. The direction of the programming was African American-influenced. Conversely, the *Amos and Andy* show was the antithesis of Afrocentrism (Tait & Perry, 1994).

AFROCENTRIC MEDIA

Asante’s Afrocentricity acts as an effective tool to develop a holistic understanding of the people of the African diaspora. Specifically, BET media programming, using Afrocentrism as a guide, can embrace, and has embraced, the major characteristics of Njia, the Afrocentric worldview, to further enhance its programming efforts and enlighten its viewers on issues facing African Americans.

Njia is composed of the following elements:

1. Honoring ancestors
2. Poetry and music creativity
3. Nommo or generative word power (Afrocentric discussions)

4. Affirmations
5. Teachings from Njia
6. Libation to posterity

Using all or some of these concepts, Afrocentric media are indeed the vehicle for expressing Njia. The major principles guiding Njia's concepts are discussing all concepts from a liberationist perspective and valuing collectivistic thought over individualism. This allows for the recognition that power rests in group solidarity and how this is pertinent to the African experience. Nommo is essentially the modality of Afrocentric television programming.

Three major categories are played out in Afrocentric news, public affairs, and entertainment programming. These are oral traditions; collectivistic political, social, and geographical orientations; and subjective analytical base. Oral traditions include discussions on activism (to change or improve conditions), liberation (from systematic and cultural oppression), unification (through educating Africans on collective empowerment), and inversion (certain terms must either be redefined or eliminated due to their inherent racist and derogatory nature, denial of individual ethnic identity based on a Eurocentric basis for identification, and disregard of a worldview in which persons of European descent (i.e., White) are actually a "minority". The collectivistic social, political, and geographical orientation includes recognition of the common heritage of activities that are practiced by collectivist's action of, and the intracultural responsibility of, people of African descent. Finally, the subjective analytical base is the discussion of methods for self-determination, self-definition, and specific or special needs of people of African descent.

Since 77% of BET's programming consists of music videos, an analysis of the relevance or irrelevance of these is necessary for BET's racially mixed audience. BET's audience breaks down as follows: 25% Anglo-American, 25% African American, and approximately 60% non-African American. Most of these viewers fall between 18 to 24 years of age (Barchak, 1993). While there is a tendency to dismiss music as superficial and inconsequential, a closer examination places it at the forefront of African and African American cultural traditions.

Much of African American music has derivatives of both African and European elements. Also, connections between early American jazz and West African musical styles have been traced. Oral traditions were the primary means of spiritual survival and dissemination throughout a largely illiterate (by European standards) slave and folk community. African American music is the primary historical link of generations and would not have survived without oral traditions (Lomax, 1968; Ottenheimer, 1993).

An analysis of the major African American music genres is necessary for complete understanding of the cultural significance of music to BET's audience.

RAP

Rap, similar to rhythm and blues (R&B) and jazz in their infancy, has been surrounded by controversy. Rap has earned what some feel to be an undeserved reputation. Gangsta rap, hitting upon issues of misogyny, racism, and homophobia, if it represents a real depiction of the African American community, has used this vehicle to express surprising and shocking phenomena to America. Some gangsta rappers call for the blame to be placed on the government and economic conditions for the current state of urban Black America (Kelley, 1992).

Rappers themselves range from former gang members to middle-class teens. Their topics range from street violence, brutality, and drug sales, to clean-cut, sanitized raps. Some songs do urge kids to stay in school, and avoid crime and drugs; however, most are concerned with nothing more than macho boasting.

Berry (1993) and Baker (1993) argue that cultural politics within hard core rap music is creating a powerful discourse concerning the African American experience in America from artists such as Public Enemy, NWA, Ice Cube, Ice T., and Sister Souljah. While seen as deviant and unacceptable to the mainstream, others, understanding these frustrations, see the presentation of this reality through the cultural and historical representation of knowledge and experience. Baker heralds rappers for their ingenious use of technology, techniques, strategies, and creativity. He further urges Black studies programs to provide a platform for its understanding and crystallization.

BLACK RELIGIOUS MUSIC

The Black religious tradition operates on two levels. First, psychologically and emotionally, it locates the people's sense of heritage. Second, it mobilizes and strengthens the resolve for struggle. Black sacred music is the primary reservoir of Black people's historical context and an important factor in the process of social change.

RHYTHM AND BLUES

Rhythm and blues (R&B), a term originated in the 1940s as a description of a synthesis of Black musical genres (gospel, blues, and swing), is musical and socioeconomic. Later called rock and roll to camouflage its Black roots, R&B parented the offspring's soul, funk, disco, rap, and so on. (George, 1988). The blues depicts "secular" Black life and sings of worldly issues of love and sex. The blues describes every aspect of a man's and woman's feelings toward one another. Through the blues, Black people express their views about infidelity and sex (Cone, 1972).

Contrary to popular opinion, the blues does not represent complete despair and utter hopelessness. However, hope of the blues is grounded in the historical reality of the Black experience and in the belief that things will change one day.

Black music is unifying and functional. It is unifying in that it confronts the individual with the truth of Black existence and that being Black is possible only in a communal context. It unites the joy and sorrow, the love and hate, and the hope and despair of Black people and moves the people toward liberation.

Black music is functional in that it tells us about the feeling and thinking of African people and the mental adjustments necessary in order to survive in an alien land. For example, work songs were used to heighten energy, as were slave ballads and spirituals (Cone, 1972).

BET is the only national network showcasing one of the great cultural traditions of African American music. That art form reflects African American history, struggle, and culture. Music reflects not only the African American community's political dispositions; but also its creativity in fashions, hairstyles, choreography, and composing. In these categories, the implications are endless. Music and cuisine appear to be the most effective cultural change agents. In that regard, BET's interracial viewers are exposed to the African American culture in a nonthreatening, palatable mode. BET's 18- to -24-year-old viewers will either change or maintain the social injustices. Perhaps videos will provide a platform for creating the collective consciousness necessary for their involvement.

In 1995 BET showcased several Afrocentric programs. *Lead Story* was a 30-minute news program with African American journalists discussing news from an African American perspective. *Our Voices* was a talk show exploring issues from an African American perspective. *BET News* was a 30-minute news program presenting issues from an African American perspective. *Screen Scene* reflected a clear entertainment focus with an emphasis on African Americans in movies and videos. *The Color of Money* aired on Saturdays and explored financial issues from an African American perspective. Situation comedies were aired early in the morning and late in the evening. The problem with situation comedies is their tendency to frame the African American community dilemma in humor. Infomercials occupy a great deal of BET's programming schedule. They advertise exercise machines, culinary equipment, psychic networks, perfect hair, and cosmetics appealing directly to African American females. Perfect Hair infomercials promote Eurocentric hair as the ideal hair.

BET's African American community images differ from, and replicate images found in mainstream media. Viewers see more African Americans on BET than they have ever seen on any major network at any time in the history of television or any other medium. Viewers see African Americans in diverse roles: newscasters, anchors, journalists, actors, comedians, professionals, dancers, criminals, and so on. Viewers cannot get this broad spectrum on few, if any, other television programs or any other medium. BET is undeniably Afrocentric. It embraces many of the characteristics of Afrocentricity. Music is the greatest Afrocentric expression. However, the public affairs programs also do a fairly good job of issue exploration. *Our Voices* was extremely effective in exploring issues to determine their impact on African Americans. The *Our Voices* set utilized an African motif, which can motifs can sporadically be seen in

commercials and other programs. These programs achieved issue exploration by using African Americans as primary sources.

THE BET EXPANSION MODEL

Capitalizing on its ability to generate profits by providing Afrocentric programming, BET is not only enjoying economic prosperity in cable and other media but also expanding into new ventures. Bob Johnson always had a vision of BET's being more than just another cable business. Publishing was one of the first areas into which Johnson ventured in his effort to build a multifaceted Black entertainment empire.

Johnson announced plans in 1990 to launch a magazine aimed at Black teenagers (Webb, 1990). He wanted to reach this underserved media market and provide some positive influences for young African Americans. *YSB* (Young Sisters and Brothers) became the first national lifestyle magazine for Black youth. At the same time, BET bought Time-Warner, Inc.'s stake in *Emerge* magazine and took control of this monthly periodical aimed at the upscale African American market (Farhi, 1991). With publishing and cable under his belt, Johnson was moving toward his goal of making BET a company that advertisers could turn to for a well-defined group of Black consumers (Singeltary, 1993). Nevertheless, his publishing efforts were met with difficulty. *Emerge* was taken over when Mettersmedia bought 55% of the stock in the upscale magazine, and the publication of the magazine aimed at the hip-hop culture was suspended after a few years of publication (Iverem, 1996).

Despite setbacks in publishing, BET continued to enjoy much economic success. As one of the largest Black-owned businesses in the nation, BET offered stock to the public for the first time in 1991 (Potts, 1991). BET subsequently became the first African American company to be listed on the New York Stock Exchange, which valued the company at \$475 million (Hinden, 1991). The sale of the stock was suspended by BET when traders became uncertain about the correct number of subscribers to the cable network (Sugawara, 1991). After this brief fall, BET stock gained in trading on the market and eventually provided the company with a profit (Burgess & Hinden, 1991).

After establishing himself as one of the leading businessmen in the nation's capital, Johnson in 1994 offered to use his own money to build a downtown sports arena for the financially strapped city (Leonhardt, 1994a). Johnson knew that if he owned a sports arena, it would give BET access to profitable sports contracts and offer broadcasting rights for sports events to his cable company. His effort to build such an arena was met with resistance.

When negotiations started, the owner of the city's basketball and hockey teams, Abe Pollin, also positioned himself to build the arena. Pollin wanted to build the arena using city funds. Since the D.C. government favored Pollin and his arena plan, Johnson vigorously challenged the idea that city funds should be

used for the project when the city was having major financial difficulties. Johnson felt that his plan was superior because it relieved the citizens of Washington, D.C., of the burden for paying for the establishment (Hochberg, 1994). He accused the business group conducting the arena negotiations of catering to Pollin while neglecting the interests of the city (Leonhardt, 1994b). After a long battle with D.C. officials and Pollin, Johnson stated that he would concede if Pollin would build the arena with his own funds (Schneider, 1995). Pollin agreed to do so, and eventually, after some legal encounters, the two men agreed to consider becoming business partners in future endeavors (Miller & Solomon, 1996; Pyatt, 1996). Johnson was defeated in this effort to realize his vision of an empire of sports, cable, and entertainment on the Potomac.

Johnson was undaunted, however, and went on to extend BET into new media markets and related entertainment and financial arenas. In the media industry BET had acquired cable franchises, a \$10 million studio for producing African American programming, a pay-per-view movie channel, and a jazz channel before it moved on to launch a movie channel and an on-line computer service for and about African Americans (Tait & Barber, 1996). Johnson understood that Blacks frequently attend movies and purchase more than their share of theater tickets (Farhi, 1996). At the same time, Black households subscribe to premium cable services more than many other American households. BET, therefore, struck a deal with Encore Media Corp. in 1996 to start a cable pay-channel for African American movies. Since Encore is owned by BET's old partner, TCI, Johnson moved to launch the new channel on TCI's vast network of cable systems (Stump, 1996). In this deal, BET and Encore would each hold 49% of the new channel, and a management group of BET and Encore executives would hold the rest. Part of BET's investment was to come from actor Denzel Washington and Johnson Publishing Co., publisher of *Ebony* magazine.

BET Movies/Starz 3 was packaged with Encore's Starz and Starz 2, which carry movies from Universal Pictures, New Line Cinema, Hollywood Pictures, Miramax, and Touchstone Films (Stump, 1996). Starz and Starz 2 reach over 5 million homes. BET Movies/Starz 3 was to show films from Encore's library of 6,000 films and original productions from upcoming Black filmmakers. Examples of films in the Encore library that would appear on the new channel because they were about, or directed by, Blacks or featured Black performers included *Seven*, *A Good Man in Africa*, *Pulp Fiction*, *Major Payne*, *Clockers*, *The Crying Game*, *Corinna*, *Corinna*, and older films such as *To Sir with Love*, *Cry Freedom*, and *The Autobiography of Miss Jane Pittman*.

The Black movie channel was launched in February (Black History Month) 1997 on six TCI systems in three states to about 300,000 TCI subscribers (Mitchell, 1997). In the long term, BET hoped to have the new channel carried in the more than 43 million households that currently carry Black Entertainment Television. Johnson believed that the new channel could attract the Black audience it needed because there are over 4 million Black pay-TV subscribers in

the nation, and, when given the choice, Black people often prefer to watch Black performers.

During February 1997 BET also launched its first effort in cyberspace on the Microsoft Network at the Web site: <http://www.msbet.com> (Breznick, 1997c). Named MSBET, this Web site is the result of a joint venture between the world's leading software maker for personal computers and BET. Microsoft Corporation announced in a press release in 1996 that the two companies would work together to "produce a broad range of engaging content, including Internet on-line programming, interactive television, and CD-ROM titles. The goal is to create a premier brand for African American consumers on the information superhighway."

MSBET, while equally owned by Microsoft and BET, is run by BET and presently features programming and promotional information on BET's three cable networks and other properties (Breznick, 1997c). It also presents music, arts and entertainment, public affairs programming for teenagers, and home-shopping segments for Black consumers (Breznick, 1997b). The site tries to appeal to Blacks who are on-line. Since Blacks enjoy less personal computer (PC) ownership than Whites, Johnson feels that his on-line offerings (including Black Entertainment Television's home page) would help to increase the number of Black households that have PCs and use on-line services. (See Chapter 13 of two book for a discussion of BET.com, the latest Internet venture of BET).

The venture onto the information highway was only part of BET's expansion into areas outside cable television. In April 1997 BET teamed up with Chevy Chase Bank to offer a BET Visa credit card to African Americans nationwide (Singletary, 1997). In this partnership, the bank could pursue its goal of doing business with more African Americans, and BET could begin to build BET Financial Services, a new company that planned to offer mortgage and brokerage services, mutual funds, and home equity loans. To run the company, Johnson teamed with Alma Brown, the widow of the late secretary of commerce, Ronald H. Brown.

In this deal, BET demonstrated that it had the brand name that appeals to middle-class Black consumers whom bankers want to go after. While BET is the face that draws the Black consumer to this credit card, Chevy Chase Bank manages the credit card operations and financial services on behalf of BET Financial Services. Once again Johnson and BET had created a financially lucrative business arrangement with a powerful ally, and this one had more than \$5 billion in assets (Singletary, 1997). Johnson had not only diversified his financial portfolio but, at the same time, successfully ventured into an industry where Blacks played little or no role in ownership.

During the same period of time that BET made entries into cyberspace, on one hand, and financial services, on the other, it also opened a chain of restaurants called BET SoundStage. Plans for the national entertainment-themed restaurant chain began as early as 1995, and the first was opened in Prince

George's County, Maryland, in January 1997 (Montgomery, 1995; Pierre, 1997). The 365-seat restaurant was designed to make customers feel as if they were part of a soundstage (Iverem, 1997). Three 70-foot video screens and 42 video monitors are scattered throughout the restaurant to help create the production studio atmosphere. During the day, the establishment airs music videos and programming from its cable stations, and at night SoundStage becomes interactive with live celebrity feeds via satellite and Internet chats with stars.

Since opening the premier restaurant, SoundStage has drawn overflow crowds to the Maryland location with soul music and southern cuisine that has "crossover" appeal (Pierre, 1997). BET is looking to build up to 25 SoundStage restaurants in such metropolises as Los Angeles, Detroit, Chicago, New York, Philadelphia, Atlanta, Charlotte, North Carolina, and other places where its cable network is well received.

To ensure the successful expansion of the SoundStage restaurant venture, Johnson has teamed up with another powerful partner in the entertainment world. In June 1998 BET, the restaurant, and Walt Disney World Resort opened a SoundStage Club at the Pleasure Island area of Downtown Disney in Orlando, Florida (MSBET, 1998). BET owns, and Walt Disney World manages, the SoundStage Club, which is Disney's first African American-themed location (Grant, 1997a).

The BET and Disney combination puts patrons on the cutting edge of state-of-the-art, multimedia, urban contemporary entertainment. Downtown Disney, where SoundStage is located, features unique restaurants, the world's largest Disney character store, a 24-screen movie theater, and an eclectic collection of clubs and stages featuring live shows (MSBET, 1998). The 5,000-square-foot waterfront SoundStage features live musical performances and programming from the BET SoundStage Network. When it opened, Johnson expressed his satisfaction with the venture: "The strong brand identity of BET, combined with the exciting venues of Walt Disney World will create a unique attraction for African American and urban consumers. We are pleased to be able to partner with the world leader in themed entertainment" (MSBET, 1998).

In 1998 Johnson also announced plans to launch an African American-owned movie studio before the end of the year (Waxman, 1998). In July of that year, Johnson established BET Pictures II, one of the nation's first owned movie studios designed to produce African American theatrical films. In March 1999, Johnson established BET Arabesque Films, a movie production company created to produce African American films for movies and television.

In yet another major venture, Johnson continued his expansion strategy: forming alliance with powerful partners, utilizing BET's appeal to the Black community and name recognition, and creating venues targeted at the African American consumer. To make this venture a reality, however, Johnson had to join with his old partner John Malone of Liberty Media Group and TCI to buy back all stock shares from BET stockholders (Farhi, 1997; Segal, 1997). Before

the deal was done, however, BET and its stockholders engaged in a serious conflict over the value of the stock and the price at which it should be sold. BET stockholders challenged Johnson and Malone in a lawsuit that claimed that the original offer was too low and amounted to a freeze-out of minority shareholders (Breznick, 1997). BET's board was also criticized for naming a committee of one—National Public Radio president-CEO Delano Lewis—to review the offer of \$48 per share at a time when BET profits were up, and its stock value was rising. At that time (1997) BET's revenue totaled \$154.2 million, up 17% from the previous year (Neel, 1997). Lewis concluded that the offer was too low, and BET and Liberty Media subsequently offered to pay \$378 million or \$63 per share to the stockholders (Farhi, 1998; Knight, 1998a, 1998b). The BET board accepted this offer. Based on this offer, all of BET's stocks were worth about \$1.2 billion (Neel, 1998). Johnson owned 64% of the new privately held company, BET Holdings II, Inc. (BET), and Malone's Liberty Media Group owned the remainder. Johnson stated that he and Malone wanted to buy the 6 million publicly traded shares to operate BET without the pressure to show rising profits and increasing stock prices each quarter (Neel, 1998).

As the sole owners of BET, Johnson and Malone wanted to build an African American-themed hotel and casino in Las Vegas. Earlier, Johnson had received the first gaming license issued to an African American. As a result, Johnson became a director of Hilton Hotels Corp and began plans to build a \$200 million BET casino in Las Vegas targeted toward the 2 million African Americans who visit the city each year. To date the hotel has not been built but in September 1999, Johnson established the *Tre Jazz* restaurant in the *Paris* Las Vegas Casino Resort.

Recently, BET announced diverse ventures in clothing, publishing, and telecommunications that will continue the expansion of its media-entertainment empire. The company's Design Studio has launched a men's clothing line called EXSTO XXIV VII, which targets African American and urban consumers.

BET has made a couple of major moves in the publishing arena. With two magazines, *Emerge*, a Black news publication, and *BET Weekend*, a monthly lifestyle magazine, already under its roof, BET added *Heart and Soul* magazine to its family of magazines (Company Press Release, 1998a). This national health, fitness, and beauty magazine targeted toward African American women was purchased from Rodale Press, Inc. BET planned to use its brand strength and marketing expertise to enable the magazine to expand its circulation and advertising value. Moreover, BET Publishing Group established partnerships with leading African American professional health organizations like the National Medical Association and the National Dental Association in the hopes of delivering the latest health information to the Black community.

Magazines are not the only reading materials to be found in the BET publication collection. BET also purchased Arabesque, the only line of original African American romance novels distributed by a major publisher (Company Press Release, 1998c). BET purchased the book company from Kensington

Publishing Corporation, the leading American publisher of romance novels and the second largest publisher of such materials worldwide. The sale included the Arabesque publishing program of four new books each month, an extensive list of 150 titles, and the Arabesque Book Club, which was the fastest growing club in the Kensington group. Perhaps more importantly for the planned BET movie studio, BET also secured the dramatic right to Arabesque Books for possible television and film development. BET also planned to expand the Arabesque book line through BET media properties, which target Black consumers, including the cable network, the Internet, BET's magazines, and a planned show called *Buy the Book*.

In the field of telecommunications, BET joined with a company at the forefront of the new communication and information industries. With Bell Atlantic, BET planned to test-market packages of telecommunications services designed to meet the needs of African American consumers (Company Press Release, 1998b). The alliance is designed to help Bell Atlantic reach the African American community and extend BET's brand name into the telecommunications marketplace. Planned services to be a part of the tests included cellular, paging, voice mail, and Internet access. Under this arrangement, Bell Atlantic provided sales and management support, and, in return, the telecommunications firm used the BET brand name in its advertising and promotional activities and material.

Bell Atlantic has 41 million telephone access lines and 6.7 million wireless customers worldwide (Company Press Release, 1998b). Bell companies are premier providers of voice and data services, leaders in wireless services, and the world's largest publishers of directory information. Bell Atlantic has global telecommunications interests with operations and investments in 22 countries.

Bell Atlantic Retail Group president Bruce Gordan expressed the significance of this deal: "This is a good fit. It establishes a relationship alliance with one of the nation's premier African American businesses. We will be able to combine our knowledge and expertise about the African American market to meet its growing telecommunications needs" (Company Press Release, 1998b).

In his latest venture, Johnson is making flight plans (Phillips & Stern, 2000). He has created a company called DC Air that will take over most of the US Airways routes at Reagan National Airport near Washington, D.C. DC Air will serve 22 cities with over 100 daily departures. This opportunity came about as a result of a merger between United Airlines and US Airways. As a member of the Board of US Airways, Johnson was able to make the deal because United had to sell off a part of US Airways' routes to avoid dominating the airline business in the Washington region. When making the purchase, Johnson said: "as a long time citizen of Washington, D.C., I'm extraordinarily pleased to have the opportunity to help create the premier airline that this great metropolitan region deserves."

CONCLUSIONS

BET has demonstrated that providing information and entertainment to, for, and about African Americans is profitable business in the twenty first century and that Black individuals are capable of leading such a business to the highest levels of economic prosperity in the nation. Bob Johnson, the leader of BET, has accomplished this in an era when Black ownership in electronic media was at an all-time low. It seems, therefore, that Johnson has built a model to which African American media owners should pay attention. BET's success seems to be built on forming alliances with majority media owners and controllers, providing quality Afrocentric programming themes and products merging with major telecommunications entities outside the cable industry, and diversifying into new areas of entertainment and recreation. Future researchers should explore the complex relationships between the components of Johnson's media entertainment empire and attempt to explain their impact on the economic standing of the Black community as the Information Society continues to evolve.

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