The McMahons: Creating a Synergistic Pro Wrestling Media Empire

The professional wrestling industry entered the 21st century led a billion-dollar synergistic multimedia empire controlled by a visionary, Vince McMahon, and his company, World Wrestling Entertainment, in the wake of one of the most turbulent decades of change in the history of American wrestling, the 1990s. At this point, it appears that McMahon's media wrestling company will continue to have a major impact on the entertainment industry for the foreseeable future. The WWE's continued success has come, in part, from the company making its product available in multiple media forms, so that, even when the total number of consumers of the WWE product stays the same, the company finds a variety of new ways to get the remaining audience to purchase its entertainment.

Pro wrestling and television have matured together, with wrestling airing on all four major networks during television's infancy and being syndicated on local affiliates across the country in the 1960s and 1970s. The tag team of wrestling and cable television solidified in the 1980s and 1990s. WWE was the most consistently popular show on cable at many points, as the industry continued on its road to eventual conglomeration in the hands of Vince McMahon. If McMahon's wrestling empire grew through his relationship with cable television, the wrestling

¹ John Leland, Daniel Pederson, and Elizabeth Angell, "Stone Cold Crazy," *Newsweek* 132.21, 23 November 1998, 60-64.

product's dissemination in multiple media forms has been instrumental in the company's now being the only major wrestling enterprise in America. The media forms that the WWE currently uses include books, magazines, compact discs, the Internet, WWE Films, and video and DVD sales. Such synergy has allowed the WWE to form a monopoly over the wrestling business. World Wrestling Entertainment serves as a textbook example of the power of media synergy and as a tool for assessing the benefits and problems associated with that power.

Synergy in the media involves a product being marketed in multiple media forms and often involves cooperation among several media entities or, in an increasingly conglomerated mass media industry, complementary departments within an umbrella company that work together but with each specializing in a particular media form. In his 1998 article in American Journalism Review, media analyst Ken Auletta defines synergy using the media model of the Tribune Company, where that one company distributes the same content through multiple television outlets, "extends its brand' by appearing in different media," uses a sports team to help recreate one of its television networks, airs movies from WB through its television network, etc. Auletta concludes that "synergy has its limits, but at Tribune they're not business limits."² Vince McMahon's WWE empire is much different in nature from the Tribune Company Auletta was referring to, as it is completely in the entertainment industry. The WWE presents a more focused—and therefore a more salient—example of media synergy. Since McMahon's empire revolves around his wrestling product, questions that Auletta and others face—such as a loss of journalistic integrity in media conglomerates—are not a concern here. Rather, this essay examines the effects that McMahon's media control and synergistic operations have on the marketing of his product.

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² Ken Auletta, "Synergy City," *American Journalism Review*, May 1998, Issue 267. Online version. http://www.ajr.org/Article.asp?id=3273.

Examining the rise of the WWE over the past 20 years is a crucial step in understanding its current role in various mass media and in providing background on the ways the company created its media synergy. By marrying its live events with television to a degree never before accomplished by a wrestling company and by constantly expanding its brand into other media forms, the WWE has gradually positioned itself into the synergistic power that it is today, moving from a regional business in the Northeast to becoming a worldwide entertainment conglomerate. The WWE's use of media synergy, in combination with cuts in the corporate infrastructure, has led to this past fiscal year being one of the WWE's most profitable, even with its smaller audience.³

The Initial Rise: Rock 'N Wrestling

When television networks first began, professional wrestling was a staple. Semiotics scholar Roland Barthes writes that professional wrestling is a "spectacle of excess" that is visual in nature and "demands an immediate reading." While Barthes is considering a live wrestling event, this visual nature of sports entertainment was an important selling point in the early days of television. Morton and O'Brien claim that wrestling had suffered during the days of radio because recording only sound "was unkind to wrestling which is basically visual." However, the authors find that television captured wrestling's drama perfectly, as the large stars filled the television screens. "With the advent of television—the medium of the moment, the visual, the spectacle—wrestling came into the mainstream of American popular culture." They note that neighborhoods would often gather for "the communal experience of an evening of TV

³ WWE CorpBiz. http://corporate.wwe.com. Accessed 29 September 2004.

⁴ Roland Barthes, "The World of Wrestling," *Mythologies*, Trans. Annette Levers, New York: Hill and Wang, 1972, 15-25. 15-16. Book written by Barthes in 1957 in French.

⁵ Gerald W. Morton and George M. O'Brien, *Wrestling to Rasslin': Ancient Sport to American Spectacle*, Bowling Green, Ohio: Bowling Green State U Popular P, 1985, 43. ⁶ Ibid., 47.

wrestling." Professional wrestling grew in popularity, and, with it, the wrestlers became stars themselves. Most prominent among them was the effeminate Gorgeous George, whose stardom many claimed sold television sets. Forest Steven Beverly likens George to Milton Berle in his ability to sell the television, noting that "some theorists believe Berle's comic sketches in female dress were partially borrowed from George." Beverly says that wrestling was believed to have "expedited the sale of television sets" across the country. Beverly also considers the role of the wrestling announcer as "part traffic cop, part storyteller, part devil's advocate, part prosecutor, and a large measure of father figure and cheif counsoler for the viewer when villainry [sic] succeeds," pointing out that the viewer's identification with the announcer was an early draw to wrestling as a pseudo-sport full of theatrics. Another explanation for the early popularity of wrestling was that the display of men's bodies and the drama involved in the show drew a much more significant female audience than most sports, attracting many advertisers.

Wrestling appeared first on both the DuMont Network and ABC and was a major part of DuMont's programming schedule.¹² By the mid-1950s, wrestling had been organized as a group of territories, with each group getting television time with local affiliates throughout the 1960s and 1970s. During the late 1970s, Vincent K. McMahon began working for his father, Vincent J. McMahon, who owned Capital Wrestling. Capital Wrestling was the parent company of the World Wrestling Federation (WWF), which ran shows "from Virginia to Maine," including New

⁷ Ibid.

⁸ Forest Steven Beverly, *A History of Professional Wrestling as Television Programming Form:* 1941-1989, Master's thesis, Auburn University, 1989, 37.

⁹ Ibid., 25.

¹⁰ Ibid., 47.

¹¹ See Chad Dell, *The Revenge of Hatpin Mary: Women, Professional Wrestling and Fan Culture in the 1950s*, New York: Peter Lang, 2006.

¹² Jeff Neal-Lunsford, "Sport in the Land of Television: The Use of Sport in Network Prime-Time Schedules 1946-1950," *Journal of Popular History* 19.1, 67-68.

York City, Washington D.C., Baltimore, Philadelphia, Pittsburgh, Boston, and other major East Coast cities.¹³ Television provincialism benefited wrestling because each promoter ran his arena shows in regional areas, and the regional television program served as an hour-long commercial every week for the arena shows. Television was simply used as a tool to promote the live event, which was the real moneymaker for the promoters. Eventually, Vince Jr. and wife Linda bought out his father and his father's partners with four payments of \$250,000 each.¹⁴

McMahon's plan was to take advantage of the nascent cable television market and turn his wrestling region into a national market. In 1984, McMahon replaced the wrestling programming on the USA Network and Ted Turner's TBS with his WWF television shows, thereby gaining him slots on two of the top cable networks of the time period. The cable medium was important for this growth because the early cable industry was looking for inexpensive programming to fill up its broadcast week, and wrestling cost less than a television series that they would have had to develop and tape in-studio. Because the cable medium was growing in popularity as McMahon attempted his national expansion, his use of cable television provided a chance for both to grow together. WWF's relationship with MTV and the

¹³ John Leland, "Why America's Hooked on Wrestling," *Newsweek* 135.6, 47. Vincent K. McMahon was raised by his mother in rural North Carolina and did not know his father until the age of twelve, when Vince Jr. became interested in the wrestling promotion his father ran. The WWE was known as the WWF until a lawsuit with the World Wildlife Fund in 2002. This paper will use WWF when referring specifically to the period that the WWE used that name, and will use WWE when referring to the entity as a whole or the current product.

¹⁴ Ibid, 48.

¹⁵ Shaun Assael and Mike Mooneyham, *Sex, Lies, and Headlocks: The Real Story of Vince McMahon and the World Wrestling Federation* (New York: Crown Publishers, 2002): 36-38. Also view comments by wrestling announcer Gene Oakerlund, *Monday Night Wars*, WWE Entertainment, 2004. Ted Turner, when he first took over TBS in the early 1970s, achieved ratings success through running re-runs of popular programs and through *Georgia Championship Wrestling*, which he ran on Saturday nights. Because of this success, Turner felt an allegiance to professional wrestling, to the point that he would later own his own wrestling company. McMahon had to spend \$900,000 to buy out ninety percent of the Georgia territory to get the TBS slot.

development of the "Rock 'N Wrestling Connection," including a relationship with then-star Cindi Lauper, helped propel the company's wrestling program to the top of the pop culture consciousness.

Eventually, McMahon's relationship with Turner soured. McMahon sold his TBS time slot to Jim Crockett's NWA. The NWA and the WWF then competed for the next several years. Both expanded their operations to pay-per-view (PPV) television. PPV became an important part of the wrestling industry because it gave the television show a purpose and provided an event that the fans could feel was more important than the weekly wrestling show. In the days of territory wrestling, fans would watch the television show to see which matches would be set up for the weekend's live event in the arena. Because the WWF was now touring nationwide, this idea of the arena show as the culmination did not work for major feuds on a national base. McMahon realized through his early closed circuit and PPV events that he could draw fans from around the country through a few PPV super-events every year. By doing this, he could capitalize on his growing fan base already watching his television and attending his live events by providing another way for fans to consume his product. Eventually, these super-events became so popular that they became one of the main sources for company revenue.

With the drawing power of personalities like Hulk Hogan, Randy Savage, and Roddy
Piper for the WWF, McMahon pulled away from Crockett's promotion in the competition. The
two companies had been competing on both cable television and pay-per-view, often setting
shows up on free television to correspond with the other brand's pay-per-view, hoping to
diminish the buys for the other company's show. McMahon even scheduled a pay-per-view
event the same night as one of Crockett's events, forcing cable companies to choose between the
two. Eventually, though, it was the WWF's effective marketing to children, primarily through

Hulk Hogan, that helped McMahon to pull away from Crockett, coupled with disorganization within the creative team of Crockett's promotion, with wrestlers often appearing as both onscreen talent and also working as writers for the show.

McMahon extended his television schedule to include, for a time, a Tuesday night wrestling show called *Tuesday Night Titans*, which supplemented wrestling matches with interviews in a set reminiscent of Johnny Carson's *Tonight Show* and with comedy skits involving the wrestling personalities. The show rarely contained significant wrestling content. McMahon also marketed *Saturday Night's Main Event*, a wrestling show that replaced *Saturday Night Live* once a month on the NBC network and highlighted wrestling's return to network television for the first time since the early 1950s. McMahon created his own wrestling magazine, *WWF Magazine*, to follow his stars and cross-promoted his wrestlers through trading cards, video games, records, home video, wrestling toys, and films. He also places his stars into other television shows, such as *The A-Team*. Such marketing was a precursor to the current synergistic operation of the WWE. These early examples of synergy for the WWF helped McMahon distinguish his product from Crockett's. Eventually, McMahon won the war between the two companies, and Crockett sold his promotion to Ted Turner.

WWF vs. WCW

According to wrestling folklore, Turner had called McMahon close to the end of 1988 and proclaimed, "Guess what, Vince! I'm in the 'rasslin business!" He eventually turned Crocket's NWA program into WCW, World Championship Wrestling. The two organizations competed but with little success for WCW. Business was down from the 1980s on both sides

¹⁶ Ibid., 80.

because of an overexposed product and a lack of marketable stars such as Hulk Hogan. There were also a variety of poor decisions at a managerial level in both companies.

The WWF and WCW were losing their audience on television and at live events. Their plight was then exacerbated when federal investigators charged McMahon with steroid distribution, and McMahon went to trial in 1994. Although he was eventually acquitted, the WWF lost some of its momentum with its attention focused on the trial. However, Turner was not initially able to capitalize on McMahon's loss of momentum, as his company went through a series of managers to oversee WCW, with a consistent overturn in leadership becoming typical when a manager was not able to make the company profitable through live event attendance in a certain amount of time.

Monday Night Wars

Monday night television programming had been a staple for the WWF since McMahon began promoting *Prime Time Wrestling* on Monday nights. However, in 1993, he shaved the show down to one hour and renamed it *Monday Night RAW*, a first-run, sometimes live, wrestling show that featured his top stars. The show was a success, at least successful in terms of the early 1990s, which was down from the 1980s high. Meanwhile, Ted Turner appointed Eric Bischoff as the new manager of WCW. Bischoff, who also worked on-air as an announcer, secured the funding from Turner to hire former WWF stars such as Hulk Hogan, Randy "Macho Man" Savage, and a long list of 1980s WWF talents. In 1995, Turner decided to create a Monday night show to compete with McMahon's *RAW* program. The show would go head-to-head with McMahon's show on cable, with Turner debuting *Nitro* on his TNT network and McMahon with *RAW* on USA. Turner marketed both his stars and former WCW stars, as well as

newly created stars such as Bill Goldberg. McMahon, meanwhile, created new stars in Steve Austin, Mick Foley, The Rock, and Triple H to create a "new generation" of the WWF to compete with Turner. While Turner's show initially thrashed the WWF in the ratings, by 1998, the two shows competed regularly for viewers.

According to U.S. News and World Report, the WWF and WCW produced fifteen hours of weekly television programming that attracted thirty-five million viewers in the late 1990s.¹⁸ Both shows thrived, with WCW orchestrating a mock-takeover by ex-WWF stars called the New World Order (nWo), while WWF chronicled the rise of working-man anti-hero "Stone Cold" Steve Austin against tyrannical boss Mr. McMahon. The two-hour RAW and Nitro programs regularly finished as the top four cable programming hours of the week. A chart of television viewing shares of cable television from 1985 to 1999 provided in *Monthly Labor Review* shows an interesting correlation between pro wrestling's popularity and the growth of cable television. In 1985, cable television had just above ten percent of television viewing shares. From 1986 until the beginning of 1991, that number grew annually to about twenty-five percent of the television viewing shares. This coincides with the first wrestling boom, which began in 1985 and ran throughout the late 1980s before wrestling tapered off in the early 1990s. Interestingly, cable television share growth also flattened, with the industry showing little growth from 1991 until 1995. From 1995 until 1996, the television viewing shares for cable took their most dramatic viewing leap from twenty-five percent to close to thirty-five percent, coinciding with

¹⁷ This information comes from comments by the longest-serving WCW manager, Eric Bischoff, on the *Monday Night War* DVD.

¹⁸ Lynn Rosellini, "Lords of the Ring," U.S. News and World Report, 126.19, 17 May 1999, 52-58.

the beginning of the Monday Night War. As wrestling hit its second boom period in 1998 and 1999, cable television shares had grown to over forty percent.¹⁹

When the WWF made cable television and pay-per-view events the complete focus of the company's promotion, the company experienced a zenith of popularity. Scholars have struggled to understand wrestling's latest growth period, with many trends instead focusing on potential negative media effects and stereotypes in the entertainment form. Aaron Feigenbaum examines, in detail, the rise of Steve Austin as a working-class hero and sees him as one of the major forces in wrestling's growth in popularity. He concludes that Austin represents an anti-hegemonic force battling against the tyrannical Mr. McMahon, played by Vince McMahon himself.²⁰ Dalbir Singh Sehmby believes that wrestling promoters find effective ways to tap into American myths and likens the building of a hero in wrestling both to Horatio Alger stories and dime novels.²¹ Sociologist Brendon Maguire, who has studied professional wrestling for many years, believes that wrestling's late-1990s boom centered around "three allures that stand out: excitement, intrigue, and political incorrectness" and notes that these are representative of three macro forces in American society: "community breakdown, social disenchantment, and political correctness."

While scholars are at odds about what caused the growth in pro wrestling's popularity, the late 1990s boom became wrestling's most watched period, although brief, with major viewer interest in the Monday night cable television ratings war between the two wrestling companies.

¹⁹ Dominic Toto, "Job Growth in Television: Cable Versus Broadcast, 1958-1999," *Monthly Labor Review*, August 2000, 3-14.

²⁰ Aaron D. Feigenbaum, *Professional Wrestling, Sports Entertainment and the Liminal Experience in American Culture*. Dissertation, University of Florida, 2000.

²¹ Dalbir Singh Sehmby, *Professional Wrestling*, *Whooo! A Cultural Con*, *An Athletic Dramatic Narrative*, *and a Haven for Rebel Heroes*. University of Alberta, Master's thesis, 2000.

²² Brendan Maguire, "American Professional Wrestling: Evolution, Current Content, and Popular Appeal," Forthcoming, *Sociological Spectrum*, (2005).

Previously, especially when pro wrestling television shows were localized and aired only in the region where a group of wrestlers toured regularly, television was used to promote live events. By the late 1990s, however, according to professional wrestling analyst Dave Meltzer, live events had moved to a distant third on the list of revenue sources for wrestling companies, behind television ratings and advertising rates, as well as PPV buys, the most important revenue stream.²³ For instance, from figures recently released about WWE revenues for August 2004, the average gate for house shows for the month was \$142,780. Conversely, the month's pay-perview event, Summerslam, received not only a million-dollar live gate but also an early estimate of \$5.63 million in pay-per-view revenue, a number likely to expand once the buys actually come in.24 In addition, these PPV events can be released on DVDs and videos and through Internet streaming video. Although wrestling's ad rates are low compared to their ratings success, likely because of the longtime prejudices against wrestling fans, the WWE has multimillion dollar deals today, which substantially drive up the ratings averages for both networks that the programming airs on. Also, WWE seeks special endorsement deals for several products, such as BSN's dietary products. The company also has monthly sponsors for its PPV events.

Slowly, the landscape of the business began to change because of McMahon's success in media synergy. With the rise of his *Monday Nitro* program, Turner and his WCW had created the initial stage of the wrestling boom. However, after Turner had quashed McMahon, the WWF promotional machine created a number of new characters that became marketable in synergistic attempts at cross promotion. For instance, wrestler The Rock became a Hollywood star with the *Mummy* films, while Mick Foley became a best-selling author on the *New York Times* non-

²³ Dave Meltzer, personal telephone interview with the author, 27 March 2002. Dave Meltzer writes the weekly *Wrestling Observer* newsletter that is distributed internationally.

²⁴ Dave Meltzer, Wrestling Observer, 20 September 2004, 8.

fiction list, and "Stone Cold" Steve Austin and other wrestlers became mainstream stars, appearing on other television shows from game shows to *Nash Bridges* and *Pacific Blue*.

Turner expanded *Nitro* to three hours, began a two-hour Thursday *Thunder* program on TBS, and continued broadcasting *WCW Saturday Night* and his syndicated wrestling shows.

WWF began *Sunday Night Heat* on the USA Network and struck a deal with UPN to air *WWF Smackdown* on the network head-to-head with Turner's *Thunder*. This came in addition to WWF's Saturday morning and Sunday morning review shows as well as forays into Hispanic programming with *Los Super Astros*, a show featuring chiefly Hispanic wrestlers. The main drive behind WWF's success, though, was a switch from focusing on the pre-teen demographic to the adolescent and young adult male demographics. This led to more risqué programming, an increased use of foul language, and a stronger emphasis on class struggles in major storylines. In this way, wrestling followed a larger trend in American television toward testing its boundaries regarding controversial content.

Also, the young adult males of the late 1990s constituted the same generation that had been Vince McMahon's kids group of the late 1980s. McMahon was able to reach his old audience once again by engaging them with content more appropriate to their age group. In short, McMahon "grew up" alongside his audience. On WWF programming in 1997, McMahon came on television to announce that the WWF was no longer about "good guy versus bad guy" and that "the hero that tells you to say your prayers and take your vitamins is passé," reaching out to his audience to tell them the wrestling world was, in some way, growing up.²⁵ This switch in demographic was aided greatly by compelling serial drama that kept audiences coming back for the weekly narrative. WWF slipped away from WCW in the ratings war by the end of 1998.

²⁵ Segment played on various WWF Television Programming, late 1997.

With their company down, WCW executives were continually fired in attempts to turn business around for the company.²⁶

The Road to Conglomeration

McMahon strengthened his grip on the wrestling industry in 2000, making efforts which led to the eventual conglomeration of American wrestling. The result of McMahon's successful moves during wrestling's boom period—the increased marketing of his stars outside of the wrestling television and arena show package and the compelling serial drama that engendered a phenomenal television audience—saw Turner's WCW weakened by 2000 to the point that it provided no real competition for McMahon.

Still at the apex of popularity, McMahon's WWF soon struck a deal with media giant Viacom.²⁷ After negotiating between its long-time home on cable television, the USA Network, and Viacom in mid-2000, WWF programming moved to its new home on Viacom's MTV and TNN. Eventually, the WWF's *Sunday Night Heat* program moved from MTV to TNN as well. McMahon's company was also launching public stock and breaking into other ventures, such as the WWE Films Division, the ill-fated XFL Football League and WWE New York Restaurant on Times Square, as well as WWE CD releases.

Then, wrestling programming began to lose fans.²⁸ Interest may have faded due to the excess of weekly TV programming between WWF, WCW, and Paul Heyman's independent group, Extreme Championship Wrestling, which had gotten a short-term spot on TNN at one point. All three groups produced PPVs, with sometimes as many as three major PPVs in a

²⁶ Assael, 230.

²⁷ Assael, 237.

²⁸ Mark Ginocchio, "WWE: Smacked Down, But Getting Up Again," *The Stamford Advocate*, 28 December 2003.

month. Or the popularity may have faded with the 1999 injury of Steve Austin, The Rock's increasing Hollywood schedule, Mick Foley's retirement at the beginning of 2000, HHH's later injury, and a shortage of superstars. With fading competition and the elimination of that competition by 2001, the WWF may have also suffered from a creative drain. The more conservative climate in television may have led some fans away as well.

McMahon bought the rights to the bankrupt ECW because the group had sustained an underground credibility with fans but did not have the financial backing to stay afloat. Heyman had regional success and, thanks to tape traders, parlayed his product into a nationally syndicated show and a short-lived spot on TNN. However, the costs of maintaining a national promotion were too much for his small company. McMahon hired many of its performers, including its owner Paul Heyman, to work for him, and acquired the tape library of the promotion.

Meanwhile, Time-Warner, which had bought all of Ted Turner's television programming, decided to sell the wrestling business to McMahon, because, unlike Turner, the executives at Time-Warner did not have an attachment to the wrestling business and did not want to invest the energy required to make their wrestling company successful. By mid-2001, with wrestling ratings falling and interest declining, Vince McMahon was the sole owner of major prowrestling in America.

Wrestling's 21st Century Outlook

Today, the WWE (with name changed after a lawsuit with World Wildlife Fund) has one of the highest rated weekly programs on the CW network—WWE Friday Night Smackdown.

Even though interest has declined from its peak years, Smackdown is still the ratings mainstay of

²⁹ Ibid., 250-252.

the CW. *RAW* returned to the USA Network in October 2005 after TNN had changed its name to Spike TV, using WWE programming as a focal point.³⁰ Finally, WWE has created a revamped ECW brand, airing on Tuesday nights on the Sci Fi Network. By February 2007, the WWE's three shows were often ranking as the highest-rated show on each of their three networks.³¹

The WWE has begun what is called the "brand extension" by enlisting former WCW and ECW wrestlers and stars created from its talent development program through Ohio Valley Wrestling in Louisville and the Deep South development group in Atlanta to create enough stars for three separate shows. With the added workers, the organization is able to create three separate rosters of stars for each of its three shows. The term "brand extension" comes from the public relations jargon used to describe synergistic activity. As Auletta notes, the cross-promotion of Tribune Companies in each other's media is an example not only of convergence but of "brand extension." For the WWE, one roster performs on *RAW* on USA, another roster on *Friday Night Smackdown* on the CW, and a third roster on ECW on Sci Fi.

Now that the company is back on USA, its show *Heat*, which formerly aired on Spike TV, is exclusive to the WWE Web site. The company has had great preliminary success with airing content on the Web site, as, when the first hour of its *Friday Night Smackdown* was preempted by a Katrina benefit concert, the company aired that content on its Web site, expecting potentially 250,000 viewers. Instead, the program was streamed by 500,000, doubling

³⁰ Dave Meltzer, Wrestling Observer, 21 March 2005, 1.

³¹ A press release on this phenomenon, released 22 February 2007, is available at http://corporate.wwe.com/news/2007/2007 02 22.jsp>.

³² Auletta.

company expectations.³³ The WWE has increased its pay-per-view schedule to about fifteen shows per year. The WWE also has a 2 a.m. Sunday morning show, WWE RAW AM.

WWE ratings have remained fairly consistent in the past few years. The growth period of the late 1990s and 2000 added legions of casual fans, but some of those fans were not deeply involved in the stories and tended to have much shorter attention spans for the product,³⁴ and the current fan base is not necessarily the same fans from before the late-1990s boom.

WWE as Synergistic Empire

With the WWE supported primarily by an ardent and consistent base of fans now with some occasional viewers on the periphery, its current financial successes have come through marketing its product in various media forms. This synergistic activity through the WWE has allowed the company to maximize profitability even with a decline in the total number of fans. Television remains the most important aspect of the WWE's business. The WWE now produces three hours of weekly programming for USA, two hours of which is first-run programming; the broadcast of the two-hour Monday Night RAW program will also air in Spanish weekly on both Telemundo and Mun2. The company also produces two hours of first-run programming for the CW Network; one hour for Sci Fi; and several hours of programming specifically for distribution

³³ Jefferson Graham, "Video-Laced Websites Evolve Into Pseudo-TV Stations," USA Today online. 02 October 2005. Accessed 04 October 2005. http://www.usatoday.com/money/

industries/technology/2005-10-02-video-websites x.htm>.

³⁴ Ginocchio. Dave Meltzer, Wrestling Observer, 26 April 2004, 5. WWE ratings for the late-1990s were often in the 6.0 to 7.0 range. Current WWE ratings so far in 2007 have consistently hovered around 4.0 for RAW and about 3.0 for Smackdown, although Smackdown is airing on network television. ECW's ratings have stayed at about 1.5 on Sci Fi, while AM RAW fluctuates have averaged around .75. WWE's popularity currently appears to have been on a slight upswing compared to the previous couple of years. For the ratings breakdown, look at the charts available for WWE television ratings at Wikipedia,

http://en.wikipedia.org/wiki/Category:World Wrestling Entertainment television ratings>.

on the Web site, in addition to at least one pay-per-view event per month that draws hundreds of thousands of buys, all at a base of \$39.95 each.³⁵ Furthermore, the company runs occasional specials on both USA and UPN and airs specials on NBC from time-to-time called *Saturday Night's Main Event*. This combination of programs and networks is the centerpiece of all the WWE's activities and the chief agent through which to advance storylines and character development.

The WWE magazine division split into two magazines in 1996, *RAW Magazine* and *WWF Magazine*. Those two magazines eventually became *RAW Magazine* and *Smackdown Magazine*, both producing monthly issues that supplement the on-air storylines and also provide features about past wrestling stars and their current whereabouts. The magazine division, which has run since the beginning of the WWE's national expansion, remains a substantial part of the permeation of WWE's product, appearing on stands across the country. In 2006, the company decided to consolidate the two magazines into one *WWE Magazine*, which became more of a lifestyle magazine in addition to covering the wrestling product.³⁶

The WWE has also continued with its marketing of logo T-shirts and a myriad of action figures and other merchandise for fans to collect. Merchandising, especially T-shirt sales, have become an important revenue stream through the WWE live events, and the merchandise is usually promoted throughout the television programming. This synergistic cross-promotion includes every media outlet the company uses, as television promotes live event dates,

³⁵ In 2006, according to buy rate numbers as of February 2007, the WWE received close to a million buys for *Wrestlemania* and close to 100,000 buys for *ECW December to Dismember*. Most brand-specific PPVs range between 200,000 and 300,000 buys, while the four major PPVs often receive more than 400,000 buys.

³⁶ For more information, see

http://www.convergenceculture.org/weblog/2006/07/new_wwe_magazine_moves_toward.php>

merchandise, and magazines, and the magazines promote the merchandise, live events, and television, etc.

While the WWE used to market its videos through Coliseum Home Video, beginning in the 1980s, it now has its own home video distribution, with tremendous growth in its DVD section. The WWE DVD division markets DVDs from its expansive tape library of wrestling. The DVDs are often among the top-selling sports DVDs of the year. The DVD market promises to be one of the WWE's biggest opportunities for expansion, and the WWE currently plans to release more comprehensive "best of" collections of its most popular stars of yesteryear with hype for each release coming through its Internet, television programming, magazines, and other branches of the company's promotional machine. The company also releases DVDs of all its PPV shows and "best of" features from its television shows, ³⁷ The marketing of DVDs increases the potential that dedicated fans might purchase an event on PPV and also purchase the DVD of the event once it is released a few months later. The WWE has capitalized on its mounds of footage by finding new ways for fans to purchase it and have for their own archival collections. Such promotion not only becomes another revenue stream for the WWE but also encourages fans to become even more involved in their relationship with the wrestling product by collecting all the past events and personally owning the footage.

The WWE first released an album with its 1985 *The Wrestling Album*. However, the tradition has grown into an annual CD release which has included everything from anthologies of wrestlers' entrance themes to their personal song recordings. These CDs often appear close to the top of the CD sales lists during the first couple of weeks of release, often despite negative reviews by critics and a complete lack of radio playtime. Again, the WWE promotes this music

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³⁷ Some of the WWE's early best-selling DVDs have been *The Ric Flair Collection*, *The Monday Night War*, *The Rise and Fall of ECW*, and each year's Wrestlemania PPV.

extensively on their own programming, and the products become another way for ardent fans to prove their loyalty and involvement.

The WWE's first video games came out in the mid-1980s with Nintendo. The company currently develops products for gaming systems such as Game Cube and Playstation with its recent releases, such as *Day of Reckoning* and *RAW vs. Smackdown*. The WWE releases a couple of video games a year, featuring its top current and former wrestling personalities, and promotes these games through its various media. The fans' fantasy involvement with the wrestlers is heightened through the video game experience, which gives fans the chance not only to collect merchandise of the characters but to actually "be" the characters and compete with the other wrestling stars.

McMahon is even having some limited success in film. After his 1980s failure with *No Holds Barred*, he took a decade break from Hollywood before having success with wrestler Dwayne "The Rock" Johnson. Under contract to McMahon until recently, Johnson has starred in several Hollywood productions. Because Johnson was under contract to McMahon and because WWE becomes a promotional tool for The Rock's films, McMahon was listed as executive producer on all of Rock's films and receives about \$1 million in revenue for each film because Rock was still a contracted WWE performer. The films include *Mummy Returns*, *The Scorpion King, The Rundown*, and *Walking Tall*. ³⁸ McMahon has also created WWE Films and markets

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³⁸ "Exhibitor Relations's Top 50 Movies of 2002," Info Please Web site, http://www.infoplease.com/ipea/A0300775.html, Accessed 01 May 2004. Dave Meltzer, Wrestling Observer, 3 May 2004, 15. "Rock," Rotten Tomatoes Web site, http://www.rottentomatoes.com/p/Rock-1128210/news.php, Accessed 01 May 2004. "The Rundown," Box Office Mojo Web site, http://www.boxofficemojo.com/p/Rock-1128210/news.php, Accessed 01 May 2004. "The Scorpion King." Box Office Mojo Web site, http://www.boxofficemojo.com/movies/?id="http://www.boxofficemojo.com/movies/?">http://www.boxofficemojo.com/movies/?id="http://www.boxofficemojo.com/movies/?">http://www.boxofficemojo.com/movies/? id= scorpionking.htm>, Accessed 01 May 2004. The Scorpion King grossed over \$90 million in U.S. theaters, the 29th top-grossing film of that year. The film grossed about \$74 million internationally. The Scorpion King,

movies featuring his performers in starring roles.³⁹ The first of their productions was a documentary on the making of the 2003 version of the major WWE show of the year, *Wrestlemania*, which aired in March 2004 on UPN.⁴⁰ Also, a WWE documentary on wrestler Eddie Guerrero's battling drug addiction—entitled *Cheating Death*, *Stealing Life*—aired on UPN and was released as part of a DVD set about Guerrero's career.⁴¹ WWE Films has released *See No Evil*, starring wrestler Kane; *The Marine*, starring wrestler John Cena; and *The Condemned*, starring "Stone Cold" Steve Austin.⁴²

The new media division began in the 1990s with the WWE AOL site and expanded into WWE.com, which has become a major marketing tool, corporate policy tool, and disseminator of storyline information.⁴³ In addition to airing the weekly *Heat* show, the WWE has developed its

Rock's debut in a lead role, also did well on video and DVD release. The Rock had a supporting role in *The Mummy Returns* in 2000. *The Rundown* grossed over \$47 million in the U.S. and \$32 million in international releases and also has done well in the video and DVD market. Currently, *Walking Tall* has averaged about \$46 million at the domestic box office, \$47 million at the international box office, and has done well in the video and DVD market. The Rock has also starred in *Doom* and *Gridiron Gang* and had a role in *Be Cool* and *Southland Tales*, as well as numerous other movie projects in the queue. Johnson's contract with McMahon ended at the end of 2004, but the two remain in contact and the potential for Rock to be involved with the WWE in the future is strong.

³⁹ Dave Meltzer, Wrestling Observer, 3 May 2004, 17.

⁴⁰ *The Mania of Wrestlemania*, WWE Films, 2004. Aired 12 March 2004 on UPN. Narrated by Jesse Ventura. Also included on multiple disc set of *Wrestlemania XX*, a 2004 WWE DVD release.

⁴¹ Eddie Guerrero: Cheating Death, Stealing Life, WWE Home Video, Released 28 September 2004.

⁴² See No Evil, released in Summer 2006, generated \$15 million in the U.S. and \$1.9 million internationally, while *The Marine*, released in Fall 2006, grossed \$18.8 million in the U.S. and \$1.4 million internationally. See No Evil has made another \$16.5 million in DVD rentals as of February 2007, while *The Marine* had already made \$15.8 million in DVD rentals by the end of the week of Feb. 18, after being released on 30 January 2007. The production budget for See No Evil is listed at \$8 million, while *The Marine* cost substantially more in both production and marketing. Information from Box Office Mojo, http://www.boxofficemojo.com/. *The Condemned* was largely considered a box office failure but may have similar success in the DVD market long-term.

⁴³ WWE Web site. http://www.wwe.com

own broadband Internet channel, including highlights from WWE TV and a variety of Web-only video programs featuring WWE personalities and footage. The site includes news stories from WWE staff, photo galleries, arena schedules, television schedules and previews/reviews, personality profiles, corporate news, streaming capabilities for WWE PPV, and late-breaking news. The company uses its Web site to present breaking news, but in a way that remains consistent with the fictional narrative world of WWE programming, so that the site is increasingly envisioned as a constant update to the *immersive story world* of the WWE. Furthermore, the company allows some of its talent to publish columns through the Web site. The WWE has even promoted tryouts for which fans can sign up through the Web site to be future WWE wrestlers.

The WWE has also recently created an online gaming forum—similar to fantasy football leagues—that allows for players to design their own rosters using WWE characters.⁴⁷ The league provides an even more involved way for fans to increase their fantasy role-playing involvement with wrestling, as fans compete with each other in a chance to "own" the wrestling rosters and make matches themselves. The competition has been successful so far and has already gone through a few "seasons," with the winners being featured on the WWE web site. The company

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⁴⁴ WWE Broadband, http://www.wwe.com/broadband/. Also, see

http://www.convergenceculture.org/weblog/2007/01/wwe_set_to_merge_existing_new.php. Also, one of the more interesting projects on the Internet in the past couple of years has been WWE Unlimited, which streamed Web video of what was happening at the arena for WWE Raw during the commercial breaks. For more information, see

⁴⁵ For more on this concept of the *immersive story world*, see Sam Ford, *As the World Turns in a Convergence Culture*, Master's thesis, Massachusetts Institute of Technology, 2007, http://cms.mit.edu/research/theses/SamFord2007.pdf>.

⁴⁶ For more information, see

http://www.convergenceculture.org/weblog/2006/02/wwe_recruiting_performers_from.php.

47 WWE Salary Cap Fantasy Game. http://fantasy.wwe.com/>.

has also launched WWE Mobile Alerts, a text messaging subscription service that gives fans breaking news, trivia, and other features.⁴⁸

Although in the past the WWE released a few children's picture books, its book division has grown through deals with ReganBooks and now with Pocket Books. The success of its 1999 release of Mick Foley's *Have a Nice Day* has led to an annual flow of books, many of which have great success as non-fiction memoir writing. Some of these offerings have either been or have been close to bestsellers, creating a new niche market for wrestling books and subsequently opening the market for non-WWE books as well. Authored by WWE performers, these books have included memoirs of current and past stars, media criticism, financial advice, and bodybuilding tips. The WWE has also marketed cookbooks, children's books, trivia books, and coffee table books.⁴⁹ These books allow WWE performers to export their marketable

⁴⁸ For more on WWE Mobile Alerts, see

http://www.convergenceculture.org/weblog/2006/04/new mobile service will furthe.php>. ⁴⁹ Kurt Angle and John Harper, *It's True! It's True!* New York: ReganBooks, 2001; Steve Austin, Jim Ross and Dennis Brent, The Stone Cold Truth, New York: Pocket Books, 2003; Eric Bischoff and Jeremy Roberts, Controversy Creates Cash, New York: Pocket Books, 2005; Fred Blassie and Keith Elliot Greenberg, Listen, You Pencil Neck Geeks, New York: Pocket Books, 2003; Robert Caprio, Are We There Yet?: Tales from the Never-Ending Travels of WWE Superstars, New York: Pocket Books, 2005; Adam Copeland, Adam Copeland on Edge, New York: Pocket Books, 2005; Basil V. DeVito, Wrestlemania: The Official Insider's Story, New York: ReganBooks, 2001; Amy Dumas and Michael Krugman, Lita: A Less Traveled R.O.A.D. New York: Pocket Books, 2003; Lillian Ellison and Larry Platt, The Fabulous Moolah: First Goddess of the Squared Circle, New York: Pocket Books, 2003; Ric Flair, To Be the Man, New York: Pocket Books, 2004; Mick Foley, Foley is Good, New York: ReganBooks, 2001; Mick Foley, Have a Nice Day!, New York: Regan Books, 1999; Eddie Guerrero and Michael Krugman, Cheating Death, Stealing Life: The Eddie Guerrero Story, New York: Pocket Books, 2005; Billy Graham and Keith Elliott Greenberg. Superstar Billy Graham: Tangled Ropes. New York: Pocket Books, 2006; Matt Hardy, Jeff Hardy, and Michael Krugman, The Hardy Boyz: Exist 2 Inspire, New York: ReganBooks, 2003; HHH and Robert Caprio, Triple H: Making the Game, New York: Pocket Books, 2005; Hulk Hogan and Michael Jan Friedman, Hollywood Hulk Hogan, New York: Pocket Books, 2002; Dwayne "The Rock" Johnson and Joe Layden, The Rock Says... New York: ReganBooks, 2000; Joanie Laurer and Michael Angeli, Chyna: If They Only Knew, New York: ReganBooks, 2001; Jerry Lawler and Doug Asheville, It's Good to Be the King...Sometimes, New York: Pocket Books, 2002; John "Bradshaw" Layfield, Have

personalities into other venues. Hence, wrestler John "Bradshaw" Layfield markets himself as a wrestler/stock analyst, and HHH gives his audience tips on how to have a physique like his. The books provide ways for McMahon and his stars to pull back the curtain and allow fans a chance to see a little of the backstage lives of the superstars. Since the wrestling product sits at the threshold between fantasy and reality, fans are enthusiastic at any chance to get backstage information through these books about the "real people" behind the characters and storylines. Of course, the "real lives" are often a constructed narrative of their own, especially with certain wrestlers notorious for as much exaggeration off-screen as on-screen, but the memoir has become a very popular storytelling tool for the wrestlers, with varying degrees of verisimilitude.

McMahon has capitalized upon these opportunities and continues to market his stars in several ways outside his WWE programming. Layfield has appeared on Fox News Network and MSNBC as a stock analyst, for instance, and WWE is heavily involved in the voting process with the Smackdown Your Vote campaign. Wrestlers appeared at both the Democrat and Republican 2004 national conventions, and wrestlers Mick Foley and John Layfield have debated the candidates' issues for the presidential election on a college campus in Florida. The

More Money Now: A Commonsense Approach to Financial Management, New York: Pocket Books, 2003; Ken Leiker and Mark Vancil, WWE Unscripted, New York: Pocket Books, 2003; Thom Loverro, The Rise and Fall of ECW, New York: Pocket Books, 2006; Shawn Michaels and Aaron Feigenbaum, Heartbreak & Triumph: The Shawn Michaels Story, New York: Pocket Books, 2005; William Regal with Neil Chandler, Walking a Golden Mile, New York: Pocket Books, 2005; Jim Ross, Can You Take the Heat?, New York: ReganBooks, 2000; and Jim Ross, J.R.'s Cookbook, New York: Pocket Books, 2003. Brian Shields, Main Event: WWE in the Raging '80s, New York: Pocket Books, 2006; and Brian Solomon, WWE Legends, New York: Pocket Books, 2006. Mick Foley has produced two children's books through the company's publisher, and several trivia, "diva," "Year in Review," and WWE Films books have been published through WWE as well. The company has also released novels such as Robert Caprio, WWE Big Apple Take Down, New York: Pocket Books, 2006, and Michael Chiappetta, Journey Into Darkness, New York: Pocket Books, 2006. For more information on Big Apple Take Down, see http://www.convergenceculture.org/weblog/2006/07/wwes_big_apple_takedown.php>.

company has also launched various Web resources for the Smackdown Your Vote campaign, including podcasts featuring WWE personalities and discussing various political issues.⁵⁰

By making his stars visible in so many ways, McMahon exponentially enhances their images. In writing about the creation of the film star, John Ellis says that a star is "a performer in a particular medium whose figure enters into subsidiary forms of circulation, and then feeds back into future star performances." According to Ellis, then, a star's performance is a "culmination of the star images in subsidiary circulation: it is a balancing act between fiction and cultism." Ellis questions whether such a star could be created on television, but McMahon's synergistic operation has worked to create such an effect for his wrestling "superstars" and thus give many extra layers of meaning to the weekly show through this ancillary information.

McMahon makes his product more diverse by marketing its product in new ways, and, in the process, possibly change some stereotypes about wrestling performers through success in more traditional media. Likewise, the WWE is able to create more and more products that its loyal fan base is likely to buy, thus providing investors and advertisers with proof as to the success of its synergistic operation. Wall Street seems to have found a steady trading level for WWE stock. Share prices recently rebounded to \$15.44, more than double their 2002 dismal low of \$6.86.⁵³ Throughout 2005, the stock was consistently trading between \$12 and \$13, and the stock is has been consistently trading between \$16 and \$17, as of 2007.⁵⁴

⁵⁰ For more information, see

http://www.convergenceculture.org/weblog/2006/10/wwe_smackdown_your_vote_podcas.php

⁵¹ John Ellis, "Stars as a Cinematic Phenomenon," *Film Theory and Criticism: Introductory Readings*, Fifth Edition, Ed. Leo Braudy and Marshall Cohen, New York: Oxford UP, 1999, 539-546, 539.

⁵² Ibid.

⁵³ "WWE Stock Reaches 52 Week High at Close of Trading Day," *Pro Wrestling Torch* Web Site, 22 April 2004. http://www.pwtorch.com/ artman/publish/article_7988.shtml>. Accessed

The WWE, unable to rest on its current status, is continuing to develop new, potentially profitable projects for the company. In addition to its new fantasy gaming operations and its increasing emphasis on WWE Films, the company is now even planning to open an on-demand cable and satellite pay-per-view service from his video library of old wrestling events that may eventually expand into a full-time wrestling network.⁵⁵ The programming, called *WWE 24/7*, will feature several options to be selected from the company's archives for a monthly rate.⁵⁶ This feature capitalizes on the desire of the WWE's most loyal fans to see or own it all—important matches and storylines from throughout wrestling history—and builds on the immense success of the DVD division of the company, tapping into a very large archive that could provide continued programming that could be grouped in infinite configurations.

Although WWE has always had an international presence, it also continues to expand its television penetration internationally. WWE programming is seen in multiple languages and many different countries. Live events in other countries have helped the company tremendously, with 30 events outside North America in 2004 and recent successful tours in Japan and Mexico, throughout Europe, and in Asia, Australia, and the Pacific Islands, as well as the company's

iroughout Europe, and in Asia, Australia, and the Facilite Islands, as well as the company s

²³ April 2004. Michael Brush, "Listen Up, Wimps! World Wrestling Is Back!" *CNBC Company Focus*, 7 January 2004, http://www.moneycentral.msn.com/content/P67758.asp, accessed 8 January 2004.

⁵⁴ WWE Investor Relations Web site. http://corporate.wwe.com/investors/overview.jsp>. Accessed 26 September 2005.

Dave Meltzer, *Wrestling Observer*, 3 May 2004, 9. WWE owns its own WWWF/WWF/WWE library, as well as the WCW and ECW libraries, as mentioned. The WCW library also includes the Crockett Carolinas footage and the old Georgia library. The WWE has purchased the AWA library from the Minneapolis area and the SMW library from Tennessee and Kentucky, the World Class Championship Wrestling library from Dallas, the Stampede Wrestling library from Calgary, the Championship Wrestling from Florida library, and the OVW library from its training territory. The WWE uses this footage regularly for Web programming and DVD releases, in addition to the On Demand product, and is continuing to look into purchasing other wrestling tape libraries.

⁵⁶ For more information on WWE 24/7 On Demand, see http://www.convergenceculture.org/weblog/2006/08/wwe_247_on_demand.php.

consistent popularity in Canada.⁵⁷ In fact, these global live events have led to the WWE's biggest attendance numbers because these fans do not often get to see the wrestling stars live. The company now tapes its television shows on European and Asian tours from time-to-time so that global tours can be expanded and not cut short because of the weekly tapings in North America.⁵⁸ Also, 2005's *New Year's Revolution* PPV event was held in Puerto Rico. The WWE has been expanding its presence in these international venues and will likely be doing more international business in the future, perhaps including more major WWE events and PPVs abroad. The international success of the uniquely American WWE shows has changed the company's perception of the importance of international business. Japanese fans even boo wrestlers when they attempt to use interpreters and cheer when the wrestlers speak in English. Because of the product's success in certain countries, the WWE has attempted to alter some of its regular stereotypic roles and allow, for instance, Japanese wrestlers who are not as popular in the U.S. to get more of the spotlight when touring Japan.

Despite the current control of the WWE on the wrestling world, challenges will continue. McMahon has expanded his media empire, however, to withstand falling ratings and has even begun to see a rebound in business. So far, the WWE has been able to maintain control of the pro wrestling industry. Because the WWE has capitalized on media synergy, it has been able to maintain its longevity. More importantly, the WWE has gained greater roots into its existing fan base by providing an increasing number of ways its product can be accessed. Further, the company is looking to continually expand its projects across media forms, such as with

⁵⁷ Brush. Ginocchio.

⁵⁸ Dave Meltzer, *Wrestling Observer*, 28 June 2004, 2. The WWE had a television taping for both *RAW* and *Smackdown* in October, with another planned for Japan a few months later. Plans also include taping shows in Australia.

continued discussion to start the process to moving to a high-definition television and/or DVD product. ⁵⁹

As the company continues its marketing of the ephemeral wrestling star, it will be able to withstand a long drought of mainstream popularity if necessary because of this accretion of projects. Even without greatly expanding its fan base, the WWE has been able to increase the number of ways that fans can access the WWE product and has thus made its product more valuable to the core fan. The company's business expansion may serve as a textbook example of the way to use media synergy to make a business profitable. Vince McMahon and the WWE have created a media empire that makes its one product, the fictional wrestling universe, ubiquitous through marketing it almost every available facet of mass media distribution.

⁵⁹ For more information, see

http://www.convergenceculture.org/weblog/2006/09/who_isnt_going_to_hd_rasslin_i.php>.

⁶⁰ WWE's impressive marketing job is headed up by its marketing department, led by Dartmouth graduate Kurt Schneider, whose office has overseen the company's international growth in live event and pay-per-view business.