CONTENTS

	Acknowledgments	ix
1	Introduction	1
	Complements in Competitors' Clothing	3
	The Nature of Information	4
	Overview of the Bumpy Road to Prosperity	7
	The Plan of This Book	9
	Why Today's Threats and Opportunities Are So Profound	11
	Conclusion	12
2	Innovation	15
	Surfing the Hertzian Wave: The Early History of Radio	16
	Marconi (and Only Marconi) Calling	18
	Voices in the Air	20
	Voices Carry: The Early History of the Recording Industry	25
	Lights, Camera, Oligopoly: History of the Film Industry	29
	There's Something On: History of the Television Industry	30
	E Unum Pluribus?: History of Filesharing	36
	Conclusion	39
3	Ascension	41
	Tuning in to Network Effects	42
	More Than Wireless Telegraphy: Radio Becomes an Industry	43
	Making Money with Radio	49
	Jockeying the Discs: Records Become Popular	50
	Your Best Entertainment: Movies Become Big Business	54
	Then There Were Three: The Television Industry	58
	It's Good to Share? The Emergence of Peer-to-Peer Services	60
	Conclusion	66

4	Fear	67
	The Sonny Bono Law: I Got You Babe for Another Twenty Years	68
	The Law Needn't Be an Ass: A Positive Role for Legislation	71
	For Home Use Only: The Battle Between Radio and Music	75
	Big Screen Versus Small: The Studio System Joins Together	
	Against Television	80
	The Boston Strangler? Movie Studios and Television Fear the VCR	83
	Refusing to Face the Music: Disrupting the Record Companies	85
	Conclusion	90
5	Prosperity	91
	Gold Records: The Golden Age of Radio—	
	for Recording Companies	95
	Television Saves the Studios	96
	Videos and VCRs: A Cash Machine for Studios	99
	Happier Bedfellows: Content-Technology Cooperation	102
	The Music Industry Post-Napster	104
	Conclusion	110
6	Conclusion	113
	Where the Money Will Be: The Power of Complements	
	and the Risks of Collision	117
	Convergence or Collision?	118
	Honey, I Shrunk the Value Proposition	120
	Let's Get Horizontal	122
	Linking to Prosperity: The 2 Percent Solution	124
	Rules for Success: Company-Level View	126
	Rules for Success: Industry-Level View	128
	Conclusion	130
	Appendix A: The Forces Shaping the Future of Entertainment	131
	Appendix B: Tools of Resistance: Patents and Copyrights	141
	Notes	151
	Index	161