

ELEVEN

# First Green Is Always Gold

*An Examination of the  
First Private National Channel in Bulgaria*

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## INTRODUCTION

THE GROWTH OF COMMUNICATION systems in modern capitalist societies has been inextricably linked to both the rise of mass democracy and the growth of mass consumption. However, from the very beginning, commentators of a variety of political and cultural hues have pointed out the contradictory relations between consumerism as the foundation of capitalist economies and citizenship as the foundation of democratic societies. A society's system of communication, as the major vehicle for advertising and the central forum for organizing political discourse, is caught in the center of this tension (Murdoch, 1992).

This statement is particularly accurate with regard to the developments and processes that the countries of Eastern Europe have been experiencing since the fall of the Berlin Wall in 1989. In the former Communist bloc, the mass media have been recognized as a central part of the political, economic, and social transformations that brought about the end of the cold war. With the end of the economic and ideological divide between the East and West, the former Soviet nations launched a trip to self-discovery in search of a new, post-Communist cultural and political identity. As the most influential vehicle of

public opinion and social sentiments, the mass media became the public forum for this search.

Now that the Berlin Wall is long demolished and all Eastern European nations are undergoing a process of cultural redefinition, it is interesting to examine the post-Communist developments in the cultural sphere and particularly in the mass media. As a conduit of these developments, the mass media in Eastern Europe find themselves under the pressure of a conjuncture of the forces of globalization. In this spirit, with the beginning of the new millennium, Bulgaria, the former Communist nation often referred to as the Soviet Union's most loyal satellite nation, opened a new page in its media history. After nearly 50 years of state-controlled, closely monitored, and ideologically manipulated television, the Bulgarian government decided to open the national air, previously exclusively reserved for the state-owned and operated television channels, to foreign media companies. As a result, the first private television channel, Balkan Television (bTV), was launched and was officially listed as "a News Corporation company." The monopoly of Bulgarian National Television (BNT) was brought to an end, and its politicizing and socializing role was about to change drastically, simultaneously transforming the entire media landscape in Bulgaria.

This chapter uses a globalization framework to examine the cultural effects of foreign capital on Bulgaria's broadcasting system. Using bTV as a case study, this chapter will critically examine the development and growth of the first foreign commercial broadcaster in a post-Communist state to show how the initial strong resistance to a commercially driven programming scheme was quickly superceded by a hearty espousal of every single aspect of Western-type programming. Such developments have important consequences not only in terms of program quality and availability of choice but also in terms of far-reaching political, economic, and cultural influences. The need for such an investigation is pressing given the lack of any scholarly research about globalization influences in Bulgaria. The ultimate purpose of this chapter, however, is to address and perhaps further explicate a question stated by Bakardjieva (1995): "Will the emergence of new, independent media channels fulfill the expectations for a democratic public debate on issues critical to society, . . . or will they 'Dallasify' and drown to death any attempts at critical civic thinking and participation?" (p. 41). The discussion of such media trends is critical as it demonstrates the complex processes that nations such as Bulgaria undergo in assessing their success in building Western-type democracy while at the same time maintaining their indigenous cultural identity.

The first part of the chapter offers a brief discussion of the research methods used and a literature review of globalization of culture. The study next presents an overview of the globalization literature on Eastern Europe and an overview of important historical developments in Bulgarian broadcasting. The

events around the creation of bTV, its first year on the air, and its subsequent success occupy the central part of the chapter. The last part offers a discussion of bTV's formula for success and some concluding remarks with regard to its political, economic, and cultural clout.

This chapter uses historical analysis in search of a more hermeneutic than systematic perspective on the complex processes at work. Historical analysis "involves the use of historical methods by sociologists, political scientists, and other social scientists" (Babbie, 1998, p. 325). In line with its approach, the chapter uses a narrative tracing in-depth the development of the first private national television channel in Bulgaria. As Nord (1989) asserted, a "narrative is more than a description; it is a logical organization of material into a chronological sequence for the purpose of explanation" (p. 289). The explanatory power of the historical narrative approach lies with its ability to trace the logical progression of each step (Nord, 1989). The ultimate goal is to form an understanding of the often subtly manifested and undetectable processes at hand by applying, what in Geertzian terminology would be called "thick description," to bTV's development as Bulgaria's top national channel (see Geertz, 1973).

#### GLOBAL VERSUS LOCAL CULTURE

In the mass communication literature, globalization has become synonymous with discussions of contemporary trends in news flows and issues of cultural production. It is hard to identify the beginning of the term *globalization*. Earlier histories and outlooks on global society (Marx, Toynbee, etc.) still sought to gather together the individual histories of different "societies," "cultures," and "civilizations," variously located somewhere on the earth, and then sought to suggest universal and specifically Euro-centered proposals about them. In this relation, ethnocentrism, and specifically, European ethnocentrism, became an affiliated feature of an emerging global modernity. Perhaps of all the nineteenth-century thinkers, Marx offered the boldest view of an emerging global society and a particularly bold picture of a global culture in his depiction of a future Communist state. In Marx's utopian world, the divisions among nations have disappeared along with all other local attachments, including religious or ethnic belief, a world with a universal language, world literature, and cosmopolitan cultural states (Marx, 1967).

However, if the possibility of a global culture exists, defined by a historically conditioned and economically feasible global media content flow, then as many cultural sociologists contend, we should recognize the fact that cultural identities in the global age necessarily develop in tandem with each other (Hannerz, 1992, 1996; McNeill, 1991, 1992; Robertson, 1992; Waters, 1995). While this suggested paradigm is based primarily on market

relationships and emphasizes the erosion of national cultures and regional civilizations from within, other social scientists suggest that the "Americanization paradigm" was responsible for the ensuing homogenization of the world culture. Americanization theories are built on the experience of successful large-scale technology based on purely capitalist production. A good example is Ritzer's (1993) McDonalization thesis, which claims that rationalized capital-intensive forms of production, marketing, and consumption are conquering older or alternative forms of production everywhere in the world. The same idea was evoked by Barber (1996), whose fears materialized in the notion that there might be little public choice between this sort of "McWorld" and its territorialist and parochial opposite, symbolized by the Jihad and ethnic cleansing.

However, opponents of the Americanization paradigm have pointed out that the adoption of American culture and the globality of American cultural influence around the world is not necessarily a forceful and an imposed imperialist move. Rather, as Schou (1992) contended, in societies with clearly divisive culture along criteria of class, gender, age, and so on, the consumption and enjoyment of American goods and popular culture came to serve for the working-class consumers as a symbolic resistance to the paternalism of the national cultural establishment as expressed most visibly in everyday life through the public-service broadcasting institutions that until recently commanded the cultural space in Eastern European countries.

Globalization has also been linked to the exponential growth of transnational media corporations, whose uniform approach to a revenue-driven, corporate structure of the media poses a serious threat to preserving the authenticity of the culture in the host region. As the global distribution networks emerge under the control of a few media conglomerates, these transnational media corporations (CNN, Fox, CNBC, MSNBC, MTV, etc.) have begun to compete with nation-states as loci of communication power and control (Herman & McChesney, 1997; Mowlana, Gerbner, & Shiller, 1992). It is precisely because of this unprecedented growth in the supremacy of the corporation and the complex mechanisms in which these conglomerates have managed to supersede previous institutional forms of control, Griffin argues (2002), that we need to analyze the global cultural economy as an overlapping, disjunctive order that cannot be understood through the simplicity of center-periphery models but needs to be set against the complex nature of the global communication network.

Regardless of the precise theoretical foundation of the globalization argument, one fact remains uncontested: the conflict between homogenization and the resistance it triggers, the tension between the global and the local, remains among the most contested influences of globalization on culture, and the mass media, as carriers of cultural identity are the formal arena where these cultural conflicts get played and challenged.

CULTURAL IMPERIALISM AND  
GLOBALIZATION IN EASTERN EUROPE

Particularly interesting have been the developments in Eastern Europe where the fall of communism proved that isolationist and preservationist cultural policies are not immune to outside influences, especially from the ubiquitous presence of Western culture around the globe. As Barber (1998) argues, some cynics might even suggest that some of the revolutions in this part of the world had in their true goal not liberty and the right to vote but well-paying jobs and the right to shop. This was well exemplified by the almost immediate influx of East Germans who traveled the new path of liberation just to see the display windows, abundant with all coveted Western goods, such as Coca Cola and real chocolate. However, the effect of Western influence on the cultures of Eastern Europe and on the economic, political, and social changes that took place with the fall of the Berlin Wall are significantly more complex than that.

As Downing (1996) contends, up until 1991, if cultural imperialism were to be spotted in the East, it would have been by official representatives of the previous regimes who were prepared to denounce everything from the BBC World Service to rock music to entertainment shows in general. Yet, far from significantly, Jakab and Galik (1991) are among those in Eastern Europe who have drawn attention to the contemporary issues raised in the region by the advent of foreign investment in media ownership, no doubt in their case in part because of the extraordinary rapid acquisition of Hungarian media by British and German firms, a process, unparalleled in speed and extent elsewhere in Eastern Europe at that time. "Without having to tie oneself to many of the doom-laden prophecies of cultural homogenization intoned by typical exponents of the cultural imperialism thesis," Downing (1996) argues, "the realities of accountability—or rather, of its loss—become potentially even more troubled if major control of the media is vested outside national borders" (p. 224).

Downing's concern has become even more pressing in current times, when privatization and foreign investments in the media system have become a priority task on the social reform list of all newly elected governments in Eastern Europe. In fact, adopting models and practices from what is often seen as the "working model" of a media system, as the American model of private media ownership is often seen in the East, has become almost a mantra for the Eastern European journalists and media practitioners. These aspirations affirm the resolution to make a clear break with the Communist past of authoritarian control and state censorship and chart a new media ownership model based on the principles of market economy practiced in the West.

BULGARIAN TELEVISION HISTORY:  
COMMUNISM AND BEYOND

The Bulgarian National Television (BNT) was the sole source of news and entertainment for the Bulgarian people for more than four decades. Created in 1959, Channel 1 of BNT started by transmitting 3 hours of programming twice a week but moved to transmitting 80 hours of programming weekly and had a reach of over 90 percent of the Bulgarian population by the 1980s (Country Profile, 1997). As one of only three available TV channels during Communist times, Channel 1 functioned as an official voice of the government and a sole carrier of informational and educational programming. Channel 2 was created in 1974 for the purpose of transmitting cultural programming 35 hours a week. The third available channel was closely affiliated with the Russian National Television and only carried Russian programming (Country Profile, 1997). As of 2003, the BNT and Bulgarian National Radio (BNR) were declared of "public" status, although they continued to be funded heavily by the state and were allowed to sell advertising with some restrictions. As the 2003 International Research and Exchanges Board (IREX) Report for Bulgaria states, "Political influence over BNT and BNR is visible, and neither station has made much progress in the transition from state to true public" (p. 26).

BNT responded to the changes of 1989 by curtailing the Russian programming on its third channel and renaming its other two channels Kanal 1 (Channel 1) and Efir 2 (Ether 2). In spite of the name change, the channel itself underwent only a cosmetic change. Bulgarian television remained tightly controlled by the government (IREX 2001, 2002, 2003, 2004). From 1989 to 1993, the head of BNT was replaced each time a new party came to power, and journalists were fired for criticizing the government openly (Bakardjieva, 1995; Schweitzer, 2003). As Schweitzer (2003) pointed out:

Some of the reasons for the slow transformation of television include the state monopoly over national telecasting, political pressures resulting in frequent replacements of TV executives (in ten years, eleven General Directors in succession headed national Television), lack of research and development, inefficient management, economic constraints and obsolete equipment. (pp. 17–18)

It is not surprising then that as late as 1994 and 1995, Bulgarian audiences could only choose between the two national channels or the limited reach and programming scheme of local cable operators. Nova Televisiya (Nova TV) established in 1994, became the first private cable channel to broadcast 24-hour programming, but at the beginning it was limited to the country's capital, Sofia. Sedem Dni (Seven Days), established in 1995, was another private operator with limited reach (Country Profile, 1997). The mushrooming of pri-

vate cable operators in bigger cities—some 29 companies were licensed to start local operations by 1994 (Bakardjieva, 1995)—allowed viewers a better selection, yet each of these operators created its powerful local niche.

Foreign ownership in Bulgaria was introduced in 1997 when the German media group Westdeutsche Allgemeine Zeitung (WAZ) bought the two largest and most influential newspapers in Bulgaria and now controls over 70 percent of the total newspaper circulation in the country (European Federation of Journalists, 2003; IREX, 2003; Yaneva, 2002). In August 2000, the Greek Antenna Group, owned by Greek businessmen Minos Kiriaku, bought 100 percent of Nova TV. That same year the Antenna Group also bought a popular Bulgarian radio station, Radio Express, for a total of \$3.7 million (European Federation of Journalists, 2003; Yaneva, 2002). In November 2000, Nova TV acquired a license for national broadcasting, but it was quickly revoked by the Supreme Administrative Court after it was revealed that the State Telecommunications Commission had violated the licensing procedure (European Federation of Journalists, 2003; IREX, 2001). Cable operator Eurocom, which was initially operating in the capital but has been expanding its network and broadband access to the rest of the country, is partially sponsored by American financier and philanthropist George Soros (European Federation of Journalists, 2003). Table 11.1 presents the broadcasting shares in Bulgaria prior to bTV's arrival. In an atmosphere of unchallenged monopoly over the national airwaves, Kanal 1 enjoyed the undivided attention of the Bulgarian audience as well as the profits from a newly emerging advertising industry. Nevertheless, BNT was undergoing serious financial difficulties and intensive public criticism concerning the lack of objectivity and fairness in its news coverage and commentaries. As Pesheva (1996) argued:

The Bulgarian National Television, as the main public opinion manipulator was itself blatantly manipulated: by the Communist Party, which was losing

TABLE 11.1  
Audience Shares for the Basic TV Channels in Bulgarian for March 2000

<i>Channel</i>	<i>Audience share in percentages</i>
Kanal 1	81
Efir 2	40
Nova TV	18
Eurocom	10
Other (regional)	54

Source: Alpha Research, The Big Boom of Small Channels, November 9, 2000. Accessible online at <http://www.aresearch.org/doc.php?en=0&arch=1&id=322>.

political power, by the New Democrats, who were overly enthusiastic about a rather unclear political reform, and by the enormous volume of new participants in the political debate who served as a natural background for the social transition. (p. 13)

It is important to note that the lack of quality production since the transition in 1989 has caused a lot of changes in other mass media, newspapers and radio stations in particular. The media landscape in Bulgaria, or as Appadurai (1990) called it, the "mediascape," had a rather peculiar configuration. Under the classic division of the mediascape, television serves to inform, newspapers comment, and radio entertains. In Bulgaria, however, the lack of professional TV journalism distorted to great extent this division of roles. Over the last 10 years, newspapers and radio stations informed, whereas television was usually campaigning in favor of governmental interests. For the longest time, television in Bulgaria was regarded "on the one hand as a power factor for exercising political influence, and on the other hand as power economical factor when distributing, directing and consuming advertising budgets" (Cholakov, 2003). The emergence of a private national channel was expected to offset this peculiar configuration of the mediascape and stimulate and promote gradual change in the rest of the media.

#### THE LICENSING PROCEDURE

The legal aspects of this critically important task were delegated to a newly established regulatory body, the Council of Electronic Media (CEM). Under the provisions of the Radio and Television Act of 1998, five members of the council were appointed from a parliamentary quota, and four members were appointed by the head of state. CEM's primary task was to evaluate offers submitted by qualifying bidders for the available TV frequencies and award licenses for the use of these frequencies through a highly competitive procedure. However, it is important to note that since 2002, the granting of licenses has been suspended by the then ruling coalition National Movement Simeon II and the Movement for Rights and Freedoms and that the Radio and Television Act of 1998 has been amended with a provision requiring CEM to elaborate a National Strategy for Media Development before any new television and radio licenses are issued (IREX, 2004). This provision came in response to allegations that the five political appointee members of CEM were giving in to the pressure of private lobbies (Popova, 2004).

The first private channel licensing procedure did not go by without its fair amount of scandal and speculations of external financial pressures and political manipulations in the selection process. The competition attracted the attention of some major media holdings—Balkan News Corporation; TV 2, a

joint venture between the Scandinavian Broadcasting Systems and the European Broadcasting Systems; Investment Intermediary "Global," a partnership of three European media groups, one of which was Modern Times Group (a private media corporation registered in Stockholm) (Ivantcheva, 2000). Also among the applicants were Alexandra Film, a media company registered in Bulgaria with an emphasis on film distribution, Nova TV, Antenna Bulgaria, and Eurocom. The four candidates that were disqualified were Antenna Bulgaria, for targeting only a limited age group, and Nova TV, because of suspicions that its owner was Darko Tamidjich, a Serb national convicted twice for unpaid taxes and illegal cross-border deals (Ivantcheva, 2000; Yaneva, 2002). Eurocom was disqualified because it demonstrated a weak financial potential, and Alexandra Film was dropped from the competition for offering only specialized film programming. The remaining three bidders, Balkan News Corporation (BNC), TV 2, and Global, were allowed to hold public discussions in November 1999 (Ivantcheva, 2000).

Although the deal of granting the license was in nature a privatization deal as it surrendered state property to an external financial entity for the purpose of generating revenue, it was not handled by the official Privatization Agency; instead, the competition followed procedures outlined in the Radio and Television Act of 1998 and the Telecommunication Act of 1998 (Popova, 2004). That allowed the winning bidders to pay only the initial licensing fees and annual usage fees, as opposed to paying the value of acquiring the broadcast frequency and equipment needed to cover the only other national frequency in addition to that of Kanal 1.

After much media attention and public concern, BNC won a 10-year broadcasting license and a 15-year programming license to create the first private national channel (Country Updates, 2002). As Ivantcheva (2000) commented, "faced with excessive state interference, both the participants and the observers in the Bulgarian licensing 'drama' considered a foreign investor to be the best alternative" (p. 3). The most attractive part of BNC's offer was the promise to invest \$45 million in the next 15 years and have 30 percent of its media interests owned by local investors (Country Updates, 2002).

#### WHO OWNS bTV?

At the initial stages of the competition, no one knew who stood behind BNC. It did not become evident until the very final stages of the selection process that the owner of BNC was actually Rupert Murdoch's News Corporation. Moreover, as Popova (2004) points out, during this period, it was impossible to trace the roots of the bidding company, as it was in the process of legal registration. As Popova (2004) explained, "BNC was registered as lawyer's property, or to put it differently, the shareholders are lawyers. In Bulgaria it is usual

that a foreign company which is interested in the Bulgarian market . . . hires lawyers. So they prepare the documents and 'create' a company" (p. 102).

Another hot issue of contention in investigating the background of BNC was the role of advertising guru Krasimir Gergov—founder and owner of Kres, the first major advertising agency in Bulgaria. Officially, Gergov was presented as a consultant to bTV's executive director, Albert Parson, yet two of his close associates were hired as bTV's station manager and advertising director. Unofficially, Gergov's name was associated with the ownership of BNC and other dummy legal entities involved in a staged bid for a second private channel meant to delay the licensing procedure and, thus, impede the launching of a private competitor to bTV (Popova, 2004; Yaneva, 2002). Although unproven, there are lingering speculations that bTV's top advertising revenues were a direct result of the close relationship between its owners and Gergov.

Bulgaria seems to have a long line of attempts to obscure the ownership of media outlets or use "dirty money" as part of the deals (Yaneva, 2002). A 2002 survey revealed that Bulgarians feel uneasy about the origin of foreign investments coming to the country and believe that the owners and the origin of the money invested should be clearly identified (Yaneva, 2002). Although the transparency of ownership is embedded in current media laws, the public remains unaware of who the owners of media outlets really are (IREX, 2003).

#### bTV'S INITIAL PROGRAMMING PLAN

bTV first presented its programming plan to the National Media Council on November 4, 1999. News Corporation's vice president, Martin Pompadour, came to Bulgaria to announce that bTV was going to be "Bulgarian television for the Bulgarian people, made by Bulgarians" ("Debate over New TV," 1999). Pompadour also mentioned that bTV was going to be a television network with a global outlook and a wide selection of information and entertainment programs. He added that 53 percent of the production was going to be European in origin, and 30 percent local, with the potential of future growth and the inclusion of more locally produced TV news magazines, films, and entertainment shows. With regard to news productions, Pompadour explained, "We guarantee 100-percent independence in news coverage," adding that only the manner of presentation will be different. "We want to show the viewers something that they are not accustomed to" (quoted in "Bulgaria," 2000).

bTV's initial programming as shown in Figure 11.1 was as follows: 10 percent news, 13 percent editorials and analysis, 15 percent education and science, 11 percent children's shows, and 13 percent Bulgarian programs from non-media sources (Popova, 2000a). Sports programming and WWF wrestling were also included as part of the initial programming scheme with

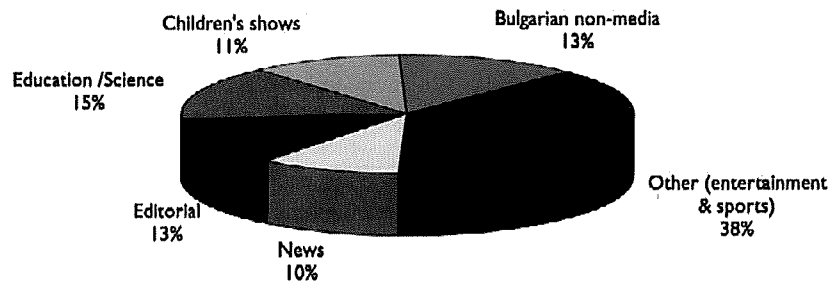


FIGURE 11.1  
Proposed Programming Distribution for bTV

Source: V. Popova (November, 2000a). bTV—"Five Minutes" before the start, *Kapital*. Retrieved December 12, 2001, from <http://www.capital.bg>.

potential to grow (Country Updates, 2002). Apart from the initial \$11.5 million that News Corporation invested in the creation of bTV, the channel was expected to work in accordance with market economy principles and entirely support itself from advertising revenues (Popova, 2000b). The goal was to create a type of programming structure that would be effective in attracting advertising revenues (Popova, 2000b). To that end, bTV announced that it had closed deals with Time Warner, Fox Kids, and Fox Sports to broadcast the newest TV shows available.

#### THE FIRST YEARS

The first national commercial channel was expected to go on air on June 2, 2000, with a 3-hour program covering 83 percent of the Bulgarian viewing audience ("New or Old," 2000). On October 1, 2000, bTV started 18-hour programming, which eventually increased to 24-hour programming. bTV's birthday coincided with Bulgaria's most important national holiday—the commemoration of the national heroes who died in the struggle against the Ottoman Yoke. On this date, a special commemorative ceremony is held and aired live on Kanal 1. Yet instead of honoring this long-standing tradition, bTV was inaugurated with Harrison Ford's *Blade Runner*.

Initially, bTV emphasized heavily American programming. During its primetime hours, bTV featured Hollywood blockbusters and B-rated action movies, covering the same time slot as the two most popular political and social TV magazine shows on Kanal 1. The intention was to capture the viewers who were looking to be entertained, not informed. Kapital commented before the airing of bTV's first broadcast that "the Bulgarian National Television is bound

to lose some of its most loyal viewers because the old television is too preoccupied with petty political talk while people need to be entertained” (“Private Television Will Change,” 2000). However, following bTV’s initial start, the only new shows added to the already familiar children’s cartoons were syndicated reruns of *ALF* and *Perfect Strangers*, which were previously twice aired on Kanal 1. The lack of new, culturally engaging programming started a public wave of discontent against the fledgling private channel.

The public discontent with bTV’s programming style was so overwhelming that CEM ordered a special monitoring of bTV’s content and a reevaluation of News Corporation’s contract for the broadcasting license. Legal restrictions, however, prevented CEM from interfering with the programming scheme of the broadcasting companies. All CEM could do was issue recommendations. In the meantime, reports resurfaced in the media showing that despite the enthusiastic promise of 55 percent European and Bulgarian production, bTV lagged behind in its educational and socially oriented programming. In January 2001, bTV was showing barely 2.73 percent Bulgarian and European production, while it exceeded its allowed Western programming quota by 6 percent (Oncheva, 2001).

Despite apparent dissatisfaction with programming quality, at the end of its first year bTV registered financial success yet declined to reveal any exact numbers (Popova, 2001a). The acceptance of bTV as a legitimate brainchild of News Corporation was symbolically confirmed in October 2001 when it was mentioned in News Corporation’s annual financial report together with its British counterpart BSkyB. The report, published on the News Corporation website, mentioned that the newly created project—bTV—has already achieved great success. The invested \$11 million, six of which were used for new equipment and the rest spent on starting costs, were already making a profit (Popova, 2001b). bTV, its financial director declared, was ready to proceed to the next stage—independent profit making (Popova, 2001b).

#### bTV’S FORMULA FOR SUCCESS

Around the time bTV started broadcasting, Bulgaria initiated its own ratings research and measurement facilitated by a branch of Taylor Nelson Sofres (TNS). As one of the major European market research companies, TNS started providing reliable data about the media industry in Bulgaria, something that was lacking from the Bulgarian mediascape up until this point. These data were used to recreate bTV’s road to success.

As Table 11.2 indicates, within a year, bTV became the most popular channel with the Bulgarian audience, dominating the national air. Currently, bTV holds supremacy on the air with a weekday market share of 40.4 percent and a weekend market share of 30.9 percent (*Media World*, June ratings,

TABLE 11.2  
Weekday Market Share in Percentages for the Period 2001–2005

<i>Channel</i>	<i>2001</i> %	<i>2002</i> %	<i>2003</i> %	<i>2004</i> %	<i>2005</i> %
bTV	30.6	41.2	42.3	39.6	40.4
Kanal 1	26.3	29.6	23.2	23.7	16.8
Nova Televisiya	4.0	6.0	8.3	8.9	13.4
Other	39.1	23.2	26.2	27.8	29.4

*Source: Media World Ratings Supplements for June 2001, July 2002, July 2003, July 2004, and June 2005 based on data from TV Plan/TNS.*

2005). Its monthly audience reach equals 83.9 percent, with Kanal 1 trailing second at 55.2 percent (*Media World*, June ratings, 2005).

Not surprisingly, bTV's formula for success includes a strong dose of Western entertainment programming. In addition to such internationally popular staples as *Funniest People and Animals*, bTV offers Bulgarian viewers a taste of American television with such shows as *Everybody Loves Raymond*, *Friends*, *Dharma and Greg*, *Married with Children*, *Vital Signs*, *Fast Lane*, *Ally McBeal*, and more recently *Mad about You*, *Malcolm in the Middle*, and *24*. BBC's series *Hello Hello* provides the only European flavor to bTV's programming.

bTV's greatest success though proved to be talk shows refracted through the prism of national culture. The format was introduced in 2002 when bTV gave a popular Bulgarian TV personality, Slavi Trifonov, its weekly 10 p.m. slot for a live talk show. *Slavi's Show*, which closely emulates the format of David Letterman's show, became an instantaneous hit and has been the most popular TV show in Bulgaria since then. With its entertaining format and famous personality features, *Slavi's Show* has been attracting almost 25 percent of the viewers between the 15 and 35 demographic (*Media World*, January ratings, 2002). The show became so popular that it hosted one of the presidential debates in the fall of 2001 (Popova, 2001c). Its political and satirical overtones mixed with Western TV show formats, including a live band, a dance troop, a famous sofa, and "fake" reporters in imaginary, socially oriented reporting projects proved to be an immediate success.

Interestingly, bTV's victorious ascent translates to the arena of serious programming as well. The evening news on Kanal 1 has been the most widely followed program among the Bulgarian civic-minded audiences for decades. It was not uncommon to see empty streets around 8 p.m., when the news broadcast started. The popularity of this regular half-an-hour newscast, *Around the World*, is exemplified by the fact that it has been commonly called the "institution" *Around the World*. Yet, early in 2002, the evening news on

bTV, which up until that point was broadcast 30 minutes prior to the beginning of *Around the World*, started gaining momentum. Among the numerous explanations for bTV's rapid success was the programming decision to end the news program 15 minutes after the start of *Around the World* so that viewers expecting to see the weather and the sports news would not switch to Kanal 1. By March that same year, bTV became the leader in the news category as well (see Table 11.3). This trend has remained steady since then, although bTV's news now ends at 8 sharp, right at the start of Kanal 1's news.

Naturally, bTV's ratings lead was coupled with a lead in the volume of advertising. Until 1999, Kanal 1 held the monopoly in the Bulgarian advertising market with 25 million leva (\$14 million) in profits for that year (Popova, 2001a). Declining ratings after the arrival of bTV, however, were accompanied by a migration of advertisers to the point where bTV became the undeniable leader on the Bulgarian advertising market (see Figure 11.2). The popularity of *Slavi's Show* brought bTV 14.5 million leva in advertising revenues for the period January–September 2001 alone, thus making the allowed 12 minutes of advertising per hour the most expensive advertising time in the history of Bulgarian broadcasting (Popova, 2001b). This advertising boom further illuminates the solid grasp that bTV managed to gain over the advertising dollars in Bulgaria. In comparison to bTV's widening advertising clout, Kanal 1 was only permitted to advertise 15 minutes for its entire

TABLE 11.3  
Ratings for the Evening News for Kanal 1, bTV,  
and Nova TV, January–March, 2002

Channel	Program	Average rating in percentages for viewers of 15+		
		January 2002	February 2002	March 2002
Kanal 1	<i>Around the world</i> —8 p.m.	20.3	19.2	16.9
Kanal 1	<i>Around the world</i> —10 p.m.	4.0	3.0	6.4
Kanal 1	<i>News in Turkish</i>	12.1	9.8	7.5
Kanal 1	<i>Around the world</i> —4:50 p.m.	11.7	9.1	8.3
bTV	<i>News</i> —7:30 p.m.	19.5	20.4	21.9
bTV	<i>News</i> —10 p.m.	16.3	15.4	14.6
bTV	<i>News</i> —2:30 a.m.	*	0.4	0.6
Nova TV	<i>Calendar</i> —7:30 p.m.	1.1	1.2	1.6
Nova TV	<i>Calendar</i> —10 p.m.	0.7	0.8	1.1

Source: *Media World Ratings Supplement* for April 2002 based on data from TV Plan/GNS.

24-hour broadcast, most of which was also heavily dominated by a group of companies closely associated with Krasimir Gergov (Popova, 2004). Popova (2004) noted that “the influence of . . . Gergov still remains controversial; officially, he is represented as a consultant to bTV executive director Albert Parsons” (p. 103).

bTV’s success with advertisers is attributed not only to the popular appeal of its programs but also to its “flexible” marketing style (Popova, 2001c). From the very beginning, its competitive prices far outstripped the advertising offers Kanal 1 could make. Kanal 1 was also slow to proportionally adjust its advertising rates to dropping ratings, which brought losses amounting to 10 percent of its market share for the year 2001 alone (“Private TV,” 2001). An interesting footnote in this development was a clause in the election law, which prohibited political advertising on Kanal 1 (Popova, 2004). As a national forum, Kanal 1 was prohibited from airing political ads in the 2001 presidential elections, thus allowing bTV to become the major venue for political ads and presidential debates and the first stop for political candidates. This odd setup positioned bTV as a private channel with a public service function and served to symbolically grant it the status of the dominant channel on the air.

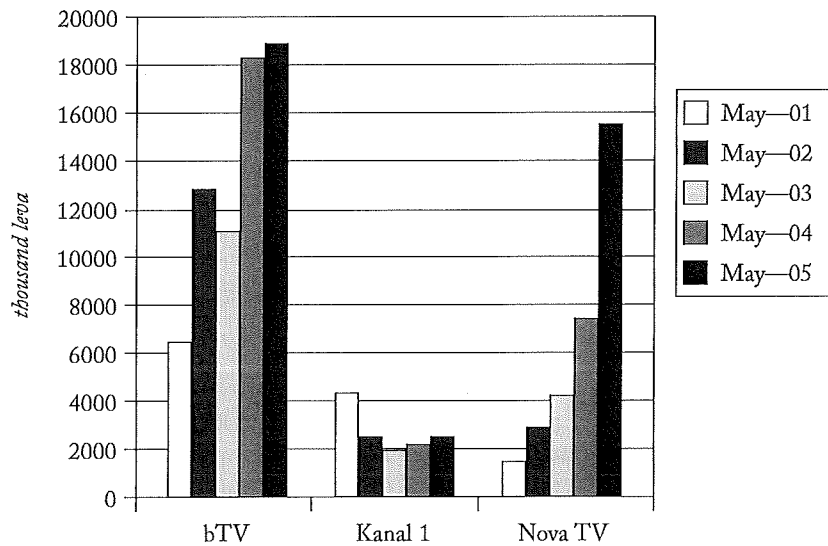


FIGURE 11.2  
Volume of Advertising Revenue for  
bTV, Kanal 1, and Nova TV for May 2001 through 2005

Source: *Media World Ratings Supplements for July, 2001–2005*, based on data from TV Plan/TNS.

In July 2003, after a series of legal battles, Nova TV was finally granted a national broadcasting license thus becoming the third national broadcaster. Its positioning though remains peculiar for the following reasons (Dimitrova, 2003). First, unlike bTV, Nova TV was not a freshly created national broadcaster. It had been in existence since 1994 as a cable channel covering certain parts of Bulgaria, and the capital in particular. Second, because of its long presence on the Bulgarian media market as cable operator, Nova TV had an established audience (Dimitrova, 2003). With 40–45 percent of the regular cable audiences (Dimitrova, 2003). It is still too early to gauge the psychological effects of this newly acquired national status on advertisers, yet, it is important to note that Nova TV's espousal of reality TV has been increasingly winning advertisers and audiences (see Figure 11.2).

## DISCUSSION

This study approached the creation of the first private national channel in Bulgaria, Murdoch's bTV, from the theoretical perspective of globalization. According to this perspective, the privatization of Bulgaria's airwaves was parallel to similar developments in Eastern Europe where state control of the broadcasting system was regarded as one of the last remnants of Communism. Not surprisingly also, and in line with similar developments around the world, the key players, including Bulgaria's three major bidders for the national license, were everything but of national origin. Fledgling democracies such as Bulgaria did not have the know-how, the technical base, or the capital required to launch a major enterprise such as a 24-hour news and entertainment channel.

Yet, despite the whiff of globalization, the arrival of foreign capital in Bulgaria opened a Pandora's box of issues. First came the problems of programming quality. Although bTV won the programming license on the basis of a proposed programming scheme that would favor national tradition and culture, its actual programming scheme failed to live up to the standards. The plan Martin Pompadour presented for a television with a global outlook and a local flavor in 1999 turned into another Fox offshoot two years later. Indeed, early in its creation bTV met the critical eye of viewers and media critics, but those voices were quickly silenced by the power of ratings. It seems that the introduction of foreign capital in Bulgaria provided yet another proof of the homogenization, or rather Americanization, of world culture. In the face of bTV's supremacy over national air, this trend has become more than a distant threat for Bulgaria.

bTV's success, however, raises concerns on a different level. Murdoch's bTV brought not only the success of a Western programming model to Bulgaria but is currently leading to a situation where one type of airwave monop-

oly could be traded for another. As Popova (2004) succinctly put it, "bTV licensing suggested that the state monopoly on the TV market was replaced by a monopoly of the private company" (p. 103). As a post-Communist country, Bulgaria carried the legacy of a heavily monopolized broadcasting system. As late as 1995, television in Bulgaria was regarded as a propaganda instrument existing to serve the interests of a ruling party. The hope behind the introduction of a privatized national channel was that it would bring improvement in quality and diversity of choice to the Bulgarian mediascape. Television, in line with Appadurai's (1990) categorization, was supposed to be finally restored to its role of informing. Unfortunately, those hopes were not fully materialized. The long-time monopoly over the national airwaves of Kanal 1 was quickly superceded by a situation where bTV acquired the economic, political, and cultural stature of *the* main national medium. The impact of that transformation on the print and radio industries is yet to be seen.

Balkan News Corporation's appetite for growth has now stretched beyond the borders of Bulgaria. On April 20, 2006, News Corporation announced that its venture, Fox Televizija, formed in cooperation with partners in Serbia, was awarded a national television license for the Republic of Serbia, the larger of the two republics that comprise the country of Serbia and Montenegro, significantly increasing News Corporation's economic impact in the region.

Such developments carry important consequences not only in terms of quality of programming or availability of choice for a country with only three national channels such as Bulgaria, but also in terms of long-term political, economic, and cultural influences. In the presence of laws that make bTV the sole arena for political debate, the future of diverse, robust, and spontaneous televised debates on political and social issues becomes questionable. In fact, as Lazarov (2001) pointed out, during public discussions about the bidders for the first private channel, there were statements to the effect that in a country with a small advertising market like Bulgaria, it would be better for the viewers to get fewer TV channels. The advocates of this idea contended that the smaller the number of TV channels was, the more money they could get to consequently be able to invest in programs of higher quality. Regardless of the degree of economic viability and financial common sense, this rationale should not serve as the driving motive to sacrifice the diversity of voices, instrumental to building a democracy, for high quality, Western programming of questionable cultural relevance and political and social insignificance. As the report of the European Federation of Journalists (2003) on media ownership in central and eastern Europe concluded: "The evidence suggests that global media corporations have become acutely aware that the 'one size fits all' approach, which production of a standardised [sic] global product implies, does not make commercial sense in certain areas, particularly television programming, where cultural and other factors are important in determining the viewing choices of audiences" (p. 64).

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