

Time warner

Business



However the economic recession of late 2001 and the burst dot. Com bubble' slowed the advertising and subscriptions resulting in a stalled growth and profitability of AOL division. The value of AOL division fell drastically as company reported a loss of \$99 billion in 2002.

The value of AOL stock fell from \$226 billion to \$20 billion. Disputes at the annual BOARD meeting resulted in the resignation of CEO Gerald Levin in May 2002. Dick Parsons was appointed the new CEO and all other executives were demoted or promoted from their positions. Issues start to come from division heads too, as most divisions of Time Warner Inc. Worked independently.

They blamed AOL for not performing the part and resisted any convergence.

COO Pitchman's strategy to bring all divisions together was not welcomed by print media division Time, Inc. And resulted in a dispute between Pitman and CEO Parsons. Pitman resigned after July 4, 2002. HIS departure was seen as a victory to all those executives, who wanted to undo the merger. Now, Jeffrey Bosses and Don Logan were appointed the co-Coos. In 2003, CEO Richard Parsons became the Chairman of BOARD.

The same year, company dropped AOL from its name. The ex- Chairman of BOARD, Steve Case resigned from board on October 31, 2005.

By 2007, there were talks among BOARD to sell some divisions of the company along with AOL division. This decision was opposed by many executives, and resulted in resignation of co-Coos Bob Shays and Michael Lynn, who were on board for about 40 years. In 2009, AOL was removed from Time Warner and

installed as a separate independent company. In 2010, Time Warner bought Chilean nationwide television station Collision, and established CNN Chile.

Prior to merger, both AOL and Time Warner were very prosperous in their fields. AOL had been providing a considerable amount of social networking, advertisement, subscription and online media services.

Warner Bros. Entertainment has been a major film industry company since its inception in 1918 by 4 brothers, and has given many blockbuster movies, with the most recent being Sherlock Holmes and Clash of the Titans. With many subsidiaries such as New 23%.

Disney was second with 21%. Independent production houses weren't much of competition, but boosted the market share of the owners. The US domestic box office revenues were \$ 9.45 billion in 2003, while the admission crossed 1.

8 billion. The cost of the film industry rose 312% from 1988-2002, while revenue increased only by 62%.

Also, a movie's life cycle, including the release date, determines the amount of sales. Time Warner is into TV programming, with series such as Friends, and The West Wing. Its home video distribution business, which includes DVD and VS.

sales, was around \$ 425 million worldwide. The publishing arm of Time Warner earned around \$ 5.5 billion in 2003, with a net income of \$ 664 million. Time Warner's synergy with AOL may have been disastrous, but it's

up to the company to pull its fortunes around now. TX can be very help and influential, bring in new thoughts.