

## **Chapter 2: The Digital Millennium**

1. When the cost to manufacture a CD was cut in half, record companies quickly passed this savings along to the consumer in order to gain market share.

a. True

\*b. False

Cognitive Domain: Knowledge

Answer Location: The Double-Edged Sword

Question Type: TF

2. Throughout much of the 20th century, the technological changes that affected the industry were primarily the phonograph and broadcasting. As the 20th century gave way to the 21st, a third new force took the stage. What was that force?

\*a. Preferred answer: digital technology. Less preferable answers: P2P, file sharing, Internet.

Cognitive Domain: Knowledge

Answer Location: Chapter Introduction

Question Type: SA

3. The CD was eclipsed in the digital millennium by streaming and downloading because the compact disc was an analog format.

a. True

\*b. False

Cognitive Domain: Knowledge

Answer Location: Note

Question Type: TF

4. Because consumers initially paid more for CDs than cassettes, record labels raised artist royalty percentages in the first years of the format's rise.

a. True

\*b. False

Cognitive Domain: Knowledge

Answer Location: The Double-Edged Sword

Question Type: TF

5. The rise of P2P file sharing in the 1990s boosted the overall sale of CDs in the United States due to greatly heightened consumer awareness of new artists.

a. True

\*b. False

Cognitive Domain: Knowledge

Answer Location: Internet Synergy

Question Type: TF

6. Unlike previous physical formats, the CD could be copied only with a perceivable loss to fidelity.

a. True

\*b. False

Cognitive Domain: Knowledge

Answer Location: The Double-Edged Sword

Question Type: TF

7. The AHRA and DMC copyright acts, targeted to halt the tide of illegal digital downloading, succeeded in this mission.

a. True

\*b. False

Cognitive Domain: Knowledge

Answer Location: Labels Sow Seeds of Self-Destruction

Question Type: TF

8. The RIAA strategy of suing copyright infringers for illegal downloading was\_\_\_\_\_.

\*a. successful in winning civil judgments against some infringers

b. successful in stemming the decline in CD sales

c. a public relations triumph for the record industry as a whole

d. supported by The Pirate Bay in order to discourage its competitors

Cognitive Domain: Knowledge

Answer Location: Labels Sow Seeds of Self-Destruction

Question Type: MC

9. The advent of digital recording equipment allowed high-end recordings to be made without incurring high-end production costs.

\*a. True

b. False

Cognitive Domain: Knowledge

Answer Location: Smaller, Cheaper, Faster, Better (?)

Question Type: TF

10. Although the digital age revolutionized the recording process, ultimately it had little impact on the processes of distribution and promotion.

a. True

\*b. False

Cognitive Domain: Knowledge

Answer Location: Smaller, Cheaper, Faster, Better (?)

Question Type: TF

11. During the digital age, the ease of music copying has changed the attitude of a generation of music consumers to think of music as being free of cost to them.

\*a. True

b. False

Cognitive Domain: Knowledge

Answer Location: The Digital Future

Question Type: TF

12. The ease of downloading single songs increased overall label revenue substantially because it was so much more attractive to consumers than being forced to buy only full albums.

a. True

\*b. False

Cognitive Domain: Knowledge

Answer Location: iTunes Arrives

Question Type: TF

13. Without an intimate familiarity of the historical recording industry, technology upstarts such as Apple were caught flat-footed in trying to make money from recorded music when competing with traditional labels that commanded hard-earned expertise and deep talent relationships.

a. True

\*b. False

Cognitive Domain: Knowledge

Answer Location: iTunes Arrives

Question Type: TF

14. In the first decade of the 21st century, global recorded music sales changed by approximately how much?

a. Declined by 90%

\*b. Declined by half

c. Doubled

d. Tripled

Cognitive Domain: Knowledge

Answer Location: Chapter Introduction

Question Type: MC

15. The expression *DSP* stands for \_\_\_\_\_.

a. displayed special price

b. designated stereo player

\*c. digital signal processing

d. DeNovo sampling protocol

Cognitive Domain: Knowledge

Answer Location: The Double-Edged Sword

Question Type: MC

16. Which two large companies initially collaborated on the introduction of the CD format?

\*a. Sony and Phillips

Cognitive Domain: Knowledge

Answer Location: Chapter Introduction

Question Type: SA

17. The Audio Home Recording Act (AHRA) stipulated by whom and for what purpose digital copies could be legitimately made.

\*a. True

b. False

Cognitive Domain: Knowledge

Answer Location: Labels Sow Seeds of Self-Destruction

Question Type: TF

18. In 2012, copyright holders lost their legislative battle to stop infringement with the blockage of the Stop Online Piracy Act (SOPA).

\*a. True

b. False

Cognitive Domain: Knowledge

Answer Location: Labels Sow Seeds of Self-Destruction

Question Type: TF

19. In the last few decades, what were some of the impacts of advancing technology on the process of producing recorded music?

\*a. Lowered the cost of making a record, led to contraction in the business of recording studios, and lessened the need for labels to bankroll production.

Cognitive Domain: Comprehension

Answer Location: Smaller, Cheaper, Faster, Better (?)

Question Type: ESS

20. In the early 21st century, which company was regarded as the dominant supplier of multitrack digital audio workstations?

\*a. Avid (or Pro Tools)

Cognitive Domain: Knowledge

Answer Location: Smaller, Cheaper, Faster, Better (?)

Question Type: SA

21. Though hard-disk technology dominates in home-based and semi-pro production, superstars with large recording budgets today almost always prefer working with analog tape.

a. True

\*b. False

Cognitive Domain: Knowledge

Answer Location: Smaller, Cheaper, Faster, Better (?)

Question Type: TF

22. Most of the artists signed by labels in the last nearly 50 years never recouped the costs of their recordings.

\*a. True

b. False

Cognitive Domain: Knowledge

Answer Location: The Economics of Digital Distribution: Change and Evolution

Question Type: TF

23. Your textbook asserts that because of economic pressure on their profit margins, record labels rarely today act as banks.

a. True

\*b. False

Cognitive Domain: Knowledge

Answer Location: The Economics of Digital Distribution: Change and Evolution

Question Type: TF

24. In 2008, Apple's iTunes allowed labels more flexibility on consumer pricing in return for the labels permitting Apple to discontinue DRM constraints on downloaded files.

\*a. True

b. False

Cognitive Domain: Knowledge

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Answer Location: iTunes Arrives

Question Type: TF

25. The rise of streaming as a delivery mechanism is more lucrative for artists than the download business model because royalty rates (per listening experience) are proportionally higher.

a. True

\*b. False

Cognitive Domain: Knowledge

Answer Location: Streaming

Question Type: TF

26. Give an example of a large company that was not a record label that in the digital era has achieved significant market share in the global music business.

\*a. Apple (other answers may be acceptable)

Cognitive Domain: Knowledge

Answer Location: iTunes Arrives

Question Type: SA

27. Your textbook argues that although the music business has shed some of its mystique and glamour, it has become a viable career choice in more ways and for more people than ever before.

\*a. True

b. False

Cognitive Domain: Knowledge

Answer Location: The Digital Future

Question Type: TF