HOLY ECONOMIC HISTORY OF THE AMERICAN COMIC BOOK INDUSTRY, BATMAN!

by

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Preface

The comic book world has changed dramatically in the past decade, with two major changes having a remarkable effect on the situation of comic books in the American cultural and economic landscape. The first major shift is the distribution of comic books\(^1\) through mass-market bookstores such as Borders and Barnes and Noble, thereby supplanting the much more niche-oriented retail venue of comic specialty shops. This shift has accompanied an increasing level of status of such “literary” comics, as *Maus* and *Persepolis*, which are purportedly “more intelligent” than the mainstream superhero faire. The second major shift is the increasing prominence of the adaptation of comic book intellectual properties (IPs) across media, with comic books serving as source material for numerous high-grossing films, television shows, and video games. These shifts, combined with the spiraling price of the first appearances of popular comic characters (Superman’s first appearance in *Action Comics* #1 recently fetched $1.5 million in an auction) and the ubiquitous presence of comic IP in various licensed consumer products (toys, lunchboxes, apparel, etc.) produces a situation wherein comic books have been re-entering the consciousness and purchasing habits of the mainstream in greater force than any time since the 1950s.

However, while a film using comic book IP or a mass-market trade paperback might appeal to a general consumer, a new reader who attempts to penetrate the more fan-driven world of mainstream superhero comic books by purchasing a monthly title

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\(^1\) I am avoiding using the term “graphic novels,” as such a distinction smacks of pretention. Indeed, what most people refer to when they say graphic novels are simply square-bound collections of serialized pamphlets. This false dichotomy does nothing but increase the reader’s own feeling of distinction from the general readership of comic books.
such as *Green Lantern* is met by 22 pages of impenetrable story full of references to issues they have never read and characters they have never heard of. For example, the current Batman of comic books is not the Bruce Wayne character portrayed in the Christopher Nolan films, but rather, Tim Drake, (the original Robin who later went by Nightwing), who took up Batman’s mantle after Bruce Wayne’s death at the hands of Darkseid (a lesser-known supervillain) in the storyline *Final Crisis* (a major inter-title “event” which dealt with the death and resurrection of Jack Kirby’s obscure “Fourth World” characters).

Indeed, there is an increasing disconnect among comics with mainstream acclaim (such as *Sandman* and *Watchmen*), comic IP in movies (Such as *The Dark Knight* and *Spider-Man*), and comics aimed at comic fans (such as *Secret Invasion* and *Final Crisis*). The interesting thing about this situation is that comic companies spend most of their time and resources catering to the target of this last group, which includes not only those who read—and, it should be added, greatly enjoy—these esoteric, highly referential stories, but also those who accumulate comics for the purposes of building a collection. This fan enjoyment of comic books can be seen in two dimensions. Firstly, we can describe the experience a fan gets when he or she reads a comic in terms of what Elizabeth Hirschman and Morris Holbrook (1982) call *hedonic* value, which is essentially value derived from the consumer’s experience with product, rather than from the use of the object itself. Secondly, we can describe fan enjoyment comics in the sense that they provide readers with the knowledge necessary to be part of an increasing web of institutions and social ties labeled *fandom*. As a result, while a mainstream reader might find an event such as *Final
Crisis to be completely impenetrable, a fan will possess both the knowledge and the social ties necessary to unpack the dense web of references and discuss it with fellow fans.

To summarize; comic books as a product serve as entertainment goods, sources of hedonic value, the background of fan culture, generators of IP for cross-media adaptations and licensed consumer products, and valuable collectables. This situation brings us to the central question of this thesis: How have comic books developed these disparate market functions and how do those functions interact with each other? Previous examinations to the history of comic books (Wright 2001, Daniels 1995, Rhoades 2008), have focused mainly on either comic books in terms of their place of culture, but they have taken the popularity of comic books and comic book characters as a given. However, each of these market functions are predicated on comics’ development of a certain set of characteristics, many of which are examined in a different set of comic-related literature (Wolk 2007, McCloud 1995). Descriptions of many of these functions can also be enhanced using a variety of other literatures, including analyses of the entertainment industry (Wolf 1999, Vogel 2007 Andersson and Andersson 2006), research into video games (Sheih and Cheng 2007, McMahan 2003, Yellowlees and Hardagon 2000), the consumer research field,(Hirschman and Holbrook 1982, Holbrook and Hirschman 1982, Hirschman 1983, Belk et. Al 1998), entertainment law (Goldberger 2003), theories of brand management, (Aaker 1991) and communications (Fiske 1992). I also will utilize my own experience and background as a self-identified comics fan, a personal interview
with former DC group editor Bob Schreck, and my own experiences working as an intern in the DC comics imprint, Vertigo.

The overall structure of the thesis will be as follows: in the first chapter, I will introduce the different types of market functions comics have served, including comic books as entertainment products, comic books as hedonic goods, comic books as cultural capital in the social economy of fandom, comics as collectables, and comics as a site for the creation and management of intellectual properties for the purposes of cross-media adaptation and consumer product licensing. In the three subsequent chapters, I will examine the history of comics in terms of the development of these market functions, both on their own and in relation to the others. In doing so, I hope to paint a picture of the comics industry examine just how comics have been able to serve these myriad functions and maintain their readership base over time, and conjecture as to what the future holds for the comic industry.
Chapter 1: The Many Mighty Market Functions of Comic Books

Introduction

When one thinks of comics, one might not think of them as anything more than a medium to tell stories. However, over the course of their relatively brief history, comic books have become more than simple entertainment goods. Comic books also serve as collectables, the source of valuable intellectual property, and are the center of a large and active fan culture. What’s more, comics are a good whose usage involves the consumption of an *experience*, which identifies them as hedonic goods. Indeed, comics are at the center a variety of markets, and the historical development of the comic industry can be seen as the development of certain types of economic functions as they relate to comic books. These functions are:

- Comics as entertainment products
- Comics as hedonic goods
- Comics as cultural capital in the social economy of fandom
- Comics as collectables
- Comics as a site for the creation and management of intellectual properties for the purposes of cross-media adaptation and consumer product licensing

However, none of these functions exist on their own, and many of them add or subtract value in each of these markets. This chapter will explain the various functions of comics in general terms, and introduce the idea of the cross-influence of market functions.
Comics as Creative Entertainment Products

Comic Books and Entertainment

As Harold L. Vogel points out in his book *Entertainment Industry Economics* (2004) entertainment can be seen in an economic sense as a way for people to fill up their leisure time. As a result, the fundamental unit of entertainment goods is *entertainment time provided*. Indeed, while certain products might have a much higher utility than their counterpart across media (a highly anticipated, big budget film, for example, might provide more entertainment than a corresponding comic book), consumption decisions regarding *which type* of entertainment good to purchase are made in the aggregate and over time, i.e., consumers take into account the experience of all television watched or all comic books read, and compare that relative time to the relative prices (Vogel 2004, 12-13).

Demographics also play a role in determining entertainment value, as not every entertainment good will appeal to every demographic. Thus, when talking about comics versus substitute entertainment goods, we can focus on broad demographic groups: adults, teens, and children, divided by gender. Furthermore, major macroeconomic trends (economic depressions in particular) can affect the demand for comics as they relate to close substitutes, as the low price of comics is one of the major selling points of the medium. Additionally, since entertainment time is closely tied to leisure time, increases in productivity (and thus, increases in leisure time) will have an effect on people’s consumption of leisure. Finally, we can look at narrative and aesthetic qualities as a way that comics can differentiate themselves *vis a vis* other entertainment goods: if a certain type of story that might appeal to
consumers can only be told in one medium, then that medium will be able to carve out a market niche compared to other similar entertainment products (Vogel 2006, 13-19).

Ake and David Andersson lay out another dimension to entertainment products in their book The Economics of Experiences, the Arts, and Entertainment (2006). They argue that level of education—informal or formal—is of great importance to the level of demand for a good. Indeed, without education, many artistic or entertainment experiences are inaccessible to the consumer. This idea of education is fairly broad, and, in this case, refers to comics literacy. Comics literacy is the ability to appreciate the full value of a particular comic, based on the knowledge of the medium’s particular aesthetic qualities and history and the cultural context in which that work is produced. As will become clear, changes in both the distribution of comic literacy among consumers and level of comic literacy required by consumers to appreciate comics is a major factor in understanding the changes to the comic book industry over time (Andersson and Andersson 2006, 48-52).

Comics and Stigma

It is difficult to paint a picture of the history of comic books without referencing the concept of stigma; from the beginning of the industry, there was a significant “stigma” associated with comics and their readers. In his article “Culture and Stigma: Popular Culture in the Case of Comic Books” (2006) Paul Lopes creates a framework within which people can understand stigma and popular culture, and applies that framework to comic books. Lopes builds upon Irving Goffman’s 1963
work *Stigma*, arguing that the basic effect of a stigma is to discredit individuals, or at least subject them to being discredited. To be stigmatized is to be “reduced in our minds from a whole and usual person to a tainted, discounted one.” (Goffman 1963:3). Lopes argues that since the introduction of comic books in the mid 1930s, stigma has been associated with the form itself, and this stigmatization of comics applies to both content and medium:

> “While comic book content remains stigmatized as serving masculine fantasy identification in superhero comics…but a crucial aspect of the stigma of comic books has been global criticism of them as a media. The stigma theory of comic books as strictly a children’s medium has had a significant effect…Comic books, to borrow from Goffman, are viewed by normals [Goffman’s term] as not quite a full medium, capable of engaging only individuals with immature and unsophisticated tastes.” (404)

This stigma has risen and fallen through the history of comics, and is a major factor in explaining much of the change in the perceived entertainment value of comic books (Lopes 2006, 387-414).

*Comics and Creativity*

In his book *Creative Industries* (2000), economist Richard Caves argues that the factor that separates creative goods from other types of products is that creative goods need to be completely different from all previous iterations of that type of good. Comics, like most other entertainment products, fit into this category. To this effect, Caves outlines a variety of considerations that factor into the organization behind the production of creative goods. Caves’ biggest concern regarding creative goods is the *nobody knows* aspect of creative goods: because every creative good is unique, it is impossible to tell whether a certain creative work will succeed or fail.
This essentially means that the risk involved in producing a creative work is very high compared to the production of other products. This is because creative products are more “taste” dependent and, as a result, it is harder to know what products will excite buyers of creative goods. In Caves’ framework, the organization will try to mitigate or spread out the risk any way it can, either by producing creative goods they know will succeed or by producing many products and finding out which ones do well. Which path comic companies take has changed over time, and often has much to do with comics vis a vis other entertainment goods (Caves 2000, 1-20).

Creative products also exhibit the quality of infinite variety, in that every comic is different from every previous one before it. This means that a comic buyer has few clues to whether he or she will enjoy a comic before reading it. This is no small issue, as comics, cheap to produce and easy to distribute, have always had a glut of product on the stands (or racks, depending where they are being sold). Comic companies attempt to solve this problem by making their comics appear special or different from the others in a process is called differentiation. The first type of differentiation is horizontal differentiation, i.e., differentiation due to taste considerations. In this type of differentiation, there is no necessarily “better” product than another, but rather, different tastes that are catered to. While horizontal differentiation seeks to cater to a wide variety of tastes, companies use vertical differentiation to attempt to make one book better than others. As time has gone on, the methods by which companies have differentiated their books has changed drastically (Caves 2000, 6-7).
Caves also points out that many creative goods require close temporal coordination between their parts. This is true of comics, which have required writers, artists, inkers, colorists, letterers and, as time went by, other post-production inputs before they could be released. This reliance on temporal coordination is known as the time flies syndrome. As time has passed, many comic companies and retailers have become more or less adversely affected by hold ups for a variety of reasons (tight production margins, serialized storytelling, greater role of talent, etc.). As a result, comics, like other creative goods, are often subject to creative talent hold up, where an essential piece of talent either refuses in order to extract more money from the producer or, more often, because the talent is unable to make the creative good on time (aka writer’s block syndrome). Comic companies have attempted to deal with creative hold ups and the time flies syndrome in a variety of ways, and the issue of creative talent hold up is a major part in understanding comic production in terms of creative goods (Caves 2000, 8-10).

Of all the aspects of creative goods, however, no aspect of creative good production has undergone a more radical change in comics than the question of royalties, which Caves refers to as durable rents (Caves 2000, 8). Both the creation of characters and the writing of narratives are creative processes central essential the comics business, and the battle for ownership of those characters or stories is central to the development of those industries. In general, characters are either work for hire or creator owned. Work for hire means that talent has been hired by someone else to create something, and so, the employer is the legal owner of the copyright and/or trademark. Creator-owned means that a comic’s original creator wholly owns the
copyright of the work in question. However, such agreements are often ill-defined, and subject to revision under new laws. How publisher norms regarding copyright have changed, and how the law affects the development of copyrights are major themes running through the history of the comics industry (Rhoades 2008, 72).

*Comics, Creativity, and Organizational Structure*

The concept of creativity-as-uncertainty (nobody knows) also has another dimension: organizational structure. In their article “The Organizational Implications Of Creativity: The U.S. Film Industry in Mid XXth Century,” Richard Gil and Pablo Spiller outline the organizational implications associated with an increase in uncertainty as it relates to films as creative goods. Gil and Spiller utilize Oliver Williamson’s transactions-cost framework, which states that if transaction costs associated with the organization of a production process in markets becomes too high (in this case, as a result of the problems associated with creative goods) the contracting parties will internalize this production process within a firm. Here, internalization refers to in-house production or the contracting of a specific project to a third party; the alternative is buying finished creative output from a completely independent production process. As mentioned above, there are many hazards associated with the creation of comics that also apply to other creative goods, including films. Indeed, films, like comics, are subject to the infinite variety, differentiation, talent hold up, and durable rents issues. Because of these hazards, many companies will attempt to buy a finished product from a studio, rather than risk the resources on in house production of a creative, thus, risky venture (Gil and Spiller
However, there are also problems with buying a finished creative product. When there are many publishers competing for the distribution rights to a finished creative work, the publisher that is the most optimistic is also the bidder willing to pay the most; as a result, this optimistic publisher will be the one most likely to regret their purchase, as they will have to sell more of the product to recoup the cost of obtaining it. Gil and Spiller call this phenomenon *the winners curse*, and it is a factor in any sort of auction in which the winner attempts to utilize the purchase in order to make a profit (Gil and Spiller 2007).

Because high-creativity works are subject to a variety of potential production problems, many comic companies will attempt to simply purchase finished works on an open market. However, the winners curse issue is a very real one, and so, companies may resort to producing their creative goods in-house. Whether or not companies choose “make” or buy,” then depends on the probability that the goods will be subject to production costs related to their nature as creative goods. As a result, Gil and Spiller hypothesize that *internal/contractual production of creative goods should be less prevalent than their outright purchase the higher the creative content associated with its production*” (Gil And Spiller 2007, 13). To test this hypothesis, they analyze the changes in the US film industry in the 1940s and 50s, when the courts interpreted the Sherman Act to mean that studios could not integrate production, distribution and exhibition. Before this shift, the movie studios’ complete vertical integration allowed them to utilize methods such as direct control and block booking, only allowing their films to be purchased in pre-packaged groups in order to
ensure that even a failed creative output would be sold. However, in the 1948 *U.S. vs. Paramount Pictures, Inc. et al* Supreme Court case, it was ruled that this distribution system was monopolistic, and the court ordered the studios to allow the free purchase of films by exhibitors (Gil and Spiller 2007).

Because exhibitors were no longer tied to block purchases, they demanded better creative output, as they did not have to buy films that were not of high quality. This increased the riskiness of a creative venture, as a creative failure meant that the film would not sell. Gil and Spiller utilize metrics regarding frequency of independent production, the volatility of make-or-buy decisions (as a response to rapid changes in tastes related to genre), the numbers of co-productions, and the production of a greater number of “higher quality” films (measured by IMDB ratings, production budgets, number of genres per movie, and award nominations). They conclude that, in all of these categories, the *Paramount* decision greatly increased the level of creative content of films produced in the US, and the organizational change was to outsource production in order to mitigate the risk of producing a creative good in-house (Gil and Spiller 2007).

Comic companies, like film studios, are producers of creative goods. Over the course of comics’ history, companies have been subject to a changing level of uncertainty as regards creativity. As we will see, these changing levels of uncertainty as it regards creativity have had drastic organizational implications for comic companies.
Hedonic Value

The hedonic value framework was created by marketers in order to better understand how symbolic and experiential factors (such as the experience of purchasing an object) enter into a purchasing decision. Elizabeth Hirschman and Morris Holbrook (1982), two researchers in the consumer studies field, are credited with the creation of the hedonic value framework, which arose in contrast to the information-processing perspectives on marketing that emphasized decision making under bounded rationality. The hedonic model emphasized consumption as a steady flow of “fantasies, feeling and fun” (Holbrook and Hirschman 1982, 132). As Hirschman and Holbrook define it: “Hedonic consumption designates those facets of consumer behavior that relate to the multisensory, fantasy, and emotive aspects of one’s experience with products” (Hirschman and Holbrook 1982, 92). While previous researchers focused on afferent responses (i.e. coming from the product, such as the fact that Coca Cola is sugary), the hedonic perspective focuses on the efferent responses (i.e., coming from the consumer, such as the fact that drinking Coca Cola makes them feel cool). These internal, efferent sensations occur on a spectrum between historic (i.e., they did occur and the consumer is remembering them) or fantasy (i.e., they are shaped entirely in the consumer’s imagination). In addition to multisensory imagery, studies of hedonic consumption also center on emotional arousal, and thus feelings, such as those of excitement or belonging, take on a major role.” (Hirschman and Holbrook 1982, 92) (Holbrook and Hirschman 1982, 132).

For hedonic goods, the hedonic responses (the emotional responses to hedonic goods, and the source of hedonic value) are the essence of the usage experience.
Hedonic responses, however, require something from the consumer—emotional expenditure and imaginative participation—in order to work. Thus, different types of consumers will engage in different types of behavior in order to elicit their preferred types of hedonic responses: this seeking of hedonic responses is called *hedonic behavior* (Hirschman and Holbrook 1992). Hirschman, in her study “Predictors of Self-projection, Fantasy Fulfillment and Escapism” (1983), tries to predict which type of people will engage in what type of hedonic behaviors. Hirschman’s four categories of hedonic behavior are problem projection, role projection, fantasy fulfillment purchasing, and escapism. Problem projection implies self-projection by the individual into an external portrayal of a problem he is encountering or expects to encounter—for example, a Jewish person might watch *Schindler’s List* because such a viewing might generate high levels of anxiety and thus produce a cathartic experience. Role projection deals with the pursuit of activities on the basis of their ability to provide a role for the consumer to fulfill—for example, a woman who enjoys soap operas might like them in part because she likes fantasizing about being one of the characters. Fantasy fulfillment purchasing regards purchasing behavior undertaken to fulfill a fantasy or create “unreality”— for example, a man undergoing a midlife crisis may buy a motorcycle in order to feel young again. Finally, escapism is the idea that individuals may purposely engage in behavior to escape unpleasantness in their lives—for example, people who play video games obsessively to shift their attention away from unpleasant reality. As will be argued, the development of hedonic value in comic books—particularly role projection and escapist value—is a major part of comic book’s enduring popularity (Hirschman
Fan Culture

There is another dimension to comic books that sets them apart from other forms of entertainment media: the concept of fandom. John Fiske (1992) describes fandom as a phenomenon within popular culture where a number of people select a specific, often denigrated, culturally forms and rework those forms into a popular culture of their own. This popular culture is intensely signifying (i.e. full of the creation of meanings), very pleasurable, and separate from the “normal” popular audience. The development of fan culture surrounding comic books is a major part of their appeal. Indeed, if comic book culture is indeed an actual culture, then comic books serve as its vehicle for the accumulation of cultural capital. Cultural capital is a term created by sociologist Pierre Bourdieu, and refers to the knowledge, skills, and education that a person has that give them an advantage in society—here, the society being the culture of fans. Fiske, argues “Fan cultural capital…lies in the appreciation of texts, performers and events” (Fiske 1992, 42). Thus, by purchasing and reading comics, a comic reader accumulates cultural capital as it relates to fandom, thereby giving the comic book fan status within this culture (Fiske 1992, 30-42).

Fiske argues that the central quality of fans is that they are active producers and users of their chosen texts. Indeed, the comic book culture is not necessarily as hierarchical as the regular culture, and cultural capital serves less as a vehicle for social distinction, but more as a way to engage in fan “production.” This production is the central activity, and involves the creation not of products, but of meanings and

2 Though not always, as is the case of sports fandom.
social ties. Fiske characterizes the typologies of fan production, which include creating meanings (what Fiske calls *semiotic productivity*), the sharing of meanings and affiliation (*enunciative productivity*), or the creation of new texts based on the originals (*textual productivity*). Production in this way is an enjoyable activity—often more enjoyable than the actual reading of comics itself—and the development of fan culture and corresponding institutions, such as mailing lists, zines (fan magazines), comic stores, conventions, and websites, is a major factor in explaining the changes to the comics industry. How each of these institutions aids the different typologies of fan productivity is fairly era-specific, and so, we will leave those discussions to their corresponding sections (Fiske 1992, 37-42).

**Comic Collecting and Speculation**

Consumer researchers have described collecting as a specialized form of consumer behavior where individuals use the marketplace to purchase objects that are used through their maintenance, display, and related curatorial activities, rather than for any use-functions that those objects have. Russel W. Belk, Melanie Wallendorf, John Sherry, Morris Holbrook, and Scott Roberts define collecting as “the selective, active, and longitudinal acquisition, possession, and disposition of an inter-related set of differentiated objects (material things, ideas, beings, or experiences) that contribute to and derive extraordinary meaning from the entity (the collection) that this set is perceived to constitute” (Belk et. al 1998). Collecting is a type of hedonic activity, but it is distinguished from the above-described hedonic value by virtue of the fact
that collecting derives value from the acquisition and possession of comics, while the hedonic value above happens through the reading of comics.

Belk et. al. argue that collecting is attractive for a variety of reasons. First, collected objects are often pursued as physical signifiers, as they can evoke memories of a person’s childhood, or help them feel more connected to individuals—both real life and fictional—that are of personal significance. Secondly, collecting acts as a form of production, wherein a collector brings something new—i.e., the collection—into existence. This production produces enlightenment, learning, aesthetic joy, or feelings of mastery, meaningfulness, or accomplishment. Third, collecting can also be seen as a form of play—i.e., an activity enjoyed because it is fun. Like other forms of play, collecting is a structured, rule-governed activity, and the development of rules is central to the enjoyment of collecting as activity. Finally, collectors, especially collectors of rare objects, often form social connections to other collectors, and collections can serve as vehicles for social ties (Belk et. al, 1998).

As Belk et. al. point out, collecting often gives rise to a variety of industries aimed at collectors, and the search for comics as a collectable on the secondary market has been important for the development of understanding how institutions related to comics culture—particularly conventions—have formed. Closely related to collecting is speculation, where individuals purchase an object in hopes to sell later—often to collectors. Collecting and speculation have arisen as a major part of the industry, and the development of the collectors market is an essential part to understanding the history of comic books.
Comics and Intellectual Property

As the industry developed, much of the money made by comic book companies eventually came from licensing the rights to use comic book intellectual properties to third parties. Legally, intellectual property is an umbrella term for various legal entitlements that attach to certain types of information, ideas, or other intangibles in their expressed form. Intellectual property laws are such that, while an individual or organization may hold exclusive rights to use an intellectual property, this right can be transferred, licensed, or mortgaged to third parties. Furthermore, these rights are divisible, meaning a company can license a property for multiple (yet separate, or distinct) uses (Goldberger 2003, 361-9).

The type of intellectual property law most important for characters is copyright. Copyright is a protection afforded by federal law to the authors of original works, granting those authors several exclusive rights, including the right to produce or perform the work and the right to create derivative works, so long as the copyright remains in effect. Furthermore, a licensing agreement can stipulate which particular expressions of a character are being licensed out; for example, Disney can license the character Mickey Mouse, or his expressions as Wizard Mickey, Explorer Mickey, etc.

Characters, interestingly enough, are not one of the enumerated examples the Copyright Act provides to illustrate what constitutes a “work of authorship.” However, the list in the act is nonexclusive, which means that characters are theoretically copyrightable. Indeed, the prevailing view is that characters *per se* are entitled to copyright protection, with the caveat that only the aspects of the character that are sufficiently detailed in the work can be considered *expressions* rather than...
ideas, and so, it is much easier to assert copyright protection for visual characters than purely literary ones (Golberger 2003 367-9).

Consumer Products Licenses

Intellectual properties are valuable for two product categories: consumer product licensing and cross-media adaptations. Consumer product licensing is the process by which a producer of a consumer product takes a character’s likeness (or a symbol that evokes the character in the consumer’s mind), and places it on their consumer product (such as action figure or lunchboxes) in order to add value to that product (Goldberger 2003, 345-7). Consumer product licensing works in two dimensions: the dollar amount consumers (and thus licensors) are willing to pay for a licensed product over a non-licensed one, and number of items that a likeness can be profitably licensed to. In terms of the value of a license to a consumer, much of what makes comic book IPs valuable is that their strength can be construed as brand equity (discussed below). However, through the development of the medium, the writing of storylines, and the changing nature of the comics market, comic companies have also been able to increase the number of consumer products onto which the likeness of a character can be licensed.

Cross-Media Adaptation

Cross-media adaptations of comic properties are similar, though, because more than just the characters’ likenesses are used, the use of characters in cross-media properties has a somewhat different dynamic. As mentioned above, all entertainment
properties are creative goods, and as Caves points out, creative goods are often subject to a great deal of uncertainty as to whether they will succeed or not. Thus, entertainment companies will attempt to figure out the secret behind the popularity of previous works—including works in other media—in order to ensure future successes. Comic books are valuable for producers of entertainment products because they mitigate the risk of losing money by allowing producers to rely on the parts of the work—what I call elements—that have led to previous successes.

Comic book elements are well suited to adaptation across media—especially film, but also newspaper syndication, television, radio, and video games. In looking at the various cross-media adaptations of comic book properties, there emerge three typologies of adaptations: those that utilize plot from comics, those that utilize characters, and those that take the general concept of a comic but change many of the details. While characters have always been the most popular type of translation, cross-media usage of the other two elements has drastically risen in the past fifteen years, and the changing nature of translation is one of the major points of departure for what I call the post-modern age of comic books.

Characters as Brands

In order to understand the long-term management of the values of these intellectual properties, we can look at comic book IPs—particularly characters—as serving as branding for these products. David A. Aaker, in his book Managing Brand Equity, (1991) lays out a variety of important features of a brand’s value. At its core, a brand is a name used to identify and distinguish a specific product, service, or
business. For some firms, a brand name and what it represents is the firm’s most important asset: it allows for product differentiation and the monopoly power that comes with it. Aaker argues that brand management focuses on the concept of *brand equity*, which he defines as “the set of brand assets and liabilities linked to a brand, its name and symbol, that add or subtract from the value provided by a product or service to a firm and/or that firm’s customers” (Aaker 1991, 15). Those assets and liabilities include brand loyalty, name awareness, perceived quality, brand associations in addition to perceived quality, and other proprietary brand assets. Brand management is the manipulation of those assets, and over time, comic companies have used brand management strategies to expand the value of their intellectual properties for both cross-media adaptation and consumer product licensing. Because comic IPs are utilized in a variety of ways and in a variety of products, we will briefly examine each of these brand equity dimensions by themselves now, and leave the discussion of how publishers have manipulated these factors of brand equity for when they appear in the history to follow.

- **Brand loyalty.** This is the idea that customers will keep coming back to the same brand. For any business, it is expensive to gain new customers and relatively inexpensive to keep the ones that they already have. Thus, brand loyalty is an important part of building a brand. Loyalty of the customer base reduces the vulnerability to competitive action, as competitors are often discouraged from spending resources to attract satisfied customers.

- **Awareness of the brand name and symbols.** People often buy products with familiar branding because they are comfortable with the familiar, or they may
assume that a brand that is familiar is probably reliable, in business to stay, and of reasonable quality. This differs from brand loyalty in the sense that these consumers need not be repeat customers. Rather, it means that people are aware of the brand’s existence.

- **Perceived quality.** People will see the brand as being a mark of high quality even without knowing the detailed specifications. Perceived quality will directly influence purchasing decisions and brand loyalty, especially when a buyer is unmotivated to conduct a detailed analysis of his options. It is also the basis for brand extension: if a brand is well-regarded in one context, the assumption will be that it will have high quality in a related context.

- **Set of associations.** While the first three brand equity assets are based on the actual decision making process of the consumer in the marketplace, much of the value of a brand is the associations that the brand brings to mind for the consumer. For example, Ronald McDonald creates a positive attitude or feeling that can become linked to a brand such as McDonalds. Similarly, Michael Jordan might make people think of winning, and so, Jordan’s association with a brand such as Nike would transfer that association of winning to the brand. A strong association may be the basis of a brand extension: Hershey’s chocolate milk provides the drink with a competitive advantage based upon Hershey’s associations of fun and family friendliness (Aaker 1991, 15-30).

This brand management framework is useful for understanding how these intellectual properties have become more valuable over time, because it takes into account both
the product itself and the larger cultural context in which the product is being sold.
While comic companies have not necessarily used the brand management framework
to manipulate the value of their intellectual properties, the framework will
nonetheless be useful in understanding how companies have made their intellectual
properties so valuable.

Cross-Influence of Market Functions

It should be noted that, other than comics as entertainment, none of these
markets have existed on their own. Rather, each of these markets is closely tied to all
the others, as comic book companies, consumers of comics for entertainment,
consumers of comics for hedonic value, collectors, the institutions of fan culture, and
licensors of comic book intellectual IPs can be seen as a network in which
interactions between different points in the network have externalities (both directly
related to price and based on market structure) that affect other user groups. The
development of this network has made many of these comic book functions unique to
their particular markets, and how these markets have grown to interact is one of the
central themes of the history of comic books.

Conclusion

This chapter has laid out the important markets that comic books serve, and
posited the concept of a comic book network. The next two chapters will provide an
overview of the history of American comic book industry, as told through the
perspective of the growth in, and interrelation of, the different market functions of
comic books. The fourth and final chapter will examine the era we are currently in—what I call the postmodern age—in terms of these functions and examine two main shifts that have occurred in the past 12 or so years: the movement towards distributing comics in mass market bookstores and an increasing prominence of comics as a place for the development of intellectual property used in films.
Chapter 2: The Economic History of Comic Books, Part 1

Introduction

In this chapter, we begin an economic history of comic books, looking at the Platinum, Gold, and Silver ages, which together lasted from 1929 to the early 1970s. These age descriptors, which are somewhat rough, were created by comic collectors and primarily refer to the creative changes in superhero comics. However, because many of these creative changes were sparked by economic factors, the “metal” system allows us to categorize different eras based on the differing market functions of comic books. A description of the major changes of each age is offered, and then each age is analyzed in terms of the changing market functions of comic books at the time. In doing so, I aim to paint a picture of the development of the market functions described in chapter one, both individually and in relation to each other.

The Platinum Age

Comic books have their origins in two media that existed before the twentieth century: newspapers and pulp magazines. Newspaper comic strips had been a familiar part of life since the 1890s, with humorous syndicated strips like *The Yellow Kid*, *Katzenjammer Kids*, and *Mutt and Jeff*. These strips were nicknamed “funnies” or “comic strips” based on their humorous qualities, and the name has stuck ever since. In 1929, Dell Publishing experimented with a weekly comics magazine distributed to newsstands. This publication, called *The Funnies*, featured original comic strips, puzzles and jokes. However, it performed poorly, and it was cancelled after 36 issues. The next major step in the development of comics came in 1933, when two sales
employees at Eastern Color Printing Company (who had printed the Funnies), Max Gaines (father of Mad Magazine publisher William Gaines) and Harry Wildenberg, realized that they could cheaply print a magazine featuring only comics and market it to manufacturers for use in advertising and giveaways. Eastern Color agreed to support the effort of 10,000 copies of Funnies on Parade for Procter and Gamble, and its success was followed with reprints of strips like Mutt and Jeff and Joe Palooka for Canada Dry, Kinney Shoes, and other youth-oriented manufacturers (Wright 2001, 2-3)

Gaines, whose family was suffering from the Depression, saw these magazines as an opportunity and persuaded Dell publishing to finance Eastern Color’s printing of 35,000 copies of Famous Funnies, Series One, which was distributed directly to chain stores for sale at 10 cents an issue. By the sixth issue, the series caught hold and turned a profit, and by the twelfth, Famous Funnies was netting Eastern Color about $30,000 each month. Following the success of Famous Funnies, many more publishers began entering the comics reprinting business. However, it wasn’t until Malcolm Wheeler-Nicholson opened a small operation called National Allied Publishing, which published New Fun and New Comics, featuring material created by unemployed freelance cartoonists, that comics began publishing original material. However, of these titles sold poorly. Wheeler-Nicholson’s venture eventually failed, and he went into debt to many of his business associates, including his distributor, Independent News Company. As a result, Wheeler-Nicholson entered into partnership with Harry Donenfeld and Jack Leibowitz, the founders of Independent News Company, and together, they launched
a third title *Detective Comics*, from which the company would later take its new name, DC (Wright 2001 3-4).³

*Detective Comics* represented a shift for comic books, which from then on utilized the storytelling style of pulps and featured adventure and mystery. Pulps were early paperback books, printed on cheap, pulpy paper (hence their name), that often catered to offbeat tastes and featured action, fantasy, adventure, and suspense tales written by low-priced talent. Pulps were the ultimate “cheap thrills” entertainment, and made little demand in their authors and their audience. Other comic studios—staffed by both amateur artists and out of work illustrators—began creating finished stories that they sold to publishers, as they lacked the resources or knowledge to produce their own material. At this time, many comic artists worked anonymously, as in the artistic profession, comics were considered only one step above pornography (Wright 2001, 4-7).

**The Platinum Age: Entertainment Value**

During this period, one can see comics purely as an entertainment good, and not a bad one at that, given the substitutes at the time. From their outset, comics were a medium particularly suited to imaginative action stories. Compared to literature, comic books were easier to read, and thus appealed to younger readers who might not have the patience for an entire novel. Compared to radio comics could depict action far better. As William W. Savage Jr. observed in *Comic Books In America: 1945-1954*:

³ As publishing outfits, DC and Marvel have both experienced a variety of name changes over the years. However, for simplicity sake, I will refer to them by their current names.
Comics could carry heroes beyond the limits of possibility imposed by radio (sounds without pictures and thus without depth or significant personification) and film (sound with pictures, but constrained by technology). Radio, short on data, gave the consumer’s imagination too much latitude, while film, rife with data, refused to give it enough. Comic books, however accidentally, managed to split the difference. They could show whatever the artist could draw, their lines and colors directing imagination, their balloon held texts defining time and space. Comic book artists and writers could produce that which could be conceived, which was more than the creators of motion pictures and radio programs could claim” (Savage, in Wright 2001, 14).

Thus, comics could effectively do things that radio, literature and television couldn’t, thereby solidifying their place as an inexpensive venue for visually fantastical images. What’s more, because they were cheap (10 cents) in an era when money was tight, they gained major popularity as a mass medium (Wright 2001, 4).

However, with a saturated comics market, risk was still very high, which, as Gil and Spiller point out, leads to producer purchase of finished products made by third parties rather than engaging in in-house production of their own. As a result, most comics were produced in independent studios, also called “packagers” such as Eisner-Iger and Funnies Inc, which were then bought by pulp publishers. This production by packagers was the main form of comic book production for the Platinum and Golden Ages of comic books (Wright 2001, 6).

**The Platinum Age: Hedonic Value**

Comics also had something resembling hedonic value to them, simply in their use of cartoon imagery. Cartoons as an art form encourage reader participation in a way that other media at the time did not. Scott McCloud, in his seminal work on comics as an art form, *Understanding Comics* (1993), explains that comics’ usage of cartoon imagery allows individuals to easily project their own selves into the position
of the characters. He maps out cartoon images on a spectrum between the representative (looking like the object represented) and symbolic (symbolizing the object represented), and argues that, as one moves towards more symbolic representations of an object—say, a face—the more individuals that image could represent. When a cartoon reaches a certain level of simplicity, it simply becomes a stand-in for the viewer. As McCloud puts it:

When you look at a photo or realistic drawing of a face, you see it as the face of another. But when you enter the world of the cartoon, you see yourself. I believe this is the primary cause of our childhood fascination with cartoons, through other factors such as universal identification, simplicity and the childlike features of many characters also play a part. The cartoon is a vacuum into which our identity and awareness are pulled, an empty shell which enables us to travel in another realm. We don’t just observe the cartoon, we become it! (McCloud, 1993 p. 36)

Many of these early comics included stories that were rendered with symbolic, low-detail characters with highly detailed backgrounds, allowing the viewer to feel as if he or she was part of the action. For example

![Image of a comic strip showing a conversation between two characters](image)

While cartoon iconography allows for role projection, comics as a form also

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draw a reader into the stories being told, allowing them to better identify with the characters. McCloud argues that, as a narrative form, comics utilize “closure,” which he defines as “observing the parts but perceiving the whole (McCloud 1993 63)” In comics, the narrative is told through a series of static images, separated by border panels. The space between the panels, also called “the gutter,” is where the reader has to connect the two images in his imagination. Because of the burden of imagining what happens between panels falls on the reader, comics require reader participation. This reader participation forces the reader into the work, thereby enhancing the reader immersion relative to other visual (rather than literary) forms (McCloud 1993, 63-7).

However, while the form of these early comics encouraged self-projection, these early comics lacked a narrative in which individuals could see themselves. As a result, self-projective hedonic behavior was constrained by the narratives of the stories at the time. Collectability, cross-media adaptation of intellectual property, and a culture of fandom were all nonexistent during this time, and the interaction between hedonic value and entertainment value was not enough to warrant significant discussion of cross-influence of functions.

**The Golden Age**

The fledgling comic book industry changed dramatically after the introduction of Superman in 1938. Originally submitted as a syndicated strip, Superman found its way to the desk of Harry Donenfeld, who was about to launch a DC comic book called *Action Comics*. DC offered Jerry Siegel and Joe Shuster, two young artists from Cleveland, $10 a page to copy the sample strip into thirteen comic book pages.
As part of the deal, they signed a standard release form, giving sole copyright ownership of their idea to the company. While the publishers were initially skeptical about the idea of a costumed hero holding a car above his head, Superman was an immediate success: by the seventh issue, *Action Comics* was selling over half-a-million comics a month, and in 1939, DC launched *Superman*, the first comic book title devoted to a single character (Wright 2001, 7-9).

Hoping to replicate Superman’s success, DC hired cartoonist Bob Kane and writer Bill Finger to produce Batman, who was inspired by pulp fiction heroes like the Shadow and Doc Savage, Hollywood adventure films like *The Mark of Zorro* and an obscure silent picture called *The Bat*. Batman was an instant success, eventually moving to his own title, and the DC characters spawned a number of imitators. Publishers began flooding the newsstands with outrageous, brightly colored costumed heroes performing superhuman deeds. In 1939, two other publishers entered the field: Martin Goodman launched Marvel comics with the characters The Human Torch and the Sub-Mariner, and Fawcett Publications began printing stories featuring the character Captain Marvel. Captain Marvel became the best-selling character of the early 1940s, based on his ability to inspire greater levels of role-projection in young readers (see below), but his reign was cut short by a copyright infringement suit by DC, who claimed (successfully) that Captain Marvel was a near-copy of Superman. DC, on their part, expanded their repertoire of characters to include the Flash, the Green Lantern, and Wonder Woman (Wright 2001, 15-22).

When World War II broke out, defense spending brought the country out of depression and the comic book industry reaped the benefit. In 1942, *Publishers*
Weekly and Business Week reported that about 15 million comic books were sold each month. By December 1943, sales climbed to 25 million copies. Part of this rapid rise in sales can be attributed to their popularity among servicemen overseas, who enjoyed this cheap, disposable entertainment. The war also gave rise to Joe Simon and Jack Kirby’s character Captain America and a variety of other patriotic heroes such as Uncle Sam, Minute Man, The Star Spangled Kid and Miss America. The war also gave publishers a chance to escape much of the criticism being leveled against comic books, which began to be seen as a threat to “real” literacy among youth (Wright 2001 29-36, 55-6).

It should be noted that superheroes were not the only—or even the most popular—genre of comic book at the time. Indeed, Dell Comics, which secured the rights to publish stories based on the Disney, Warner Bros, MGM and Walter Lantz studio characters, outsold superhero comics in this era. These comics, which were nicknamed “funny animal” comics, could be seen as proto-cartoons in an era before television. Dell was also unique in that it aggressively promoted subscription services, and, by offering the service of mailing out cards telling young readers that they had been gifted such subscriptions, they were able to promote their comics as wholesome gifts that parents and grandparents could give their children (Wright 2001, 18).

However, the end of the war posed a challenge to the industry. Unable to adapt to the tastes of postwar America, superhero comics experienced a sharp drop in sales during the postwar years. During the war, over 90% of the comics published by DC featured superheroes, but by the end of the fifties, just over half of them did.
After the war, comic books shifted towards other genres, such as crime (where graphic scenes of violence, brutality, and sadism could be easily rendered), jungle comics (where violent and sexually suggestive imagery was combined with racist and imperialist overtones), and war stories (again, violence). However, the most artistically groundbreaking (and commercially successful) post-war comic genres were horror and science fiction, particularly those produced by EC (Formerly Educational Comics, then, Entertaining Comics). EC horror and science fiction comics combined disturbing and violent imagery with themes of dissatisfaction and disenchantment of the youth with traditional American culture. This combination struck a powerful chord with the youth of Cold War America, and EC became an immensely successful publishing outfit (Wright 2001, 79-85).

This violent and “subversive” material created a violent backlash, which ultimately came to a head with the publication of the book *Seduction of the Innocent* in 1954. The book, written by psychologist Dr. Fredric Wertham, was a 400-page indictment of the comic industry. Wertham claimed that the comic book industry exploited the innocence and insecurities of children for profit, encouraging them to partake in violent acts and indoctrinating them against accepted rules of decency. While some of Wertham’s claims were outlandish, others, such as his charge that comics promoted racial and ethnic stereotypes, were more true. *Seduction* led to the formation of the Senate Subcommittee to investigate juvenile delinquency, the result of which was the proposal by the committee that the industry either regulate itself or face outside regulation. That year, the Comics Magazine Association of America published the Comics Code, severely restricting the content that could be included in
comic books by banning graphic portrayals of violence and sexuality and forbidding challenges to established authority. Comics that fulfilled the requirements of the code were marked with a seal of approval by the CMAA, and wholesalers and retailers refused to carry comics that didn’t. Publishers, hoping to keep their businesses intact, capitulated to the new code, bringing an end the Golden Age of comic books (Wright 2001, 84-106).

The Golden Age: Entertainment Value

During this age, comics continued to hold their own as cheap, disposable entertainment, especially as demand for this type of entertainment rose during wartime. What’s more, as mentioned above, comics could depict what other mass media could not: graphic scenes of violence and gore, visually rendered and readily available for purchase by young readers. The unrestricted nature of comics as compared to other mass media—radio, TV, etc.—meant that comics were free to comment upon topics of social relevance, playing on the tensions and anxieties of the postwar world. This market niche allowed postwar comics to hold their popularity up until the passing of the Comics Code (Wright 2001, 79-85).

In terms of comics as creative goods, the desire to minimize the chance of losing money on creatively risky ventures can be seen in the practice of publishers putting out “anthology” comics. Anthology comics, such as DC’s Action Comics, or EC’s Vault of Horror, included a number of stories by different creators. Dell’s Four Color was unique in the sense that each issue featured only a single story, but the characters and creative team would rotate every issue. When a story or character
would become a hit, those characters would spin off into their own title—as was the case of *Superman*, *Donald Duck* and *Captain Marvel*. This anthology-solo series model allowed publishers to test the response of their readership without devoting entire comics to ideas that might not succeed (Wright 2001, 6-85).

The most enduring shift of the age, however, was the growth in popularity of the superhero story. A variety of commentators have attempted to explain the popularity of Superman and the superhero genre that he spawned. Wright argues that Superman was a new Western, in the sense that Westerns involved a lone hero taming the savage American frontier and embodying the best of both civilization and nature. However, with its frontier closed off and the increasing urbanization of American society, twentieth century America demanded a hero who could resolve the tensions of individuals in an industrialized, consumer-driven, and anonymous society.

Other commentators have argued that superheroes are popular because they represent something of a modern mythology. Indeed, as Alan Moore, writer of such groundbreaking comic books as *Watchmen*, *V For Vendetta*, and *League of Extraordinary Gentlemen*, put it “Superheroes are contemporary manifestations of the mythological gods of yore, who reflected the tenor of their times as succinctly as contemporary pop-culture obsessions do ours” (Rhoades 2009, 86). It should be noted that Superman’s origins were inherently mythological—Siegel created Superman to be “a character like Samson, Hercules, and all the strong men I ever heard of rolled into one” (Daniels, 1995 20-1).

This idea that superheroes are modern mythology is fairly widespread among commentators. Here, we can utilize Carl Jung’s idea that myths are an expression of
the collective unconscious, whereby aspects of our personality that are banished to our unconscious are given symbolic voice in the forms of certain archetypes. Because these archetypes have formed in our own unconscious, we instantly recognize these archetypes—including the hero—and are able to connect to the character and the motivations behind his or her behavior without having to think about them (McCutcheon 2000, 196). Because superheroes represent the hero archetype for a modern age, readers can recognize these characters and see themselves in them.

Douglass Wolk has a similar, though slightly interpretation of this theory. He asserts that, because every object in a comic story is only a representation of an object, rather than the actual object itself, comics work largely in a language of metaphor. This is not necessarily only true of comics, of course, as this idea holds true in practically all types of visual media. But comics—and superhero comics in particular—have taken the idea a step further by turning the characters into metaphors. As Wolk argues, metaphor pervades both the medium and the narratives of superhero comics in a way that other media do not.

Superhero comics are, by their nature, larger than life, and what’s useful and interesting about their characters is that they provide bold metaphors for discussing ideas or reifying abstractions into narrative fiction. They’re the closest thing that exists right now to the “novel of ideas.” That’s what’s kept this particular weird little genre so closely connected to its much broader medium: a form that intrinsically lends itself to grand metaphors and subjective interpretations of the visual world goes well with characters who have particular allegorical values. Superhero cartoonists can present narrative whose images and incidents are unlike our own sensory experience of the world… but can still be understood as a metaphorical representation of our world. That’s something that’s very easy to do in comics and very hard to do in any other medium. It’s not the only thing that comics do well, or what comics do best—but it’s something that can be pulled off easily only in comics” (Wolk 227, 92-93)

An idea most notably pointed out in Renee Magritte’s painting The Treason of Images, as the pipe in the painting is indeed1, not an actual pipe, but rather, a painting of a pipe.
Wolk goes on to provide examples of comic series as extended metaphors: *The X-Men* as being about identity politics, *Spider-Man* is about power and responsibility, *Superman* is about assimilation and the secret hero that resides in everybody, *Batman* is about the dangers of striving for perfectibility. Because writers can examine these ideas over long periods of time by simply writing stories that build upon the central ideas behind these characters, superhero comics are unique in the sense that they provide long-form allegories and examinations of complex concepts and questions (Wolk 2007, 95-100).

Regardless of which explanation one chooses, however, the point is clear: Superheroes are a special kind of story that, at least in this time, could only really be told effectively in comic books. As a result, comic books were able to carve out a niche among other entertainment goods, and thrive as an entertaining mass medium. However, it cannot be ignored that the growing view of this time among parents, educators, and “mainstream society” was that comic books were not as legitimate as “real” literature. Many critics would point to the graphic nature their stories and their connection with another denigrated artform—the pulps—in order to paint comic books and their readers as immature. As a result, this era saw an increase in what Lopes called stigma (see chapter 1). This stigma associated with comic books was manifested by censorship, comic book burnings, and ultimately the Comics Code, and ultimately stifled any potential market of older readers or anyone who enjoyed comics as a “legitimate” artform (Lopes 2006, 387-414).
The Golden Age: Hedonic Value

Many of the more popular comic book characters during this time were popular because readers—either consciously or unconsciously—identified with the characters in the stories, seeing their struggles as their own. Many of these issues revolve around adolescence. As Hirschman (1983) points out, many consumers who engage in role-projective behavior are under 18, and as Wolk, Rhoades, Wright, and others point out, comic book characters speak to the anxieties and aspirations of youth culture. As Wright points out, Superman was the epitome of the modern adolescent fantasy: remove one’s glasses, and become a superhero. Clark Kent’s meek persona allowed everybody to engage in the fantasy that he or she was, beneath their mild-mannered exterior, a superhero capable of performing great feats of strength and bravery. This fantasy was also a distinctly masculine one, as this early version of Superman had little use for women. For example, when a female killer tries to seduce Superman in an early story, he refuses. When she tries to shoot him, he crushes the gun and threatens to do the same to her wrist (Wright 2001, 9).

However, the character who played most to childhood fantasies was the youth Billy Batson, who could become a super-powered adult named Captain Marvel simply by saying the magic word “Shazam.” In his adult form, however, Captain Marvel maintained his youthful personality, and took to his adventures with childlike glee. This fantasy of instant adulthood was irresistible to most young readers, who secretly wished they, too, could become adults simply by uttering a single word. Captain Marvel’s artists also took a cartoonish approach to art, thereby enhancing the role-projective value of cartoons. This reader-identification strength led to Captain
Marvel’s popularity, leading to sales of over 1.5 million copies per issue in 1945 before a copyright infringement suit by DC put an end to his adventures (Misiroglu 2004, 125-6).

The role-projective aspect of comics was also enhanced by the inclusion of young sidekicks who fought alongside popular heroes. The first was Robin, who debuted in *Detective Comics* #38 in 1940. As Bob Kane put it: “I visualized that every kid would like to be a Robin…a laughing daredevil. It appealed to the imagination of every kid in the world” (Misiroglu 2006, 427) Robin’s popularity spawned a number of imitators, including Toro (sidekick to the Human Torch) Bucky (Captain America) and Speedy (Green Arrow). Captain Marvel, for his part, had two kid sidekicks: Captain Marvel Jr. and Mary Marvel. These sidekicks, who were often called by their “civilian” first names, allowed kids to place themselves into the action of their favorite stories, encouraging role-projective behavior and enhancing the hedonic value of these early comic book stories (Pustz 1999, 20-23).

*The Golden Age: Fan Culture*

The Golden age also saw the rise of publisher-sponsored fan clubs, which encouraged reader engagement with the material. Captain America’s first issue announced the “Sentinels of Liberty,” which, for ten cents, entitled young fans to a membership card and a metal badge. Captain Marvel’s fans also had their own fan club (the Captain Marvel Fan Club). These fan clubs, however, were run by publishers, and did very little in terms of the creation of a distinct fan culture. More promising were the growth of science fiction and fantasy fanzines—amateur
magazines made by fans—which began carrying comic news, with the first comic fanzine—*Comic Collectors’ News* was published in 1947. However, these early fanzines had small print runs and low circulation, and, as a result, did not reach a wide audience during this era (Pustz 1999, 30).

Publishers also began using people’s identification with a group of comic fans to encourage a special type of comics literacy. EC comics’ early horror titles were filled with insider jokes that gave the stories a sardonic tone that made the (often violent) content more funny than horrific for insiders, but increasingly repulsive to outsiders, thereby emphasizing an insider/outsider dynamic to comics fandom that would only grow with time. EC editors also published fan names and addresses to encourage mail correspondence between fans. However, this horror comic fan culture was cut short by the passing of the comics code (Pustz 1999, 37-39).

**The Golden Age: Comics and Intellectual Property**

*Cross Media Adaptation and Consumer Products Licensing*

The Golden Age of comics saw the rise of cross-media adaptation of comic properties. In 1939, the McLure Syndicate paid DC for the rights to print a Superman strip. In 1939, the adventures of Superman could be heard on a nationally syndicated radio program, and between 1941 and 1943, the Fleischer animation studio released a series of Superman cartoons for Paramount, paying DC $100,000 for the rights to use the character. A similar amount was paid by the radio show for the first season of programs. By 1941, Superman appeared regularly in over 2,000 newspapers across the country, reaching 25 million readers. The most widespread adaptation, however,
happened in the end of the Golden Age and lasted into the Silver: specifically, the 1951 George Reeves *Superman* TV show. Realizing that they could capitalize on the character’s popularity, creators of consumer products began licensing Superman’s likeness for a variety of characters. Superman’s licensed image sold commodities from toy krypto-rayguns to sliced bread. DC had grossed $1.5 million off of these licensing ventures, but Siegel and Shuster, who had signed away all of their rights, received only $500 as a “token of goodwill” from the publisher. (Scivally 2008, 10)

Of course, Superman was not the only licensing giant. Captain Marvel was a force in both consumer products (including badges, puzzles, planes, games, clothes, watches, figures, etc.) and in films. In 1941, Republic Pictures released *The Adventures of Captain Marvel* movie serial. Serials were also made of *Batman* in 1941, and *Captain America* in 1943. The latter licensing venture was particularly interesting, as Timely (Marvel’s name at the time) didn’t charge for the film rights, thinking of the serial as a promotional tool rather than as merchandising (Misiroglu 2004, 508-509).

The popularity of Superman—and superheroes in general—in the consumer products field goes beyond the popularity of the characters. Indeed, much of the popularity of superheroes among consumer product licensors has to do with the representative iconography of superhero costumes. When creating Superman, Siegel and Shuster wanted to evoke the idea of authority; the S shield was very similar to a police badge, with the S standing for Superman. Initially, the S shield was not seen as an essential part of the costume, but Superman’s runaway popularity caused numerous imitators, who co-opted this visual cue as a way of representing their own
characters (Daniels 1995, 16-7). This representation of a character via symbol is a boon to product licensors, as many licensed consumer products need not actually use the character’s likeness to gain value from the association: rather, a character only needs be evoked. As Goldberger points out, when speaking about the translation of one character across media:

[Characters] are recognizable through the presence of the information sources used for indirect characterization identified by Margolin. Foremost among these information sources is the character’s name. A name itself is typically sufficient to identify a character with only minimal additional context. An identical or similar physical appearance, especially for cartoon characters, may also be sufficient. However, neither name nor physical appearance is strictly necessary. Theoretically, an audience could also identify a character from an older work in a newer work by a combination of common characterizations between the two works other than name and physical appearance (Goldberger 2001, 316).

In order to gain the value from the character’s presence, consumers require sufficient information to identify the character. What Goldberger is saying is that this “amount of information required” is highly dependent upon context. The point here is that part of what makes comic book characters so valuable is that they can be evoked by showing their symbol.

What’s more, these symbols are flexible, meaning that much of their aesthetic quality can change as long as they are recognized as representing the symbol that represents the character. The idea behind this is elucidated in Scott McCloud’s *Understanding Comics* (1993), where he explains that an icon is a picture meant to represent a person, place, thing or idea. Non-pictorial icons (icons that are not supposed to visually resemble the thing they represent) have a fixed meaning, so that their appearance can be changed without change to the underlying meaning. The

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6 Goldberger 2003, note 34
letter M is one example: while M can be rendered in a variety of ways, it still means “M.” Meanwhile, pictorial icons—pictures that are supposed to look like what they are representing—have a fluid and variable meaning, according to their expression. Comic characters’ symbols are essentially pictorial, giving them a fluid aesthetic while their underlying character remains static. The S-shield design evokes the idea of “Superman” while freeing the products themselves from any need to include Superman’s likeness. This iconic flexibility means that characters are represented both through pictorial images (the characters themselves) and non-pictorial images. As a result, there is a huge amount of flexibility in the way that these characters can be represented in licensed merchandise.7

This flexibility allows for a greater number of licensees, and, considering that licensing a character’s likeness generally costs very little to the owner of the character, this aspect helped the licensing of comic characters become a major source of revenue for their owners.

McCloud brings another perspective to this concept: Because the costume colors of characters remained exactly the same, panel after panel, they came to symbolize the characters in the mind of the reader: Blue, yellow and gray meant Batman, green and purple meant the Hulk, red, yellow, and blue meant Superman, etc (McCloud 1993, 188). As a result, simple color schemes became enough to evoke comic book characters. Using a more modern example, Bape and DC comics recently released shoes based on the color schemes of DC comics characters.8

Both the iconographic aspect of superheroes and the fixing of color schemes meant that licensers had, and still have, an easy time evoking these characters in licensed products. As a result, comic characters remain popular with licensers today.

*Intellectual Property and Brand Management*

We can also see this age as the beginning of using intellectual properties (IPs) as brands. Membership in fan clubs and the identification with characters encouraged brand loyalty in the consumption of comic books, cross-media spin-offs, and related merchandise. The proliferation of licensed merchandise and cross-media adaptations (as evidenced by the free license of Captain America for the serial) also increased brand awareness, and these characters became major figures in the pop cultural zeitgeist. The brand association of superheroes, and Superman in particular, with everything “super” allowed for a wide array of merchandising ventures, as this quality of “super-ness” was an association that could be easily modified to include pretty much anything that could carry the Superman symbol.

Also important were the association that Superman and the other DC characters were wholesome and kid-friendly, especially in a time when much of comics’ output was graphic and violent. To this effect, DC instituted a restrictive code of editorial standards, citing a “deep respect for [their] obligation to the young people of America and their parents and [their] responsibility as parents [them]selves” (Wright 2001, 33). Fawcett, which published Captain Marvel and related series, enacted a similar code. This move could be seen in part as motivated to protect not only the sale of their comic books, but to guarantee the continued value of
the intellectual properties created within. Indeed, comic companies worked very hard to ensure the “correct” brand associations for their characters. Two cases in point: when Seigel and Shuster wanted to write a book about a prankster, teenage Superman, DC objected, claiming that children would attempt to imitate the pranks and it would damage the value of the character. Secondly, the Superman TV show was asked to tone down its violence, so as not to portray the character’s methods as being centered around fighting (Scivally 2008, 10).

**The Golden Age: Cross-Influence of Market Functions**

The Golden Age is really when these different functions began meshing with one another, either promoting or inhibiting the respective sources of value. The popularity of costumed heroes led to cross-media adaptations and licensed consumer products featuring these characters. These ventures, as the free rights given to the producers of the Captain America serial show, were a boon to the publishers, who welcomed the publicity that these adaptations provided. However, the Golden Age was also notable in the sense that not all the functions served to assist one another—while comics’ hedonic value aided their entertainment value during the pre-war and war years, the heavy reliance on the role-projective aspects of these characters meant that superhero comics were unable to speak to the anxieties of postwar youth culture. As a result, superheroes lost their relevance in the post-war world, which needed heroes who could speak to the tensions of the atomic age. As a result, publishers overemphasized graphic depictions of violence and antisocial behavior, leading to strong public backlash and the institution of the comics code.
The Silver Age

After the Comics Code was put into place, publishers had difficulty competing with television. By 1955, nearly three quarters of American homes had a television, and it became the primary source of family entertainment for most American children. Like comics, television was cheap, accessible, and immediate. However, its success allowed it to be dominated by large commercial interests, which controlled programming and made television, as Wright puts it, “conservative, bland and predictable” (Wright 2001,181). While Hollywood and rock music could compete with television’s dominance by offering grittier subject matter and greater sex appeal, the Comics Code restricted the publisher’s creative latitude, stifling their ability to make products that appealed to adolescents (Wright 2001, 181-2).

As a result, different comic companies attempted to change their publishing strategies in order to establish themselves in a niche. DC Comics was able to find success by returning to its roots as a publisher of superhero comics, reviving the Flash, Green Lantern, Hawkman and the Atom, giving many of these characters scientific, rather than magical backgrounds. Editor Julius Schwartz was the mastermind behind DC’s editorial strategy, exhorting writers to focus on stories driven by the characters, rather than often the gimmicky plot devices that were normally used by superhero writers. For example, Superman had been getting stale, as his ever-expanding power set meant that writers could simply solve the story’s conflict by reference to an all new, previously unutilized power. As a result, writers began to rely more and more on Superman only weakness, Kryptonite, which, in its myriad forms, would have Superman (or his human companions) gain or lose powers,
act out of character, or multiply their identities. In an effort to force writers to focus more on the characters, Schwartz initially scaled back Superman’s powers and banned the use of Kryptonite in his stories. Schwartz also introduced the “new look” Batman (adding the distinctive yellow oval on the symbol) and shifted the title’s direction away from aliens and science fiction to thugs and gangsters in order to revive flagging interest in the character. Furthermore, Schwartz also came up with the idea of combining many of DC’s characters in a superhero team called the Justice League, which proved tremendously popular with readers (Daniels 1995, 116)

Noticing that DC’s character-driven superhero titles were selling well, Stan Lee and Jack Kirby at Marvel, who had discontinued their superhero lines and had been publishing science fiction stories, westerns, romances and war stories, began publishing superhero books of their own. This publishing venture began in 1961 beginning with the Fantastic Four (a team of superheroes inspired by the success of the Justice League), followed up with The Amazing Spider-Man, The Mighty Thor, and The Incredible Hulk. While DC’s characters were athletic, square-jawed super-citizens who took a generally positive view of scientific progress, society and authority, Marvel’s characters were almost exclusively flawed heroes, outsiders, or freaks. For example, the Fantastic Four often bickered among themselves, and members would periodically quit; Spider-Man was a nerd who spent as much of his time battling self-doubt as he did villains; The Hulk was a mild mannered scientist who uncontrollably turned into a raging monster. These stories, which focused much more on believable characterization than DC’s superheroes, appealed to lapsed comic readers and teens, including the disaffected youth of the 60s. Between 1962 and 1967,
Marvel’s average sales figures doubled while those of its competition remained steady or declined (Wright 2001, 201-25).

The late 60s also saw the rise of pop art, with artists such as Andy Warhol and Roy Lichtenstein, who glorified mass culture and began to see the cultural value in mass media such as comic books. Marvel attempted to capture some of this glory, briefly labeling their comics as being produced by “Marvel Pop Art Productions.” With the glorification of popular culture came the wave of camp, which can be seen as the ironic appreciation of the sillier aspects of popular culture. Camp and superheroes saw their ultimate manifestation in the 1966 *Batman* TV series, which caused a huge spike in both the ironic and sincere appreciation of comic book heroes (Daniels 1995, 138-52).

This era also saw Marvel and DC become corporate properties. In 1967, Marvel was sold to the Perfect Film and Chemical Corporation, later renamed Cadence Industry. DC, for its part, became the property of Warner Communications. However, while companies had become assets, by the end of the decade, comic book publishers began losing sales: by 1969, the superhero craze generated by the Batman show had crested and fallen, and rising inflation compelled publishers to raise the price of comic books from twelve to fifteen cents each. As a result, the end of the 60s saw comic books companies in crisis yet again (Wright 2001, 24-5).
The Silver Age: Entertainment Value

This embrace of the superhero genre allowed comic book publishers to compete with television and radio at the time, particularly because the comic medium was well suited to superhero comics:

Costumed superheroes had always been the stuff of comic books and it really was the genre best suited to the medium. In an era of extremely limited special-effects technology, comic books could present fantastic visual imagery more imaginatively than could a live-action medium. Individuals in tight, colorful costumes and masks performing impossible deeds simply looked ridiculous in live-action, but they seemed perfectly natural in comic books (Wright 2001, 184).

Indeed, because comics were the only medium that could tell believable superhero stories, the industry began to bank heavily on this genre to the exclusion of many others (see above for a full discussion of why superheroes became popular).

However, the restrictions of the comics code combined with the ubiquity of television made comic companies look to other sources of value beyond entertainment: indeed, using Lopes’ framework of stigma, comic books were increasingly seen as less legitimate as a medium. As a result, we can look at the development of other values as a factor leading to comics’ popularity at the time.

The Silver Age: Hedonic Value

This time period saw an increase in the role projective aspect of comic books, expanding their focus on children and including titles aimed at adolescents. Part of the appeal of many of Marvel’s characters is that they have this “trials of adolescence” quality: The X-Men are outcasts, despised and hated by society, and thereby allow human outcasts to deal with their own alienation; Spider-Man is a kid
dealing with the responsibility of adulthood; The Fantastic Four is about the challenges of a difficult extended-family structure; the Hulk is about dealing with rage (Wolk 2007, 95-100). As a result, role projective hedonic value present in comics began to extend away from children and towards older readers. One student at Stanford University cited Spider-Man as his favorite hero because he was “beset by woes, money problems, and the question of existence. In short, he was one of us.” (Wright 2001, 223) Because these comic characters spoke to the anxieties of youth and adolescents, they saw their struggles as their own in much the same way that younger children saw Superman and Captain Marvel as representing their own anxieties and aspirations.

This era also saw an increase in levels of escapist hedonic value through the apparatus of continuity. Since the inception of the superhero genre, comics had rarely dealt with issues pertaining to real life, instead focusing stories on fantastically gifted individuals performing heroic deeds. However, this escapist quality goes beyond the fantastical nature of comic stories. Indeed, much of what gives comics their escapist quality is the particular narrative structure of modern comics, more specifically, the concept of continuity and the importance of a consistent comics universe. The idea of continuity refers to the idea that all of the stories take place within a consistent world. While many comic characters would sometimes cross over to each other’s books, Marvel pioneered the idea of a shared universe, setting many of their stories in and around a fictional representation of New York City. As a result, Spider-Man would regularly run into such characters as The Fantastic Four, and frequently, events that happened in one book would play a role in a different book (Wright 2001, 220). DC,
for their part, established that the Golden Age characters lived on a parallel world
(Called “Earth Two”) to their Silver Age counterparts, and the two realities were
separated by a vibrational field that could be crossed when a story required a team-up
(Daniels 1995, 132-3).

This consistent universe had the effect of adding to escapist hedonic value.
Ultimately, this consistency leads to a more immersive experience, thereby leading to
a richer world to escape into. Indeed, as research into video games has found
(McMahan 2003), that a consistent world is central to the creation of an immersive
experience. Furthermore, researchers found that players of immersive video games
find pleasure in absorbing and interacting with familiar schema, defined as the
player’s internal conception of the world created by the game (Douglas and Hardagon
2000). This idea of immersion as tied into the concept of a consistent and repetitive
experience with a fantasy world is central to understanding the role of an internally
consistent world in creating an escapist comics experience.

Indeed, Pustz (1999) makes this connection between a consistent world and
the enjoyment of escapism:

Part of the pleasure of continuity based comics is having this developed
fantasy world at one’s fingertips. It is a world that is manageable, that comic
book fans can almost literally hold in their hands. Making sure that world has
a past and future, gods and goddesses, and definite rules makes it more three
dimensional without taking away any of its manageability.” (Pustz 1999, 114)

Comic book companies realized the appeal of an internally consistent world, leading
to the importance of continuity as a cornerstone of hedonic value. However, because
comics were distributed by major wholesalers and sold through newsstands,
distribution was too inconsistent to really engage in major world-building by the
The Silver Age: Fan Culture

As mentioned in chapter one, being a fan involves consuming comic books as cultural capital in order to engage in the enjoyable production of meanings and social ties. While fan clubs had previously existed in the Golden Age, fan culture in the Silver Age was closely tied to mainstream youth culture. As a result, its signifiers and meanings could not have become solidified as distinct from mainstream, which in turn meant that fans could not engage in the production of meanings and signs, as those signifiers had already been established by the “official” culture. The main exception here was the EC horror titles, which, as mentioned above, were designed to be read by those with an ironic insider sensibility that was lost upon Wertham and the Senate. Still, without institutions to build around and a way to network with other fans, fan culture as a culture didn’t really exist before the Silver Age (Pustz 1999, 37-39).

This era saw the breakoff of fan culture from “official” culture and the rise of institutions of that culture, specifically, fan magazines (zines) and conventions. While zines were published during the Golden Age, they really took off with the rebirth of superheroes in the Silver Age, and comic fans began publishing such titles as Alter-Ego, Comicollector, Rocket’s Blast, and Fantasy Illustrated. These fanzines—written for fans, by fans—became a focal point for fan engagement and helped the development of the Academy of Comic Book Fans and Collectors, which formed in 1963 to conduct an annual award program, publish Comic Reader magazine, endorse
a code for the selling and trading of comics, publish a fan directory, assist in the planning of a future comic book convention, and encourage the involvement of industry professionals (Pustz 1999, 40-5).

The result of these efforts was the first comic book convention, mostly composed of organizers and industry professionals, which took place in 1963 in New York City, and was well attended by fans, dealers, and even representatives from a new entry into the superhero market called Marvel. A year later, the first convention open to the public took place in Detroit. By 1965, conventions were established as an integral part of comic book fandom. Conventions encompass both commercial and social aspects of the culture: dealers’ rooms are central to the convention, and many fans often wait until conventions to buy original art, back issues, toys, figurines, books, bootleg videos (as time went on) and other comics esoterica. In addition, major publishers set up booths with multimedia displays and giveaways that encouraged fans to get excited about upcoming projects. However, conventions are about more than commerce.

9Comic Conventions are notable for being places where comic fans dress as their favorite characters and interact with each other. Image citation: Caruba, Benjamin. 2009. Adam at SDCC2009 (Image). July 27.
Most conventions feature panel presentations where fans can hear professionals talking about their work, the history of the industry, or their plans for current comics. Publishers had their own panels, where they announced new projects, and interacted with fans. As time went on, a variety of other events, such as game rooms, trivia contests, raffles, charity auctions, and costume contests all made a convention a fun and exciting event for the comic fan, and regular attendance at these conventions was central to the fan experience.

Also during this era, comic companies took on the EC tradition of printing fans’ names and addresses on the letters page, allowing fans to correspond with each other. Also, during this time, numerous mailing lists began to form, allowing comic fans to find out about zines and conventions. Spurred by this inter-fan dialogue, fans begin to create their own meanings around their chosen text—comics. As mentioned in chapter 1, Fiske (1992) characterizes the typologies of fan production, which include creating meanings (what Fiske calls *semiotic productivity*), the sharing of meanings and affiliation, (*enunciative productivity*) or the creation of new texts based on the originals (*textual productivity*). In terms of semiotic productivity, comic book fandom began to change the very nature of reading comic books for the fan. The act of reading by a fans is filtered through the lens of fan engagement, which is accomplished mainly via the necessity of background knowledge: many of the stories printed at the time were designed to be fully understandable only when one has full knowledge of the characters’ past actions. As mentioned in chapter one, Andersson and Andersson (2006) argue that, for certain types of artistic and entertainment goods, education is necessary before an individual can fully enjoy them. As continuity
became more and more important (see the discussion of continuity, above),
background knowledge became too great for most individuals, and so, fan culture
would be the source for this sort of information. Through discussions with other fans
in fanzines, the letter pages of comics, and in comic conventions, meanings and
significances of acts, events, and characters are elucidated. In addition, there is an in-
group reward to gaining this background knowledge: in fandom as in the official
culture, the accumulation of knowledge is fundamental to the accumulation of
cultural capital. The experts—those who have accumulated the most knowledge—
gain prestige within the group and act as opinion leaders (Fiske 1992 37-42).

Enunciative productivity—or the sharing of meanings and affiliation—is
another major part of fandom, as much of the time, being a comic fan is a major part
of the fan’s identity. Signaling oneself as a fan through apparel is an important part of
fandom, and, as discussed below, comic companies would produce apparel and
advertise it in their comics in order to allow people to show their affiliation. Many
fans also shared their interpretations of the meanings of comics through fanzines. The
last type of fan of productivity—textual productivity—occurs through the creation of
one’s own texts. While comic companies held the official rights to many of their
characters and prevented the widespread distribution of fan-created works featuring
their characters, small-circulation fanzines would often include fan-written stories and
original art (Pustz 1999 45). These different types of production, as Fiske points out,
are intensely pleasurable undertakings, and serve to give fans a culture of their own
when, in many cases, they are unhappy with the way mainstream culture perceives
their hobbies and lifestyle.
Marvel was the first publisher to really embrace fan culture. Stan Lee and Marvel’s other editors courted the fan audience, sending thank you notes for fanzines the company received and printing complete addresses of correspondents with their letters. They also increased the place of the creators as points of interaction with fans. Letters would be answered with a hip, familiar style; creators, nicknames included, would be credited on the title page; Stan Lee and artist Jack Kirby even made an appearance in *Fantastic Four #10*. This genial relationship between creator and fan is a central feature of fan culture. As Fiske explains:

> [a critic of “regular” culture] uses information about the artist to enrich the appreciation of the work, while [for fans of popular culture] such knowledge increases the power of the fan to ‘see through’ to the production process normally hidden to the non-fan. This knowledge diminishes the space between the text and everyday life, or between star and fan. [Fan culture] makes such knowledge functional and potentially empowering in the everyday life of the fan (Fiske 1992, 43).

This fan culture engagement created a mentality of the “Marvel fan”—or, as Marvel put it, alternately “true believers,” “Marvelites” or “Marvel zombies”—whose obsessive interactions with the fan culture include consumption of the publisher’s entire line. And this marketing strategy worked. Marvel’s books were incredibly popular, far outselling DC’s for most of the publisher’s history. Marvel eventually outgrew this direct-to-the-fans mentality, publishing too many books and spreading its brand too thin; it became harder and harder to become a true Marvel zombie, as the number of books required to collect Marvel’s entire line became more than most individuals could bear (Pustz 1999 45-50).
**The Silver Age: Collecting**

New appearances of old characters such as the Flash and the Green Lantern, combined with The *Batman* TV show put many of these characters back into the spotlight. As a result, many early fans began to feel the pull of nostalgia, and they began attempting to collect comics as relics of their youth. This made the resale of old comics a profitable venture, and savvy dealers realized that they could charge comic book fans a great deal of money for back issues. Institutions of fan culture also became a valuable part of collecting: collectors could read about their hobby in fanzines such as *Comiccollector* and go to conventions (see above) in order to purchase back issues of their favorite comics. By 1964, fans were suggesting that a price guide standardize prices for old comics, and in 1970, Robert Overstreet published the *Overstreet Comic Book Price Guide*, which standardized condition guidelines and pricing for back issues. As Belk et. al. point out, a standard set of rules are essential for collecting, and the standardization that the Overstreet guide established comic books as both a collectable and an entertainment product at the same time (Pustz 1999, 45-7).

**The Silver Age: Comics and Intellectual Property**

*Cross Media Adaptation and Consumer Products Licensing*

The main adaptation during this time was the 1966 Adam West *Batman* TV show. The show debuted mid-season on January 12, 1966, was almost an immediate success. The TV show’s success also led to a film version, and a variety of merchandising ventures, as the Dynamic Duo’s faces were slapped onto “almost
every product conceivable, including knife-and-fork sets, bubble bath dispensers, apparel galore, model kits, and lunchboxes” (Misiroglu 2006 523). The show also inspired a 1966 film, which only further increased the prominence of this new, campy batman. However, the campy action and humor could not sustain itself, and the show was cancelled by its third season (Daniels 1995, 142-5).

Also produced at this time was a Superman Broadway play called *It’s a Bird, It’s a Plane, It’s Superman* and numerous animated series featuring the character. Marvel’s cross-media properties at this time included animated features *Marvel Super-Heroes* and *The Fantastic Four* on television in 1965. In that same year, a whole set of merchandising ventures based on Marvel comics were produced by the company and advertised in their comic books (Misiroglu 2006. 523-4).

*Brand Management and IP Development*

This age saw one of the major missteps of the brand management of comic IPs: the Batman TV show. While the show was immensely popular with audiences and merchandisers, the camp aspect undermined much of the drama that helped the character appeal to its original audiences. Furthermore, by lampooning the concept of superheroes, the show had the effect of implicitly making fun of those who enjoyed reading about them. When the camp craze burnt itself out, these characters had been stuck with the associations with campiness and humor, which ultimately hurt the superhero’s public image. As Wright points out,

Watched by millions at the time, and millions more over subsequent years in syndication, the show reinforced in the public’s minds the silliness and irrelevance of superheroes—and, by implication, comic books—in contemporary culture. With their over-the-top heroics and preposterous
morality, these costumed relics seemed anachronistic in a self-consciously cynical time. The show undermined much of what Stan Lee and Marvel had worked to accomplish. (Wright 2001, 225)

The Batman series worked to associate comic book heroes with silliness. As a result, the brand value of Batman and the other comic book characters ultimately suffered once the bubble burst (Wright 2001, 225-6).

The Silver Age: Cross-Influence of Market Functions

The Silver Age saw a variety of cross-influences among market functions, not all of them positive. Fan culture and collecting became increasingly intertwined, as collectors were often the driving force behind the perpetuation of many fan institutions. Furthermore, the IP boom of Batman inspired a great deal of interest in Batman’s early appearances, spurring more individuals into the collecting and comic reading (Daniels 1995 148). However, the Batman boom in particular ultimately tainted the perception of comics in mainstream culture, thereby closing off consumers from trying out comics and experiencing these alternate types of value. However, the Batman boom and bust could actually be seen as a boon in the creation of fan culture. Because fandom encompasses a culture different from mainstream popular culture, it often works on denigrated art forms whose meanings can be shaped in opposition to the way that mainstream society perceives them. By portraying superheroes as silly and campy, the Batman TV show gave fans a mainstream perception to react against, thereby spurring the development of that culture. As we will see in the next chapter, the serious, decidedly non campy nature of superheroes was a major part of superhero comics of the 70s (Wright 2001, 227-30).
Conclusion

This chapter described the emergence of a comic book industry made distinct by the interconnectedness of its sources of value. Comic book intellectual properties, spurred by the historical forces pushing the entertainment aspects of comics into the superhero genre, increased the prominence of comics even as they became much more focused on its own niche culture of superhero readers. However, the IP boom was unsustainable, and much of the appeal of Batman relied on irony, leading to further denigration of the medium and the culture. Next chapter, we will see the readership become increasingly more niche-oriented, which will ultimately help with the recovery of comic book IPs in the wake of the Batman bust.
Chapter 3: The Economic History of Comic Books, Part 2

Introduction

In this chapter, we continue the economic history of comic books, looking at the Bronze and Modern ages, collectively spanning the early 1970s to the mid 1990s. These eras are characterized mainly by the growth of the direct market and a growing interrelation of market functions. As with the last chapter, a description of the major changes of each age is offered, and then each age is analyzed in terms of the changing market functions of comic books at the time.

The Bronze Age

Following the Silver Age was the Bronze Age, which lasted from the early 1970s to the mid 1980s. The major economic shift during this time was the decline in newsstand distribution and the rise of direct market distribution, which greatly decreased the levels of uncertainty for publishers. By the early 1970s, the Marvel-led comics resurgence had petered out, and sales were declining rapidly. Part of the issue was distribution: magazine distributors, who made very little money from comics, were the primary distributors of comic pamphlets. As was normal for the magazine industry, comics were sold with returns, in that unsold copies could be returned to the publisher for a refund. While some comics were returned to the publisher for pulping, many retailers would simply tear off the covers and mail them to the publisher in order to save on return shipping. Other times, unsold copies were simply reported on affidavits and reimbursed by publishers. As a result, unscrupulous retailers and distributors would inflate the number of comics returned, all to the cost of the
publisher. As a way to reliably get comics into the hands of readers, this distribution system was spotty at best, and comic readers could not be guaranteed that their favorite title would arrive at any given time. This situation was terrible for comic companies; at the time, Marvel’s sell through rate (the number of copies actually sold vs. the number of comics printed) was around 35% (Dean 2006).

In 1973, Paul Seuling, a comic retailer, convention organizer, and high school English teacher offered the comic companies a deal: he would buy the comics directly from the publishers, without returnability, and at the same discount as a wholesaler. Seuling would then sell these comics to comic specialty stores. Because one printer printed every company’s comics, Seuling was able to get the printer to ship packages containing a precise mix of titles from the different publishers directly to the comic shops he serviced. Non-returnability wasn’t an issue for these shops because the owners knew how many of what type of comics could be sold at any given time. What’s more, the rising hobby of comic collecting meant that comic stores could also make money selling back issues to collectors (Dean 2006).

This shipping directly to comic specialty shops began the practice of direct market distribution, and was a huge boon to the industry. Direct market distribution gave fans a way to get issues they wanted, gave comic retailers greater discounts than newsstand distributors, and let comic companies know more promptly which titles were popular. Competition within the distribution industry eventually led to a situation where discounts were low and delivery speed was high: by the end of the decade, over 3,000 specialty shops existed across the United States. In 1981, Marvel released the first direct market exclusive comic *Dazzler #1*, which sold 400,000
copies, roughly twice what other Marvel comics were selling at the time. By 1976, Marvel was selling $1,500,000 worth of product to the direct market, and in 1979, that number jumped to over $3,500,000 (Wright 2001, 259-61).

This era also saw a variety of shakeups within the field of comic publishers. While some children’s comics such as Archie were able to shift to a digest format and maintain readership, other companies, such as Gold Key comics and Charlton publications, discontinued their comic publication altogether. The rise of the direct market also led to the growth of independent and underground publishers such as Eclipse Comics, First Comics, and Comico, who could not have survived in a newsstand distribution system. These new publishers, in an effort to draw talent away from the “big two,” offered talent generous royalties and ownership of their own intellectual properties (Wright 2001, 256-8).

However, as the 70s wore on, sales began slipping, and the corporate owners of comic book companies attempted to revitalize print sales. Marvel’s owners hired 28-year-old comic book writer Jim Shooter to be editor and chief of Marvel’s publishing division. Shooter tightened up the editorial direction of Marvel’s comic books and enforced deadlines. Not to be outmatched, DC hired Jeanette Kahn in 1976 to revitalize editorial directions to be more in step with youth culture. To this effect, DC attempted to greatly increase their publishing output in order to catch up to market-leader Marvel, hyping the increase in titles as the “DC Explosion.” However, this glut of product led to a huge number of cancelled titles (sarcastically called the “DC Implosion”) once sales failed to rise in 1977. Kahn then shifted creative focus from quantity to quality, bringing on British writers such as author Alan Moore and
artists Brian Bolland and Dave Gibbons. This increase in quality proved to be successful, and while DC lagged behind Marvel in terms of market share, its more creatively interesting brand of superhero comics held a devote fanbase of readers (Schreck 2009) (Wright 2001, 259-60).

The major creative shifts involved a drastic loosening of the comics code and the awarding of royalties for high sales to creative talent. In 1970, the U.S. Department of Health, Education and Welfare asked Stan Lee to incorporate an anti-drug message into one of Marvel’s leading titles. While the Comics Code office, which forbade any depiction or mention of drugs, rejected the book, Lee released the comic book anyway. The issue made it to the newsstands and sold well even without the seal of approval, leading to the CMAA’s revision of the code. The new code allowed for a portrayal of corrupt police, judges, government officials and similar “respected institutions,” greater presentation of moral ambiguity, drug and alcohol abuse, and dress. The code also allowed monsters, as long as they were presented in a tasteful matter. In essence, the code allowed any situation that was not overly gruesome, offensive, or obscene, and comic writers jumped at the chance to expand their creative latitude.

Emboldened by greater creative freedom and greater royalty payments (see below), writers began to tackle issues such as the Vietnam War, civil rights, feminism and environmentalism, and superheroes began questioning morality and authority. Creatively, writing and artwork became more sophisticated, and publishers took greater creative risks to interest older readers. Engaging, highly literate series such as Marvel’s Tomb of Dracula and Warlock and DC’s Swamp Thing were highly regarded
by critics, but failed to reach a general market. Publishers also attempted to ride the wave of multiculturalism and feminism, with Marvel publishing the blaxploitation-influenced *Luke Cage, Hero for Hire*, the kung-fu inspired *Master of Kung Fu* featuring a Chinese hero named Shang-chi, and female character-headed books *Shanna the She-Devil, Night Nurse* and *The Cat*. However, none of these titles sold very well, and female audiences in particular remained elusive, and many of the publishers narrowed their focus on catering to the (mostly white, mostly male) superhero fans that would purchase the same comic book titles every month. Indeed, as Paul Levitz, who had become manager of DC’s business affairs before he turned twenty-five, proclaimed “for better or worse, a majority of the comics published today are produced for the entertainment of comics fans,” and publishers were “consciously aiming their efforts directly at the fan market as their chief area of growth.” (Wright 2001 261)

Indeed, younger fans were simply being priced out of the market: fuel and paper shortages coupled with inflation caused comic book prices to shoot up: comics were 15 cents an issue in 1969, 20 cents in 1972, 25 cents in 1975, 30 cents in 1976, 35 in 1977, 40 in 1979, and 50 cents in 1981. Publishers also began to experiment with alternate formats. DC experimented with thicker comic books that cost a dollar, and Marvel tried tabloid-size comic books retailing between $1.50 and $2.50. These experiments, however, were generally regarded as unsuccessful, and comic companies discontinued them during the era (Wright 2001, 259) (Daniels 1995, 172-3).

While there is some debate about the end of the Bronze Age among comic
collectors and scholars, it is my personal view (explained in the section on the Modern Age, below) that the Bronze Age lasted until the mid-80s when creative changes saw a darkening of storylines as the standard tonal shift for mainstream comic books.

**The Bronze Age: Entertainment Value**

The Bronze Age saw a variety of important changes for comics as creative entertainment goods. In terms of entertainment value, comics’ entertainment value fell relative to substitutes (which was one of the main reasons behind the direct market shift in the first place), but they were able to differentiate themselves entertainment-wise with “team books” such as *X-Men* and *Teen Titans*, featuring ensemble casts and soap opera storytelling styles difficult to replicate in other media. The focus on catering to fans in specialty shops further solidified the superhero paradigm, though by doing so it revitalized a variety of characters in new and interesting ways. Walt Simonson’s *Thor*, Dennis O’Neil and Neil Adams’s *Batman*, Chris Claremont’s *X-Men* and Frank Miller’s *Daredevil* all greatly shifted the tone of their books, revitalizing these flagging franchises while working solidly within the superhero paradigm (Wright 2001, 263-78). However, many of these changes referred less to comics in terms of their entertainment value, and had more to do with their nature as creative goods. Indeed, differentiation, durable rents, and risk aspects all shifted with the shift to the direct market, with implications for the creation of creative goods.
As mentioned in chapter 1, creative products exhibit the quality of infinite variety, in that every comic is significantly (though, in the case of comics, not entirely) different from the issues that came before it. This means that a comic buyer has few clues to whether he or she will enjoy a comic before reading it. This is no small issue, as, with the advent of direct market, a large number of titles began to show up on the display racks of comic book shops. Comic companies attempted to solve this problem by making their comics appear special or different from the others on the shelves. This process is called differentiation, and, while not unique to the comic market by any means, it became increasingly important with the advent of the direct market (Caves 2000, 8).

The first type of differentiation is horizontal differentiation, differentiation due to taste considerations. In this type of differentiation, there is no necessarily better product than another, but rather, different tastes that are being catered to—be it with the characters involved, the tone of the story, art style, the narrative style, genre, etc. However, the direct market’s focus on superheroes as the sole storytelling paradigm, comic companies began to differentiate based on the combination of characters involved with the narrative. These included team books featuring a “team” of characters, solo books featuring a single character, crossovers, where characters would “cross over” into another character’s books (see below), and guest appearances, where a character would appear in another character’s book in order to play off the popularity of the appearing character. These changes in book types all
serve to differentiate one comic book from the others on the racks simply by virtue of their character cast.

While horizontal differentiation seeks to cater to a wide variety of tastes, companies use *vertical differentiation* to make one book *better* than the others. In Caves’s (2000, 6-7) view, this is accomplished mainly through a *hierarchy of talent*. Originally, comic editors took all of the credit for their books, seeing the writers and artists as interchangeable parts in the creative process. However, as time passed, they began to give credit to the writers and artists, as a particular creative talent was a draw to some readers. This reliance on creative talent as a point of differentiation is known as the *A list/B list property*. By the Bronze Age, writers like John Byrne and Chris Claremont and artists like Frank Miller and Jim Lee were highly regarded by fans, and their names attached to a project became huge draws for a book. Part of the reason that A-list talent is such a big selling point of many comics is the “infinite variety” quality of creative goods described above; A-list talent gives the reader the assurance that this book will be more enjoyable than the others on the racks, and so, the name of an A-lister on the cover (or even drawing the cover) is a big selling point. In economic terms, the question is one of *differential rent*—i.e., the total amount people are willing to pay for A-list talent over B-list talent—attributable to the monopoly conferred by the talent.

However, talent hierarchy is not the only type of vertical differentiation that arose during this time. With continuity becoming more and more important (see the discussion of hedonic value, below) many comics became marketed as “more important” than others, which boosted sales considerably. Importance here refers to
importance within continuity. The metanarrative of continuity (i.e. the narrative of the “world” that the characters inhabited) was not completely static: in order to help the writers create new situations for the characters that inhabit the universe comic companies began to have “big events” that promised to radically alter the status quo of these universes. These big events, which continue today, often involve the characters from multiple books crossing over into each other’s stories. These types of stories are (not surprisingly) called crossovers. The first two major crossovers were *Secret Wars* (1984) and *Crisis on Infinite Earths* (1985) published by Marvel and DC respectively. *Secret Wars*, which was little more than a marketing tie-in for a toy series, was a huge hit, selling 800,000 copies per issue, at least partially because it promised to explain Spider-Man’s recent costume change (Wright 2001, 278). *Crisis on Infinite Earths*, on its part, was slightly more ambitious: it dealt with the end of the DC universe’s pantheon of alternate earths (collectively referred to as the “multiverse”), killed off a large number of characters, and, in doing so, led to the cancellation of a number of series. However, it should be noted that these two crossovers appeared at the end of the Bronze Age, and this use of importance-within-continuity as a selling point for books would become more and more prominent in the Modern Age (Wolk 2007 90-97).

*Creative Goods and Royalties*

Caves (2000) also points out that durable rents and royalties as being a major question in the organization of production of creative goods. This era saw a variety of changes in this area: in 1978, a new federal copyright law went into effect, spelling
out more precisely what rights a publisher purchased from a creator in work-for-hire arrangements. In addition, writers and artists were a major selling point to the fan market, and the new publishers were offering creator-owned deals and royalty payments. In 1981, Pacific Comics opened shop, publishing Jack Kirby’s creator-owned series *Captain Victory and the Galactic Rangers #1*. Finding their bargaining power significantly enhanced and encouraged by ongoing lawsuits between Jerry Siegel and Joe Shuster and DC over the rights to their creation, creators began demanding greater rights from publishers (Misiroglu 2004, 503) (Wright 2001, 257).

In 1981, Jeanette Kahn and Jim Shooter attempted to convince the company’s owners to institute royalty agreements based on units sold. DC was the first to institute royalty payments, primarily because it was losing the sales battle and had more to gain by increasing the cost of producing profitable books. They set the threshold above which creators were paid royalties at 100,000 copies sold; this number was chosen because DC only had two books that were above the threshold, while few of Marvel’s books were selling less than that number. As a result, DC would have to pay out very few royalty payments, while Marvel, who would have to follow suit or risk losing creative talent, would stand to lose three-quarters of a million dollars of their bottom line. This differential, DC hoped, would allow them to catch up. However, when Marvel eventually did institute a royalty program, sales went up so much that Marvel ended up having to pay $2 million in royalties—reflecting an increase in sales that more than made up for the increase in royalty payments (Wright 2001, 262).

Marvel and DC also began to give creators ownership of their own work.
Marvel’s *Epic* imprint featured creator owned work, while DC simply began dealing with creator ownership in a case-by-case basis. However, as the quick decline of the Epic line showed, Marvel dealt with creator demand for ownership simply by paying them more. DC, on the other hand, lived up to its promise and published numerous creator-owned series including the critically acclaimed Frank Miller book *Ronin* (Schreck 2009). This era also saw a variety of creator owned series published by smaller publishers, including Dave Sim’s *Cerebus* and Wendy and Richard Pini’s *Elf-Quest* (Wright 2001, 262).

*Creative Goods and the Organizational Implications of Risk*

Direct market distribution meant that fans, as opposed to casual buyers, accounted for most of the transactions conducted through comic book stores. While hardcore fans constituted only a minority of the comic book audience, and writers who appealed to hard-core fans often alienated the mass of readers, the loyalty and longevity of fans was enough to make up for lost mass market consumers. This shift in readership greatly reduced the risk inherent in producing comic books—because many writers and editors were often fans themselves, they knew very well how to cater to the fan audience. Here, we can refer to the *opposite* effect of Gil and Spiller’s analysis of the organizational implications of the film industry: the block-booking distribution system struck down by the *Paramount* case was very similar to the way mainstream comic companies distributed their books to the direct market by offering heavy discounts to retailers that order many of their titles on a nonreturnable basis. As a result, the direct market, which was creatively easier to cater to in the first place,
became more forgiving in terms of books that have less “creative” content than newsstands. Thus, we can see this era as being characterized by a *decline* in risk, and, as a result, an *increase* of the comics being produced in-house. Indeed, comics were being entirely produced by freelancers hired by a centralized editorial team, and independent comic book studios went entirely out of business. As Shooter’s heavy-handed editorial control showed, this decrease in risk allowed greater centralization of editorial functions, and, as the increasing status of writers and artists demonstrated, encouraged long-term contracting of creative talent. This decline of risk also led to a decrease in the anthology format as a way to try out new characters before committing to a feature title.

*The Bronze Age: Hedonic Value*

This era saw a relative decline of role-projective hedonic behavior, both in the sense of narratives and aesthetics. In terms of narrative, comics stopped catering to power fantasies of the hero’s triumph over evil and instead began catering to older readers with storylines that questioned mainstream society and its values. In line with this shift, children became a more infrequent part of storylines, and writers began to focus on teen characters. Heroes that once relied on role-projective aspects such as Robin and Spider-Man went to college, and while teen superheroes such as the Teen Titans and the X-Men spoke to the problems of older adolescent readers, these were portrayed more as engrossing soap operas and less as a single, identifiable character’s narrative into which a reader could place himself (Wright 2001, 230-6).
In terms of aesthetics, this era also saw the rise of the more realistic “house style.” Inspired mostly by Neil Adams, who had moved from advertising and brought with him a more photorealistic style that was completely new territory for comic book artists. Many artists began to copy Adams’s style, and a lot of the major cartoonists of the 70s and early 80s either worked with him directly or were greatly influenced by him. With the publication of How to Draw the Marvel Way, which could be more accurately described as “How to Draw Comics The Neil Adams Way,” in 1978, photorealism completely replaced the cartoony styles of yesteryear. 10

With the relative decline of the “role projective” narrative and, the replacement of the role-projection aiding cartoon as the major mode of aesthetics in comic books, many comics simply

jettisoned their role-projective aspects in favor of other market functions. Indeed, the kid-friendly comics that focused on the role-projective nature of cartoons such as *Casper* and *Archie* became exclusively printed in digest formats distributed through newsstands. As a result, these comics completely separated from the more niche-oriented superhero market, and mainstream comics lost all of their role-projective value (Wolk 2007, 50-1).

Replacing this role-projective aspect was the hedonic value of escapism. As mentioned earlier, many comics began to take place within a shared universe, and, in the course of their narrative, would refer to something that previously happened within that universe. This consistent backstory is generally referred to as *continuity*, and aids in escapist hedonic behavior. With the growth of the direct market distribution system, book delivery could be ensured, and, as a result, publishers could count on their readers to have read a large number of back issues. Because every comic that takes place within the shared universe is considered “in continuity,” every comic published in that universe adds a small piece of story to the much larger metanarrative of that universe. While the Shooter editorial decree that every comic should be able to be someone’s first prevented this escapist hedonic value from becoming the dominant mode of storytelling, at least until the Modern Age. Indeed, comics relied much less on hedonic value during this age, and focusing mainly on telling entertaining superhero stories that appealed to fans of the characters.

*The Bronze Age: Fan Culture*

The major step in the development of fandom during this era was the growth
of the direct market, leading to the physical space of comic book shops. Comic book shops have encouraged fan culture by providing a meeting place for comic fans, and creating a familiar weekly ritual of going to the shop to pick up the latest titles. However, far more than being a reliable comic outlet, comic book stores are central to the perpetuation of fan culture. Pustz (1999) points out, rather significantly, that many comic shop owners are not in the business to make a profit: “many owners are not in it for the money (although that certainly is part of their motivation) but instead are interested in opening a shop where their friends can meet, find their favorite titles and occasional back issues, and talk about comics…It is a place for commerce, but, more importantly, it is a place for culture” (Pustz 1999, 9). Comic book shops, far from just a spot for comic readers to stop in and pick up their comics, featured tables for fans to sit and interact with each other in a low pressure social environment. Indeed comic book shops provide what Ray Oldenburg (1989) calls a “Great Good Place,” where people can escape both work and domestic life and be part of an informal community where people can enjoy comfort, conversation and companionship without delving into each other’s private lives—much in the same way as a barber shop, beauty parlor, bar, community center, corner hangout or coffee shop. In terms of the social economy of fandom, fans, could experience fandom every day of the week instead of waiting for the next convention or the latest issue of their favorite zines (though it should be noted that both of these institutions of fan culture continued to proliferate during the Bronze Age). In comic stores, fans could spend much more time engaging in Fiske’s cultural productivity, leading to a huge increase in the role of fandom in a comic reader’s lives (Pustz 1999, 8-11).
The reliable distribution system also led to the increased reliance on continuity, which in turn increased the value of fan-aided literacy. In the past, publishers could never be sure that their readers would be able to find the next issue of the same story. However, because comics were now sold in specialty shops, readers could easily collect serials. Because continuity became more and more important (see above), comic literacy as enhanced by fandom became an increasingly important part of the comic reading experience: as mentioned above, storylines began being steeped in references to continuity that were difficult to tackle without the help of more knowledgeable fans. As mentioned above, the Shooter editorial decree kept this type of comic literacy from becoming a necessity for the enjoyment of the comics, but knowledge of the story’s background greatly enhanced many of these titles. As a result, fandom served an important function of assisting entry of new readers into comics by aiding in the development of comics literacy in the form of knowledge regarding continuity (Pustz 1999, 50-6).

*The Bronze Age: Collecting*

Emboldened by the Overstreet price guide in 1971, comic collecting became a standardized hobby by the Bronze Age. The new comic stores did brisk business catering to collectors, selling back issues. Indeed, one of the major factors behind the popularity of the nonreturnable direct market system was the fact that comic stores could sell back issues of unsold titles to collectors. As Seuling’s daughter recalled:

My father went up to one of the comics companies [DC Comics] and he saw some covers that had been ripped off from comics and he asked “What’s that?” They explained that they were returns and this is what was done with them rather than return the whole comic. He said, ‘that’s crazy! These are
collectable!’ and he approached them with the idea that would take the returns off their hands (Dean 2006).

Comic shops also allowed collectors to network with each other, increasing the social aspect of the hobby, and the continuation of high-profile cross-media adaptations pushed more people into the hobby. What’s more, the increased importance of talent and growing importance of continuity also led individuals to add these dimensions to their collections.

**The Bronze Age: Comics and Intellectual Property**

*Cross-media Adaptation and Consumer Products Licensing*

Consumer product licensing continued during the Bronze Age, though the market shrank slightly after the *Batman* show lost its popularity and the market found itself saturated with superhero-licensed consumer products. The biggest licensing venture during this age was the first action figures based entirely on comic books created by the toy company Mego in 1972. These action figures, called the “World’s Greatest Superheroes” that included Spider-Man, Superman, Batman, and others, were highly popular among children (who mainly recognized the characters from television adaptations), and older fans as well. Action figures would become such a profitable market that Marvel and DC signed exclusivity deals with a variety of toy makers (Daniels 1995, 186). The rise of the direct market and the aging demographic also brought a different type of consumer product distributed through comic stores and aimed at adults. As the direct market grew, not only would distributors distribute comics directly to fans, but also, as time went on, they began selling licensed products that would appeal specifically to an adult fan audience. These products
included (and still include) statues, high quality toys, and other esoterica that would normally fail commercially in the mass market, but find healthy demand in the form of comic fans (Daniels 1995, 244-5).

This time also saw a continuation in the popularity of cross-media adaptations of comic characters. DC’s cross-media adaptations included Superfriends and Batman cartoons, the live action Shazam and Wonder Woman series and the 1978 feature film Superman. Marvel, on its part, was able to license its characters to a variety of television shows, the most successful being CBS’s The Incredible Hulk. Indeed, the popularity of these adaptations combined with the increasing segmentation in the comic market meant that many people began to associate these characters with their cross-media manifestations, rather than their comic book versions. Indeed, the Superman movie failed to give DC the sales bump it needed in during its late 70s implosion (Misiroglu 2006, 524).

Intellectual Property and Brand Management

While cross-media adaptation didn’t feed into comic readership as the publishers had hoped, comic books continued to serve as a site for IP development. As Wright points out, “Most in the industry understood that the popularity of licensed characters ultimately depend on the quality of their comic books,” (Wright 2001, 259) which led to the reorganizations in the mid 70s. These editorial shakeups led to a rethinking of many of the comics’ most valuable IP’s, which led to numerous character revisions. As mentioned above, companies would often revitalize their existing properties by changing the editorial direction of their characters in order to
capture the interest of fans. For example, Neil Adams and Denny O’Neil’s iconic run of *Batman* emphasized the darker, gothic nature of Batman’s stories as a way to break away from the camp associations of the Silver Age. Frank Miller’s *Daredevil* made the character much darker, telling what amounted to crime noir stories in superhero form. Meanwhile, Chris Claremont revitalized the *X-Men* by playing up the ensemble nature of the cast and added a great deal of interplay between the teammates, turning the title into a superhero soap opera of types. In all of these cases, fan reaction was immediate, and the spikes in sales they generated gave significant encouragement to maintain these changes. However, while these shifts were motivated mainly by the desire to please fans that the comic companies saw as their core consumers, it had the added effect of testing brand associations that worked—or didn’t—with their core audience. So, for example, *The X-Men* became strongly tied to soap opera dramatics, an association that could, and would, be utilized in cross-media adaptations (Wright 2001, 262-5).

A similar, though much more superficial phenomenon was the costume change. While costume changes had existed since 1964 with Julius Schwartz’s “New Look” Batman, costumes generally followed a fairly set scheme with only minor variations. However, in 1984, Marvel changed Spider-man’s iconic costume to one that was stark black and white. This costume was actually, an evil alien “symboite,” which allowed Marvel to change his costume back once the gimmick got old, but the stunt worked. Not only did the costume change drive interest in comic sales, but now, any Spider-man licensed product could be rendered in a much darker black and white “symboite” color scheme. This practice of costume changes expanded to a variety of
heroes, and was a boon to consumer product licensors (and toy manufactures in particular) (Misiroglu 2006, 453).

*The Bronze Age: Cross-Influence of Market Functions*

With the institutions of comic shops and the practice of direct marketing, the “network” of market functions had a new central node in the form of fandom. The large numbers of fans buying comics in their local shops could provide approval or disapproval for editorial directions and intellectual properties by voting with their wallets. Concepts that were accepted became “canon” and part of the established continuity, while concepts that failed were quickly “retconned” (retroactive continuity) out of existence. However, fan culture had its own set of preferences, and spurred the comic genre to greater levels of uniformity in the sense that few non-superhero, women, or minority characters caught widespread popularity. As a result, fan culture trapped the development of IP into the superhero paradigm and pushed the hedonic value of comics away from relatable, role-projective characters and towards self-referential and abstruse portrayals of consistent universes. Still, as the developments of the Modern Age will show, fan culture would be an important force in the changing of the industry, and the growth of comic book shops as sites for that culture represented a major shift for the comic book industry.

*The Modern Age*

There is some debate among collectors and historians about when the Modern Age began. Some commentators point to the general darkening of comics in the early
1980s, mostly by writers such as Frank Miller, while others point to publication of Marvel’s *Secret Wars* in 1984 and *Crisis of Infinite Earths* in 1985-6 as bringing the era of the major crossovers “event”. My personal belief, however is that the modern age of comic books truly began with the publication of *Watchmen* and *Maus* in 1986 and *The Dark Knight Returns* in 1987, which affected nearly every facet of the industry. *Watchmen*, written by Alan Moore and David Gibbons, portrayed the personal struggles of a super-team, examining their motivations (parental pressure, sexual impotence, abject nihilism) and methods (murder, torture, strategic genocide), and ultimately concluding that superheroes were not the innocent do-gooders of the Silver Age, but rather, deeply flawed, morally bankrupt, and borderline insane. *Maus*, by Art Spiegelman, told the story of his father’s experiences of a Polish Jew during the Holocaust. While *Maus* was a product of the much more niche-focused underground comics scene that had less of an impact on the direction of the mainstream comics market, its examination of the Holocaust and overwhelming critical acclaim led to widespread media attention directed at the “maturing” of comic books. *The Dark Knight Returns* portrayed Batman as a slightly mad right-wing moralist in a corrupt and dystopian Gotham City. These three comics greatly shifted both the tone of comics and the public’s consciousness regarding them, and major media outlets would frequently run articles following the general pattern of “Pow! Bam! Comics aren’t just for kids anymore!” (Wright 2001, 272-8).

The major genre effect of the stories was to deconstruct the idea of the superhero. While superhero deconstructions were a minor part of the genre in earlier ages, as many character-focused stories examined the motivations behind their title
heroes, *The Watchmen* and *The Dark Knight Returns* put deconstruction to the forefront of the superhero narrative and solidified the place of grim and gritty characters as the dominant mode of storytelling for superhero books. *Crisis on Infinite Earths* gave DC the opportunity to revamp most of its major characters, in order to capitalize on the growing shift in comics towards “realism” (which, in essence, meant less idealism and more violence). Giving many of it’s heroes a much darker tone: DC solidified the moralistic, vaguely insane Batman as being “in continuity” with the 1987 Frank Miller-written miniseries *Year One*. This is an important shift in terms of the market functions of comic books because, as mentioned above, what caught on among fans often became the standard brand associations of comic book IP’s. As a result, the darkening of the superhero genre had an impact on the other functions of comic books, as darkness, moralism, and brutal violence replaced the more lighthearted associations that superheroes had previously possessed (Wright 2001, 272-8) (Daniels 1995, 188-99).

The major structural shifts in the industry at the time were the ownership changes at Marvel and the founding of Image. In 1986, Marvel was purchased by New World Pictures, which worked to develop the IP of its characters. More titles were produced, including a line of comics in a separate reality from the Marvel universe called the “New Universe,” which failed. In 1989 Ron Perelman bought Marvel and took it public. Marvel became part of a conglomerate that included action-figure manufacturer Toy Biz (which had exclusive rights to produce action figures based on Marvel characters) and trading-card company Fleer. Carl Icahn attempted a hostile takeover of the company, with control ending up in the hands of
Isaac Perlmutter, owner of Toy Biz. After the contraction of the market and the
distributor wars disaster (see below) Marvel went into Chapter 11 bankruptcy in

Part of Marvel’s problems stemmed from the loss of its major creative talent.
In 1992, seven high-profile creators—Todd McFarlane, Jim Lee, Rob Liefeld, Marc
Silvestri, Erik Larsen, Jim Valentino, and Whilce Portacio—were so set on retaining
the copyrights to their own work that they left Marvel
comics to form their own company that would be founded
upon the principles of creator rights. Each of these creators
(with the exception of Portacio) set up his own studios, and
rode the wave of modern, grim and gritty superheroes to
major popularity. Image Comics, whose titles included Todd
McFarline’s Spawn, Mar Silvestri’s Witchblade, and Erik
Larsen’s Savage Dragon, became a major sales force, as,
freed from any sort of corporate control, they could cater to
the lowest common denominator of comic fans. Indeed,
many critics (fairly accurately) charged that Image stories
were little more than collections of pinup art, and plot and
characterization usually took a backseat to stylistic considerations (which primarily
revolved around the improbably exaggerated anatomy of both genders).11 Still, some
Image comics were creative enough to stick around (notably, Spawn and Savage

Liefeld Drawings < http://progressiveboink.com/archive/robliefeld2.html> (Accessed 10
April 2010)
Dragon) and continue their franchises through today (Misiroglu 2006, 273-5). (The image above is an example of the exaggerated style that reigned during the Image era.)

Marvel and DC’s books, on the other hand, continued to move along the trend described above of printing to hard-core audiences’ escapist hedonic value at the expense of new readership. With the departure of Jim Shooter as Marvel’s editor-in chief in 1987, Marvel focused on the fan market exclusively, focusing on continuity and the vigilante exploits of grim and gritty characters such as Wolverine and the Punisher. While not every title published by the big two was as creatively bankrupt as Image’s titles, the need to boost shareholder value led to a much higher rate of cash-ins in the form of crossovers and gimmicks. Crossovers became popular as, following the success of Secret Wars, companies realized that they could boost sales by requiring fans who wanted the full story to purchase every title that the story “crossed over” into. Gimmick storylines also boosted sales, the most dramatic being the Death of Superman storyline, which was heavily promoted in both fan and mainstream outlets in 1992 in order to revive the Man of Steel’s lackluster commercial performance. The stunt worked: six million copies of the “death” issues were sold, and comic readers began to follow the drawn out storyline culminating in the hero’s resurrection (Wright 2001, 280-6).

However, everything was not simply exploitation and quick cash-ins. The “British invasion” of the late 1970s and early 80s (of which Watchmen writer Alan Moore was a part) came of age in the 1993 with a second wave of British talent working on a variety of titles intended for “mature audiences” under DC’s newly
founded imprint, Vertigo. Neil Gaiman’s *Sandman* (which had begun in 1989) was the central title of the line, which soon included numerous horror, crime, and science fiction series that catered to a more literary set. Also notable about Vertigo’s titles was that they attracted a large number of female readers. Vertigo, whose stories often spanned large numbers of issues, pioneered the idea of “trade paperbacks” of collected editions distributed through bookstores as a viable distribution channel. However, trade paperbacks as a distribution method would not become widespread until the early 2000s (Daniels 1995 206-7). Other publishers, too, began putting out critically acclaimed, creatively interesting work, including Dark Horse comics, Kitchen Sink Press, and Fantagraphics, but the gutting of the direct market that occurred during the mid 90s (discussed below) hindered on many of these efforts (Misiroglu 2006 350-1).

This era saw three major crises that shook the comic industry: the black and white bubble, the speculation bubble, and the distributor wars. Speculation bubbles are like any other asset-price bubble: these bubbles form when speculative price of an asset rises far beyond the price that the asset would sell for given a lack of speculative activity. Because speculators who think the price is going up are much more prominent, bullish investors dominate over ones who believe the price is going down, meaning that price rises higher and higher. At some point, prices must decline, as it becomes apparent that the price of an asset outweighs its “real” (i.e., non-speculative) value. If people see the price decline as indicative of reflecting real value, then more people buy the asset, and the price stabilizes. However, if the decline in price leads
everybody to want to ditch the asset, the price falls rapidly, even below the previous “real” value (because the market is flooded), and the bubble bursts (Lahart 2008).

This is exactly what happened with comic books, twice. The first crisis was the black and white bubble, which was mainly based around IP creation. In 1984, Kevin Eastman and Peter Laird released the first issue of *Teenage Mutant Ninja Turtles*, which was a rough, cleverly marketed self-publishing venture meant to parody the clichés present in popular comics of the early 1980s—anthromorphic animals, the obsession with Ninjas, the *noir* atmosphere, the bickering team dynamic. However, it wasn’t until the late 1980s, when the property was picked up by licensors, that the profits from the licensing revenue made Eastman and Laird millionaires. Hoping to replicate that success, many publishers began publishing their own “parody” cheaply printed comics (these comics were essentially defined by their lack of color, hence their designation as “black and white” comics) in hopes that their IP’s would be picked up by Hollywood or other licensors. Because speculators saw the value of the Turtles’ first appearances rising in price, many of them snatched up as many issues of these comics as possible, creating a mini boom and bust in the realm of black and white alternative comics. Because these comics were almost uniformly cheaply produced cash-ins with little creative quality of their own (and because greater creative quality was the main selling point in alternative comics in the first place), it had major impact in destroying the fledgling market for small press, black and white books (Groth 2010).

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12 Parodying Dave Sim’s *Cerebus*, Frank Miller’s *Ronin* and *Daredevil* and Chris Claremont’s *New Mutants*, respectively
While the black and white bubble was confined mainly to the realm of alternative comics, the second, superhero comic book speculation bubble affected every part of the comic industry. While comics collecting had remained a small, collector-focused market since the publication of the *Overstreet Price Guide*, the interest in superhero comics’ collectability was rising due to the massive success of Tim Burton’s 1989 *Batman* film, which put the character in the national spotlight once again and stoked collector interest in early appearances of the character. Moreover, the 1992 *Death of Superman* storyline was a huge hit, and the price of mint-condition copies of the first print runs quickly rose to many times its cover price. As a result, major media attention was once again pointed at the comics industry and the collectable value of back issues in particular. As a result, people began to associate comics with investment, and collectable comic books began to rise in value (Deppey 2006).

Compounding this rise in price was the entrance of a new type of buyer: trading card shop owners. Trading cards had recently experienced a speculation bust of their own, and owners of trading card shops began to enter into the collectable comics market in hopes of finding a way to convert their existing sales structure into new profits. These retailers already owned storefronts, understood how to market collectables, and easily qualified as retailers for direct market distribution. However, they had a different sales mentality than comic book shops; instead of focusing on the more sustainable cash-flow business model of the comic book market—as industry analyst Mel Thompson describes it: bring in, sell out, turn over—they focused on “hot” products that they could sell above retail prices and moved out slower product
at markdown prices. Encouraged by the distribution companies who held information sessions at collector conventions that essentially duped these dealers into believing that they could make a killing selling comics to collectors, these card shop owners would buy large quantities of cheap material and then attempt to resell them when they were hyped up to higher prices (Schreck 2009).

Adding to the mix was *Wizard* magazine, which encouraged speculation in new comics. As Capital City Distributors co-owner John Davis told *The Comics Journal:*

*Wizard* was a big factor in the speculator market. *Wizard* hyped books as being hot and collectable and investments, and that gave rise to the big boom we had in ‘92, ‘93, and all the younger readers were coming and reading *Wizard;* *Wizard* was aimed right at them, it was telling them exactly what they wanted to hear, that there was a lot of investment potential in these new comics. That also coincided with the start-up at Image and Valiant, which had been going on for about a year, but suddenly Valiant started to take off and we were being told that Valiant comics were hot and going up in value. A lot of these younger readers became mini-investors and sales were greatly inflated. One of the examples I always point to is *Turok* #1, which came out in the Spring of ‘93 and sold to retailers 1.7 million copies. I’d be surprised if 200,000 of that actually sold to customers (Deppey 2006).

Publishers did not care about the inflated value of speculative comics; they simply enjoyed the increased demand that the speculation boom provided. Seeing the opportunity to cash in on the speculator market, they began printing a bevy of new titles (all of which included collectable first issues) and increasing their overall print runs (so that more people could buy multiple copies, thereby increasing publisher sales at the cost of reducing the actual collectable value of the copies). Publishers also began to turn to special gimmicks to lure speculators. The most popular was the gimmick cover, such as the thin foil used on the first issue of *Generation X.* Other such novelty covers included holograms and cardboard cut into special designs. In
addition, publishers, noting that many speculators do not read their comics, and unconcerned with the long-term value of these first issues (which rose in value on the secondary market), realized that they did not have to bother with quality stories or artistic coherence. This led to an abrupt decline in artistic quality of most comic books. Retailers, for their part, colluded with this marketing, ascribing high prices to recent back issues in order to create the appearance of compounding value (Deppey 2006) (Pustz 1999, 60).

As a result, people began entering comic stores in droves and buying any hyped up book, lured by promises of quick profits. However, as with all asset price bubbles, things began to break down when people begin to realize the overvalued nature of the books. The catalyst for this realization happened when the Image creators, who had difficulty managing their studios, began to ship books late. This delayed shipping was not reflected in distributor solicitations. As a result, dealers, responding to demand for Image titles and ordering numerous copies of these books, got these comics months after they were supposed to have received them. The comics, which relied on hype to sell, were ignored by speculators (who were constantly searching for the “next big thing” and thus, were uninterested in old books) and readers (because they were usually of poor quality). This backlog of unsold product put comic book stores in a weak financial position, leading them to mark down these formerly hyped issues to well below their speculation price. The retailer markdowns led speculators to realize that their assets were heavily overvalued, and, in order to recoup some of their losses, attempted to liquidate their existing stock. This flooded the market with cheap, formerly valuable but now worthless comics, and
the market collapsed. The effects on comic book shops were enormous: audits by
Diamond and Capital City (the #2 distributor before Diamond gained a monopoly, see
next section) showed that the number comic shops declined from 9,400 in 1993 to
6,100 in August 1995. Because the speculation value of comics was gone, and the
entertainment value of most speculator-marketed comics was minimal, comic
companies were unable to maintain a solid readership. In 1995, Capital City’s
industry newsletter *Internal Correspondence* described the situation, stating,

The young males that have been frequenting comic stores over the last decade
have left the market or changed their purchasing patterns, and our industry has
been less successful at attracting new recruits among prepubescent and
pubescent boys than at any time over the last twenty years…This lost
generation seems to have come into specialty stores in huge numbers in ’92
and ’93, attracted by by the publicity surrounding the death of superman and
the excitement around the new Image and Valiant lines. Unfortunately, much
of their interest was related to the lottery-ticket aspect of comic collecting—
“How much will this be worth next month” This interest dissipated as quickly
as the press could be cranked up to print more copies of the books with the
“hot” designation, and new kids are now entering the market at a much
reduced rate. As one of our reps put it in a report to headquarters, “The kids in
baggy pants with their hats turned back don’t think comics are cool anymore”
(TCJ)

After the bust subsided, the industry began to level out. Marvel cut the number of
titles it published and decentralized its editorial structure. Image hired new
management and began shipping books on time. By the end of 1994, things looked as
if they were back on track (Deppey 2006).

However, things changed again when Marvel decided to distribute its own
books, buying a distributor called Heroes World in 1994. In response, the other major
comic companies (DC, Image, and Dark Horse) all signed exclusive contracts with
Diamond, effectively putting all other distributors out of business. Heroes World,
however, was not nearly up to the task of distributing all of Marvel’s books to every
retailer around the country, and retailers could not count on getting their shipments of Marvel books on time, greatly reducing their cash flow. The retailers’ problems were compounded by the fact that every shop now had to handle two accounts: one for Diamond and one for Heroes World. This splitting of orders meant reduced discounts for comic shops (as distributors normally discounted based on volume of orders) and, as a result, the shops’ already slim margins began to shrink even more. This situation seriously damaged comic shop owners, many of whom were greatly undercapitalized to begin with. As a result, comic retail outlets fell to just 4,500 in number—fewer than half of those that existed three years before (Deppey 2006).

Marvel, on its part, unable to manage both the production and distribution of books, eventually dropped Heroes World and signed on with Diamond as well. Battered by battles for ownership, lacking in major creative talent, and finding their market shrinking, Marvel filed for chapter 11 Bankruptcy in 1996 (Misiroglu 335, 2006). DC, on its part, was in slightly better shape, as it was owned by Time Warner and, as a result, was able to weather the storm thanks to its corporate patronage. Still, the distributor wars and the comic busts meant that the industry was at an all time low, and many commentators began to wonder if comics were worth publishing at all. While many comic scholars do not see the current age as distinct from the Modern Age, I would argue that the emergence from the wreckage of the mid 90s is a story in its own right. As a result, I end the modern age with Marvel’s filing bankruptcy in 1996, leaving the rest of the story for later.
The Modern Age: Entertainment Value

During the Modern Age, Vertigo and small publishers put out creatively interesting work, and even a few Image titles were normatively and artistically worthwhile. However, the extended pin-ups of Image and the big two’s paradigm of gimmicks, crossovers and continuity (see below), meant that mainstream superhero books were almost completely lacking in entertainment value: Image’s books were simply vehicles for artists to draw exaggerated heroes in pinup style poses, Marvel and DC’s books were not much better. Crossovers became the main vehicle for sales, and gimmicks proliferated—Superman and Iron Man were killed, Batman had his back broken, Spider-Man was revealed to be a clone, etc.

In terms of comics as creative goods, this era saw the pinnacle of the artist as a point of differentiation and the “durable rents” aspect as a focal point of dispute. Both of these issues that began in the Bronze Age came to a head in the Modern Age, which saw the rise of Image Comics, founded upon the principle of creators’ rights. Image creators owned all of their own properties and gained many of the royalties from their work. Despite the poor quality of many of their stories, these comics were produced by fan-favorite creators, and many of these titles sold on the strength of the artist’s name alone.

The Modern Age: Hedonic Value

While entertainment value suffered, hedonic value—and especially escapist hedonic value--proliferated. While continuity had been an important part of comics in the Bronze and Silver ages, the consistent distribution to the direct market and the
solidification of comic shops as places of fan culture allowed an increasing focus on continuity that came to the forefront in the Modern Age. After years of publishing comics that could be counted on being part of a fan’s knowledge, each company's universe developed a rich and detailed history that provided a backdrop for every future in-continuity comic published. As time went on, continuity became more and more important, eventually becoming the focus of stories, with a streamlining of continuity becoming part of the motivation behind DC’s crossovers *Crisis on Infinite Earths*, and *Zero Hour*. Marvel, on its part, used the crossover *The Onslaught Saga* to play with the continuity of its universe. However, continuity as the focus of stories was not just the purview of crossovers. As explained above, continuity allows comic companies to add to the escapist value of comics, and the more complicated the world, the greater the escapist value. As Douglass Wolk points out:

> picking up a superhero comic book right now, if you’re not already immersed in that world, is likely to make you feel simultaneously talked down to and baffled by the endless references to stuff you’re already supposed to know. **But immersion in that world isn’t what they require; it’s what they’re selling** [emphasis mine]. Contemporary superhero comics aren’t really meant to be read as freestanding works…Instead, superhero comics’ readers understand that each thirty-two-page pamphlet is a small element of one or two gigantic narratives, in which most major characters have thematic and metaphorical significance….Each company’s superhero comics are collective histories of a fictional place that now has so much backstory attached to it that no one person knows it all. That depth, that collective psychology—the historical forces summoned up with in the fiction by individual writers and artists who first thought they were just telling stories to hold kids over for another month—is the reward for absorbing the weird yellowing contents of superhero comics’ long white boxes [referring to the “longboxes” where back issues are normally stored]. (Wolk 2007, 90-91)

As a result, escapist hedonic value to become the dominant type of value of the “big two” companies. Indeed, almost every comic published by the big two began focusing less on character and more on the character-within-the-larger universe. Many stories
were sold simply on the idea that a character was adjusting to a new “status quo”—be it a Gotham City decimated by earthquake, or a world without a Superman. This situation meant that “big event” crossovers became increasingly important part of the editorial direction, and, as a result, an essential part of every fan’s comic reading experience.

The important thing about this hedonic value *qua* continuity is that this escapism was difficult to substitute. While many other properties have internally consistent worlds--Star Wars, Star Trek, Lord of the Rings, Dune, etc.—all take the concept of continuity seriously and have a devoted fan following. However, what sets superhero comics apart from these universes is the fact that new comics are being published *every week*. While it may take months, or even years, for a new Star Wars movie or novel to come out, the DC universe fan began getting Twitter-like status updates every week regarding the progress of the universe. While alternative media may have supplanted superhero stories and IP development (discussed below), comics were the only place where this sort of escapist value was possible.

*The Modern Age: Fan Culture*

This era saw a major blow to fan culture in the form of the “lost generation” described above. Comic shops, which had driven the growth of a fairly cohesive, involved culture of fans began to rapidly close in the mid 90s. However, fan culture became one of the major *saviors* of the comics industry during this time: despite creative bankruptcy, fans’ commitment to their culture meant that they would continue to purchase their favorite titles—especially fan favorites such as *Superman,*
Batman, Spider-Man, etc.—even through the weak years (Pustz 1999, 40). As someone who has read titles even while creative quality declined, I would argue that this commitment was less one of the creative quality of the books and more one of a commitment to the social aspects of fan culture and one’s personal identity as a comics fan. Indeed, comic conventions, fanzines, and, in the mid 90s, the growth of the Internet allowed fans to network with each other regarding their favorite titles despite the death of many physical comic shops. Indeed, the Internet, particularly Usenet forums, Compuserve and AOL messageboards, allowed adult comic enthusiasts to network with one another without the need of a physical space or the fear of the stigma of being affiliated with fan culture (Carlson 2005).

The Modern Age: Collecting

The collectable aspect of comics was part of the two major booms and busts of the industry. Indeed, while publishers attempted to cash into the IP value of comics following the Teenage Mutant Ninja Turtles-fueled black and white bubble, many individuals who bought these mediocre black and white comics did so because they saw the spiraling collectable value of the Turtles’ first appearance. The superhero speculation bubble, as described above, was fueled entirely by comics’ collectable function, and had widespread ramifications on the comics industry.

The popping of the speculation bubble, however, did not end the idea of comics as a collectable. Indeed, while many fled the industry after the bubble burst, the bubble itself brought a number of individuals into the hobby of collecting. Indeed, as Belk et al. point out, many collectors will use the real or inflated secondary market
value of their collection as an “excuse” to start collecting, when in reality they simply enjoy collecting as an activity. While many people portray the speculation bubble as destroying the hobby (Deppey, Groth, Wolk, etc.) it could be speculated (though, as is the nature of such observations difficult to prove) that the increased visibility of the speculation bubble brought people into the hobby of collecting for enjoyment.

The Modern Age: Comics and Intellectual Property

The major IP reinvention of this era was Superman, who was completely reworked in John Byrne’s 1986 series *The Man of Steel*. Responding to the back-to-basics approach to values espoused by the Reagan 80s and a desire for more lighthearted fare in the middle of a darkening genre, Byrne portrayed Superman as an “all-American” boy with good values instilled by Ma and Pa Kent. Byrne also reduced Superman’s power levels, made Clark Kent a more reassured, rather than socially isolated figure, and generally attempted to portray him as more modern and “with the times.” However, this change was not to last: with the end of the Reagan 80s, the character followed the general pattern of the darkening of superheroes and, in 1992, Superman died fighting the monster Doomsday (Daniels 1995, 192-3 218-19)

This era’s intellectual property development can be seen as a continuation of many trends from previous eras. Frank Miller’s dark and tortured Batman found film manifestation in Tim Burton’s 1989 blockbuster *Batman* that grossed over $250 million worldwide. Burton followed up with a sequel *Batman Returns*, which featured a creepy, deformed penguin and a sexually liberated Catwoman. Disappointed with the merchandising revenue from the (somewhat disturbing) sequel, however, Warner
introduced more merchandise-friendly (though still rather dark) *Batman: The Animated Series* in 1992. Two more Batman films were released during this era, *Batman Forever* and *Batman and Robin*, both of which embraced the campy tone of the 1960s and seemed to serve mainly as advertisements for merchandising ventures than actual films in and of themselves. The latter’s underperformance at the box office ended the franchise for the rest of the decade. Marvel, not to be outdone, produced highly popular *Spider-Man* and *X-Men* animated features, which were highly popular among young audiences (Misiroglu 2006, 66-7).

However, it should be noted that the growth in animated series meant that comics no longer had a monopoly on superheroes. Television, which previously had been unable to render superhero stories with the verve of comics, finally had the last laugh with the success of animated features. Interestingly enough, the growth in animated series began turning the comics-as-IP creation formula on its head. The Batman Series introduced the character Harley Quinn, the Joker’s girlfriend. However, the character proved so popular that she was added to DC continuity proper. It also changed the area of IP management from comics to animation by positing a different creative direction that the producers called “Dark Deco,” where characters and landscapes were rendered in a stylized, art-deco design heavy with shadows and airbrushed effects.

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13 However, while the “Dark Deco” style was new at the time, Art Deco influences could be seen in Steve Engleheart’s work on Batman in the 70s (Wolk 2007, 111).
this style became the central tone for many of the consumer products released for the 90s, supplanting comics as the place where these intellectual properties were manipulated\(^{14}\) (Misiroglu 2006).

The profitability of the ownership of intellectual properties was a major force in the Image breakaway, as Marvel refused to give creators full rights to their own IP. However, much of the IP created by the Image creators closely resembled existing superheroes (earning them a few lawsuits of their own), and much of it the IP weak in terms of it being a “brand” with any associations beyond “looking cool”. There were some exceptions, however: Todd McFarlane’s *Spawn*, Mark Silvestri’s *Witchblade* and *The Darkness*, and Sam Keith’s *Maxx* all became popular enough to warrant numerous cross-media adaptations and marketing ventures of their own. This era also saw the rise of smaller-press publishers as a place for IP production. The animated *Teenage Mutant Ninja Turtles* adaptation and corresponding licensing push was the most notable, but other cross-media adaptations of black and white comic included properties such as *Men in Black* and *The Mask*. The idea that small-press books could be turned into licensing ventures was the driving force behind the black and white boom of the early 90s (Deppey 2006) (Misiroglu 2006, 274-5).

The need to continue the value of comic characters as brands was also one of the saviors behind the continuation of the production of comics through the decline of the 90s. A cancellation of Superman or Spider-Man would have damaged the character’s value in the eyes of licensers. The reasoning was being that if these characters were not popular with the core comic fans, then perhaps their overall popularity had been overstated. As a result, the need to please licensers in this way kept these comic series alive through the industry decline of the mid-to-late 90s. Of course, many of these companies were kept afloat by licensing revenue after the decline of comic sales in the mid 90s (Schreck 2009).

The Modern Age: Cross-Influence of Market Functions

This era saw the collectable function grow and burst, bringing all the other functions down with it. Entertainment, too, also decreased drastically during this time, as many of the Image books pandered to the lowest common denominator, and many of the Marvel and DC books catered to the increasingly insular fan community. In the latter situation, however, the decline in entertainment value can be seen as a tradeoff between entertainment and hedonic value: by relying on greater and greater continuity (and thereby alienating newer readers), comic book writers spurred the escapist, hedonic value of comic books. However, this would not have succeeded without a well-developed fan culture. Indeed, the solidification of fan culture around reading, using, and interpreting superhero comics was central to the success of this situation, as the increasing levels of esoteric preferentiality could be happily decoded by an army of fan-scholars well versed in the history of their preferred universes.
While Andersson and Andersson (2006) argue that schools are the central area where arts literacy is promoted, with comics, it was fan culture—embodied in zines, comic shops, and the internet—that promoted the comics literacy necessary to be able to extract the value from these continuity-saturated comics. The enjoyment that that fan productivity had also created a situation where affiliation with comic culture had become a significant part of their fans’ identities and lifestyle. As a result, fans continued to purchase their favorite comics even in the face of widespread retailer closings and increasing levels of gimmickry. Of course, fans were not the only consumer group that kept comic books alive through the bust: consumer product licensors and cross-media licensors, as mentioned above, kept comic companies afloat by pouring licensing revenue into flagging comic companies.

**Conclusion**

These two eras saw comic books consolidation in the direct market, and the shift of IP development to other venues that were not comics. However, bouyed by their different market functions, comics were able to weather the various crises and survive into the end of the decade. However, with the devastation of the retail chain, and the intense contraction of the market, things looked bleak for comics. Indeed, as Wright, writing in 2001, asked in his epilogue “Must there be a comic book industry?”

The industry’s troubles in recent years, however, run deeper than a few misguided marketing and corporate strategies. The biggest problem is the transformation of American culture itself. The last decade of the twentieth century saw a phenomenal expansion in the entertainment choices available to young people and a glutted market for adolescent obsessions. Widely accessible cable television stations constantly air films, programs and music
videos directed at youth sensibilities. Video and computer games have become one of the largest growth sectors of the entertainment industry by offering the kind of hands-on fantasy experience that comic books simply cannot match. And the Internet holds potential for fantasy entertainment that is only beginning to be realized. Rather than simply reading about superheroes, interactive technology now makes it possible for young people to become virtual superheroes themselves. While comic books characters have successful crossed over into all of these media, the consequences for the comic books themselves are less clear…with so many appealing avenues for young people to indulge their angst and fantasies, the comic book industry has never faced more formidable competition (Wright 2001, 284).

Indeed, things looked bleak for the industry in the mid-90s, but, as we will see, it emerged as a major player in both the market for entertainment goods and the realm of IP. How comic books have weathered these challenges and ultimately triumphed is the subject of the next chapter.
Chapter 4: The Economic History of Comic Books, Part 3

Introduction

The last chapter saw the comics industry in a perilous state: their retail outlets had been devastated by three crises and their fanbase was shrinking rapidly. IP development had been outsourced to other media, and video games allowed readers to become superheroes of their own. However, like every comic book character, the industry was down, but never out. As Marvel emerged from Chapter 11 bankruptcy in 1997, the industry entered into a new era, buoyed by a movie boom and demographic changes. This era, which I dub The Postmodern Age of Comic Books, continues today, and is the subject of this chapter.

The Postmodern Age of Comics

The new millennium saw a variety of rapid changes to the comic book industry. The first major shift during this decade occurred in the distribution system, with a major focus away from single issues sold in the direct market to graphic novels and collected editions sold through mass-market bookstores. The second major shift was the growth in the popularity of comic book movies as source material for feature films following the success of the X-Men and Spider-Man film franchises. Both shifts have culminated in a rapid change in the comic landscape that makes this age wholly distinct from the Modern Age of the mid 80s to mid 90s.

The first major economic shift occurred in 1997, when New Line optioned the rights to make Blade, a film based on an obscure vampire-hunter character from the 70s. The movie, released in 1998, made $127.9 million and spawned numerous
sequels. Following \textit{Blade} was 2000’s \textit{X-Men}, which grossed $297.3 million worldwide (Levine 2004). The Blade and X-Men movies proved that smaller comic properties could sell films, and revived the superhero film genre after the meager successes of \textit{Batman and Robin}. However, it was not until 2002 when the first ever \textit{Spider-Man} movie launched and became the highest grossing movie in first day and week that comic book movies became a major force in Hollywood. Spider-Man ultimately earned $806.7 million and movie companies began numerous adaptations of comic books, including a 2004 sequel \textit{Spider-Man 2}, 2005’s \textit{Sin City}, \textit{Batman Begins}, and \textit{V For Vendetta}, 2006’s \textit{X-Men 3} and \textit{Superman Returns}, 2007’s \textit{Spider-Man 3}, 2008’s \textit{Iron Man}, \textit{The Incredible Hulk}, \textit{Wanted}, \textit{Hellboy II: The Golden Army} and \textit{The Dark Knight} and 2009’s \textit{Watchmen}. Other comic properties, such as \textit{Scott Pilgrim}, \textit{Kick Ass}, \textit{Captain America}, \textit{Thor}, and \textit{Iron Man 2} are currently in development, and will be released in the coming years. Indeed, the rising value of comic intellectual properties has spurred the purchase of Marvel by The Walt Disney Company for $4 billion (Barnes and Cieply 2009) and the reorganization of DC comics into the DC Entertainment division (Itzkoff 2010). Why comic movies are so popular, and what the increase in comic movies means, will be discussed in the section on intellectual properties.

The second major economic shift during the Postmodern Age was the rise of the mass-market bookstore and the trade paperback format. While graphic novels such as \textit{Maus}, \textit{Watchmen} and \textit{Sandman} had been fixtures in bookstores for a number of years since their release, it was not until the early 2000s when more and more square-bound hardcover and softcover collections of comics began appearing on
bookstore shelves. These bookstores, which had also begun stocking comics imported from Japan (Manga, discussed below), found that, with growing media attention on comic book films, people were becoming more interested in the comic book format. Publishers, eager to exploit the growing mass market, began repackaging their popular series and releasing them as trade paperbacks, and the format grew exponentially in the early-to-mid 2000s.

To capture this market, major publishers began creating books aimed at a mass market audience. Marvel, being much quicker to recognize this market shift, has been pressing the mass market on multiple fronts: in 2000, it released its updated, continuity-light Ultimate imprint (the continuity of the line was rebooted in 2008 to simplify it further); in 2007, it began adopting classic literary works (such as The Wizard of Oz and Pride and Prejudice) into the graphic novel format; and since 2008, it has teamed up with popular mainstream authors such as Stephen King and Laurell K. Hamilton to produce comic tie-ins to already popular book series (Buckley 2004-2009). DC, true to its history of being slower to react, released its All Star line in 2005, which did not pick up as expected.15 In a second attempt, DC recently announced their Earth-One line of original graphic novels that are free of complicated back-story and aimed at mainstream readers (Segura 2009).

However, part of this trend of the growing presence of comics in bookstores meant that American comics were no longer the only graphic fiction books on the shelves. Japanese comics—more commonly known as Manga—are immensely popular and serve as a major competitor to American comic books. In contrast to the

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15 This was partially because of the strict editorial control of DC comics at the time prevented major revisions to the characters.
relatively niche nature of the American comic book industry, Manga makes up 40% of all publication sales in Japan, and in contrast to the relatively superhero-focused nature of American comics, Japanese comics include a vast array of genres and are consumed by almost all demographic groups. Furthermore, because of its higher circulation and primarily black and white printing, Manga is cheaper to produce than American comic books. And many American publishers do a brisk business licensing, translating and publishing Manga for an American audience. Some of these companies, such as Tokyopop and Viz Media, are focused primarily on Manga, while others, such as Dark Horse and DC (under the imprint CMX), are more traditional comics publishers who are attempting to capitalize on Manga’s popularity. And it is surprising just how popular they are: American sales of Manga totaled $175 million in 2008, up from $55 million in 2002. The most striking thing about Manga’s American popularity is its marked success with female readers: Shojo (girls) Manga is the largest audience for English translations of Manga, and is hugely popular with 12-17 year old girls (Glazer 2005).

In terms of creativity, the biggest shift during the Post-Modern Age is the neo-silver movement. After the publication of Alex Ross’s condemnation of the “grim in gritty movement” in the 1996 miniseries, Kingdom Come, superhero writers began to search for what made these characters fun to begin with. This movement among superhero writers aims to embrace the best of these characters while updating them in a modern setting, usually splitting the difference of continuity by both acknowledging and drawing on the characters’ long publishing histories while keeping the stories accessible for new readers. Titles that followed, such as Grant Morrison’s JLA (1999)
and *New X-Men* (2001) and Geoff Johns’ 2004 *Green Lantern: Rebirth* attempted to bring a more “retro” feel to these characters. This was further solidified with the publishing of DC’s mega-crossover *Infinite Crisis* in 2006, which led to the creation of a much brighter “New Earth” wherein DC has been attempting to take a “back-to-basics” approach to many of their characters in order to recapture their superheroes’ “wow” factor.16

*The Postmodern Age: Entertainment Value*

Each of these shifts means different things for the different market functions of comic books. In terms of entertainment quality, these effects are generally positive. Using Gil and Spiller’s model, we could predict that by breaking the direct market monopoly on comics, mass market booksellers are holding publishers to a different, more stringent creative standard, which means that comic companies are encouraged to break creative boundaries, enter new genres and experiment with new formats. As a result these comics are more “creative” and, as such, are more risky than their direct market counterpart, which could sell relatively formulaic stories and rely on a solid base of superhero fans to purchase them. The question then is: has the relative shift away from the direct market caused a similar increase in creative content, and has that increase shown itself in corresponding changes to the organization of comic production and distribution? In general, I would argue that it has. As Douglas Wolk wrote in 2007, and I agree, the Golden Age of comics is now:

16 *Infinite Crisis* is also notable for its a metafictional examination of fan culture: Elderly Earth-two Superman wants to recreate the Silver-Age while the bratty Superboy prime represents the immature fanboy who mutilates characters for enjoyment. The main antagonist, Alexander Luthor, wants to make things better by focusing on the perfect “elements” of a new universe while ignoring morality—and thus the entire point of superhero stories.
there has never been as enormous a volume of extraordinary English-language
comics published in a single year then there has been in the last twelve
months... The big companies that dominate the superhero genre are publishing
some terrific, formally adventurous work (as well as a lot of by-the-numbers
crap, but only the good stuff counts toward the Golden Age) (Wolk 2007, 10).

Based on my experience, Wolk is completely right—never in the history of the
medium have so many good comics been published in such a short time. The “neo-
silver” movement has been successful at drawing in new readers. Such titles include
Ed Brubaker’s Captain America, Brian Michael Bendis’s Daredevil and nearly
everything written by Geoff Johns (including Superman, The Flash, and Green
Lantern). Furthermore, smaller publishers have been producing groundbreaking
work, including Robert Kirkman’s Walking Dead published by Image and 300
published by Dark Horse. What’s more, independent comics, or “indies” such as
Charles Burns’ Black Hole and Craig Thomson’s Blankets have become sales forces
in their own right, moving the indie scene from relative obscurity to the forefront of
the experience of many comic readers.

However, because only so many already-published titles can be turned into
graphic novels and marketed to the mass market, many books aimed at comic fans are
making their way on to bookstore shelves, making it harder for new readers to choose
comics that they will enjoy. This disconnect between the direct market and the mass
market is evidenced by DC’s “After Watchmen, What’s Next?” promotion. DC
comics, attempting to capitalize on the strong sales of Alan Moore’s Watchmen that
coincided with the release of the comics’ film adaptation, began to market a variety of
titles as a follow up to the graphic novel among mass market consumers. However,
while some of these titles were well-suited to a mass market audience, many others
were much more suited to the direct market and would in fact turn a mass market consumer off from comics. For example, one of the “After Watchmen, what’s next” titles included Geoff Johns’ *Green Lantern: Rebirth*, a six-issue miniseries that changed the explanation for many of the Green Lantern’s previous actions. The miniseries, which was essentially six issues of characters talking about past events (known colloquially as “continuity porn”), would be lost on a mass-market consumer seeking a follow-up to the experience of reading *Watchmen*.

With a breaking open of the mass market, publishers have attempted to break out of the 18-30 male demographic and begin catering to women. However, this has been a long process, as there is a great deal of sexism present in the industry and the medium. Because most people who grew up with mainstream superhero comics are men, most comic writers are men, and so, many of the comics currently published are written with a male audience in mind. This focus on males is not in and of itself a bad thing; one could argue that comic companies have done their market research and found that, for whatever reason, women aren’t interested in reading superhero comics, and so superhero comics are focused on courting their core, male fanbase. However, there is a second, more insidious gender-based phenomenon occurring in mainstream superhero comic books: superhero comics are full of overt manifestations of sexism. For example, while male characters are drawn to emphasize their power (exaggerated muscles, etc.) female characters are often drawn to emphasize their sexuality (exaggerated breasts, impractically revealing costumes etc).
What’s more, proportionately more female characters are robbed of their superpowers, raped, killed or otherwise injured to provide motivation for male characters. This sexism reinforces the male-dominated nature of comic books, and has been the target of much criticism on online blogs and mainstream media alike (The *Justice League* cover to the left in particular has been the source of a great deal of online criticism).¹⁷

However, after witnessing the high popularity of Japanese comics (called Manga) among female readers, many mainstream publishers have attempted to reach across the gender gap. In an attempt to capture female readership, DC launched its Minx line of graphic novels aimed at young adult female readers in 2007. DC hired Alloy marketing + Media to spend an unprecedented $250,000 to market the line (Rhoades 2004, 211). However, in September 2008, Minx was cancelled due to poor sales. Still, DC continues to attempt to court female friends by selling titles that feature female characters, are written by the few female writers in the industry and remain relatively free from sexist superhero tropes.

Marvel, too has tried to draw in a female readership: like DC, they have been printing superhero comics explicitly aimed at teen girls, though they utilize Manga-style packaging to make these comics more popular to a Manga-reading audience,

develop new works using properties that already have female fan bases (such as Stephen King’s *Dark Tower* series and Laurell K. Hamilton’s *Anita Blake*), utilizing soap opera storytelling conventions, and diversifying their product line to include reinterpretations of classic books such as *Pride and Prejudice* (Buckley 2004-2009). This shift is somewhat new, and it is hard to really assess its impact on increasing female readership, but one thing is clear: publishers are trying more and more to attract women into comics.

Marvel and DC have also been trying to reach out to younger readers more directly. Marvel has created the Marvel Adventures line, and DC has produced the “Johnny DC” line, both of which are aimed at the under-13 demographic. Both publishers have been pushing them through a variety of distribution channels (including mass market and subscription), with a fair amount of success. Furthermore, both Marvel and DC utilize the TV adaptations of their properties to “get the kids hooked”—as Dan Buckley stated in a recent interview, Marvel is aggressively pushing television programs based on Marvel properties in hopes that kids will pick up the comic tie ins and become what he calls “hobbyists” (Buckley 2004-2009).

*Comics and Creativity*

With this definite increase in creative quality, there have been corresponding organizational responses by comic companies. As Gil and Spiller would argue, the increase in demand for creativity shifts the “make” or “buy” decision towards publishers to buy comics outright. Indeed, comic companies have increased the frequency at which they buy the rights to collect and distribute collected works that
have already been printed by small presses. While I was working for Vertigo, the senior editorial staff increasingly began to focus on finding comics in the newly popular “art comics” genre to repackage and distribute—an adaptation undertaken in order to capitalize on shifts in consumer tastes that was paralleled in Gil and Spiller’s analysis of the movie industry after the Paramount decision.

The Williamson transaction-cost framework utilized by Gil and Spiller can also be applied to other aspects of the comics industry in the wake of the shift towards the mass market. While most market processes related to the production of comic books are separated into distinct commercial entities, as the industry has matured to the point where transaction costs (i.e. the costs associated with contracting an exchange between two separate parties) are low, some processes have become internalized. Writers, specifically, are sometimes contracted to become part of the “Marvel exclusive” staff. This most often happens when the talent in question has been central to the structuring of major, interweaving plotlines (see the discussion of “crossovers” above)—an example of this is the signing of an exclusive contract by Brian Michael Bendis, who was the writing talent behind Marvel’s line-wide, highly complex (and highly profitable) 2008 *Secret Invasion* story.

This action fits in with the Williamson framework, as there was a great deal of transaction specific investment of human capital in the working of that storyline—Marvel would have been in a poor bargaining position had Bendis demanded more money halfway through the publishing of the series, and Bendis would have wasted his time developing the story if he had had to move to DC. Indeed, as Dan DiDio, Editor in Chief of DC Comics states: “The exclusives are really for people who we
are working with on a long-term plan and on a long-term basis…. [we want to] make sure that the people who are here at the beginning of the story are there at the end” (Rhoades 2008, 10). It is important to note that, for DiDio, the “stories” he refers to are part of the very large metanarrative discussed above, and so, they can take many years to complete.

While exclusives provide major benefit for both side of the writer contract, artists are also often given exclusives. These, too, fit into the Williamson framework. Marvel often signs young, up and coming artists to exclusive contracts. These artists are collectively called the “Young Guns,” and are heavily promoted by Marvel as the next “superstar pencillers.” By giving these artists a steady stream of work and promoting their names, Marvel is investing in human-specific capital—after all, the names of hot artists draw fans just as much as characters do. However, this investment would be lost if these artists defected and went to DC. Thus, Marvel is given the incentive to invest in this idiosyncratic human capital by drawing these artists into the firm in true Williamson fashion, while these artists find a “home” at Marvel, and get a feel for the way Marvel books operate (Rhoades 2008 121).

Based on the shift towards the mass market and away from the direct market, I see exclusives as becoming more and more important, because the level of creative content increases and so the “infinite variety” property becomes more prevalent. As comics become less formulaic and more experimental, consumers know less and less whether they will enjoy any particular comic, and as a result, will use big name talent as a way to differentiate, much in the same way differentiation based on talent was a major force in the direct market and the eventual Image breakaway.
Creative Goods and Competition

As a graphic fiction format distributed along the same channels as comics, Manga is the closest substitute comics has had since their inception. And as competition for comic publishers, Manga’s meteoric rise has been capturing dollars that could go to comic companies. However, this begs the question: what is the reason for Manga’s popularity? For one, Manga appeals to wide range of demographic groups, as evidenced by the existence of the well-established genres of Komodo (children), Shojo (girls), Shonen (boys), Josei (young women), and Seinen (young men’s) mangas (Glazer 2005). Indeed, publishers are getting right what many comic publishers are getting wrong:

“a new breed of comics publisher has emerged, and Tokyopop has led the way…They’re going to sidestep the direct market ghetto and go straight to the bookstores; they’re going to publish in black and white, and offer comics at a low price point; they’ll vie for the attentions of a broader audience beyond fanboys and schoolgirls. In short, the new publishers are going to be everything that the current publishers are not (Rhoades 2008, 233).

It should be noted, however, that Manga publishers are not doing everything right. Indeed, many Manga publishers are falling into the same trap as their more western-oriented counterparts, oversaturating the market with a glut of poorly differentiated (and often just poorly produced) product; Tokyopop in particular cut a large number of its staff in the summer of 2008, as Borders returned much of its bloated Manga stock to the publisher. Still, Manga’s ability to reach across demographic groups has given major American publishers the desire to capture some of that market power.

Still, it is hard to say whether Manga is in direct competition with American comics, especially given the fact that Manga, especially in America, caters to
demographic groups (i.e., women) that American comic publishers have been neglecting. Furthermore, the fact that Manga carries the exotic quality of being “from Japan” means that imported books are highly differentiated from American comic books, and so, the two products are imperfect substitutes for each other. It should also be noted that Manga’s often violent and sexually explicit content gives it the same “stigma” as American comic books, and so, they are not necessarily a “safe” or “cool” alternative to the relatively stigmatized nature of American comics (Glazer 2005).

Indeed, the argument could instead be made that, far from being competition, Manga’s popularity might actually help the American comic book industry, as the format could theoretically bring new readers into comics; as mentioned above, many publishers have been repackaging their younger and female-oriented comics to look like Manga digests, and many editors (including my boss at Vertigo) have been hiring former Manga artists in order to lure in Manga fans. While the efficacy of these initiatives is hard to measure, one can be hopeful for their prospects, since a similar shift has occurred in western animation, as American cartoons drawn in an Anime (Japanese animation) style are now popular among American children—including cartoons based on American comic properties, such as Teen Titans Go!

*The Postmodern Age: Hedonic Value*

Much of the growth in hedonic value for comics relies on the reader’s knowledge of continuity, which is difficult to achieve in the mass market. As a result, Marvel has rebooted the continuity many of their characters in order to make them more relatable to a mass market youth audience. As mentioned above, Marvel
launched its Ultimate imprint in 2000 in order to refresh their characters for a more modern audience; these continuity-free stories were successful for a time, but, as is the case with any serial media, the Ultimate universe built up a complicated backstory of its own. As a result, Marvel recently rebooted the line again with 2008’s *Ultimatum*, hoping to regain this sense of continuity-free storytelling. It should be pointed out that this push-pull of continuity is often handled clumsily by writers, and much of the in-story reasoning behind reboots involves discarding characterization and stretching believability of action in order to serve the plot. Such inconsistencies of characters are seen as necessary evils by fan readers; because continuity is the most important part of those who read for escapist hedonic value, inconsistency of characterization is overlooked as a necessary evil to serve the plot. However, for a role-projective reader, such inconsistency of character makes role projection more difficult.

Indeed, the interesting thing about these two types of hedonic value in modern comics is their relative incongruity: I would argue that the more detailed and fleshed out a character’s backstory is, the less easily one can identify with that character from the outset. Peter Parker, the nerdy awkward high school kid who was bitten by a radioactive spider and now fights crime is easier to identify with than Peter Parker, the married twenty-something former Avenger, former member of the Fantastic Four, whose spider-powers are a totemic manifestation of the spider god, who fights a recurring set of archenemies who manifest in a variety of new and surprising ways, though always with reference to their original appearances.18

18 All of these things happened “in continuity”
Indeed, while these story elements have occurred during the narrative of Spider-Man’s publishing history, and are therefore part of the longtime reader’s experience, (thereby not impeding role-projection by longtime readers), for a new reader who is not familiar with know Spider-Man’s intricate back story, it is hard to identify with someone who has such a specific and esoteric background. This tension is inherent in current mainstream comics, and, as it stands, the two major companies have gone different ways. Marvel, which has always had the more relatable characters, and consistently reboots its characters’ continuity. For example, in a 2007 storyline, Spider-Man literally “sold” his marriage to the Marvel version of the devil\(^\text{19}\) in order to save his aunt and is now just Peter Parker, the nerdy, awkward, twenty-something who fights crime), focuses more on the role-projective aspects of its stories. DC, on the other hand, with its more iconic (rather than relatable) characters, focuses on continuity and consistent world-building, which in turn emphasizes escapist behavior as it relates to comics.

This split is also reflected in the current aesthetic style. A casual analysis of the current house styles of both major comic book companies reveals that the emphasis on detail and realism (anatomy notwithstanding) in DC Comics (with artists such as Tony Daniel and Ivan Ries) is about creating a believable world (thus promoting escapism), while Marvel’s consistent use of artists who draw characters in

\(^{19}\) This being a perfect example of the above discussed “mischaracterizations in order to fix continuity”
a simpler, more iconic style (such as Oliver Copiel and John Romita Jr.) lends itself towards role-projection.  

However, it should be noted that Marvel has its own share of “continuity porn” comics and DC has its share of “relatable characters” titles, with art to match. (Images next page)  

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The first image, from the much more continuity focused *Guardians of the Galaxy* is rendered in a more realistic style, enabling escapism while the second, from a series entitled *Superman: Secret Origin* is more iconic, thereby allowing greater role projection.

*Substitutes for Hedonic Value*

The interesting thing about the Postmodern Age is that these sorts of hedonic value, while particularly suited to comics, are no longer exclusive to the medium. Indeed, in both instances, other media products exist that compete effectively with comic books in this hedonic realm. Role-projection can happen in virtually any medium, including prose novels, and, more visually, television cartoons. In terms of publishing, however, Manga, with its plotlines featuring relatable, younger characters and role-projective fantasies involving triumph over evil (or in the case of Shojo Manga, romance), is comics’ main competitor for role-projective hedonic value.
Indeed, as McCloud points out, in Japan, the utilization of a simplistic visual style of
the characters as a way to foster self-projection is one of the central characteristics of
Japanese comics: characters that a reader is supposed to identify with are drawn
simply, while characters that are different from the reader are drawn in greater detail
(McCloud 1993, 44).

The major threat to comics’ monopoly on escapist hedonic value is the one
posed is by Massively Multiplayer Online Role-Playing games (MMORPG’s).
MMORPG’s utilize sprawling, internally consistent settings and combine this element
with the role-projective action of extending one’s self into a character in a video
game. It works well: In a study of online gamers in Taiwan, researchers verified that
online gaming is pursued mainly for its strong escapist and immersive qualities.
(Shieh and Chang 2007). As a result, MMORPG’s have become a major substitute for
the hedonic value found in comic books; indeed, in a 2005 interview, both Dan
Buckley and the interviewer acknowledge the competition posed by MMO’s:

Interviewer: The only place where we’ve heard [videogames] as a negative is
in the online games...We’ve heard retailers say they have customers they
haven’t seen for three or four months coming in looking all haggard and tired.
‘Where’ve you been?’ and they answer ‘Building my [MMO] characters.’...

Buckley: There is going to be a competition for time...It’s going to be a while
before [our own] massively multiplayer game comes out.

It should be noted that Marvel’s own MMO never did get off the ground, though DC
is soon releasing its own game, DC Online, in the near future. (Buckley 2005)

Indeed, MMORPGs provide a form of escapism and role-projection that can
be enjoyed without any prior knowledge of the characters or the world. While it is
difficult to see whether this actually impedes comic sales or not (indeed, comic sales
have risen since the introduction and growth of popularity of MMORPGs), it is not hard to see MMO’s as being comics’ main competitor for consumers seeking easily digestible hedonic value.

**The Postmodern Age: Fan Culture**

These two shifts also have different implications for fan culture. While the first shift stands in opposition to the direct market mentality of producing “for fans,” it is relatively harmless to comic cultures *qua* comic stores, as these stores were not good at catering to the mass market anyway. The second shift is more ingrained in the institutions of comic culture: part of what makes comic book IP’s so valuable to media companies is the fact that they have been “proven” by their acceptance within the fan community, which, through their normal activities as fans, serves to pick out the best stories, characters, and concepts for translations. The second shift also gas the effect of putting comic book fandom into the cultural spotlight. Because so many media properties come from comics, media companies are seeing comic fans as the vanguard consumer group for the male 18-30 demographic—what Wolf calls *alpha consumers*.

The reasoning behind this is as follows: As Wolf argues, most media companies are not content to make films that are simply profitable. Indeed, the Holy Grail for media companies is what Wolf calls *hits*. For Wolf, hits tap into the cultural Zeitgeist and become extremely popular among mass audiences. Hits capitalize on their particular historical moment, fulfill the longings and desires of a certain audience perfectly, crossover to the mainstream, and become huge commercial
successes. Wolf gives the example of *Titanic* as an example of hits in the entertainment industry. Titanic was the chick flick to end all chick flicks in an era when romance seemed dead. This audience of teen girls dragged their families, husbands, friends, and coworkers to the film, and this niche popularity turned into mainstream success by appealing to the “hopeless romantic” in everybody (Wolf 1999, 164-9).

While not having as broad an audience as teen girls, mainstream comic books do have the well-defined culture of fandom surrounding their production and consumption. This culture is comprised of what Wolf calls alpha consumers; in Wolf’s framework, alpha consumers connect to the concept behind a product, adopt that product, and validate that product for the rest of society. For Titanic, the alpha consumers were teen girls (Wolf 1999, 172-3). As many in the media have pointed out, geeks have become opinion leaders for wider popular culture—a phenomenon dubbed “geek chic.” With the growing popularity of genres formerly exclusive to nerds—science fiction, fantasy, and now, superheroes—society has begun to see geeks as early-adopting tastemakers. As the success of *Star Wars, The Matrix, The Lord of the Rings* and now, a slew of comic book movies have shown, concepts that are popular with geeks have been able to resonate with mainstream culture. While Titanic was popular because it resonated with the viewer’s inner teen girl, comic book adaptations appeal to peoples’ inner geek.

However, there is another dimension to this idea of comic book fandom as alpha consumers. I would argue that comic book fandom is an alpha consumer group for comic book elements—plots, characters, or concepts—that can be then adapted

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24 For example see Wloszczyna 2003, Barber 2008, and Lembert 2010
and translated into mainstream hits; essentially, comic books are a testing ground for the elements that will make an entertainment product a hit (I will discuss how media companies adapt these elements in the section on cross-media properties below).

Working from the previous discussion of comic book culture, it would seem that the specific culture surrounding comic books is actually ill suited to the testing of elements—speaking in broad terms, comic book culture values elements that relate to comics literacy, knowledge of continuity, and self-referentiality; all things which don’t lead to widespread crossover appeal. However, it could also be argued that this culture values originality, stylistic risk taking, and, as mentioned above, the sharing of favorite products. Indeed, because so many comics are recycled versions of the same stories, originality is prized among longtime comic fans who might be sick of the same old story. Because comic books are relatively inexpensive to produce and can be cancelled if underperforming, publishers are willing to take risks with concepts that seem interesting or potentially profitable. Thus, creators are encouraged to utilize familiar genres and tropes will be given new twists in order to make them feel fresh.

Moreover, because comic books are fairly inexpensive, many readers will often branch out from their favorite titles and try something that looks interesting—after all, a new comic is only $3 or $4, and the chance that something might be an under-the-radar hit is worth the risk. Comic book fans (or savvy comic book shop owners) who enjoy a more under-the-radar title will recommend it to other comic fans, and word of mouth will help a series gain popularity. What’s more, numerous websites, including Comic Book Resources, IGN, Newsarama, and a huge network of comic blogs are quick to recommend titles that other fans might have missed. Indeed,
with the huge flood of titles being published every week, comic book culture is remarkably good at digging through lots of hackwork and picking out the gems—even those produced by small presses. Case in point: while not a major success on its initial release, Robert Kirkman’s *The Walking Dead* has emerged as one of the top horror titles in the medium, a huge feat for a black-and-white, creator-owned comic. This grass-roots popularity growth led to the production of a *Walking Dead* television show, which is scheduled to air in 2010 on AMC (Swindle 2010).

Thus, companies promoting comic book-adaptations, or simply comic book-influenced media will often heavily promote their product using the already well-defined network of comic conventions: walking through San Diego Comic-Con, its easy to see that, given the huge presence of movie studios (especially in comparison to presence of comic companies) the convention has become less about comic fans as comic fans than about comic fans as alpha consumers. By promoting their films at Comic-Con, studios are banking on the fact that this core group of people will get excited about a new release and aggressively spread the information among their friends. Indeed, as one commenter points out “The geek chic are cooler-than-thou, intelligent, hyperconnected and passionate” (Lembert 2010) (Barber 2008).

There is also a limiting effect that comic culture has on the production of cross media adaptation. While it might seem that comic companies would attempt to produce comics that could be made into films, as Wolk, Schreck, others have pointed out, comic books designed to be turned into a film or television show often fail as comics. Indeed, as longtime comic writer Marv Wolfman points out

The best comics are still done to be comics. People who are doing comics with the sole intention of turning them into movies or video games or
whatever, there’s a sense the readers can pick up, that it’s not really meant for this medium. It’s really just a sales tool. And very few of them become very popular…you have to do a good comic book. If you later sell it, that’s great. But you have to think first and foremost of the comic book medium and technique (Williamson 2009).

Thus, comic book culture avoids the risk of another bubble, as the core consumer group will instantly reject something they deem as creatively deficient. Thus, it’s much harder to hype low-quality stories and make them seem more valuable than they really are.

**The Postmodern Age: Collecting**

While the speculation bubble and bust removed much of the hype surrounding comics’ collectable and speculative value, the market still thrives today with publishers offering collectable covers. The high profile of comic characters, as has happened in the past, has increased collector interest in back issues of these high-profile comics. Recently, an issue of Superman’s first appearance in *Action Comics* #1 sold for $1.5 Million, while Batman’s first appearance in *Detective Comics* #27 sold for $1,075,000. While the speculation bubble damaged the comic collecting hobby, it didn’t destroy it, and comics continue to be popular as collectables—assisted in no small part by the growth of the internet as a place where back issues can be found.

Indeed, the collectable comics market has also created a set of secondary services that cater to the comic speculator. In 2001, Comics Guaranty LLC (or CGC) began offering its services to the public. CGC uses professional inspectors to grade a comic on a scale of 0.5-10, and then seals the comic in a clear plastic case with a label
indicating its official rating. Furthermore, some companies have begun offering restoration services such as touch ups and page repair or pressing—a technique that smoothes minor dents and creases from a comics’ cover. Some of these services are seen as acceptable, as long as the comics are marked as restored, but undetectable techniques such as pressing have caused considerable controversy among the comic collecting community. Indeed, restored comics are worth much less to collectors than unrestored comics, and passing off a restored comic as “the real thing” is considered a sacrilegious act. In their view, restoration undermines the comic’s status as authentic representations of the past, thereby removing its classification as a sacred object. Case in point: CGC marks restored comics with a purple label, which collectors colloquially refer to a “purple label of death.”

The Postmodern Age: Comics and Intellectual Property

Cross Media Adaptation and Consumer Products Licensing

In terms of intellectual property for cross-media licensing, the popularity of comic based media has made comics the source for intellectual property for the creation of both successful films and what Wolf calls “hits” (explained above). As mentioned above, comic books are valuable for producers of entertainment products because they essentially mitigate the risk of losing money by allowing producers to bank on the parts of the work—that I call elements—that have led to previous successes. Comic book stories, which are visually similar to the storyboards for a movie, are well suited to adaptation across media—especially film. There are
essentially three types of cross-media adaptations: those that utilize plot from comics, those that utilize characters, and those that take the general concept of a comic.

The adaptation of entire comic book plots across media is one of the most common forms of cross-media adaptation. Films such as *A History of Violence*, *300*, and *Sin City* are fairly true to their source material, and often make a point of replicating comic panels in their shots. One of the advantages to this type of adaptation is that it allows comic companies to reprint and market the work on which the film was based: After the trailer for *Watchmen* was released, the book itself rocketed to number two on the Amazon.com bestseller list, and stayed at the top of the graphic novels sales chart for long past the film’s release. Another upside is that the rights are much easier to deal with: because these stories and their characters are discrete entities as opposed to characters in an ongoing storyline, it is much easier to “package” the license into a single deal, rather than requiring both parties to work out the issues related to possible future storylines and licensing deals (more on the difficulties of licensing agreements and characters below).

However, there are some disadvantages to this type of adaptation: film scholar Logan Ludwig, in his paper “Moving Panels: Translating Comics to Film,” argues that the two media are completely distinct, and films that succeed artistically often replicate the “feel” of their source material using the medium’s own qualities, rather than using the panels “shot for shot.” More important, however, is the relative lack of successful short form works in a medium dominated by serialized storytelling. Many exist, of course, and only a fraction of these have been made into films, but the fact remains that comic companies would prefer the guaranteed revenue stream of a

25 And fellow Wesleyan alumnus
successful series rather than the one-time cash in of a successful miniseries (a self-contained story lasting less than twelve issues) or original graphic novel. Thus, much of the comic output by the major companies—even the collected editions—are designed to be read serially, and as such, are much less suited to this type of translation (Ludwig 2009).

The second type of element valuable for cross-media adaptations is character. While many of the issues related specifically to characters as brands of entertainment goods will be discussed below, there are certain qualities that comic characters as characters have that make this type of translation particularly successful. As discussed above, comic books are very well suited to creating compelling characters that rise to the status of pop culture icons. As I will argue below, comic characters combine their status as archetypes with the flexibility of portrayal, which allows them to suit the particular desires of the filmmakers: Compare Adam West’s campy Batman in the 1966 film, to George Clooney’s lighthearted portrayal in 1997’s *Batman and Robin*, to Christian Bale’s dark avenger in 2005’s *Batman Begins*, to the gothic and violent portrayal in the 2009 video game *Batman: Arkham Asylum*. However, all of these media properties were able to capitalize on the status of Batman as a pop culture icon and become commercial successes (indeed, sometimes despite tremendously negative reviews, as the revenues for the universally panned *Batman and Robin* can attest).

Finally, comic books lend themselves to the creation of elements that extend beyond character or plot and simply exist in the realm of concept. A more successful adaptation of concept was the 2008 film, *Wanted*, which departed greatly from the plot and revised many of the characters to the point of being unrecognizable, but was
still able to utilize the strong premise of “a shadowy organization forces a disaffected cubicle worker to acknowledge their destiny as a trained killer” to create a commercially successful adaptation.\textsuperscript{26} Another was \textit{V For Vendetta}, which only loosely followed the plotline of the comic. While many liberties were taken with the adaptation of the story and the characters, the Wachowski brothers saw a historical opportunity (in dissatisfaction with the Bush regime) to capitalize on the concept of an anarchist vigilante fighting against a totalitarian regime.

\textit{Characters as Entertainment Brands and the Creation of Hits}

As mentioned above, comic characters are well suited to cross-media adaptation, partially due to the strength of these characters as brands. Looking at Aaker’s framework, it’s easy to see how a character serves as a brand for cross-media properties. In terms of brand loyalty, characters are often the most recognizable elements of a work, and someone considering an entertainment purchase will often rely on familiar and loved characters—for example, the third \textit{Spider-Man} movie received mediocre reviews, but it was still a major commercial success, in no small part to the high quality of the first two. In terms of brand awareness, many comic characters are already pop culture icons, and their cross-media adaptation is often seen as an event in and of itself, and is often given free press by the media.

\textsuperscript{26} In the movie, the shadowy organization is a group of assassins who kill evil people before they can commit atrocities, while in the comic, the group is a league of supervillains that have killed all of the superheroes and run the world from behind the scenes. The comic concept utilizes parodies of many mainstream characters, and requires a great deal of comics-related knowledge to understand, and would have made for a rather poor mainstream film (not to mention a legal nightmare)
Perceived quality, the third part of Aaker’s framework, has a variety of interesting dimensions when it comes to comic characters. If previous works featuring a character have been fun and exciting, people can be reasonably assured that the story presented within will be fun and exciting as well. Different characters also, tend to be associated with various narrative styles that a potential viewer might enjoy: a Batman adaptation is likely to be fairly dark, while a Spider-Man or Superman adaptation is likely to be much more light-hearted. A Hulk adaptation will most likely include gratuitous smashing, and the presence of the Fantastic Four would indicate a story heavy in science fiction elements. Because a character is present in the adaptation, consumers can be reasonably assured that the corresponding style will be present in that work. Indeed, comic book adaptations that are unsuccessful are the ones that break this rule: The 2003 Hulk movie was light on smashing, and the 2006 Superman Returns was criticized as being too dark (Ebert 2006).

The growth of cross media adaptation has implications for IP development. At least in the case of Marvel, because many cross-media adaptations are distributed by a third party, the movie or TV version of the character must be distinct (copyright-wise) from the comics version in order to split up licensing revenues between the two parties. For example, say a Spider-Man tire iron was made after a movie had put Spider-Man into the national spotlight. Who would the tire-iron manufacturer pay: Sony, the distributor and partial owner of the rights to the movie, or Marvel, the owner of the character of Spider-Man? To solve this problem, the movie version of Spider-Man is created as wholly distinct from the comics version: 27

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Note the darker colors, silver webbing pattern, removal of black around the eyes, and slightly different chest symbol in the movie version. As a result, movie versions need to be distinct for revenue purposes, leading to less brand synergy between the films and the comics. This situation, combined with the high profile of comic IP’s, has driven the shift of greater organizational integration in order to reduce the costs associated with cross-media adaptation and associated consumer products licensing—Marvel was recently purchased by Disney, and Warner Bros. reorganized DC under DC Entertainment, which works not only to promote cross media adaptation but integrate DC’s properties into all aspects of Time Warner’s multimedia conglomerate.

However, because copyright is only an expression of the character, this organizational constraint is not as drastic as it seems, because, as mentioned earlier, there is more to comic characters than simply their expression. Indeed, as discussed above, this separation of specific character aesthetics from the archetypal meaning allows the character to remain true to its meaning even in cases when the “top” layer

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requires changing. As mentioned above, many comic book characters are iconic because the archetypal nature of their characters allowed them to change their superficial aspects to suit the times. Indeed, the long publishing histories of comic books can serve as testing grounds for characters, as many character concepts will become dated, or fail to resonate for long periods of time. The figures that represent archetypal conflicts embedded in the human experience—Batman, Spider-Man, the Hulk, etc.—have proven their timelessness in their run as comic book characters, and as such, serve to become the most valuable sources of cross-media adaptations. Indeed, the previously discussed “heroic archetype” (Rhoades via Jung, etc.) and “novel of ideas” (via Wolk) aspects of superhero comic books have allowed superhero characters to sustain themselves through astonishingly long publishing histories, as these characters’ subtext informs the enjoyment of the text when the visceral thrill reading about men in tights performing heroic deeds has faded.

In addition, this archetypal nature of their core concepts provides an astonishing amount of flexibility to the characters, as it allows their nature to stay consistent through reinvention. Indeed, when discussing the first of the modern character reboots, *The Man of Steel* miniseries, Paul Levitz argues that “a character is right for its time and then changes, and you’ve got to move it. [but] We’re not changing the formula. The thing that people have responded to over the years is the legend, child from a doomed planet being raised by Ma and Pa Kent and growing into a superhero. Everything special about the character is still there and unchanged” (Rother 1986). Avi Arad, Marvel’s CEO points to a similar idea: “The key to making
Marvel films work, Mr. Arad Said, is to capture the internal conflicts that have kept the characters compelling through decades of publication.” (Levine 2004)

This combination of timelessness and flexibility is that it makes superheroes very well suited to hitmaking. Indeed, as Wolf points out, many hits fulfill the desires of a certain consumer group at a certain point in time—Titanic was a chick flick in an era where romance seemed dead. While most people doubted the success of Titanic, questioning why people would see a movie when they already knew the ending, James Cameron, protested, saying “it’s not what you think…it’s a love story, the most expensive chick flick ever made, but you won’t be able to see it without crying” (Wolf 1999, 175.) Cameron was right: the concept of star crossed lovers connected with teen girls who had been surrounded with cynical views of modern relationships. Hits succeed because of their combination of historical and a-historical factors, and the best comic book characters combine the best of both.

For example, in the 2008s The Dark Knight, Nolan’s Batman is a tortured soul who quests to defeat evil and protect the innocent (archetype), but must to the edge of his morals as he is confronted by the Joker, a terrorist whose motives and methods defy understanding and predictability (Post-9/11 historicity). Indeed, these 9/11 parallels were explicit in both the film itself and the marketing campaign surrounding the film’s release:
This combination, as some would argue, was part of the reason behind the runaway success of the film. Indeed, while the story of terror and surveillance could have been told without superhero characters (the original *Star Wars* was a time-specific hit that used an entirely new franchise of archetypal characters), the inclusion of the Batman and the Joker—recognizable icons of good and evil—gave the film an extra made *The Dark Knight* a tremendous hit.

Of course, not all comic book characters create Hollywood blockbusters: they need to hit the right notes at the right time, and even well promoted, star studded, high budget adaptations of strong properties can fail (*the Fantastic Four, Daredevil, Hulk*). However, savvy filmmakers can capture the historical moment using the high profile of comic characters, promote through the fan culture of alpha consumers, and create wildly commercially successful adaptations.

**Conclusion**

With the growth of the mass market and the increasing profile of comic book movies, this era is very much a game changer for the comic book industry. Every

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29 Dark Knight Poster (image) *Photos from The Dark Knight* Available from: IMDB [http://www.imdb.com/media/rm1446286336/tt0468569](http://www.imdb.com/media/rm1446286336/tt0468569) (Accessed April 10 2010)

30 See Dawson 2008 and Stevens 2008 for 2 examples.
facet of comic books—entertainment, hedonic value, fan culture, collectibles, and licensing—has shifted as a result of these changes. The growth of the mass market has served to decrease in overall hedonic value relative to entertainment value in terms of comics published for bookstores. However, while they have begun catering to the mass market, comic companies continue to please fan culture, as this group now serves to make intellectual property more valuable for cross media adaptation. This attention in terms of cross-media popularity serves to bolster the institutions of fan culture, such as conventions, and removes some of the stigma associated with being a comic book fan. This cross-media attention has also put the collectable value of comics into the national spotlight, and once again, people are collecting comics as a hobby.

However, like a nerd who is suddenly made popular, many facets of the industry are having trouble adjusting to this spotlight. Many within the fan community are claiming that Comic-Con, with the recent influx of movie, television, and video game companies (as well as teenage girls, who flock there for the Twilight related events) has outgrown the San Diego convention center and will have to relocate. What’s more, as bungling of the After Watchmen, What’s Next? promotion shows, companies are having a difficult time adjusting their publishing to the mass-market audience. Indeed, capitalizing on their newfound cultural importance and drawing in new readers is the industry’s comics’ biggest challenge. However, as the hedonic and cultural value of fandom may require too much comic literacy for a mass market audience, such a task might turn out to be less a job for Superman, and more of a task for Sandman, Stephen King, and Shojo Manga.
Conclusion: The Future of the Comic Industry

The Post-Modern Age, defined by the growth of the mass market and the adaptation of comic IP into film, is currently going strong. However, at the time of writing, it is still too early to see the results of many of these changes. Still, many of these shifts can be seen using the framework of shifting market functions, and, as a result one can conjecture just where the comic industry are going.

The first question is: where is the growth of movie IP leading? The growing slate of movies and the recent organizational changes would lead one to predict comic book movies as becoming an established genre, such as science fiction or romantic comedy. On the other hand, if the entertainment industry burns itself out by increasing the number of comic book movies, the central culture of comic book fans will remain loyal, as they have at numerous times in the past. The comic book industry has weathered worse crises than a possible decrease in the number of comic book IPs being turned into film, and so, even if the comic book as the place for the creation and management of IP has been overstated, comic companies will not experience a 90s era crisis.

The problem with the first situation, however, is that, with the apparatus of continuity, as central to fan and hedonic enjoyment of comic books, there are few ways for an individual who has seen a comic book movie and enjoyed it to get into the comics as a hobby. For example, someone who watches *Star Wars* and catches the science fiction bug has a wealth of literature to turn to, but someone who watches *Iron Man* and loves it is somewhat stuck, even with the growth of trade paperbacks in bookstores. Indeed, the market exists, as evidenced by the movie-driven increase in
sales of *Watchmen*, but the question is how to capture it. Part of the problem is simply related to copyright. Because many of the studios that produce films do not own the IP, movie producers have needed to create a separate version of the character for the film and the comic book (see chapter four for more discussion of this). Warner Bros., for its part, has generally lacked the organizational ability to successfully transition DC characters from comics into film. However, with Marvel’s acquisition by Disney (and its film distribution company, Paramount) and DC’s reorganization under DC Entertainment, the door is opened for more coordinated efforts to transition moviegoers into comic fans.

We can also predict the changes brought on by the increase in mass-market retail sales. From a pure sales numbers perspective, this shift is unambiguously good, as the mass market is an entirely new market and any growth in that sector is in addition to the already significant direct market. However, unless comics maintain a high level of creative quality, this growth could be stymied, as mass-market stores work on a returnable basis, and so, unsold collections are returned to the publisher. Such an increase in the demand for creative quality will shift most publishing operations towards the “buy” (rather than “make”) decision.

However, there are some dangers. While sales have been strong, the recent increase in the number of collections printed in order to capitalize on this growing market means that the bookstore market has become saturated with books that are more suited to the direct market than the mass market—*Final Crisis, Green Lantern: Rebirth, Kingdom Come*.—many direct market are steeped in continuity, while mass market consumers prefer stories that require much less foreknowledge, as they may
not have the same familiarity with the characters as a comic fan. My own prediction is that this market saturation will lead to a backlash wherein the sales of new titles decline, forcing bookstores to reevaluate the presence of graphic novels on their shelves (this backlash has already occurred in the oversaturated Manga market, see Chabot 2008) and forcing publishers to take a more active role in promoting books aimed at the mass market. This restriction will mean that publishers will be more careful in choosing to solicit the material best suited to the mass market, and focus on catering to that audience.

The other drive towards the mass market is advancements in technology. Marvel recently announced an application for Apple’s new iPad e-reader, which bodes well for the state of digital comics as a form of distribution. Digital comics have been a mixed success for the industry. Generally, reaction is positive, if subdued: Marvel’s subscription-based Digital Comics Unlimited, Dark Horse’s Myspace exclusive content, and DC’s Zuda Comics have all been moderately successful at promoting the sale of comics and trade paperbacks (Pearson 2007), and digital comics for the iPhone and PSP have been met with praise (Sorrel 2009). However like all media that can be made digital, piracy has been an issue, and easy-to-access scans of the latest comic books proliferate on Internet piracy sites.

The interesting thing about this situation is that it should be noted that piracy is less of an issue with comics in a large part due to fan culture. I can speak from experience when I say that fan culture, which often blurs the lines between readers and collectors, values the physical artifact of the comic book and romanticizes the

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31 Here, I speak as someone who moved from mass-market consumption of comic books to direct market comic books, but found the transition rocky.
quasi-ritualistic act of purchasing new issues every Wednesday. A file full of digital comics is not nearly as satisfying, from a fan perspective, as a stack of individual issues. Indeed, much of the digital scanning is couched in the idea that the scanners are preserving these comics for posterity (DCP—or “Digital Comics Preservation—is one of the largest and most reliable scanning operations) rather than simply promoting piracy, and almost every scan includes the exhortation “Like it? Buy it!” While these may be seen as token gestures, the fact remains that the physical object of a comic book is seen as the superior product by fan culture.\(^{32}\)

This situation has the added affect of maintaining comic books in an era when many print publishers are going out of business. Indeed, because fans are the main consumers of comic book pamphlets, I predict that comic books will escape the “print is dead” movement. Of course, this bodes poorly for digital comics initiatives aimed at comic fans, but in doing so, it also clears the stage for more mass-market directed products. If publishers can learn the lessons of mass market distribution and apply them to the digital format, the ease and convenience of digital comics could very well provide both a venue for smaller publishers to cheaply distribute new and creatively interesting material to a larger readership and provide a stepping-stone for mainstream consumers the world of comics.

The main lesson of the Postmodern Age, however, is much simpler than the growing interconnections of market functions would imply. As Joe Quesada, editor in chief of Marvel comics points out, “At Marvel, we are blessed with a great marketing machine, but ultimately content is king” (Klaehn 2007, 213). And Quesada is right:

\(^{32}\) In economics terms, we can see digital comics as inferior goods, whose demand falls relative to print comics when income rises.
all of these market functions are based on the concepts and characters that have
resonated with readers for years, and while one can see comics as source of
entertainment, hedonic, collectable, fan culture, or licensing value, all of these market
functions boil down to this: comics tell great stories. Indeed, as long as writers and
artists continue to utilize the power of the medium to stimulate the imaginations of
their readers, comics will have all the value they need.
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