The Changing Place of Cultural Production: The Location of Social Networks in a Digital Media Industry

By
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This article examines the role of place and place-making within cultural industries in the digital era. The data for this article are drawn from a data set of attendance at more than nine hundred social networking events over a six-year period in New York City's Internet, or "new media," industry. These data confirm that place became more, not less, important to cultural production over this period. Networking, or the processes of the formation of social network ties, is concentrated in activities within narrow geographic clusters. This study suggests that the networking events within the industry—cocktail parties, seminars, ceremonies, and the like—mediate access to crucial resources within the industry.

Keywords: Internet industry; social network analysis; creative industries; high-technology districts; industrial districts; work and occupations; network formation.

If you keep schmoozing something will surely come out of it: maybe a job, an investor, a new customer, love, inspiration or a brilliant new hire who will save your dot-com.
      —"Bernardo's List" e-mail, March 7, 2001

Digital media and information technologies have enabled work and organization to occur at a distance. There is, however, a paradox in the changing place of production. As distance work becomes technically easier, employees remain bound to place through their social networks, or the set of people and organizations linked by social relationships (Castilla et al. 2000), which mediate entrée into organizations and indus-

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tries. Even within the industries that create the technologies for distance work, the core business activities often cluster in relatively small geographic areas. Technology has not rendered work and organization "spaceless"; nor have we seen the "death of distance" (Cairncross 1997) as earlier critics predicted. However, technology has changed the place of production. In the case of New York's Internet industry—or "Silicon Alley," as it was commonly called—the designers and front-office employees clustered around a very narrow swath of Manhattan. Firms were tightly colocated, and as I argue below, this allowed productive activity to occur outside the boundary of individual firms and outside office walls.

Geographic boundaries legitimated membership within the industrial community of Silicon Alley. For example, employees reported difficulty moving between New York and other centers of Internet production (such as San Francisco and Austin), even though the portability of their in-demand skills suggested otherwise. One programmer who moved from San Francisco to New York discussed the importance of having the "right" address for establishing that he was serious about landing a job within Silicon Alley:

> I had a phone number. I had an address. I was living on Long Island, but I had the West 25th Street address which was great. . . . [It] established that I had my own office . . . in the right district [the Flatiron District]. I was going out. I was meeting people. I was interviewing in various places.[1]

The "right district" in New York's Internet industry was near the Flatiron building at 23rd Street and Broadway in Manhattan, and this particular respondent saw location as a marker of his seriousness and legitimacy as much as his experience and contacts garnered from years of employment in San Francisco.

What forces shape the formation of regional clusters within creative industries? Scholars have pointed to the social ties that link companies together across a geographic region as the foundation of innovative, creative, and emergent industries and social networking as the process in which these creative milieus form (Florida 2002; Kadushin 1974; Piore and Sable 1984; Saxenian 1994; Storper 1997; Uzzi 1996). An industry's cocktail parties, seminars, and informal gatherings form its social backbone and are especially important to innovative industries that rely on the rapid dissemination of information. Few scholars, however, have studied in any depth the *formation* of social ties within these sorts of industries. This article does this through an examination of what could be called the micro-processes of locational logic: a pattern of individual-level occurrences function to structure industrial location. The spatial processes of the Internet industry owe much to the practice of "networking," as business-oriented meetings outside of work are commonly called, and networking shapes the location decisions of industry actors. That is, being in the so-called right district means being where the action is. Within Silicon Alley, that action was located in after-hours networking events.

Few studies exist that actually use a source of data on the practice of creating an industry's informal social network. Although scholars have long recognized the

importance of social tie formation in informal, off-hours settings, they have tended to ignore studying the actual practice tie creation. Given that scholars credit informal social ties as (1) linking organizations across firm boundaries, (2) being "new forms of labor market intermediation" (Benner 2002), and (3) establishing positive economic externalities of regional production, this analysis of tie formation is sorely needed. As I argue below, social ties are *constitutive* of productive milieus within cultural industries, and the work central to maintaining these social ties happens outside of the formal boundaries of organizations and inside industrial social settings. Unfortunately, events, the critical unit of analysis for understanding this process, lack academic attention.

In Silicon Alley, the absence of other organizational and industrial supports meant one's social network became the main resource for maintaining employability.

This article uses a novel type of network data—reporting on social events—to analyze the informal organization of New York's Internet industry from 2000 to 2002. Social events reporting is a relatively underused form of social network data that avoids many of the methodological concerns of network specification: it does not rely on participant recall, is collected contemporaneously, and can capture the best and widest net over a rapidly changing field of actors. Social reporting, society columns, and the like are not commonly associated with scholarship on industrial organization. However, there is both precedent for studying social structure using social reporting or "society pages" (Brieger 1974; Davis, Gardner, and Gardner 1941) and widespread reporting of this sort in trade publications covering other industries.

In the next section, I outline theories of informal social ties within regional industrial districts. Then I describe some of the particularities of the Internet industry in New York and the data and methods used in this article. Next, I analyze the ways in which networking events geographically circumscribed Silicon Alley. These findings suggest that even within a digital media industry that relies on the technologies that enable distance work, social networks can lead to tight geographic clustering. The data below show a tight localization of a particular strata of people within New York's Internet industry, even though they are more likely than the average worker with the technologies of distance work.

Informal Ties within Silicon Alley

Theories of regional growth have focused on how social networks encourage economic growth (Florida 2002; Saxenian 1994). "Regional systems of creativity and innovation" emerge from the "dense localized production complexes that function as the essential economic backbone of thriving cities and regions" (Scott 2000, 35, 16). Comparatively, regions that develop these rich social networks within local industrial systems are better able to adapt to changing markets and technologies than other regions (Heydebrand 1999; Powell et al. 2002; Saxenian 1994).

While *regions* have been the focus of much of this scholarly attention, how networks form among individuals within regions (on which economic growth ostensibly relies) is less well understood, even as employees, companies, and scholars alike recognize the value of such networks. Much of the research to date has focused on how organizations are cosituated to share resources across firm boundaries. The geographic proximity of firms within neighborhoods, districts, and cities can foster a "recurrent collaboration and mutual interdependence of money and ideas," especially in innovative and high-technology industries (Powell et al. 2002, 303). The strongest innovation effects of colocation, however, may actually be from individual actors linking *across* organizational boundaries. This kind of "networked individualism" (Wellman 2001, 238) fosters a community approach to production, links firms to one another through the social ties of their respective employees, and draws upon the social practices associated with artists, "neobohemians" (Lloyd 2002), and the "creative class" (Florida 2002) to bring innovation inside the firm.

Social networking is certainly not unique to the Internet industry. Other industries—and media industries in particular—also rely heavily on the networks of those working within the industry. Professional and middle-class workers readily report increased pressures to "network," or make potential business contacts through social engagements (Neff 2004; Smith 2001). Nor are the structures that emerge from social networking new—certainly the "old boy's club" metaphor and the image of the three-martini lunch predate post-Fordist changes in employment structure that encourage workers' reliance on network resources in the face of shrinking organizational supports. Kadushin (1974), for example, identified "lunch distance" as a force that concentrated the American intelligentsia in a radius around midtown Manhattan from which a writer could reasonably travel for a lunch date with his or her editor. There is also a body of research on the relational ties among entrepreneurial companies and the legal and financial services companies that support them (Castila et al. 2000; Powell et al. 2002, Patton and Kenney 2003). Less is written, however, about the kind of project-based and temporary organization among creative workers and firms that Grabher (2002a, 208) has called a "pool of resources" that " 'gels' into latent networks."

Several scholars have suggested that networks increase workers' mobility within industries that rely on network forms of organization, and regional networks may substitute for types of workforce support that used to be found within organiza-

tions, such as internal labor markets, job training, and job security. How workers fare within regional networks is still unclear. Scholars of technology industries have noted that regional networks provide many resources for workers as well as for organizations but may also prevent workers' mobility across regions. Silicon Alley workers, for example, were more dependent on local market information and connections than were other types of project-based media workers for information about work and continued employability (Christopherson 2002, 2012). Social networks serve as a new form of labor market mediation for workers (Benner 2002) and provide workers with a type of job security in which personal connections serve as conduits for information about new jobs and new technologies (Batt et al. 2001). These connections however, may increase the experience of labor market inequality, as workers unable to access or maintain these networks may be at a disadvantage (Batt et al. 2001; Neff 2004). In Silicon Alley, the absence of other organizational and industrial supports meant one's social network became the main resource for maintaining employability.

Regionally based networks encourage collaborative practices across and within organizations, help diffuse continually changing technical information, and build environments of innovation that provide positive economic externalities for firms and workers. From New York's Silicon Alley to San Francisco's "Multimedia Gulch," producers of Internet-related goods and services formed clusters in regionally based local economies that adopted brands linking them to specific geographic regions.[2] The next section examines the link between locations, neighborhoods, and identities.

Neighborhood, "Noise," and Identity

The shift to postindustrial production has resulted in the reinvestment of urban space with "symbolic" capital (Zukin 1995), creating "new geographies of centrality in which cities are the key articulators" (Sassen 2002, 2). The technology industry in the late 1990s proved an interesting hybrid of two processes that shape cities. On one hand, global capitalism exacerbates the need for technology industries to move some production activities to lower-wage areas and in the developing world (Castells 2001; O Riain 2000). On the other hand, there is an incredible investment into the association of certain types of creative and high-technology production with particular cities and districts. The spatial effects of technological change create at once "enormous geographic dispersal and mobility" and "pronounced territorial concentrations of resources" to manage that mobility (Sassen 2002, 2). These same forces reshaping urban spaces gave rise to an Internet industry balanced between intensified forces of concentration and dispersion.

Given this balance, how did local production markets and fluency in local knowledge come to predominate the industrial organization of the Internet industry? What were the pressures that led to intensified concentration within specific industrial districts in a digital era? Industrial districts are not new, of course—even within the boundaries of what is now considered the center of Silicon Alley, one

could find the remains of previous urban manufacturing districts. Social connectivity, though, may be amplified in the digital era (Sassen 2002, 21), making the effects of neighborhoods even stronger for the development of urban zones of industrial production. Within highly technically linked industries, cities "are effectively nourished by strong electronic links to a wider world, but simultaneously prize their differences from other places, their local institutions and hangouts, and their unique ambiences and customs" (Mitchell 1995, 170). Rather than being a zero-sum trade-off, technological links and social links may complement one another, especially in cultural industries that "rely on the spatial logic of territorially concentrated milieux of innovation, with a multiplicity of interactions, and fact-to-face exchanges at the core of the innovation process" (Castells 2001, 228). Advances in telecommunications technologies may actually increase the demand for ongoing, face-to-face meetings (Thrift 1996a), which occur in a "re-embedded set of meeting places" within cities that support the "discourse networks" critical to the functioning of contemporary global capitalism (Thrift 1996b, 231, 249).

The parties and nightlife of Silicon Alley helped to constitute the production of the industry, not the other way around.

Symbolic capital can also be invested into economic activities through association with particular locations. The association of warehouse space with artists' living lofts (Zukin 1982) meant that office spaces within formerly industrial neighborhoods could be invested with an image of creativity and innovation, helping to establish what Kotkin and DeVol (2001, 30) termed "knowledge-value neighborhoods." Local governments and business leaders reinvested cities and districts with symbolic capital through "branding campaigns devised by place marketers" emphasizing "the promise of a reborn city that had left behind a polluted and blue-collar past for a future in which it was vibrant, stylish, confident, cosmopolitan, and innovative" (Hannigan 2003, 354). In the postindustrial economy, the growth of creative industries both depends upon this process of place-making and magnifies it.

The buzz or noise available inside of tightly located innovative industries also drives colocation within creative milieux. (Grabher 2002b, 254). While sharing information is important, the social practices around precognitive information or "noise"—"rumors, impressions, recommendations, trade folklore, strategic misinformation"—may tie the workforce of creative industries together through a process of negotiating meaning and of sense-making (Grabher 2002b, 254). Although

they were writing of the proximity of workers within a firm, Girard and Stark's (2002, 1947) observation of that the noise generated in innovative work heightens tolerance for heterogeneous ideas and practices and creates a forced intimacy seems aptly applied to Silicon Alley as a whole. Noise socializes and enculturates workers, transmitting the norms, practices, and stories of the community (Grabher 2002a, 208-9). Telecommunication advances that increase information may make the instinctual interpretation of noise even more important, heightening "the salience of proximity" for interpretive advantage (Beunza and Stark 2003, 155). The move toward electronic trading on Wall Street, for instance, meant that trading rooms became less dependent on their physical proximity to a centralized stock exchange but, rather, became "a web of trading rooms in which each node is anchored to the area by its proximity to others" (Beunza and Stark 2003, 158). Colocation persists, in part, because of the interpretive advantages of noise.

Neighborhoods play a significant role in this process. In particular, neighborhoods with the reputation for fostering artistic production provide individual cultural producers with "both material and symbolic resources that facilitate creative activity, particularly in the early stages of a cultural producer's career" (Lloyd forthcoming). Far from being "the other of productive practice," consumption within these industrial structures forms the basis of creative production (Lloyd 2002). The art galleries, bars, restaurants, and other nightlife venues represent new intersections of consumption and production in urban space that "potentially operate as key features in a new regime of capital accumulation" (Lloyd 2002, 518-19). These venues give spatiality to what Brown and Duguid (1991) have termed "occupational communities of practice" and have precedent in other industries and eras: neighborhood bars catering to a clientele of newspapermen, cops, or dock workers have functional similarities to the sleek lounges that attract fashion models or coffee shops that host screenwriters.

Venues such as these make it easier for cultural producers to recognize and establish contact with one another, while simultaneously establishing the spatial markers for creative industries. Creative neighborhoods with "funky" nightlife form the core of a "cultural industrial complex" that lures creative people to certain places (Kotkin 2002, 130). Silicon Alley in particular benefited from a kind of "industrialization of bohemia" in which "pace and rhythms of industry [were] reprogrammed to accommodate an artist's work mentality that once flourished in defiance of industrial routine" (Ross 2003, 124). Silicon Alley, I argue, became a thriving cultural space and incorporated the creative values of its workforce into industry practice through the nightlife events that occurred with dizzying frequency within the industry.

Silicon Alley: The Geography of an Industry's Nightlife

The parties and nightlife of Silicon Alley helped to constitute the production of the industry, not the other way around. The purported decadence of dot-com nightlife with its requisite launch parties, evenings spent with coworkers at the bar,

FIGURE 1
STYLIZED MAP OF SILICON ALLEY
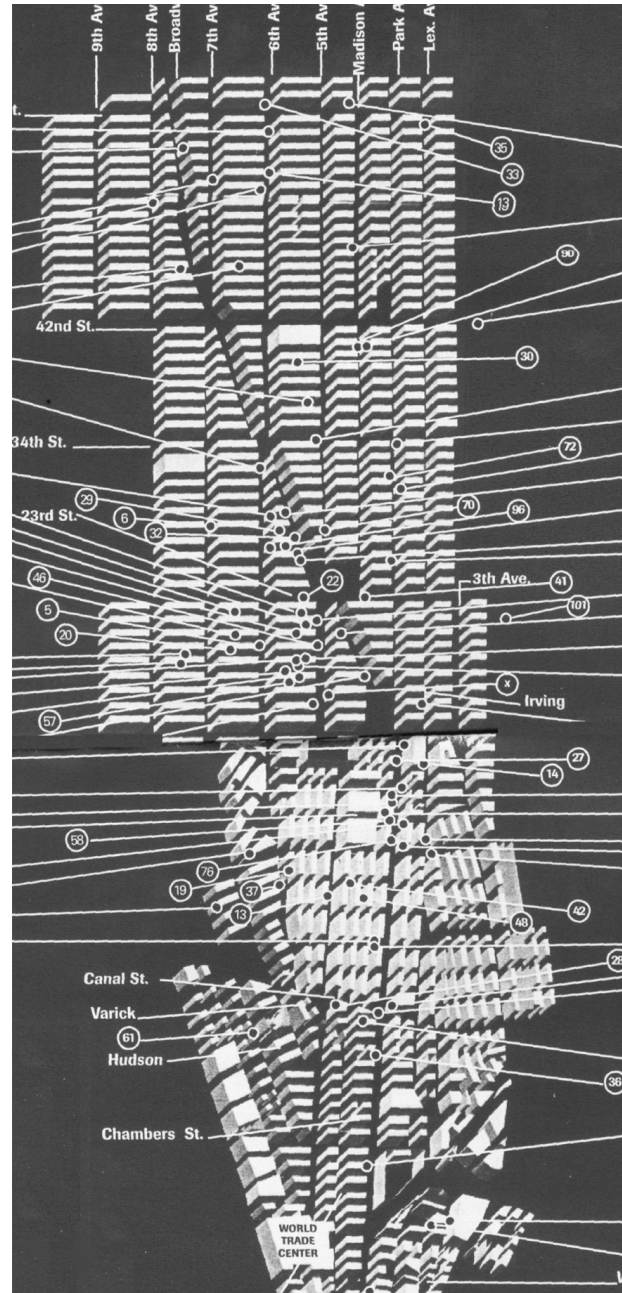
SOURCE: *Silicon Alley Reporter*, no. 8, October 1997.

and the flurry of industry-wide networking events was not simply a result of the youthfulness of a creative industry. Nightlife events linked disparate producers in a rapidly changing industry together into a community of practice that disseminated information, generated "noise," and channeled artistic lifestyles and practices into a commodifiable form palatable to demands of venture capitalists and Wall Street. The intensified social networking that occurred within the industry suggests that social network events themselves have become an important place of production within creative industries.

Initially, Silicon Alley was defined as being the collection of technology companies clustered in and around Manhattan's Flatiron District. The *Silicon Alley Reporter* regularly published a map in its early issues that served as both a business directory and a boundary marker for a growing industry. The map showed the lack of conceptual clarity about what the Internet industry was—it listed of many different kinds of business ventures such as Internet cafes, wired nightclubs, Internet service providers, advertising firms that specialized in the production of World Wide Web pages for corporate clients, educational facilities, public relations firms, magazines, and so on.[3] The map from the October 1997 issue listed 137 Silicon Alley companies and their locations (see Figure 1). As an indication of the rapid growth in Silicon Alley, the number of companies listed on the map had doubled in five months.

On this map, each dot indicates a particular building hosting one or more Internet-related companies, thus indicating how firms clustered in the neighborhood around 23rd Street and Broadway. The *Silicon Alley Reporter* included the following note with an earlier map: "FYI: Silicon Alley is loosely defined as the area from 28th Street to Spring Street along Broadway, and three blocks East and West of Broadway along that stretch. Silicon Alley is ever expanding so in this issue we have redesigned the map to include the uptown and downtown contingent."[4] As can be seen, the largest concentration of Internet companies was clustered around 23rd Street and Broadway. In the Flatiron District, Doubleclick posted a billboard advertisement at the intersection of Broadway and 22nd Street, across the street from the Flatiron Building, that read, "Doubleclick welcomes you to Silicon Alley." That billboard came down in March 2002.[5]

Regardless of its center, the concentration of the production of Internet content in New York reflected "a remarkable degree of clustering despite its much ballyhooed spacelessness" (Zook 2000, 418). The New York metropolitan region had one of the country's highest concentrations of registered commercial Internet domains, and within the region the highest concentration of commercial internet domains were clustered in Manhattan around the Flatiron District, along with smaller centers of production in the Financial District and Midtown East (Zook 2000). As I will show below, this concentration is reflected in the clustering of nightlife venues of industry events.

Data and Method

Social events reporting, or the gossip column, is an underused corpus of social network data with precedent in social network theory (see Brieger 1974; and Davis, Gardner, and Gardner 1941). For this article, I analyze the location of industry events using more than three years of reporting in a weekly online Silicon Alley trade newsletter.

"The Cyber Scene" began as a biweekly column in *AtNewYork*, a weekly e-mail newsletter about New York's nascent Internet industry. The newsletter, along with its competitor, *Silicon Alley Reporter*, circumscribed the field of Silicon Alley through a process of including (and excluding) within its coverage ideas, technologies, companies, and personalities. These early trade publications included reporting on the myriad of industry-related networking events, and *AtNewYork* began coverage of Silicon Alley events in September 1996. By April 1997, the weekly column was written Courtney Pulitzer,[6] who continued covering events for *AtNewYork* and later for her own newsletter through 2002. These weekly columns covered approximately one-tenth of the events held each week,[7] and coverage extended to the most important industry gatherings, such as meetings of the New York New Media Association (NYNMA) and the World Wide Web Artists Consortium, as well as smaller public and private gatherings. Events included conferences, panels, seminars, and workshops; private social events such as going-away dinners and birthday and engagement parties; and perhaps most important, public social events such as award ceremonies, company launch parties, parties celebrating new offices, and even "closing" parties to mark company failures. For simplicity's sake, all these types of events are referred to in this article as "social events," and after-hours events held in restaurants, bars, and nightclubs are referred to specifically as "nightlife events."

There was a continuity in Pulitzer's coverage of events over the six-year period that was surprising given the turmoil in the industry. For example, in one of the first columns, the launch party for Total NY was covered; less than a year and a half later, its "closing" party was also featured. Birthday parties, anniversary parties, going away parties—in the early years of coverage, Silicon Alley, at least through the eyes of its social reporters, was a community that celebrated rituals together. Even otherwise staid business public relations functions or informal panels became opportunities for a bit of frolicking, and frivolity found its way into Pulitzer's reporting. Dancing, drinking, and flirting were as much of a part of these columns as were companies' business models. In the excerpt below, Pulitzer captured a bit of the "rowdy" behavior that occasionally occurred:

> "Where are the cheese sticks! We want more cheese sticks!" You'd think this sort of a chant would come from the football-watching crowd in a sports bar (no offense!) but instead it came from selected attendees at the Art Director's Club roundtable "Revenge of the Nerds: Chic Geeks in New Media" on Tuesday, February 2nd. Anthony Vagnoni of Advertising Age kept the rowdy panelists in tow. . . . John Carlin of Funny Garbage, Rich Lefurgy of the IAB, Kyle Shannon of Agency.com, and Howard Fishman of Real Media were

among the panelists. . . . Meanwhile, I overheard a very artistic-looking gentleman tell Jaime Levy of Electronic Hollywood that "I love computers" and "I also like chat rooms." Alayna Tagariello of Peppercom mingled about, and bubbly journalist Pamela Parker and adorable Kit Cody, executive producer of Concrete Media, were perched at the door as the event was ending and small sanctions were deciding to head off to one of a handful hip, underground bars. ("The Cyber Scene," *AtNewYork*, February 5, 1999)

Pulitzer's column attempted to inscribe the diversity of businesses within Silicon Alley and functioned to legitimate business models and businesses through reports:

I met Catherine Winchester, CEO of Soliloquy, Inc., whom I'd heard about before, but never met. She explained the nature of her company to me. It's an interesting company in that the name indicates speaking alone and the product is about conversing with a computer. Standing by Oven Digital's display table, I saw Michael Hughes of Oracle, who sent me a most interesting link the other day about Oracle and its new $100 million venture fund to foster companies that leverage its Oracle Internet computing platform. ("The Cyber Scene," *AtNewYork*, January 29, 1999)

Event reporting formed a contemporaneous who's who of Silicon Alley in which new businesses were introduced, personalities were created, and associations among business models were made. In the process, individuals marked themselves as "regulars on the scene" in Pulitzer's description and established their own legitimacy within Silicon Alley. Events also provided Silicon Alley organizations access to potential employees and clients, as well as access to people working in other industries, such as arts and media (which were predominant in the early years of Silicon Alley), and later business and finance. Through the regularity of the column, the issues, companies, people, and events important to Silicon Alley were documented as they changed over time. The reporting of who hosted and attended Silicon Alley events helped to circumscribe what companies considered themselves a part of the "community" and, in turn, the industry. Comparing the more social Silicon Alley to the older networks around Silicon Valley, Pulitzer commented that social events in New York "propel the scene forward and give it validity" ("The Cyber Scene," *AtNewYork*, November 14, 1997). Other industry participants also equated the parties of Silicon Alley with membership in the industry. As one respondent told me, "We're not a Silicon Alley company—I mean, we're not a dot-com, those parties, that life, that's not us. We're just computer geeks."

Social networking was an industry, literally, in Silicon Alley. Weekly e-mail lists emerged with the sole purpose of telling people about the Silicon Alley events of the week, and at least one of these lists survived the dot-com crash. Event planners and "event management firms" were hired to handle the details of company parties, from the invitations to the venue to the guest list to the gift bag.[8] A hierarchy of events emerged later in Silicon Alley's history, with smaller, more exclusive events replicating the early "insider-y" feel of "old" Silicon Alley.[9] The number of these events meant that the time required to stay "connected" within the field was enormous, and many workers felt they needed to attend events to maintain their employability within the field (Neff 2004).

Method of analysis

For the analysis of participation in Silicon Alley events, I compiled a dataset of all "The Cyber Scene" social columns from September 1996 through 2002 when the column ended.[10] The resulting database contained more than 9,000 participants at 941 New York City area events over the six-year period. For this article, I am using only data from 2000 through 2002, which represents the period of the industry's maturation and its struggle to recover after the 2000 crash in technology stock prices.

Over this period, Pulitzer reported on 456 events with 4,430 participants at 280 unique venues.[11] On average, the columns in this period reported on the attendance of 9 people per event and roughly 4 events covered per week.

Information about event venues was also collected and coded by type, including offices, bars, nightclubs, restaurants, private homes, hotels, museums, and educational facilities. Of the participants included in this analysis, approximately 85 percent, or 3,783, attended an event at an identifiable venue. The addresses of these venues were collected using nightlife directories, telephone and Web directories, business event planning guides, and New York City real estate databases.

Once the address and zip code of a venue were determined, the venue was coded by neighborhood using the definitions of New York City neighborhoods as defined by the New York City Department of City Planning. Zip codes for venues were used to create geographical information system maps locating nightlife and office venues for Silicon Alley events.

Locating Silicon Alley

The sheer number of all Silicon Alley social events—not to mention the industry of planners for them and the multiple outlets for reporting upon them—points to the central role that social events played in linking Silicon Alley companies and workers. Roughly 70 percent of the events reported were parties, receptions, dinners, and the like, with conferences, panels, and seminars making up 27 percent of the reported events. As such, the bulk of Silicon Alley social events were held in bars, nightclubs, restaurants, or private events spaces such as lofts and other facilities for hire. These nightlife activities (as opposed to, say, office parties or seminars) were concentrated around the Flatiron District. The parties and nightlife were not restricted to those working in start-up companies: Wall Street investment banks (JP Morgan, Salmon Smith Barney, UBS), venture capitalists, corporate law firms (Brobeck and Thelen, Reid), top-ranked business schools (Wharton and MIT), industry associations (NYNMA and the New York Software Industry Association), large technology companies (Oracle and IBM), advertising and entertainment firms (MTV, TBWA\Chiat\Day, Sony, AOL/Time Warner), and foreign consulates (the Swedish and Canadian consulates in particular) all played host to Silicon Alley nightlife events over this period. To the extent that being close to this evening

TABLE 1
LOCATION OF SILICON ALLEY VENUES BY ZIP CODE

Zip Code	Neighborhood	All Venues		Nightlife Venues		Office Venues	
		n	% Total	n	% Total	n	% Total
Flatiron and adjacent areas							
10003	East Village; Gramercy	23	8.2	17	12.1	3	5.9
10011	Greenwich Village; Chelsea	22	7.9	16	11.3	3	5.9
10001	Chelsea; Flatiron	21	7.5	9	6.4	6	11.8
10010	Flatiron; Madison Square; Gramercy	19	6.8	13	9.2	3	5.9
Total	Flatiron and surrounding area	85	31.8	55	38.7	15	29.4
Rest of Manhattan							
10022	Midtown East; Madison Avenue	28	10.0	8	5.7	9	17.6
10019	Midtown West; Columbus Circle	20	7.1	5	3.5	2	3.9
10036	Midtown West; Times Square	19	6.8	9	6.4	6	11.8
10013	SoHo/Tribeca	19	6.8	10	7.1	3	5.9
10017	Midtown East	13	4.6	5	3.5	2	3.9
10012	Greenwich Village	10	3.6	8	5.7	1	2.0
10002	Lower East Side	10	3.6	10	7.1	0	0
Total	Outside of the Flatiron and surrounding areas	182	68.2	87	59.1	36	70.6

TABLE 2
NUMBER OF PARTICIPANTS IN FLATIRON AREA EVENTS

Zip Code	Neighborhood	Participants Reported
10003	East Village; Gramercy	448
10011	Greenwich Village; Chelsea	353
10010	Chelsea; Flatiron	327
10001	Flatiron; Madison Square; Gramercy	209
	Total	1,337
	Percentage of all participants	35.4

action was important for positioning a company within Silicon Alley, the location of these events shows the microprocesses of agglomeration. Parties built industrial networks.

Bars, restaurants, nightclubs, and events spaces compose the category of "nightlife venues" in this analysis. As shown in Table 1, almost 39 percent of nightlife

TABLE 3
ORGANIZATIONS HOSTING MIDTOWN OFFICE EVENTS

Industry	Company
Advertising	TBWA\Chiat\Day, agency7
Entertainment	AOL/Time Warner, MTV, Sony
Finance	JP MorganChase, Morgan Stanley, UBS
Law	Brobeck, Phleger & Harrison; Dorsey & Whitney; Thelen, Reid, & Priest; Schulte Roth & Zabel
Public relations	Cone Communications offices
Venture capital	VantagePoint
Internet and technology	
Advertising & PR	SiegelGale; e-Media
Broadband	Excite @Home
Technology	IBM, Oracle
Industry association	NYNMA
Start-up	Kizna.com & InfiniteFace.com

events were held in the Flatiron District. By contrast, only 29 percent of the events in offices were held in the Flatiron District. Table 2 shows that more than 35 percent of the participants were at events located in the four zip codes that compose and are adjacent to the Flatiron District. Working with neighborhood codes, the concentration of nightlife events in the small Flatiron District is even more noticeable. Twenty-five percent of all the events held in bars were within a five-block radius of the Flatiron Building.

Office venues for events, surprisingly, were not in the concentrated in the open-space lofts of start-up companies in the Flatiron District and neighboring Chelsea. Instead, the largest number of office-based events was in Midtown. More than a third, 37 percent, of the office venues were located north of 42nd Street and south of 59th Street. Table 3 shows the hosting organizations for these events. Notice that most of the midtown office events are sponsored not by Internet start-ups but rather by corporate finance, law, adverting, and entertainment firms—established business more likely to have offices with conference and catering facilities.[12]

Figures 2 and 3 show, respectively, the location for Silicon Alley social events that were held in nightlife venues and in office venues. While the Flatiron District and its environs clearly has the highest concentration of nightlife events, there are other clusters of social activity to notice, namely, around the Midtown East section where corporate headquarters in advertising and other fields are located, as well as in the Financial District. The clustering of events around these districts shows how organizations from other industries attempted to affiliate with Silicon Alley's start-up companies through hosting events for their clients and potential clients.

FIGURE 2
**LOCATION OF NIGHTLIFE VENUES FOR
SILICON ALLEY EVENTS, 2000-2002**
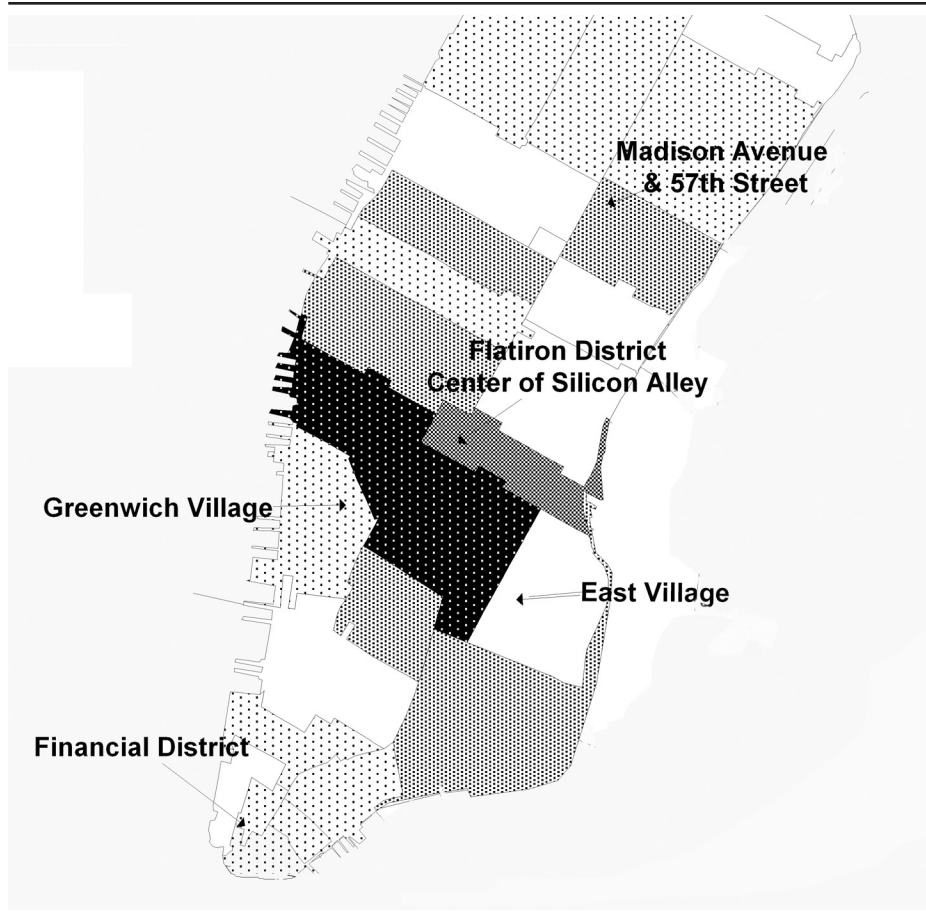
Where Production Occurs

Andrew Ross (2003, 89) wrote of the parties that Razorfish, a Silicon Alley design firm, threw: "The hedonism of company culture was carefully crafted; it could be as articulate in expressing a company's profile and aspirations as the corporate portfolio." The effort, resources, and time that went into creating a "cyber scene," as Pulitzer aptly termed it, reflect this attention to crafting corporate images through social events. These dot-com social events, at times seemingly extravagant, constituted the industrial organization of Silicon Alley by creating the spatial environment for building social ties.

FIGURE 3
LOCATION OF OFFICE VENUES FOR
SILICON ALLEY EVENTS, 2000-2002
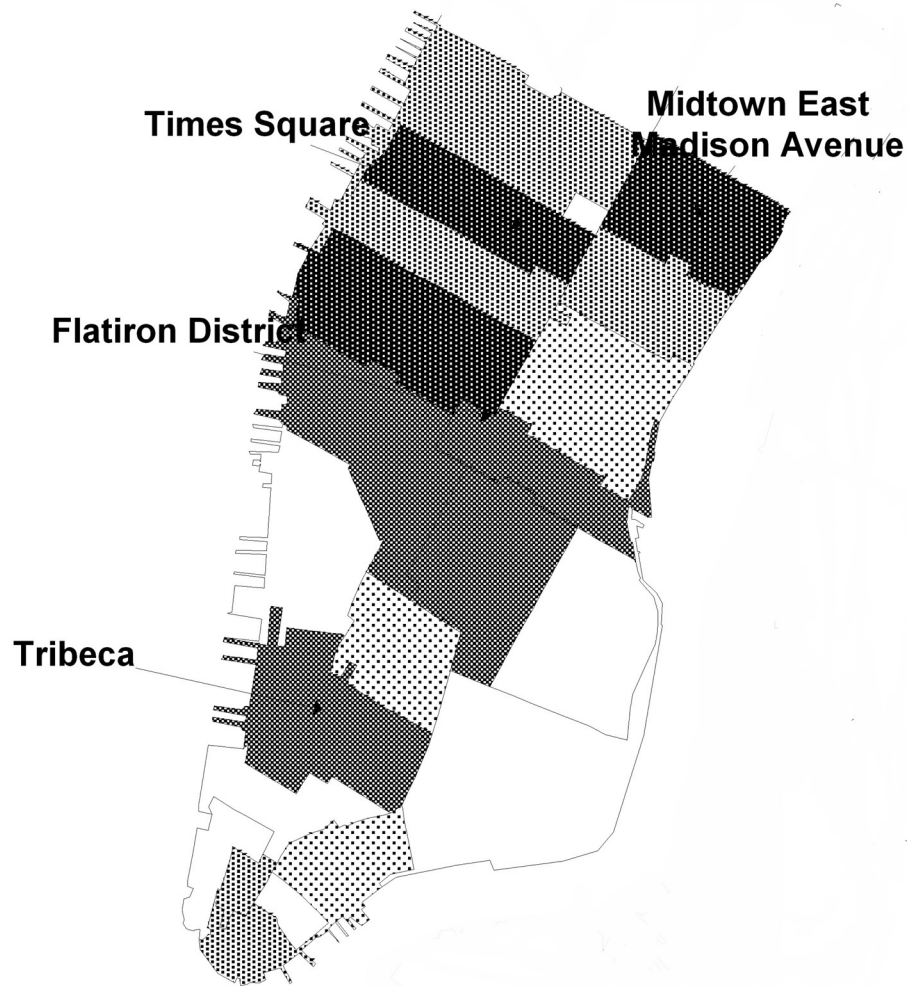
If the place of cultural production could be said to have shifted during the digital era, it was from the confines of offices to the bars and nightclubs of after-work socializing, at least in terms of the network economy of Silicon Alley. The maps of Silicon Alley events show how social networks clustered within particular neighborhoods in Manhattan. The patterning of these venues points to a new location for industrial districts—a location that is not so much in geographic space as in the cultural-social space of the after-hours events that play a crucial role in linking

together creative producers. The persistence of these colocation forces under the pressures of geographic dispersion suggest that social networks dynamically shape the contours of regional economies, especially with regards to the professional employees of innovative industries. Parties can make industries from otherwise disparate actors.

Industry actors heard the "noise" of the industry at these events. Outside the firm, in the tightly interlinked social settings, the network economies of production that fuel creative industries emerged. Parties were not play: they offered the chance to establish ties, gather information, and become a part of an occupational community of practice that spanned Silicon Alley. Indeed, employees considered after-hours events a part of their working life. The productive practices of social events point to a changing place of production, from within organizational boundaries to the industrial settings that foster the emergence of geographically based social networks. These networks were bound to place to such an extent that mobility for employees between cities was difficult.

City and business leaders looking to foster creative industries should consider how to encourage the formation of ties across organizations as a way to harness innovation. At the same time, the microprocesses of the location of creative industries could exacerbate inequalities in geographic development—that is, some spaces, even *within* cities, will continue to be more important, more central to the process of social networking, than other spaces. Employees within the creative industries that rely on the productive work of social events could also face severe disadvantages if they are unable to participate in the frenzy of nightlife activity.

Studies of social networks have been criticized for missing out on the richness of the content of social ties—that is, while the *existence* of links among industrial actors have been the object of analysis, less scholarly attention has been paid to the ways in which these ties represent the relations that build markets, much less to the process of building those relations. If we are to fully understand markets and economic processes as "tangible social constructions" (White 2002, 9), then the relational richness of social ties must be studied simultaneously with the structures that organize industries. This article shows that much more research needs to be done on the social events that link the personal networks of individuals to the structures that shape their industries, and studying the emergence of informal organization across industry actors is one mechanism for doing so.

Notes

1. For more interview data with Silicon Alley workers and for the research methodology for the qualitative data discussed here, see Neff (2004).

2. "Siliconias," or names for regional technology districts evocative of Silicon Valley, erupted with the rise of the Internet industry. See Brad Wieners, "Silicon Envy," *Wired*, 6.09, September 1998.

3. Tellingly, the map excluded the New York headquarters of established technology companies such as IBM and Sony.

4. Anon., "The Map," *Silicon Alley Reporter*, no. 4, May 1997.

5. Denny Lee, "A Once-Evocative Name Falls Victim to the Bursting of the High-Tech Bubble," *New York Times*, March 24, 2002, 14:4. It is interesting to note that Lee's article was written as part of the weekly

"Neighborhood Report" section of the Sunday *New York Times*. The neighborhood heading for the article was "Silicon Alley," not the Flatiron District or Chelsea, the more general and more widely accepted names for the neighborhood.

6. Among her qualifications for the job as a social columnist, Pulitzer had been a party organizer for one of the industry associations.

7. Bernardo Joselevich's weekly e-mail featured more than fifty Internet industry events in New York City per week in March 2001, a full year after the beginning of the dot-com crash. "The Cyber Scene" reported on an average of 4.6 events per week that month.

8. While corporate event planning predates the Internet industry, several of the events hosted by Internet companies were covered in the trade newsletters for event planners. See the coverage in *BizBash* of *The Industry Standard's* June 21, 2000, rooftop party at http://www.bizbash.com/content/editorial/e222.asp (accessed February 18, 2004).

9. See Tom Watson, "What the Industry Needs: Real Representation from NYNMA," *AtNewYork*, no. 3.16, December 19, 1997; and Amy Harmon, "Trying to Put a Little Soul Back into Silicon Alley," *New York Times*, October 19, 1997, 14:4.

10. Data about digital phenomena are especially ephemeral and at danger of being lost to researchers. The current lack of availability of Pulitzer's column online is emblematic of this problem.

11. In this article, *participant* refers to a person at an event, not a unique person. The average is less than 1.5 events per person for the entire 1996 to 2002 data set.

12. For example, Pulitzer described a dinner hosted by Swiss investment bank UBS as a "four-course extravaganza complete with a ceremonial dance between each course," cooked by the bank's private chef. The founder of GetAbstract.com and the CEO of LivePerson were on the exclusive guest list ("The Cyber Scene," *AtNewYork*, April 28, 2000).

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