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# CMO NEWSLETTER

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## Two Approaches to Press Regulation in China: Corporatization and Delisting

Han Xiaoning\*

Corporatization and Delisting are the two main approaches being adopted in the institutional reform of the press in China. While both strategies promote market mechanisms in the press industry and will result in a reduction of the financial burden for the government in the future, their development and implementation processes have differed. Reform through corporatization, which has a lower political risk and greater likelihood of profit, is more popular and is progressing rapidly, while reform through delisting, a preliminary reform of the press license system, tends to damage vested interest groups that flourish under the traditional set up. The second approach is developing relatively slowly and is gradually breaking up into two independent steps, Evaluation followed by Delisting. The different performance of the two approaches to reform reflects the reality of China's press reform and the obstacles it encounters. Concerns about economic efficiency have become essential catalysts in policy-making and reform. In the current domestic political framework, economic-oriented press reform will continue to struggle with established political concerns, and will make no real or significant breakthrough at a political level. Yet, at an economic level, China's press industry has reached a steady rate of reform.

### The Context of the Press Reform

Delisting, launched in 2005, aims to overcome the weakness of monopolized publishing companies and delist the poorest press through an evaluation process. At the outset it was also regarded as an extension of the current political framework and was expected to trigger reform of the license system.

Delisting is one of the most complicated and toughest reforms for the Chinese press. In the west, any policy whose aim is to close down the press is unwelcome but the situation is different in China. In China's traditional media system, almost all of the newspapers and magazines are state-owned and act as propaganda tools with some kind of political status. Barring the case of political mistakes, once these state-owned newspapers and magazines have obtained a license there are no legal grounds to close them down. Private capital could rarely enter this field through license application, except in some cases when the state owned press closed down because of its inefficiency.

The license system is an essential part of the current press regulation system in China. In the past, the license system set limits with the aim of protecting inefficient state-owned media from market competition by prohibiting private and foreign ownership of traditional media and thus guaranteeing political security. But, with the advent of internet and digital media, traditional media are gradually losing their dominant position with the public. And most of the competitive new media are financed by private capital. Many of the traditional state-owned media are unable to fulfill the original task of influencing public opinion and have become a burden for the state and local governments. Thus, since 2003 almost no applications to set up new newspapers and magazines have been made.

Year	2002	2003	2004	2005	2006	2007	2008
Number of Newspapers	2137	2119	1922	1931	1938	1938	1943
Number of Magazines	N/A	N/A	9490	9468	9468	9468	9549

Table 1: Number of newspapers in China, 2002-2008 – Source GAAP

Even government institutions have made very few applications for licenses to publish a new newspaper or magazine. Instead, transferring licenses is relatively easier, but very expensive. Publishing resources have become a sort of monopolized resource. The traditional license system, as a political safety valve, cannot meet the growing demands of the economy so the delisting mechanism is needed to establish a legal way of closing down inefficient newspapers and magazines, making room for new license applications, and offering a way for private capital to enter or invest in the newspaper sector. Of course, any reform in this area is sensitive and harmful for conservative vested interest groups.

Corporatization, which encourages or forces state-owned entities to transform into companies, was launched in 2009 as part of the national cultural reforms with the aim of improving the competitiveness of traditional state-owned media.

### The Delisting regulation-making process

Law proposals regarding the media and specific media laws have seldom been proposed by the National People's Congress of China (NPC). Most regulatory documents are drafted and released by administrative departments such as the General Administration of Press and Publication (GAPP) which is authorized by the State Council to draft and release regulatory documents and to take part in other specific policy-making processes.

In December 2006, GAPP issued the "**11<sup>th</sup> Five-Year Development Plan for the Press Publication Industry**" which for the first time in China's history mentioned "research to develop evaluation standards and administrative methods for market entry and the delisting mechanisms." In 2007, GAPP's Newspaper and Periodical Bureau set up a research project on the delisting mechanism and commissioned its Media Development Research Institute (MDRI) to carry it out. During this preliminary study several meetings were held between researchers, officials and publishers and some important questions were raised and discussed.

Firstly, how should a newspaper or magazine be evaluated? What indicators should be used? Should the choice of indicators be based on economic aspects or content quality ones?

Secondly, how should newspapers or magazines in different provinces with different economic development be dealt with?

Thirdly, how should newspapers or magazines belonging to different categories, such as party newspapers and professional newspapers, be dealt with?

Fourthly, if a newspaper or magazine is considered unqualified and its license revoked, how should the subsequent steps, such as cancellation of business registration, dismissal or re-placement of employees, and disposal of the assets be dealt with?

Following in-depth discussion, the policy-makers and press representatives reached an agreement on several principles, including:

- a) The principle of categorized administration. Newspapers and magazines will be categorized and evaluated accordingly. Newspapers will be grouped into Party newspapers, metropolis newspapers, professional newspapers, etc. while magazines will be grouped into academic periodicals and non-academic periodicals, etc. Party newspapers and academic periodicals will not be evaluated in the preliminary stage.
- b) The principle of regionalized administration. Newspapers and magazines will be evaluated separately for each province. The evaluations will be made by the relative provincial administrative departments.
- c) Any ensuing disposal measures will make reference to measures envisaged in the previous state-owned enterprise reform.

Therefore, one of the main tasks in defining the delisting mechanism turned out to be establishing a workable and comprehensive publication quality evaluation indicators system.

In 2007, *Newspapers and magazines market delisting evaluation index system (Proposal)* was drafted by the MDRI and submitted to GAPP and at that point the delisting reform entered the trial phase. In September 2008, Liaoning and Hebei Province were chosen as the trial provinces to test the implementation of evaluation, delisting and subsequent actions.

In April 2010, an experience sharing session on newspaper and magazine delisting was held in Liaoning Province. The Liaoning Provincial Press Publication Bureaus conducted a trial delisting of 12 newspapers and magazines, 242 employees and 50 million RMB debts. Six newspapers and magazines were delisted in another trial region, Hebei province, while other provinces didn't implement the delisting process until 2012.

In December 2010, GAPP sent the *"Comprehensive Evaluation Approaches to Newspaper and Magazine Publication Quality (Trial)"* to all the provincial Press Publication Bureaus and the Beijing Municipal Press Publication Bureau set up an evaluation process in its administrative region in early 2011 based on this report.

The delisting mechanism was officially recognized by the State Council in March 2011 with the issue of the *"Regulations on Publication Administration"* (2011) which provided a more specific legal basis for delisting. New Article 50 entrusts GAPP with the "implementation of evaluation and delisting administration, and supervision of content quality" and new Article 52 entrusts GAPP with "implementing the comprehensive evaluation methods and the comprehensive evaluation of categories". This revision incorporated GAPP's departmental regulations in a higher level regulation and classified the specific operation approach. "Comprehensive evaluation" took the place of the previous "publication quality

evaluation", which implied that the evaluation indicators would not only include content quality indicators, but also more comprehensive ones such as economic and management ones.

According to the "Comprehensive Evaluation Approach to Newspaper and Magazine Publication Quality (Trial)" (2011), the comprehensive evaluation index system consists of four different indicators, a) infrastructure indicators, b) environmental resource indicators, c) publishing capacity indicators and d) management capacity indicators. Infrastructure indicators include the basic publishing conditions, institutional mechanisms and facilities required for publishing. Environmental resources indicators include the policy environment, economic environment, market environment, publishing resources, human resources, capital resources and other resources. Publishing capacity indicators include circulation, content quality, editorial quality, digital publications, internationalization and others. Management capacity indicators include operating results, such as advertising revenue, circulation revenue or profit. Data resources include annual inspection data collection from GAPP, self-reported data from the publisher, market monitoring data from third-parties, and subjective scores from experts. Data from the last three years will be weighted and calculated and those ranking last in the evaluation will be closed down. Specific rates of elimination can vary from province to province.

From 2007 to the end of 2010 the evaluation index system and implementation approaches were debated and negotiated by the regional Press Publication Bureaus and press representatives before a basic agreement was finally reached. Because of the complicated evaluation process and the difficulty in collecting the required data, most provincial Press Publication Bureaus are still in the data collection stage. Before the Comprehensive Evaluation Approaches (2011) was released many provincial Press Publication Bureaus hadn't collected enough data to perform the evaluation and many were also put under pressure by the local press as none wanted to face the possibility of failure in an evaluation and then be closed down.

The evaluation process was originally a preliminary part of the delisting mechanism but the implementation of evaluation and delisting together encountered great resistance from the press. Policy-makers therefore decided to separate evaluation from delisting and the delisting reform was gradually split into two independent steps. GAPP now hopes to implement the evaluation system first, to fill an administrative gap, before implementing the delisting process at a later stage.

It cannot be said that the delisting mechanism has actually been established, although most documents were drafted and released between 2007 and 2012. The reform of the entry mechanism is always mentioned together with the reform on delisting in regulatory documents and government work plans. However, the current situation is that if no market delisting mechanism is implemented, there will be no new market entry mechanism. The question of whether or not there is the possibility of relaxing the entry threshold for licenses remains open.

### **The Performance of the Corporatization Reform**

The Delisting Reform was proposed by GAPP and then adopted by the State Council. Its process is similar to that of the construction of a legal system and damages some vested interest groups. Unlike the Delisting Reform, the Corporatization Reform was proposed by the State Council, developed rapidly and adopts a process which is more like a movement-style administrative campaign.

On September 26th 2009 the State Council issued the "Culture Industry Promotion Plan" which envisages a lowering of the market access threshold, active absorption of domestic and external capital in the policy-permitted areas of the culture industry in order to take part in the joint-stock reform of state-owned culture companies, promotion of public ownership as the main strategy and diverse forms of ownership of the culture industries and furtherance of leading culture companies. The core of the culture industry reform is the reform of the property rights system and some leading newspaper and magazine groups have begun to think of ways to obtain external funding.

In April 2011, the CPC Central Committee and the State Council jointly issued an important regulatory document, "Opinions on deepening the structural reform of non-political newspaper and magazine publishing entities". Some of the most noteworthy aspects are that "evening newspapers, metropolis newspapers and financial newspapers are different from the general non-political newspapers and play an important role in guiding public opinion. Considering the requirements for building bigger and stronger mainstream media, central and provincial evening newspapers, metropolis newspapers and financial newspapers can be transformed into companies following approval."

Although party newspapers, being political organs, are not allowed to transform into companies, most profitable metropolis and evening newspapers belong to Party newspaper groups. This means that the Party newspaper groups are the biggest beneficiaries of this reform, giving them a flexible capital operating margin. For example, one of the leading provincial Party newspaper groups, Dazhong News Group in Shandong Province, whose flagship Dazhong Daily is a CCP Provincial Committee newspaper, launched a reform plan for the local metropolis newspaper it owns on May 19th 2011, just one month after the policy was released. The plan envisaged the transformation of its local newspaper Peninsula Metropolis Daily, into a joint-stock limited company.

From April 2011 to June 2012 the corporatization of non-political newspapers and magazines progressed rapidly nationwide. Provincial administration departments showed real enthusiasm for this reform, in contrast to their attitude to the delisting reform. Corporatization means a state-owned entity can undertake complicated transformation activities such as asset auditing, worker re-placement, social insurance payments, re-signing of labor contracts, company registration and others. In a relatively short period of time many state-owned entities completed the procedure and transformed into companies while others have undertaken the process.

Report Date	Province	Corporatization Progress
June 2012	Jiangxi	23 entities completed in the first run. 47 entities completed in the second run
June 2012	Yunnan	23 entities completed in the first run. 6 entities in process
May 2012	Tibet	1 company established
May 2012	Henan	39 entities in process
May 2012	Anhui	The first run in process
Mar 2012	Hainan	Launch planned

Mar 2012	Guangdong	76 entities in process
Mar 2012	Hebei	49 entities in process
Mar 2012	Shanxi	95 entities in process
Feb 2012	Hubei	145 entities in process
Feb 2012	Guizhou	Launch planned
Feb 2012	Shanghai	Launch planned
Dec 2011	Nationwide	1600 entities completed and on the company register
Nov 2011	Shaanxi	400 entities completed

Table 2: Progress of Corporatization Transformation, Nov 2011-Jun 2012

### Conclusions

From the implementation of the recent reforms illustrated above and the latest central-level programmatic documents, the 12th Five-Year Plan in March 2011 and CPC Central Committee Decision Concerning Deepening Cultural Structural Reform in October 2011, we can understand the logics behind the policy-making: 1) Political security is still fundamental. The state will be the majority shareholder of newspaper companies. 2) Administrative methods will still play an essential role. 3) The license system will continue to be used as a threshold to control the press market. 4) Reduction of the financial burden, and promotion of state-owned media entities to increase market competitiveness.

As long as the authority and core news business remain controlled by the government through a shareholding, the Reform on Corporatization is considered politically safe, highly profitable and controllable. Ownership restrictions are constantly being relaxed and new regulations allow new investors to enter some well-operated newspapers and magazines, which can improve these newspapers' management and profitability. Reforms along these lines will not have adverse effects on any vested interest groups so they are popular and are advancing smoothly and rapidly. Instead, the Delisting Reform, which would create new political possibilities, is progressing relatively slowly and has been split into two steps, Evaluation and Delisting, because of both the opposition of vested interest groups and practical difficulties.

Traditional ideology-oriented administration and legislative ideas still remain but are slowly disappearing. Economic-oriented press reform will continue to struggle with established political concerns, and will make no significant breakthrough at a political level without national political reform.

The truth is that China's media system has historically been a part of the China's political system. In the existing political framework, a media reform – which takes in the license system, content direction and surveillance - can only be implemented very gradually at a political level. Indeed, without real political reform the media system will be unable to radically change.

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- In the original text of the “opinions on deepening the structural reform of non-political newspaper and magazine publishing entities”, qualified entities are, “central metropolis and financial newspapers and magazines; provincial, sub-provincial and provincial capitals’ evening newspapers, metropolis and financial newspapers and magazines”.
- The data are based on reports from the provinces on GAPP’s official website. (<http://www.gapp.gov.cn/cms/html/21/515/List-3.html>)

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## The evolution of historical drama on contemporary Chinese television: an industry perspective<sup>1</sup>

**Dr. George Dawei Guo\***

In the mid-1990s a wave of drama serials featuring the legendary figures of China’s bygone dynasties began to dominate drama programming on Chinese prime time television. The trend reached its height in the late 1990s and the early 2000s with saturation programming of palace dramas set in the Qing Dynasty (1644-1911), what Chinese critics term ‘Qing Drama’. From the early 2000s to date more dramas like these dealing with historical figures and events from a range of periods in ancient Chinese history have been produced and aired nationwide in China. According to the Report on the Development of China’s Radio, Film and Television in 2006 (Li 2007), television historical drama topped the list of audiences’ favorite television genres in the last decade. In the meantime, the Report shows that television historical dramas are the highest selling prime-time programs on China Central Television (CCTV), the leading national television station in China. These historical dramas have a significantly different look from those of the 1980s, being more diverse in theme and style and more concerned with mass entertainment. Most importantly, they have popularized the rewriting or representation of well-known historical events and figures driven by the commercialization process of the Chinese media.

The rise of the new historical television drama can be explained by the transformation of content on contemporary Chinese television. Generic changes and the hybridization of television historical drama were made possible by state-led innovation and regulation of the Chinese television industry. The content of Chinese television drama has undergone great changes since television drama as a genre appeared on Chinese television in the 1950s. Chinese media scholar Hong Yin (2002) contends that Chinese television drama has experienced three phases of development: the experimental period (1958-1978), the transitional period (1978-1987) and the commercial period (1987 to the present). After almost three decades of commercialization, therefore, according to Australia-based Chinese media scholar Michael

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<sup>1</sup> This article is derived from the author’s Ph.D. thesis which was completed at the University of Westminster in February 2012. It dealt with the reception of historical drama on contemporary Chinese television.



Keane (2005), the content of contemporary Chinese television drama now falls into three broad groupings: 'historical/political', 'social (or reform) issues', and 'contemporary popular culture'(p84).

The popularity of television historical dramas has attracted the attention of both critics and audiences in China. Most media scholars in China mainly ascribe the popularity of television historical dramas to two reasons (e.g. Li & Xiao, 2006; Yin, 2002; Zeng, 2000, 2002). First, the commercialization of mass media and the rise of media consumerism in China since the early 1990s have fostered the emergence of the popular historical drama on television. The establishment of China's satellite television broadcasting network in the early 1990s has been seen as a milestone in the development of the Chinese television industry. On the one hand, the widespread use of the satellite television technology has encouraged a boom in the television content industry since the early 1990s and has resulted in the rise of television consumerism. On the other hand, it allows us to witness the multifarious televisualization of the socio-cultural changes taking place in every corner of this post-socialist country. According to a survey conducted in 2002 (Zeng 2005), the average television viewing time of a Chinese audience amounts to three hours a day and one hour is spent watching television dramas. Thus, watching television drama has become a significant leisure activity for ordinary urban households in contemporary China.

Second, the popularity of television historical dramas should be considered as a revival of Confucianism. The media scholars holding this opinion argue that these television historical dramas set during the dynasty era have been at the forefront in articulating political and legal principles based on the Confucian-influenced traditional Chinese culture (Li & Xiao, 2006; Yin, 2002; Yin & Ni, 2009; Zeng, 2000, 2002; Zhu, 2008). US-based Chinese media scholar Ying Zhu (2008b), in her book *Television in Post-Reform China: Serial Dramas, Confucian Leadership and the Global Television Market*, argues that in their effort to engage audiences who detest rampant political corruption and society's loss of moral grounding, the historical dramas have presented exemplary emperors of by-gone dynasties. In her view, the search for model leaders is rooted in Chinese cultural tradition that has been dominated by Confucianism from the second century to the late Qing Dynasty and the early twentieth century.

Although the ways of defining historical television drama are diverse, 'the historical' has become an umbrella term in contemporary China, referring to television fiction concerning the treatment of history (mainly pre-modern), explorations of key pre-modern events and figures as well as adaptations of classic novels. At the same time, the use of 'the historical' as a term is not currently stabilized. 'Serious drama' (*zhengshuo ju*) versus 'popular drama' (*xishuo ju*) is still the most common dichotomy made within the Chinese popular press and academia about this rather broad genre of 'historical television'; the serious dramas refer to those representing historical figures and events in a more historically accurate way, whereas the popular ones are judged to feature a dramatic representation loosely based on historical facts. The aim of this short article is to briefly introduce how the Chinese television drama industry categorizes and evaluates historical drama through its production, regulatory, marketing and scheduling practices. Based on my document analysis and industry interviews between 2007 and 2010, I will divide the evolution of Chinese historical drama into three stages: 1984-1992, 1992-2004, and 2004 to the present. At each stage, the meaning of 'the historical' has been conditioned by certain literary, production, scheduling and regulatory circumstances.

### 1984-1992

The phase between 1984 and 1992 not only witnessed Chinese television industry's recovery from the Cultural Revolution; Chinese television drama also started to become more mature and diverse in terms of content and style during this period. It is between 1984 and 1989 that historical drama appeared as a new genre on Chinese television in greater numbers. The prominent examples are the Dream of the Red Chamber (*hong lou meng*, 1986), Strange Tales of A Lonely Studio (*liaozhai zhiyi*, 1986), Journey to the West (*xiyouji*, 1987), and The Last Emperor (*modai huangdi*, 1988). Most of these dramas were based on popular literary work, so the term 'literary adaptation' (*wenxue gaibian*) was often used by the television drama directors at the time to refer to historical drama (see Li & Xiao 2006).

According to Chinese television historical drama researcher Liwen Liu (2004), these literary adaptations produced in mainland China fell into three categories: classic ancient Chinese novels (*zhongguo gudian xiaoshuo*, like the Dream of the Red Chamber), ancient legendary folklores (*minjian shenhua chuanshuo*, like Strange Tales of A Lonely Studio) and contemporary historical novels (*dangdai lishi xiaoshuo*, like The Last Emperor). Apart from their literary origins, these dramas have two other characteristics that are worth special attention.

First, they were all produced by the state-owned television studios, mainly those affiliated to CCTV or provincial television stations. Under the strict supervision of China's Central Ministry of Propaganda (*zhong xuan bu*), Chinese television dramatists were required to dogmatically follow the so-called Marxist literary and artistic principles (*makesi zhuyi wenyiguan*), which basically advocated that artists and writers serve the people and the socialist system, adopting a social realism style in their work. In this political climate, as Chinese media critics Li and Xiao comment (2006), Chinese television dramatists throughout the 1980s 'treated the historical or literary subjects in a relatively serious manner compared to those in the 1990s' (p23). This 'seriousness', in my understanding, well reflected the dramatists' ideological and rhetorical burdens that were imposed by the central authority at the time. Meanwhile, the 'seriousness' effectively set a 'quality' standard for the historical drama. This quality standard can be characterized as a strong combination of literary accuracy and moral instruction. Second, as well as the inherited Chinese literary tradition, these productions were also influenced by productions from abroad, notably in their adoption of the serial format. For instance, the Dream of the Red Chamber has 36 episodes and The Last Emperor 28 episodes, with each episode running for about 45 minutes. What is more, most of these dramas debuted on the CCTV-1, the most watched television channel in the country, in the evening slot between 8pm and 8:45pm, which became China's daily national television prime time throughout the 1980s until the present. From all that, one can say that historical drama on Chinese television in the 1980s performed a dual cultural function: promoting national literary heritage on the one hand, and providing mass entertainment on the other.

### 1992-2004

In the second stage between 1992 and 2004, Chinese historical drama experienced a real transformation in both its content and its sub-genres. Most importantly, the dichotomy between 'serious drama' (*zheng ju*) and 'popular drama' (*xishuo ju*) emerged in the public discussion about historical drama in the mid-1990s. Taiwanese television culture and the ongoing commercialization of Chinese television worked together to generate and reinforce this dichotomy.

With regard to the influence of Taiwanese television culture, American media scholar Michael Curtin (2005, 2007) revisits this important political and cultural change which had a huge impact on contemporary Taiwanese and Chinese television culture. According to him (2005), 'as martial law began to wither and new media outlets began to flourish', reformers within the Taiwanese ruling Kuomintang (KMT) decided to relax their control of China Television (CTV), one of three state-controlled television stations in Taiwan; the others being China Television System (CTS) and Taiwan Television System (TTS) controlled by the military and provincial government respectively (p297). KMT's decision to relax its control was made in response to a growing number of cable television channels and increased competition in the Taiwanese commercial television market. The KMT reformers believed that cutting the explicit ties between CTV the party would better achieve CTV's commercial objectives as well as making it more attractive as a public stock offering. At the same time, in order for the station not to fall into the hands of the opposition Democratic Progressive Party (DPP), the KMT installed managers who were sympathetic to the KMT at CTV. CTV transformed itself from the KMT's propaganda machine to a market-oriented business, although its core identity still revolved around 'its distinctive association with Chinese arts and culture' (Curtin, 2005, p298). It needs to be made clear here that CTV's strong Chinese identity is to a large extent determined by CTV's spiritual resonance with the KMT, which has always been controversially in favor of imagining a 'Greater China' (*dazhongguo xiangxiang*).

Under these circumstances, CTV started to devote itself to producing costume drama (*guzhuangju*) for audiences in the Greater China region from the early 1990s. CTV's production of costume drama served as an historic starting point for frequent collaboration between Taiwanese and Chinese television producers after almost 40 years of military stand-off across the Straits. The 42-part *Tales of Emperor Qianlong* (*xishuo qianlong*), co-produced by Taiwan's Flying Dragon Film Production and China's Beijing Film Studio, was the first pioneering series. Based on the well-known historical tale about the Qing Emperor Qianlong's visit to South China, it tells the story of the Emperor's wish to pursue freedom and true love. The serial made its first appearance on CTV in the prime time slot of 8pm to 9pm on weekdays between May and July in 1991. One year later in 1992, it was shown on most of China's cable television channels as well. In my view, the rise of the costume drama represented by *Tales* can be understood in two ways. On the one hand, as Curtin rightly observes, it came as a result of Taiwanese television producers 'seeking alliance outside of the island in order to respond to local market pressures' (ibid. p311). On the other hand, it suggested to television producers on either side of the Straits that despite the fact that there exists intense ideological tension between contemporary Chinese and Taiwanese politicians, pre-modern Chinese history provides them with much less sensitive and culturally specific artistic inspiration.

For television dramatists in China, the success of *Tales of Emperor Qianlong* introduced them to the whole idea of 'popular historical drama' (*xishuo lishi ju*). For a proper understanding of this broad term 'popular historical drama' in the Chinese context, I need to elaborate. Starting from *Tales of Emperor Qianlong*, *Xishuo* drama gradually came to be recognized by Chinese television dramatists as a distinctive television genre. Not based on official historical records but popular historical tales, a *xishuo* serial tends to address such issues as corruption, romance, tradition and identity using historical events and characters. Heavily influenced by *Tales*, a wave of popular historical dramas thus emerged in China and saturated prime time provincial television schedules in the mid-1990s. The 40-episode *Hunchback Liu the*

Prime Minister (*zaixiang liuluoguo*), which was produced and distributed by Shanghai Hairun Film and Television Production in 1996, is a perfect example. The story of Hunchback Liu is centered around the conflicts between two famous senior officials during the Qianlong period (1711-1799) of the Qing dynasty. Yong Liu (or Hunchback Liu) is an honest and caring official and Shen He is a notoriously corrupt and evil-hearted one. Hunchback Liu is widely documented as the earliest domestically produced popular (or *xishuo*) historical drama that enjoyed massive popularity (see Li and Xiao 2006).

At the same time, traditional 'literary adaptation' genres that emerged in the 1980s continued to develop. For one thing, many classic ancient Chinese novels, for example, The Tales of Three Kingdoms (*sanguo yanyi*), which was first turned into television drama in the 1980s, was re-made by the state-owned television studios, mainly by CCTV. The introduction of new set designs and new casts to the classic literary adaptations attracted audiences of all ages both in China and beyond. For another, the Qing emperor serials emerged. The most prominent examples have to be the novelist Er Yuehe's biographical novels of three Qing dynasty emperors. The Chinese novelist Er Yuehe, among those historical writers, is worth special attention here. Born in Shanxi Province in north China in 1945, Er Yuehe was originally named Jiefang Ling. He is best known for his biographical novels of three Qing dynasty emperors, Kangxi (1654-1722), Yongzheng (1678-1735) and Qianlong (1711-1799), all of which have been adapted into award-winning television series<sup>2</sup>. Similar to the popular historical drama, Er Yuehe's emperor serials use the past to mirror the present and draw upon the past to satirize the present. However, the fact that they claim to be based on official historical records differentiates them from the popular serials.

Ever since Er Yuehe's Qing emperor drama was a huge success on Chinese television in the mid-1990s, the term 'serious drama' or 'correct drama' has been adopted by industry professionals. Le Fu, a senior television drama producer from the Drama Unit of Hunan Television, comments on the use of the term in my interview with him. He says that although China's television dramatists still use terms like costume drama, period drama or emperor drama to specify a certain historical serial depending on its content and style, "serious drama versus popular drama has served as the threshold showing to what extent a certain historical drama concerns real history since the late 1990s" (December 2007). 'Real history' is an interesting notion here. From this, it can be seen that the way of representing 'the historical' has become key in evaluating historical drama within the television industry since the mid-1990s. In other words, not until almost two decades after historical drama appeared on Chinese television did China's television industry professionals start to rethink the legitimacy question of 'the historical' as a cultural category in such a straightforward manner. This legitimacy question reflects the changing political and cultural value of Chinese historical drama. It eventually led to deep controversy and further hybridization of the historical drama from 2004 to the present.

It is worth noting that, for the Chinese audience, the biggest attraction of Er Yuehe's Qing emperor series lies in its Chinese historiographical traditions which have been inherited from literary and artistic work. The series drew upon historical allegories and historical rewritings to explore the history and power relations of contemporary Chinese society. This televised practice of re-writing history reached a climax in spring 2003 when the Towards the Republic incident occurred. Towards the Republic (*Zouxiang*

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<sup>2</sup> These three television series are *Kangxi Dynasty* (China International Television Corporation, 50-episode, 2001), *Yongzheng Dynasty* (Beijing Tongdao Cultural Development Corporation, 44-episode, 1997) and *Qianlong Dynasty* (CCTV & Hunan TV, 40-episode, 2002).

*Gonghe*), was a Chinese historical television series first broadcast on CCTV from April to May 2003. The series is based on events that occurred in China between the late 19th century and the early 20th century that led to the collapse of the Qing Dynasty and the founding of the Republic of China. The series reinterpreted aspects of the historical events and actors involved. Therefore, its airing immediately resulted in heated public discussions in the media as well as in internet. Due to its portrayal of historical issues deemed politically sensitive by the Chinese government, the series was subject to censorship in mainland China. Some episodes had to be re-edited, and its planned repeated airing on provincial television channels was cancelled.

In a general sense, the restrictions that *Towards the Republic* faced in the end were primarily due to the fact that, as German sinologist Muller (2007) states, the serial's historical interpretation 'did not accord with the widely-held official one supported by the government' (p3). Unlike the seriousness embedded in the 1980s television literary adaptations, which wrestled with a combination of literary accuracy and moral instruction, the seriousness of the 2000s historical drama is imbued with eagerness to criticize contemporary political and social problems using historical memories and reflection.

### 2004 to the present

Not surprisingly, the popularity of this televised re-writing of history soon attracted the attention of the Chinese authorities, the *Towards the Republic* incident being an obvious sign. In 2004, China's State Administration of Radio, Film and Television (SARFT), as China's top visual media regulatory body, issued its 40th regulatory policy of the year on the censorship of television drama attached with a document entitled 'Concerning the Adjustment of Censorship Procedure for Proposals and Final Versions of Film and Television Drama on Very Important Revolutionary and Historical Subjects'. According to the policy and the document, film and television producers must have approval from a special committee within the Central Ministry of Propaganda, rather than simply the SARFT itself, if they wish to deal with prominent events and figures from both ancient and modern Chinese history.

The stricter censorship of historical drama since 2004 resulted in fewer and fewer mentions of the old dichotomy between serious and popular drama in the popular press. I suggest that there are three main reasons for this change of television culture. First of all, restrained by the SARFT's 40th Regulatory Policy in 2004, Chinese television dramatists became more cautious in dealing with serious historical events and figures. The forced re-editing of the historical drama *The First Emperor* (*qin shi huang*) by CCTV's Drama Unit taught them a lesson. *The First Emperor* is an epic television series produced by the CCTV. It is based on the story of Zheng Ying, the founder as well as the first emperor of the Qin dynasty (221BC – 207 BC). It was filmed between 1999 and 2000 and was first released in 2001 in Hong Kong and Thailand, and in 2002 in Singapore. However, it was not approved for broadcast on mainland Chinese television because it was censored by the CCTV's Drama Unit. The initial version of the series had 32 episodes and two main adaptation issues were raised by the Drama Unit. First, the historians of the Drama Unit cast doubt on the way that the controversy surrounding the birth of the First Emperor was dealt with in the series. There have long been historical questions among Chinese academics about who were the birth parents of the Emperor. Yet the original television series seems to have treated this in an overly straightforward manner. Second, in the original version, the love affair between the First Emperor and a princess named A Nuo constituted an important part of the drama content. Because the love affair was

judged to be over-emphasized and thus unacceptable by the Drama Unit, this section was re-edited and the series was not allowed to be shown on CCTV until 2006, five years after it had appeared in Hong Kong and Thailand. Second, moving away from the controversial Qing dynasty, China's veteran television dramatists re-emphasized the role of the historical drama in promoting Chinese culture and philosophy. The Great Emperor Hanwu is a case in point. This 58-part television drama was co-produced by China Central Television (CCTV) and China Film Group Corporation (CFG), China's largest state-owned media organizations in the sectors of television and film respectively. With a huge cast of more than 1,700 characters, this epic drama series represents a 54-year period of the Han Dynasty (206 BC – 220 AD) under the reign of Emperor Wu, who was the seventh Han emperor from 141 BC to 87 BC. It tells a story of how Confucianism was established as China's state political philosophy by Emperor Wu.

Last but not the least, more and more popular historical dramas are also devoted to promoting different aspects of traditional Chinese culture and societies in diverse artistic styles. On the one hand, they have started to touch on issues such as commerce, medicine and the legislative system in different periods of pre-modern China. On the other hand, the last few years have witnessed the emergence of so-called 'time-travel television series' (*chuanyue dianshiju*) on Chinese television. By situating its plot between contemporary and historical or imaginary settings, this newly emerged television drama genre presents a hybridization of contemporary subjects, costume drama and science fiction. In response to the rise of the time-travel television series, however, the SARFT has expressed its own concerns. In 2011, some senior officials from the SARFT publicly accused those television series of misrepresenting traditional Chinese culture and thus playing a negative role for Chinese audiences to formulate their historical understanding. In the same year, the SARFT put a ban on the re-making of the well-known ancient China's big four classic novels on Chinese television; this was done with the aim of avoiding potential impact of the time-travel television phenomenon on the classic novels.

## Conclusion

This article is focused on the evolution of historical drama on contemporary Chinese television from an industry perspective. Since the early 1990s, Chinese historical drama has experienced enormous transformation in both its content and its sub-genres. The dichotomy between 'serious drama' and 'popular drama' emerged in the public discussion about historical drama in the mid-1990s. However, the stricter censorship of historical drama since 2004 resulted in fewer and fewer mentions of the old dichotomy between 'serious and popular' drama within Chinese popular press. Therefore, one can say that the Party-state apparatus remains the ultimate power in China's historical television drama production. In other words, the strict state supervision of television production and broadcasting still prevails in China. More importantly, the meaning of 'being Chinese' has been repeatedly addressed in more recent Chinese historical dramas. Echoing the Harvard professor Wei-ming Tu's influential essay *Cultural China: the Periphery as the Centre* published in 1991, one can say that Chinese historical drama, as an important part of Chinese cultural industry, remains an unfinished project for modern Chinese identity formation.

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## Overview of the Media Industry in China in 2011

The total revenue of the media industry in China in 2011 was 637.9 billion yuan (78.1 billion Euro), up 15.1% over 2010. Traditional media industries such as newspapers and the TV held a 31% share of the entire market while new media such as the internet and the mobile telecommunications industry held 42%. The number of internet users reached 513 million at the end of 2011 to become one of the key issues of the media phenomenon in China in 2011, along with the surprising development of social networks and microblogs (Weibo) above all. Value-added services of mobile applications, TV advertisements, online games and cable TV are estimated to be the 4 main media industries in 2012 with a 59.1% share of the entire market.

Transformation is still the key word when talking about the press in China in 2011, as more than 1600 non-political newspapers transformed into enterprises while 182 publishers at party level and 268 publishers at local provincial level also completed their transformation. 2011 was the first year to record a reduction in the advertisement revenue of newspapers in China, while the TV market was also under pressure as the Open-TV set-rate of Beijing citizens, for example, dropped from 70% to 30% between 2008 and 2011. Although the 3-network integration project continued, the growth rate of digital TV users dropped again in 2011, mainly due to the immature market.

The production of audio-visual content continued to grow in 2011, especially the film industry, which recorded a growth not only on an industry scale, number of screens and market, but also the capacity of market absorption. In the meantime, the video sharing market grew rapidly, with more than 325 million users and a revenue of 6.27 billion yuan (0.76 billion Euro) in 2011, the "entertainment limit" order and "advertisement limit" order issued by SARFT also encouraged advertisers to move their business from TV into the video sharing market.

The internet industry maintained its high speed growth in 2011 with advertising revenue of 51.19 billion yuan (6.26 billion Euro), up 59.4% over 2010, while the income of the online-games industry was 41.38 billion yuan, (5.07 billion Euro) up 17.5%. E-business is still the main pillar of Internet industry, accounting for 40% of the total internet economy.

The abandonment of China of several foreign broadcasting services was also a cause for concern in 2011, e.g. the BBC stopped broadcasting in China in April, Voice of Germany stopped its multi-language broadcasting in July and Voice of America closed its Chinese channel in October.

### Source:

#### **Bluebook on China's Media - Report on the Development of China's Media Industry (2012)**

Led by the Tsinghua University School of Journalism and Communication, and Center of Media Economy and Management Studies.

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Publisher: Social Sciences Academic Press (China) April 2012



## Press

### People's Daily Online Triples Its IPO Figure, Aims to Raise \$238 Million

People's Daily Online, the news website closely linked to China's governing Communist party, has just issued a statement saying that it intends to raise as much as 1.55 billion RMB (194 million Euro) from its forthcoming Shanghai IPO. That's three times more than previously planned. Subscriptions for the stock open this afternoon and continue throughout tomorrow – but there's no date set for when it will actually hit Shanghai tickers. It has set a range of 20 to 22.5 RMB per share, meaning that it could raise 1.38 to 1.55 billion RMB. 69.1 million People's Daily Online shares will be issued, and the lead underwriter is CITIC Securities (HKG:6030; SHA:600030). The state-controlled website, people.com.cn, generates most of its revenue from advertising, wireless services, and content syndication. It also has versions in English, Korean, Tibetan, Arabic, and numerous other languages, and has a subsidiary and office in the US. The company had previously declared that it would use the finances to upgrade and bolster its wireless services, tech platform, and editorial team. But that was said when it planned to raise just 527 million. It's not clear how its intentions may have changed now that that figure has tripled. Last year, People's Daily Online – a subsidiary of the People's Daily newspaper – saw its profits jump 74% year-on-year to 138 million RMB, while its sales revenue leaped 50% to 497 million RMB.

Source: Ministry of Industry and Information Technology of the People's Republic of China, Techweb also on Tech in Asia ,17<sup>th</sup> May 2012 <http://tech.sina.com.cn/t/3g/2012-05-17/10107122920.shtml>

### Landmark copyright case goes to court in China

On July 10<sup>th</sup>, 2012, the case launched by one of China's best known authors, Han Han, opened in the Haidian District People's Court in Beijing. Han Han is requesting 760,000 yuan (\$119,388) from the Chinese search engine Baidu, which he accuses of illegally allowing his work to be downloaded. The case could help hundreds of Chinese authors and other creators.

Creators' works that are found on giant websites such as Baidu are often uploaded by users and downloaded by other users. The websites defend themselves saying they are not responsible for uploading copyrighted materials. Creators, however, contend that Web platforms are enablers of the infringement of their copyright that they have a duty to protect.

In March last year, some 50 writers, including Han Han, jointly published a vehement article online, criticizing Baidu for serious violation of their copyright. An organization called the Writers' Rights Protection Alliance was established four months later in Beijing.

Source: Global Times, July 11<sup>th</sup>, 2012. Han Han, Baidu in IPR tempest.

<http://www.globaltimes.cn/DesktopModules/DnnForge%20-%20NewsArticles/Print.aspx?tabid=99&tabmoduleid=94&articleid=720316&moduleid=405&PortalID=0>

## Broadcasting

### The 3-network convergence construction is to be accelerated

A scene from Episode 17 Season 5 of *The Big Bang Theory*, a popular American sitcom, triggered online discussion among Chinese audiences. A carton of *Shuhua* milk distributed by dairy brand Yili Industrial Group was spotted on the table of the home of the two leading characters in the comedy, Sheldon and Leonard, the *International Herald Tribune* reported on April 2, 2012.

As more and more American movies and TV shows are introduced to China through online video websites and starting to gather bigger audience groups, Chinese enterprises have discovered a new way to promote their products - branching out overseas to target Chinese consumers.

According to industry insiders, China's product placement market is growing by 40 to 50 % each year. China is going to introduce 14 more American IMAX or 3D movies from this year while Chinese online video websites will also introduce more copyrighted American TV shows. China's product placement in American movies and TV shows is facing a bigger market, according to the newspaper.

The product placements of Chinese brands such as TCL, Yili, Meters/bonwe in the movie *Transformers: Dark Of The Moon* confirmed the promising future of this market. Statistics show that the sales of *Shuhua milk* has grown 12 percent year on year since the movie was released in China while the brand reputation also rose by 15 to 17 percent. Also, TCL's financial report last year showed that the brand's global sales of LCD TVs from January to October last year reached 8.11 million, a 40.08 percent year on year growth. "Chinese brands' product placements in Hollywood movies and popular American TV shows are greatly improving the consumers' awareness of the brands", Huang Qi with China Brand Research said according to the newspaper.

Source: China Daily, 4<sup>th</sup> June 2012 [http://usa.chinadaily.com.cn/business/2012-06/04/content\\_15465633.htm](http://usa.chinadaily.com.cn/business/2012-06/04/content_15465633.htm)

### Radio, film and TV industries generate \$46b in 2011

China's radio, film and television industries generated 289.4 billion RMB (37.5 billion Euro) in 2011, a 17.7% year on year increase, according to a report released by the State Administration of Radio, Film and Television on Thursday.

The strong growth was mostly driven by the advertising and cable network sectors and surging box office revenue, according to Pang Jingjun, director of the SARFT R&D center and chief editor of the report.

Advertising revenue amounted to nearly 112.3 billion yuan (15.13 billion Euro) last year, up 19% from the previous year, while an increase of 16% was seen in the cable network sector, which took in 56.37 billion yuan (6.91 billion Euro), said Pang.

By the end of January, Chinese cinemas boasted 9,600 screens, the second-highest number in the world, Pang said. Box office revenue on the Chinese mainland hit 13.1 billion yuan (1.60 billion Euro) last year after registering an average 30% annual growth over the last nine years.

In 2011, exports of Chinese film and TV products totaled \$156 million, according to the report.

Last year, 469 TV drama programs went into production, creating 14,942 episodes - the highest number in the world. Meanwhile, 791 films were produced, including 55 that took in 2.04 billion (0.25 billion Euro) in overseas box office revenue and won 82 international awards.

The report also said that 356 million Chinese surfed the Internet on their mobile phones at the end of 2011, and more than one fifth watched online videos on mobile phones.

Source 28<sup>th</sup> June 2012 [http://www.chinadaily.com.cn/business/2012-06/28/content\\_15532947.htm](http://www.chinadaily.com.cn/business/2012-06/28/content_15532947.htm)

## Film industry

### China H1 Box Office Up 45%, but Chinese productions mainly failed on the market

According to official government figures from the State Administration of Radio, Film & Television (SARFT), Chinese films held a 35% market share in the first half of 2012. This is down from 51% in the first six months of 2011.

Total box office income in the six month period grew 42% year-on-year to RMB8.1 billion (US\$1.26 billion), up from RMB5.7 billion (\$893 million at current exchanges rates) in the first half of 2012.

Hollywood films dominated the top ten charts. Seven Hollywood production companies (Lionsgate, 20th Century Fox, Sony, Warner Brothers, Universal, Paramount and Disney) took around RMB5 billion (US\$ 790 million, 62.5% of the market) at the box office. Disney held the biggest market share with 12.8%, thanks to four productions: The Avengers, War House, Brave and John Carter. And the new version of Titanic accounted for more than 12% of the total B.O. with RMB976 million. The only Chinese product in the top ten films of the year so far is Painted Skin: The Resurrection. Still in cinemas, it was the fourth highest grossing film of the year at 8 July.

103 Chinese language films held a 92% market share of the whole market of 141 films during the first 6 months, but the total B.O. of Chinese films only took RMB2.81 billion this year at 30 June, down 4% from RMB2.93 billion year-on-year. 85 of the Chinese films, 82.5% of the total, were flops at the box-office.

Source: Film Business Asia, July 13<sup>th</sup>, 2012 <http://www.filmbiz.asia/news/china-box-office-crosses-us12b-in-h1>  
China News, July 13<sup>th</sup>, 2012 <http://www.chinanews.com/cul/2012/07-13/4031826.shtml>

### China's State-run Film Fund Announces China-U.S. Co-production Slate

National Film Capital Co Ltd, the government-backed entertainment firm, has revealed plans to invest \$300 million in 10 English language movies, one of which will star a Chinese superhero being dubbed Ming: The Annihilator, the creation of iconic Spider-Man and Incredible Hulk creator Stan Lee.

Launched by China Film Foundation, National Film is a private equity group of limited partnerships involving investors from both home and abroad. The state-run fund management company - which established a Hollywood division in Los Angeles in February, the China Mainstream Media National Film Capital Hollywood Inc - has set up a 360 million yuan (44.17 million Euro) fund, backed by the Industrial and Commercial Bank of China, the country's largest commercial bank.

In addition to investing in filmmaking and the distribution of films, National Film also invests in the movie theater business.

"National Film Capital's strategy is to make English language co-productions with Chinese subjects with Hollywood screenwriters and directors for worldwide distribution," said National Film Capital president Guowei Wang. The co-productions will by-pass the film import quota for release in China. Next up for fund management company is to set up a US\$300 million fund for ten tentpole co-productions, Wang said.

Sources: Hollywood Reporter 18<sup>th</sup> June 2012 <http://www.hollywoodreporter.com/news/chinas-state-run-film-fund-338663> & China Daily 20<sup>th</sup> June 2012 [http://www.chinadaily.com.cn/bizchina/2012-06/20/content\\_15514307.htm](http://www.chinadaily.com.cn/bizchina/2012-06/20/content_15514307.htm)

Internet

**SARFT tightens online video rules content**

The country's top broadcasting and Internet watchdogs are to tighten supervision of online video content, including Internet dramas and microblog movies, demanding online content providers step up self-discipline systems to filter harmful content.

According to a circular issued jointly by the State Administration of Radio, Film and Television (SARFT) and the State Internet Information Office on Monday, the providers were asked to closely examine their videos before making them available online for public viewing.

The circular also instructed relevant industry associations to step up self-discipline, provide training to the staff of video content providers and examine their professional qualifications. The circular did not contain guidelines on identifying improper content nor specify whether standards for public broadcasting would apply to online contents.

The China Online Audio-Visual Program Service Association could not be contacted for comment at the time of going to press. The circular came as "micro movies" and Internet dramas, both of which are broadcast through new media platforms, including the burgeoning microblogging services, see rapid growth.

According to the China Business News newspaper, more than 2,000 "micro movies" were produced in 2011. The latest report compiled by Internet market research firm iResearch puts the market value of micro movies at over 10 billion yuan (1.2 billion Euro).

Source: Global Times 11<sup>th</sup> July 2012 <http://www.globaltimes.cn/content/720327.shtml>

**China Internet reaches 538 million users**

On 19<sup>th</sup> July China Internet Information Center (CNNIC) published its 30<sup>th</sup> Statistical Report on Internet Development.

At the end of June 2012 China had more than 538 million Internet users, recording an increase of 24.5 million new users over the last six months. There are 388 million mobile internet users, 32.7 million acquired in the last six months alone. The penetration index has reached 39.9% (+1.6 compared to the last month of 2011).



Figure 1 Source CNNIC 30th Statistical Report on Chinese Internet Development

For the first time desktop PCs are not the most popular way of surfing the Internet, in fact 72.2% of users (that is, 388 million people) prefer to access Internet through mobile phones, 70.7% (380 million people) still use the desktop pc. It is also important to note that 90.3% of Chinese users access the Internet at home followed by the unit of labor (*danwei*) with 30.9% and internet cafés (*wangba*) with 25.8%. Focusing on the penetration index related to age, we can see that a prevalent group is represented by young citizens between 10 and 19 (25.4%), but that the main group is that of people between 20 and 29 years old (30.2%). The presence of people aged between 40-49 years (25.5%) and over 50 (12.0%) is less relevant.

As regards the Internet penetration index, it can be noted that people with middle educational qualifications account for 37.5% of Chinese citizens who access internet, users with a middle-high educational qualification represent 31.7% of Chinese Internet users, while the groups with higher education, specialists (respectively 11.5% and 10.1%) as well as elementary instruction (9.2%) lag behind.

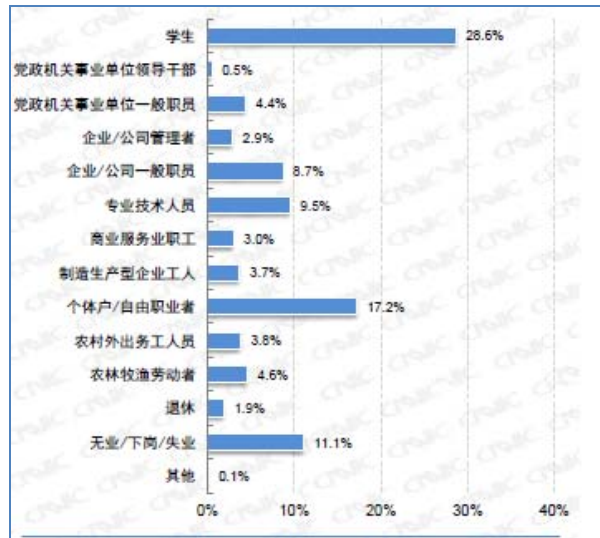


Figura 2 Source CNNIC 30th Statistical Report on Chinese Internet Development

As concerns spending power, since the majority of Chinese users are students (28.6%), freelancers, independent workers (17.2%), and the unemployed (11.1%), the spending power is less than 500 RMB a month (64.8 Euro) for 17.5% of the entire Chinese Internet community; between 2001 – 3000 RMB a month (259 – 388 Euro) for 16.9% of the Chinese users and between 3001 – 5000 RMB (388 – 647 Euro) for 16.1% of the Chinese Internet community.

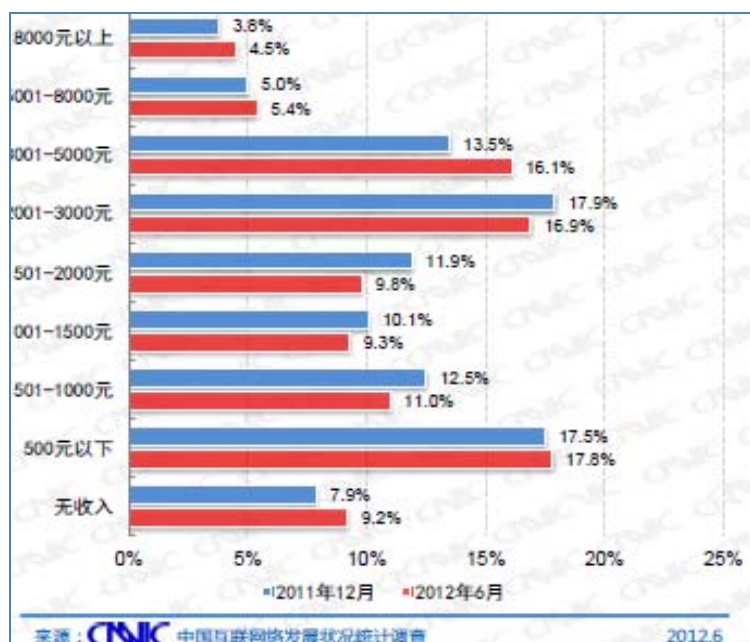


Figura 3 Source CNNIC 30th Statistical Report on Chinese Internet Development

The biggest increase in the last six months was recorded by online banking which now has 32.4% of Chinese netizens (up 12.3% from December 2011 to June 2012) while stock market speculation recorded a drop (-5.5%). Online services continued to rise steadily with a base of 187.2 million users and a usage rate of 34.8%. Blogging also continues to grow (+10.9%), microblogging increased by 9.5% and important trends were also recorded by group buying (+ 8.2%), forums and BBS (+7.7%).

Application	July 2012		December 2011		Six months growth
	Millions of users	Use rate	Millions of users	Use rate	
Instant messaging	445	82.8%	415	80.9%	7.2%
Search engine	428	79.7%	407	79.4%	5.2%
Online music	410	74.4%	385	75.2%	6.4%
Blog	353	65.7%	318	62.1%	10.9%
Microblog	349	65.1%	325	63.4	7.6%
Online banking	190	35.5%	166	32.4%	14.8%
Service online	187	34.8%	166	32.5%	12.3%
Forum/BBS	155	29.0%	144	28.2%	7.7%
Group buying	618	11.5%	646	12.6%	-4.4%
Speculation in Stocks	378	7%	400	7.8%	-5.5%

Source: CNNIC 19<sup>th</sup> July 2012 [http://cnnic.net.cn/dtygg/dtgg/201207/t20120719\\_32230.html](http://cnnic.net.cn/dtygg/dtgg/201207/t20120719_32230.html)

## New media and the market

### China mobile phone users exceed 1 billion

The number of Chinese mobile phone users topped 1 billion at the end of February, the Ministry of Industry and Information Technology (MIIT) said on Friday. The MIIT said in a statement posted on its website that the total number of mobile phone users increased by 20.67 million during the first two months of this year to hit a record high of 1.01 billion. The number of 3G mobile phone users rose by 15.5 million in the first two months to reach 143.92 million, the statement said. During the same period, the number of fixed-line telephone users dropped by 828,000 to 284.29 million users.

The number of Internet users with broadband access totaled 154.96 million at the end of February, with a net increase of 4.96 million during the first two months, according to the statement.

Source: Ministry of Industry and Information Technology of the People's Republic of China, also on China Daily 30<sup>th</sup> March 2012 [http://www.chinadaily.com.cn/china/2012-03/30/content\\_14954435.htm](http://www.chinadaily.com.cn/china/2012-03/30/content_14954435.htm)

**China's 3G Handset Shipments Reach 107 Mln in H1 2012**

China's national handset shipments reached 194.91 mln units in H1 2012, with 3G handsets reaching 106.87 mln, accounting for 58%, according to the Ministry of Industry and Information Technology's (MIIT) China Academy of Telecommunication Research (CATR).

166 new 3G handset models were released in June, exceeding the number of new 2G handsets for the first time on record. GSM products accounted for 39% of total new products, followed by WCDMA (31%), TD-SCDMA (14%), CDMA2000 EV-DO (13%), and CDMA 1X (3%).

2,099 new handset models were released in China during H1 2012, including 1,298 2G handset models and 801 3G handset models. GSM handset models accounted for 1,272 (60.6%), followed by WCDMA with 476 (22.7%), CDMA2000 EV-DO with 174 (8.3%), TD-SCDMA with 151 (7.2%), and CDMA 1X with 26 new handset models (1.2%).

Of the 2,099 new models released in H1 2012, 822 were smartphones, accounting for 39.2%, 801 or 97.4% of which were Android smartphones. Domestic brand handsets accounted for 75% of the total handsets shipped.

Shipments of GSM handsets reached 81.92 mln units in H1 2012, accounting for 42% of total shipments, followed by WCDMA with 53.1 mln (27.3%), CDMA2000 EV-DO with 28.2 mln (14.5%), TD-SCDMA with 25.58 mln (13.1%), and CDMA 1X with 6.08 mln (3.1%).

Total smartphone shipments reached 94.86 mln units in H1 2012, accounting for 48.7% of the total handset shipments. Smartphone shipments first surpassed shipments of feature phones in April, with a market share of more than 50% for three consecutive months and reaching 56.9% in June.

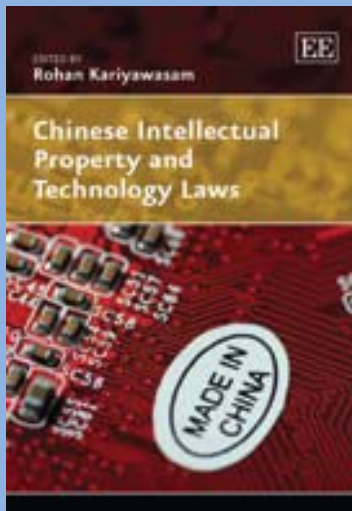
Source: Netease, also on Marbridge Daily 9<sup>th</sup> July 2012 [http://www.marbridgeconsulting.com/marbridgedaily/2012-07-09/article/57555/chinas\\_3g\\_handset\\_shipments\\_reach\\_107 mln\\_in\\_h1\\_2012](http://www.marbridgeconsulting.com/marbridgedaily/2012-07-09/article/57555/chinas_3g_handset_shipments_reach_107 mln_in_h1_2012)

## Chinese Intellectual Property And Technology Laws

Chief Editor: Rohan Kariyawasam, Cardiff University, UK and  
Peking University, China with Helen Hui  
Publisher: Edward Elgar Publishing Ltd  
2011, December

Written by some of China's leading academic experts and with a foreword by the former Chief Justice of the IP Tribunal of China's Supreme People's Court, this book combines for the very first time a review of both Chinese intellectual property and technology laws in a single volume in English.

The book initially focuses on recent amendments to the laws of copyright, trademarks, patents, before moving on to discuss unfair competition and trade secrets, and the protection of intellectual property over electronic networks. Other chapters cover the regulation of digital networks and telecommunications; IT and E-commerce; the new antimonopoly law and competition; and China's position on the TRIPS agreement. Of special note is a chapter written by in-house Counsel and the Chairman of the Quality Brands Protection Committee (a coalition of well-known multinational brands) reviewing both brand protection and practical enforcement of intellectual property in China. This book will appeal to scholars and postgraduate students in commercial law (especially in IP, trade, competition, and technology), Chinese studies and business, as well as regulators, international agencies and law firms. Management consultancy and accounting firms, banks and investment firms will also find this book invaluable



**Rohan Kariyawasam** is a professor of commercial law at Cardiff University. Prior to Cardiff, he was at the University of Essex and a member of the Human Rights Centre and Director of their Program in Information Technology, Media and E-Commerce Law. He has worked as a consultant for both the Media & Communications Department at Clifford Chance, the media law department at Field Fisher Waterhouse, and as an external consultant to the UK's Department for International Development (DFID), Cable & Wireless, and the UK's Office of Telecommunications (now OFCOM).

**Helen Hui** works at the Confucius Institute, Cardiff University. Prior to coming to Cardiff, she was a senior consultant with the US management consultancy APCO, in Beijing. Miss Hui holds a BA from Yan'an University and an LL.B. from Tsinghua University.

## Communication and Culture

Author: JIANG Fei 姜飞

Publisher: China University of Communication Press. 2011

What kind of cultural identity should China create to engage with the world? This is a question that Chinese researchers in intercultural studies ask in the face of the stagnation of intercultural studies worldwide as well as the growing number of problems emerging in Chinese society regarding the political, social and cultural transmission in recent years. We are looking for a path, which should not only suit the practical needs for defining a proper cultural concept for China's development and provide an integration between new media technology and communication theories with the successful case study of China, but also answer the question of China's current cultural status and its direction and strategies for the future.

This book complements my book *The Post-Colonial Context for Intercultural Communication* (《跨文化传播的后殖民语境》) published in 2005, and supplements it with discussions about the new media environment and in which way the media technology innovation has changed China's cultural landscape. In this book, I try to redefine the meaning of "culture" and "civilization", explain the relationship between them adopting the hypothesis of a boolean function, and also construct a systematic theory for intercultural studies from China's perspective.

I have borrowed experiences from Germany in the 18th century and America in the early 20th century during their cultural-identity construction era to establish a new model to identify Chinese culture and its characteristics in the background of new media development, also with explanations of those problems along with China's self-cultural construction. The book contains several important aspects such as:

1. Ideologically, the book adopts the boolean function model as the theoretic model of the entire research frame based on the case study of Germany in the 18th century and America in the 20th century;
2. Conceptually, the book adopted and analyzed the hypothesis of "new media offering new opportunities for China" based on studies that focus on the relationship between traditional media and its cultural construction in the past;
3. Theoretically, the book suggests the research trend of communication studies which should be changed from "multiple" media to "single" medium, in order to make a theory breakthrough, liberating communication studies from having to borrow theories and methodologies from other disciplines (like journalism studies).
4. Practically, the book outlines a new path for China's cultural construction following new media preconditions—"New knowledge production theory".

Chinese culture had survived thousands of years with its incredible ability to resist, fighting with difficult times in its history, and it has always found a way out, providing the world with a meaningful case to study and conserve for the global improvement of civilization. In the





background of the worldwide civilization transformation now underway, with the opportunities as well as challenges the new media bring to this transformation, I ask whether China can resist yet again and successfully find its path to survival. This book provides ideas for future academic contributions.

**Jiang Fei** is a professor and researcher in communication studies at the Chinese Academy of Social Sciences. He is also the director of the Department of Communication, and director of the Center for World Media Studies of Institute of Journalism and Communication of Chinese Academy of social sciences.

**New Media and Cultural Transformation:****Film, Television, Game, and Digital Communication****Call for Papers**

School of Film-TV, Shanghai University, December 7-9, 2012

Over the past two decades, the computer and Internet-based new digital media have profoundly changed our conception of cinema, television, and communication, and led to the emergence of many new forms of artistic, social and self expressions. Consequently, new terms like “transmedia,” “convergence media,” “participatory culture,” “self mass communication,” “interactivity,” “e-cinema,” and “digitextuality” have been frequently evoked to describe and theorize this cultural transformation. While it is tempting to regard this as implying a revolutionary or “paradigm” shift in artistic/cinematic expressions and media practices, it is also of vital importance to recognize the fact that more traditional models associated with “old” media remain relevant in our everyday life. To address the significant changes to contemporary culture that are taking place under the rubric of new media, therefore, is to view the current moment as a critical juncture where almost every familiar medium is being “re-invented” and “re-mediated,” but at the same time to respect the historical roots from which digital art and media emerged.

Organized by Shanghai University’s School of Film-TV, the conference aims to open the doors to an interdisciplinary examination of new media and its implications for the arts and communication in the 21st century. With a broad focus on cinema, television, gaming and communication, the conference encourages submissions of high-quality papers from around the world on new media and/or digital technology and its role in the developing aesthetics in cinema, television, gaming and communication.

The following topics are especially but not exclusively sought from paper and panel proposals:

- Digital technology and Film/Animation/Television/Communication
- Interdisciplinary approaches to game and gaming
- Machinema
- Interactive media and the arts
- Social Media and self-communication and artistic expression
- Web-film and e-cinema
- Digital technology and content distribution, marketing & consumption
- Human-machine symbiosis
- Screen aesthetics and transmedia platforms
- Computer programming as an artistic practice
- Mobility and perpetual connectivity: fragmented time and digital nomads

The working languages of the conference will be Chinese and English. Simultaneous translation between Chinese and English may be provided, depending on budget.

**Date and Location:**

Date: December 7-9, 2012 (Registration: Friday, Dec. 7, 2012);

Location: International Conference Center, Shanghai University

**Submission Guidelines**

1. Submissions should be made electronically via e-mail. Submissions will be acknowledged within 48 hours. Submissions shall imply that at least one author will register for the conference and be present at the time designated in the conference program.

Submissions must be received by Nov. 11 (Sunday), 2012. E-Mail submissions to:

Prof. Shaoyi Sun

School of Film & TV, Shanghai University

P.O. Box 308, 149 Yan Chang Road

Shanghai 200072, China

E-Mail: [shaoyis@gmail.com](mailto:shaoyis@gmail.com)

2. Be sure to include the following information in your submission:

title of the submission, name (s) of the author (s)

two or three keywords that describe the submission

mailing address (es) and e-mail address (es)

corresponding author if different than lead author

**Further Correspondence**

Send your inquiries to:

Prof. Shaoyi Sun

School of Film & TV, Shanghai University

P.O.Box 308, 149 Yan Chang Road

Shanghai 200072, China

E-Mail: [shaoyis@gmail.com](mailto:shaoyis@gmail.com)

China Media Observatory is oriented to develop a strong academic network among Professors, researchers, PhD from Europe, China and other countries, who are focusing on China Media studies, with interdisciplinary approaches. Any academic contributions and suggestions from your side are always welcomed.

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