



A Successful Reform initiated A Challenging Public Mission

Marching to a Sustainable PSB in Taiwan

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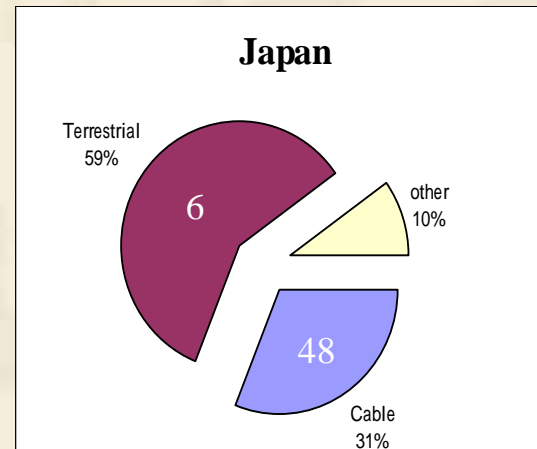
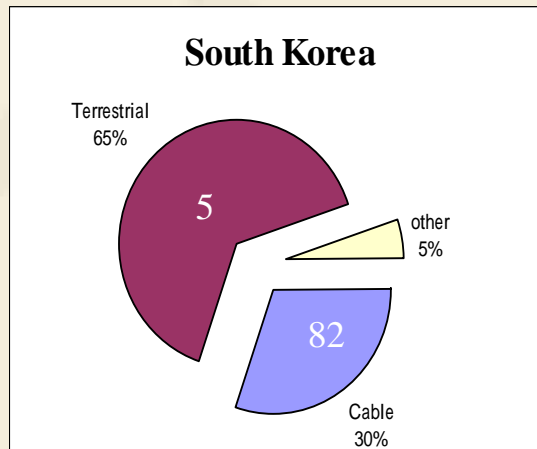
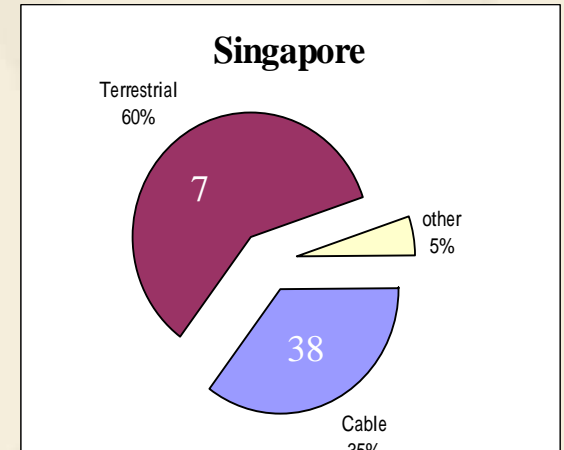
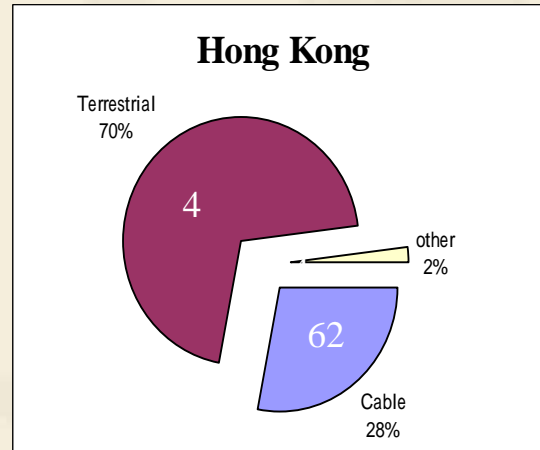
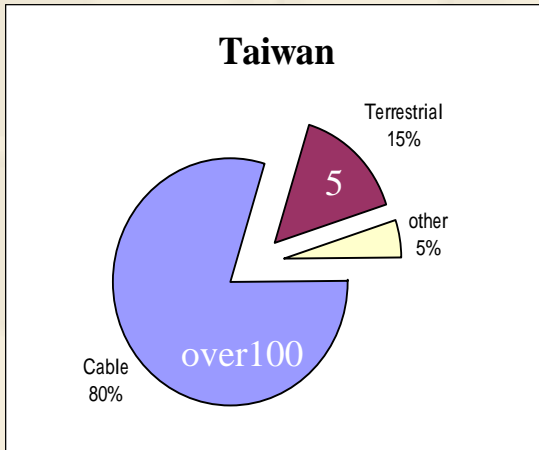
Why Publicizing?

- ❖ Democratizing the TV industry: Transforms from State-owned to Public-owned
- ❖ Strengthening the independence from government and fostering impartiality reporting
- ❖ Increasing the public investment into broadcasting service regarding the general welfare of audience
- ❖ Transforming the minority service to the public for all campaign (serving information, education and entertainment purpose)
- ❖ Establishing the infrastructure of digitization for a new electronic universe

TV Landscape at Large

- ❖ TV Household: 6.9 million
- ❖ Cable Penetration: over 85%
- ❖ Basic Cable Channel: over 100
- ❖ Satellite Penetration: 0.1%
- ❖ Terrestrial Network (4 Commercial, 1 Public) , TVR Shares of Total Viewers Market from 40% (2004) down to 20% (2006)

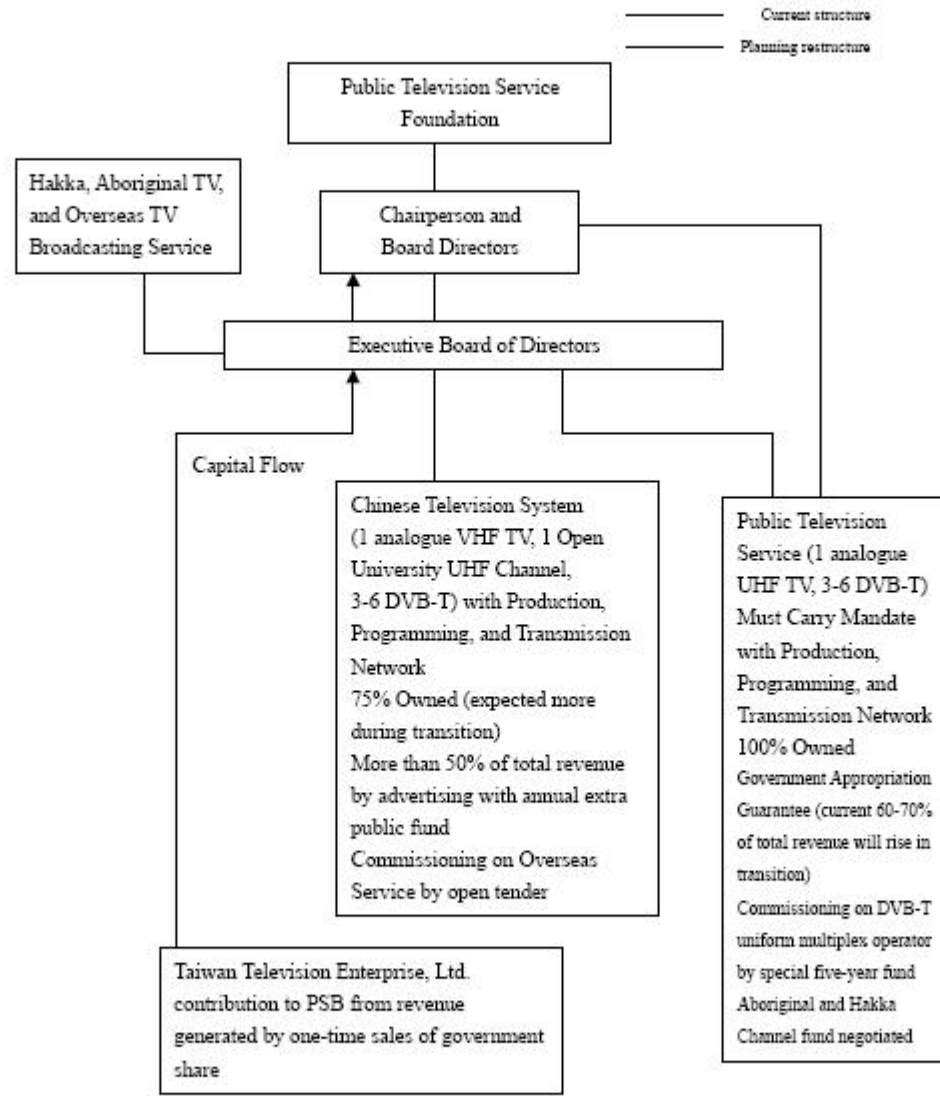
A Comparison, Fierce TV Competition in Taiwan was found



The Sunrise of Public Television Group

- ❖ The Bill for Transferring Official Shares of Broadcasting Enterprises took effective on January 18, 2006
- ❖ Chinese Television System (CTS) has been chosen by the Bill (based on the original mission and ownership) to merge with current sole PSB: Public Television Service (PTS)
- ❖ Government is responsible for transferring the lion share of CTS (74.9%) in March and will accomplish the mandatory sale of private ones to PTS before 2009 by the sunset rule

Planning a Taiwan Public Television Group (2006-2008)



Professionally Appointed Leadership

- ❖ Appointing CEO of CTS to set the Group to sail
 - ❧ Establishing a Selective Committee consisting of PTS Board's core members and external professionals
 - ❧ The process is conformed to the Governing Section of PTS Act
 - ❧ The request for recommendation was opened to public
 - ❧ Excepting the nominee list, the selection and review is made transparent as much as possible
 - ❧ Those selected candidates are required to be capable to sustain core value of PSB and without affiliating to any political forces
 - ❧ The similar procedure is applicable to choosing the Chief Executives of additional multi-channels

Programming Reform in the First Place

- ❖ CTS complied with the PSB programming criteria in following:
 - ☞ Be independent of government, political or economic control, reflects editorial integrity (according to Article 19)
 - ❖ To stop airing the one-partisan camp's talk show
 - ❖ To close the previous option allowing resale airtime to third party for promotion
 - ❖ To prohibit any placement marketing or product placement within news and current affairs programming

Synergy and Merger of News Operation

- ❖ To comply with the scale of news service adopted by PSB worldwide, as follows
 - ❧ Comprehensive, impartial and balanced news and current affairs programming, including during prime time, covering national and international events of general public interest (according to Article 19)
- ❖ News Dept. of PTS and CTS signed the merge plan on July 1, and settled the journalistic resource sharing and news schedule shifting for the lineup of two- channel
- ❖ August 7, news program was schedule to span from 7 pm to 9 pm respectively for national, international news, and documentary
- ❖ August 21, the 3-5 minute hourly headline news was launched by PTS channel in preparation for a thematic suit

Structuring a Group Work

- ❖ Approving a Franchising Entity Cooperative Enactment
 - ❧ To implement the Editorial Guidelines for training the personnel professionally as a whole
 - ❧ To make the financial statement accountability and transparency
 - ❧ To share the human resources and activate the virtuous cycle
- ❖ Designated the President of PTS as the CEO of Public Television Group (named as Taiwan Broadcasting System)
- ❖ PTS Board of Directors equipped with its own staff members to efficiently supervise the corporate affairs
- ❖ Group CEO appointing General Managers of both PTS and CTS, and other dedicative channels for public service into a Board of Administration functioned as decisive forces upon all business affairs of TBS

We are ready, but still in need

- ❖ A government appropriation imposed on public service is optional to CTS legalized by Bill (Article 14)
- ❖ With commitment to this public service, CTS expected to lose 246 million (USD 7m) advertising revenue from rating game
- ❖ Facing the downturn of terrestrial television service, CTS has already generated 1,160 million (USD 35m) deficit in FY 2005 and continually....,
- ❖ To optimize the cost of workforce (76 employees received compensation), to finalize the contract with State-Owned Company (584 received settlement), total 780 million (USD 23m) is going to be disbursed
- ❖ Currently, government is without intention to take over the charge (interference caution!)

Future Look and Challenge

- ❖ To buy out the rest of private share of CTS in complete merge
- ❖ To win over the public support by programming and news
- ❖ To implement thoroughly Editorial Guideline within TBS to skillfully resist Placement Marketing
- ❖ To legalize long-term budget planning by proposing an amendment of PTS Act replaced government dedicated fund
- ❖ To accomplish platform independence and set the value-chain, secure the arm length between government and independent regulator

Thanks for Your Attention and
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