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Under the guidance of the CPCCC of Beijing and the People’s Government of Beijing Municipality with their strategies for cultural development, Beijing’s cultural and creative industries (hereafter known as CCI) have made tremendous progress. With continuous growth, the structure of the industry has further optimized to have higher consumption and international competitiveness induced by the emergence of leading enterprises. Beijing has not only become a leader in China’s CCI, but also a strong influence in the international community as a cultural and creative city.

The purpose of this report is to reflect the basic situation of the overall industry of Beijing and determine the direction for further development, using facts and data as of the end of 2012.

I. Current Situation

A. Development History

In 1996, a symposium on the cultural development strategy of the capital was held by the Beijing Municipal Organization. The talks formulated “Several Suggestions Accelerating the Development of Beijing’s Culture,” formally proposing the concept, outlook, and initiatives in developing Beijing’s CCI, becoming the first in China to reform and innovate the cultural industry in a socialist-market economic system.

During the “10th Five-Year Plan,” Beijing introduced a series of policies and measures to actively reform the associated systems, achieving rapid development in CCI. In 2004, Beijing enacted the “Beijing Cultural Industry Development Plan (2004-2008).” Then in 2005, the
State Council approved the “Beijing Municipality Master Plan (2004-2020)” clearly urging “to develop the cultural and creative industries” for the first time.

Through progressive efforts in all aspects, Beijing obtained an advantage in the sectors of artistic performances, press, publishing, radio, film, television, cultural exhibitions, and antique exchanges. In the same year, the city’s CCI added a value of 70.04 billion Yuan, accounting for 10.2% of the city’s GDP.

During the “11th Five Year Plan,” Beijing further promoted the innovation of related systems and mechanisms to push CCI to a higher level. Established in April 2006, the Beijing Cultural and Creative Industry Leaders published the “Classification of Beijing Cultural and Creative Industry” as guidance. In that same year, the city also formulated “Multiple Strategies in Promoting the Development of Cultural and Creative Industries,” and the organization identified the first batch of 11 municipal CCI zones. During this period of time, Beijing’s CCI grew 20.3% annually and constituted for 12% of GDP in 2009, becoming an important pillar industry for the city.

Now, in the “12th Five Year Plan,” Beijing continues to further its reform, and restructure its administrative culture and policy system. In December 2011, the Beijing Municipal Committee released the “Suggestions on Utilizing Culture as a Central Role in Accelerating the Construction of an Advanced Cultural City with Chinese Socialistic Characteristics,” proposing solid progress in the “Concurrent Development of Culture and Technology” strategy and the nine Cultural Projects (Cultural Boutique Project, Benefitting-People Cultural Project, Protection of Historical and Cultural City Project, Cultural Innovation
Project, Cultural and Creative Industry Development Project, Culture and Technology Integration Project, Refined Network Guide Project, Cultural Leaders Project, and Culture Propagation Project) to build a “1 + X” system (“1” refers to the “Suggestions,” while “X” is the supporting policies related and formulated surrounding the “Suggestions”), so to establish the objectives, tasks, and new ideas for developing prosperous growth in Beijing’s CCI. In 2011, the industry earned more than 900 billion Yuan, added 193.86 billion Yuan in value, and constituted 12.1% of the city’s GDP, greatly contributing to the transformation of economic growth of Beijing.

B. Overall Trend

In 2012, Beijing’s CCI continued to show steady growth with the industry’s total revenue exceeding 1 trillion Yuan, adding an industrial value of 220.52 billion Yuan, accounting for 12.3% of the GDP, behind the financial industry and wholesale & retail industry, and becoming the third pillar industry of the city. The value-added grew by 10.8%, even though the rate dropped slightly, it was still higher than the GDP growth rate by 0.8 percentage points. In addition in 2013, the industry employed 1.529 million people, a major stabilizing factor of Beijing’s job market.

According to “Cultural and Related Industries Classification (2012)” published by National Bureau of Statistics, the industry’s value-added of corporate units increased to 147.49 billion Yuan, up by 14.8% over the previous year, and 4.8 percentage points higher than the GDP growth rate at current price in the same period. It constituted 8.2% of the city’s GDP, the highest of its kind compared to any other region of China.

In 2012, the enterprises in Beijing played an obvious leading role in
the industry among the nation, with a total of 8,334 municipal-level operating units, reaching 928.58 billion Yuan in revenue and employing 1.043 million people, of which 6,912 are non-public and mixed ownership enterprises with a revenue of 735.59 billion Yuan and employment of 834,000 people. In addition, 11 cultural and creative firms of Beijing became listed on A-shares in 2012, increasing the total listed Beijing firms to 51. As of December 2012, 15 of those companies are listed overseas as well, including 11 software and networking enterprises, and four radio, television, and film companies. Under the guidance of these top enterprises, the medium, small, and micro-enterprises, which account for 90% of the total number of firms, develop robustly and concurrently with enterprises of various ownerships.

C. Major Sectors

In 2006, Beijing Bureau of Statistics issued the “Beijing Cultural and Creative Industry Classification Standard,” which included nine sectors: the arts; press and publications; radio, television, and film; software, network, and computer services; advertisement and exhibitions; art trade; design services; tourism, leisure, and entertainment; and auxiliary services. In 2012, these sectors continue to increase steadily in value except for the “auxiliary services.”

Significant Culture and Arts Sector Growth with Accelerated Pace in Reforming Enterprises

In 2012, Beijing’s culture and arts sector added 7.6 billion Yuan in value, a growth rate of 11.8%. Theater box offices grossed a record total
of 1.53 billion Yuan with 113 performance venues holding 21,716 performances, drawing in around 11 million guests. Through strategic partnerships, franchises, etc., cinemas and theaters in Beijing developed into 5 main alliances, which are the Beijing Poly Theatre, Northern China Theaters, National Centre for the Performing Arts, China National Theatre for Children, and China Puppet Theatre Alliance. Among them, the Beijing Poly Theatre Management Co., Ltd. was at the forefront in implementing a “theater” performance business model, building 28 theaters around the country in nine years.

Dongcheng and Xicheng core capital districts of Beijing, and Chaoyang, Haidian, Fengtai, and Shijingshan expanding urban districts have had excellent arts and culture sector development.

**Radio, TV, and Film Sector is the Most Creative in China with Increasing International Influence**

In 2012, Beijing’s radio, TV, and film sector added a 15.4 billion Yuan increase in value with a growth rate of 15.3%. Movie box offices made 1.61 billion Yuan, ranking number one in screens per capita among the nation with a total of 726 screens in 135 cinemas. There are 1.199 million film screenings annually, an increase of 23.2% in year-on-year growth, having 37.526 million viewers, an increase of 17%. In addition, various television production companies in Beijing filmed 2,585 episode productions in 76 TV series, and 583 episodes in 19 cartoon series, totaling 8,030 minutes. As the nation’s largest broadcasting market and production center, accounting for a quarter of the nation’s total, Beijing has 1,579 licensed radio and television program production companies.
During the second Beijing International Film Festival, 260 of the top films from 54 countries and regions were screened to Chinese and foreign guests. Furthermore, over 640 companies from more than 200 countries and regions engaged in negotiations, signing 21 business contracts with a transaction amount of 5.27 billion Yuan, an 88.7% increase in trading volume compared to the first session of the film festival.

Currently, Beijing radio and television owners are mainly located in Huairou and Daxing Districts. The Huairou film industry earned 2 billion Yuan in operating income in 2012, forming an all-inclusive digital production base with film creativity, filming, post-production, film education, film and television experience, tourism, entertainment, and other functions, becoming China’s largest film shooting and post-production center. The National New Media Base of Daxing District has also attracted a number of film and television production companies.

The Press and Publication Sector, a Leading Force with Rapid Development of the New Emerging Segments

In 2012, Beijing’s press and publication sector earned 88.3 billion Yuan in total revenue, a year-on-year growth increase of 16.9%, employing 156,000 people, a year-on-year growth of 3.2% with 151.46 billion Yuan in total assets, an increase of 20.2%, ranking first in the nation. A total of 257 different newspapers, 3,064 periodicals, and 180,000 books were published. As culture and technology merges, web publishing, mobile publishing, and cloud publishing are developed at a rapid pace with mobile phone subscriptions, e-books, and other consumer groups continuously growing. Over the past five years, the
annual average revenue growth rate of digital publishing remained around 20% over the past five years, and in 2012 the revenue of 74 major digital publishing companies of Beijing grew nearly 20%. Well-known e-book libraries of Beijing include ChineseAll.com, Founder Group, Beijing Sursen Company, and Chaoxing Company, accounting for 90% of the nation’s e-book market share.

The spatial layout of the press and publishing sector are mainly located in Chaoyang, Daxing, Haidian, Shijingshan, and Xicheng. In 2012, the media industry of Chaoyang District accounted for 54.7% of total revenue of the district’s CCI, while Shijingshan District formed an internet game and mobile-based digital publishing industry cluster, and established a Digital Entertainment Industry Demonstration Base. The China Beijing Publishing Creative Industry Park of Xicheng District constantly improves the link between upstream and downstream industries. Tongzhou District relies on the Taihu Publication Exhibition Trade Center to further highlight the contribution of the industry to regional development. While in Pinggu District, it firmly holds on to the music industry, arranging for various resources to create “China’s Music Valley.”

**Boom in Art Trade Sector with Flourishing Exchange Platforms**

In 2012, Beijing’s art trade sector reached 70.56 billion Yuan in total revenue, an increase of 43.4%, with a value-added amount of 5.92 billion Yuan, accounting for 2.7% of the city’s CCI GDP. Currently, Beijing’s art trade transaction amount ranks first in China, also becoming the fourth largest Chinese Cultural Relic Exchange Center after London, New York,
and Hong Kong. At this time, there are 64 antique shops around Beijing with 47 in Chaoyang, eight in Dongcheng, and six in Xicheng, and 120 auction enterprises with 57 in Chaoyang, 34 in Dongcheng, and 19 in Xicheng District. The art exchange platform is in a flourishing trend, bringing vibrancy to the industry.

**Advertising Exhibition Sector Develops Rapidly and Infrastructure Continues to Strengthen**

In 2012, Beijing’s advertising exhibition sector earned 125.68 billion Yuan in total revenue, an increase of 8.9%, accounting for 12.2% of total revenue of the city’s CCI. Advertising revenue was over 100 billion Yuan, first in the world. In addition, 125,000 were employed in the field, an increase of 8.7%, accounting for 8% of the total number of employees in CCI. They catered to 278,000 conferences, of which 7,403 were international conferences that welcomed 737,000 people in 2012. 1,059 exhibitions were held, of which 281 were international.

The area of Beijing exhibition venues grow yearly with improvements in the facilities as well. The main location is at the China International Exhibition Center Industry Park of Shunyi District because of its convenient transportation, logistics, and storage, but also in high-quality venues in Chaoyang District and beautiful natural settings of Changping and Huairou District. The National Convention Center, Beijing International Convention Center, Beijing Conference Center, and others have become important venues where large events and high-end meetings are held. Multi-level stadiums, cultural centers, parks, or museums have become an ideal place to hold large events and theatrical
performances because of the multi-purpose design with their own distinctive features.

**Bringing Together Top Design Services Organizations to Create Great Development Potential**

In 2012, Beijing’s design services sector brought in 44.3 billion Yuan in total revenue, accounting for 4.3% of the city’s CCI in total revenue and employing 119,000 people. With Beijing joining the UNESCO Creative Cities Network, the city became the twelfth “City of Design.” The industry has become one of the most promising fields for Beijing’s CCI. Currently, Beijing has the China Architecture Design & Research Group, China Academy of Urban Planning and Design, and other top architecture, planning and design agencies. The city also has the Central Academy of Fine Arts, Tsinghua University Academy of Arts & Design, and other designer training bases for cutting-edge creations, firm design, construction design, industrial design, urban planning design, interior design, graphic design, fashion design, and others.

Beijing design services are mainly located in Xicheng, Shunyi, Haidian, and Shijingshan District. Xicheng District has the DRC industrial design and creative industry base, a place that gathers design creativity, services, technological platforms, and exchanges into one distinctive base. Shunyi District began an auto industrial design group, electrical and mechanical industrial design group, urban industrial design group, new building materials industrial design group, and information software industrial design group.
Clear Pillar Position for the Software, Network, and Computer Services Sector, Grabbing the World’s Attention

In 2012, Beijing’s software, network, and computer services sector added 104.22 billion Yuan in value, a growth rate of 14.2%, reaching 388.81 billion Yuan in total revenue, an increase of 119.03 billion Yuan over the previous year, and employing 698,000 people. Having maintained a strong growth trend and served as the most important pillar for Beijing’s CCI, value added, employment, total assets, and total revenue ranked first for the city’s CCI. This sector made important contributions in promoting economic and social informatization in Beijing, triggering the evolution of traditional industries and spawning new, green industries with high value in order to accelerate the transformation of economic development and structural adjustments to the sectors, so to improve international competitiveness of the entire city.

Beijing’s software and network industries are mostly located in Haidian, Chaoyang, Shijingshan, and Dongcheng Districts. For Haidian District in 2012, the CCI revenue reached 391.4 billion Yuan in 2012 and two thirds came from the software, network, and computer services sector. The Zhongguancun National Innovation Demonstration Zone was selected as one of the first national culture-technology integration demonstration bases.

Rapid Growth of Tourism and Leisure Sector Triggering Significant Effect on Regional Integration

In 2012, Beijing’s tourism and leisure sector earned 84.9 billion
Yuan in total revenue, a growth rate of 20%, accounting for 8.2% of the total revenue of the city’s CCI. Beijing had 231 million travelers in 2012, an increase of 8.1%. With “leisure” travel becoming a new way of life for Beijing residents, this sector grows rapidly here as the concept of travel changes, turning into an important pillar industry for the city. By the end of 2012, the National Tourism Administration officially approved Beijing as the first provincial-level “National Comprehensive Tourism Reform Pilot City,” bringing in opportunity for “leisure” travel in Beijing and gradually integrating the regions surrounding the city to form a tourism circle.

Tourism and leisure sector is distributed throughout Beijing, mainly relying on the historical and cultural tourist destinations of Dongcheng, Xicheng, and Haidian Districts, as well as the ecological, recreational, cultural, and other characteristics of Fangshan, Miyun, and Yanqing Counties and the Great Wall.

**Auxiliary Services Sector Continually Improves**

As a national CCI leader, the scale of Beijing’s auxiliary services sector tops the country. In 2012, this sector earned 137 billion Yuan in total revenue, accounting for 13.3% of total revenue in the city’s CCI with 160,000 people employed in the field, and a continually improving service capacity.

**D. Social Impact**

As China’s political, cultural, and international exchange center, Beijing congregates a wealth of cultural and creative resources,
international groups and organizations, and many educational research institutions to provide constant intellectual resources and industrial support for the development of CCI. Furthermore, Beijing is China’s center for culture and communication, being the base and window for the country to participate in the global culture industries and compete with foreign enterprises.

In 2012, Beijing’s published books, periodicals, and newspapers accounted for 43.4% of China’s total, while printed books constituted 28.4%, printed periodicals accounted for 31.3%, and printed newspaper totaled 18.6%. Beijing’s news publishing industry is the clear number one of the country. For the entertainment industry, Beijing’s art performances, attendance, and performance revenue were far higher than any other province or city of China in 2012, while, Beijing’s movie box office earned 9.4% of China’s total revenue, ranking second at provincial-level, but first in cities in China for six consecutive years. In the digital entertainment industry, the animation and game industry of Beijing in 2012 reached a value of 16.76 billion Yuan, accounting for 22% of the nation and ranking first as well. A total of 34,492 minutes were produced, accounting for 7.1% of the national total, while online game enterprises’ gross output reached 15.6 billion Yuan, accounting for 25.9% of the nation’s total. In addition, in 2012, 36,800 copyright registrations were filed in Beijing, accounting for 28% of the total registered amount.

Currently, the sustainable development, facility quality, and industrial strength of Beijing’s CCI are as good as the world’s most developed cities. Compared with New York, London, Paris, Tokyo and other cities, Beijing has 165 museums, second only to the 173 of London, six world heritage sites, the most in the world, 726 movie screens,
second only after Paris, and second only to New York in book publishing.

In 2012, a group of Beijing’s cultural enterprises continue to up their effort to internationalize themselves and enter the global markets. These cultural enterprises have been spreading the Chinese culture and Beijing spirit around the world, continually improving and shaping Beijing’s cultural image and branding. In addition, the city established the Beijing International Creative Industry Corporation, who is China’s first international high-end platform in integrating all cultural resources. Huayunshangde, StarTimes, Perfect World, Honav, Wanda Group, and a number of outstanding private enterprises performed well in overseas markets. State-owned Cultural Enterprises represented by the Beijing Publishing Group was also actively participating in international competition. StarTimes has registered or set up companies in 21 African countries, in which 11 countries are digital TV operators with more than 4 million subscribers. Perfect World has launched 10 independently-developed gaming products in more than 100 countries around the world, and has received gaming authorization for Asia, Latin America, Africa, and many countries as the main game service operator. They have 47 million users outside of Mainland China, contributing 25-30% of the total revenue from overseas operation and licensing fees, the top overseas revenue of Chinese online game companies for five consecutive years.

Resorting to create high-end international brands, the Beijing International Film Festival, the Beijing CCI Expo, Beijing International Design Week, Chinese Arts Industry Exhibition, and other successful platforms, Beijing achieved substantial results through successful cultural import and export trade in 2012. In addition, the total cultural trade
exports in 2012 reached US$1.51 billion. Beijing-made television programs are also becoming popular overseas with a total import and export surplus of 30.978 million Yuan. Furthermore in 2012, Beijing hosted hundreds of international cultural events in which Beijing’s cultural brand has garnered favorable response from around the world.

II. Main Measures

A. Innovate Institutional Function and Establish Policy-making Process

In 2012, Beijing continued to deepen its cultural administration systems reform to restructure the industrial make up, trying to convert its cultural advantage into real productivity. In order to integrate personnel, work, and assets into a single coordinating management system, Beijing was the first city in China to establish the State-owned Cultural Assets Supervision and Administration Office of the People’s Government of Beijing Municipality in June 2012. The goal is to plan, coordinate, and carry out the tasks related to culture reform and development, taking care of the cultural investments, capital operations, state-owned cultural institution assets and CCI parks management, major cultural projects, and key cultural projects’ planning, approval, organization, and execution. Then in July 2012, Beijing’s government injected 50 million Yuan to three city troupes, the Beijing Chinese Opera Theater, Hebei Bangzi Opera Troupe of Beijing, and the Beijing Quju Troupe to accelerate enterprise transformation. The administrative structure reform and enterprise transformation has extended from the field of news publishing into theatrical performances, design, and many other industries with the goal of reforming the government
administration and enterprises. This will accelerate the establishment of modern enterprise systems, improve corporate governance structures, entice strategic investors, and innovate decision-making operation mechanisms and operation management systems.

In the process of policy-making for CCI development, as of the end of 2011, the Beijing Municipal Committee of the Tenth Plenary Session adopted the “Suggestions by the CPCCC of Beijing on the Role as a Cultural Center in Accelerating the Construction of the Nation’s Capital with Advanced Socialistic Culture and Chinese Characteristics,” which has become the “road map” for Beijing. With these “suggestions,” Beijing actively undertakes these preferential policies of China, introducing and modifying several policies and measures to meet the demands and be aligned with the development of Beijing’s CCI. Led by the CPCCC of Beijing and the People’s Government of Beijing Municipality accompanied with the Office of the CPCCC of Beijing, the Publicity Department of the Beijing Municipal Committee, Beijing Cultural and Creative Industry Leaders Organization, Beijing Municipal Commission of Development and Reform, Beijing Municipal Bureau of Industry Development, Beijing Municipal Bureau of Finance, Beijing Municipal Bureau of Culture, and Beijing Administration for Industry and Commerce, Beijing Intellectual Property Office have already formulated dozens of policies for CCI, involving many aspects of finance, banking, taxation, cultural market, talent, and others based on the “1 + X” policy related to the “Suggestions,” gradually building up an excellent environment favorable for the development of CCI.
B. Finance the Development and Integrate Culture and Technology

In 2012, Beijing adopted a “concurrent development” strategy, actively promoting this new “culture-technology integration” model, which initiated a rapid growth of cutting edge technology in the field of digital technology, new media technology, network press and publishing technology, and reciprocal applications between broadcasting and televising industries in 2012. Employing Zhongguancun National Innovation Demonstration Zone as the model, Beijing has formed four emerging CCI groups: the digital content sector, the intelligent terminal sector, the information media sector, and the services sector, which are all thriving well. With abundant cultural and technological resources, Haidian District funded eight culture-technology integration Industrial Parks in 2012, concentrating on helping a number of brand enterprises of culture, science, and technology to promote the cooperation between enterprises and schools, and fortify the ability to overcome bottlenecks in order to turn scientific and technological research achievements into real life applications.

Under the strategic guidance of financing CCI’s development, Beijing strives to build financing and investing platforms to further expand the size of them, creating new methods to financially support the industry. In 2012, the city invested 25.63 billion Yuan in the industry, a 40.7% increase in year-on-year growth, 4.4% of total investment, and up 1 percentage point over the previous year. Investments grew rapidly in tourism and leisure, software and networks, and arts and culture, accounting for 88.1% of the total investment of CCI. As of the end of December 2012, the loan balance of CCI from Chinese-funded banks in Beijing was 53.6 billion Yuan, a 20.6% increase in year-on-year growth.
Moreover, the cumulative total in issued loans for the year was 53.56 billion Yuan, an increase of 28.5%.

In 2012, Beijing State-owned Cultural Assets Supervision and Administration Office together with the Beijing Branch of China Development Bank and 12 other banks signed a culture and finance innovation and development cooperation agreement, providing a 120 billion Yuan credit line to Beijing’s CCI annually. The office released their projects to the public and invested 900 million Yuan to mobilize more than 16 billion Yuan from private investors and eventually helped 330 projects through project grants, subsidized loans, financial incentives, and other measures that are highly approved by the public. In order to reduce the threshold for financing the small and medium-sized businesses in CCI, Shijingshan District took the lead in issuing a “Shijingshan District Cultural and Creative Industries Collection Bill” and a “Shijingshan District Small and Medium-sized Enterprise Collective Trust.”

C. Major Projects Drive and Forefront Enterprises Lead

Proposed in Beijing’s “12th Five-Year Plan,” CCI concentrates on performances, news, publishing, broadcasting, radio, TV, film, animation, games, digital content, etc., taking on the strategy of letting major projects drive the industry. In 2012, various Beijing districts and counties invested more than 100 million Yuan each into 172 major projects of CCI, totaling 559.6 billion Yuan.

In 2012, Beijing National Music Industry Park was formally founded, becoming one of three such industry parks in China; the Ministry-City collaboration project, the Beijing National Advertising Industrial Park was
officially opened; a national foreign culture trade base has entered a fast-track construction phase with the support from the Customs Office. Meanwhile, many districts and counties of Beijing have constructed significant projects such as a National Digital Film Production Base, National Music Culture Industry Base, National Fashion Center, China Publishing Creative Industry Park of Beijing, Beijing CBD International Media Industry Corridor, the Capital’s Core Arts Performance Zone, and others.

In 2012, Poly Culture Group Co., Ltd., Beijing Performance & Arts Group Co., Ltd., and Perfect World (Beijing) Network Technology Co., Ltd., were listed on the fourth session of the “Top 30 Culture Enterprises” list of China. There were also the China Publishing Group Corp, China Arts and Entertainment Group, China International Television Corporation, China Film Group Corporation, and other short-listed companies headquartered in Beijing. Beijing Performing Arts Group, a state-owned cultural enterprise, has 15 branches in total and held many fine performances. In 2012, Wanda Culture Industry Group of Beijing became China’s largest culture enterprise, covering cinema, filming, and television production, stage performances, film technology and entertainment, theme parks, art collections, culture-oriented tourism, and related industries. In addition, Enlight Media Group, China’s largest private media and entertainment company headquartered in Beijing, achieved operating income of 1.03 billion Yuan in 2012, which was a 48.1% increase over the previous year.
D. Take Advantage of Industry Parks and Promote Industrial Agglomeration

Currently, Beijing has a total of 30 municipal CCI zones. The income scale and growth rate of each is performing well with a clear trend of specialization and having an increasing influence around the world.

There are 30 zones distributed around 16 different counties of Beijing, eight in Chaoyang, three in Haidian, two each in Dongcheng, Xicheng, Fengtai, Shijingshan, and Tongzhou, and one each in the remaining counties and districts. Among them, Beijing 798 Art Zone showcases contemporary Chinese arts, and Beijing Olympic Park has become a new landmark since after the 2008 Olympics. The revenue for Beijing CBD International Media Industrial District reached 140 billion Yuan in 2012, becoming the country’s first media industrial park with an annual output value over 100 billion Yuan. In 2012, the area attracted Vanda Flowers Film Investment Co., Ltd. and more than 100 other top media enterprises to settle here, bringing together more than 5,700 CCI enterprises.

In accordance with the principle of land consolidation, industry clustering, and function specialization, using CCI cluster zones as important carriers, key enterprises and major projects as the leading forces, and the policy system and service platforms as protection, Beijing plans to consolidate these 30 into 20 CCI function zones. These zones with favorable policies will facilitate the optimization and reorganization of culture resources, promote scientific distribution of industrial factors, improve the industrial chain, supply chain and service chain, and optimize the overall layout of the city’s CCI.
III. Development Strategies

A. Improving the Cultural Administrative System

A system-wide reform in Beijing’s cultural management will be done accordingly on the strategic objectives of “Accelerating the Construction of the Capital with Advanced Socialistic Culture and Chinese Characteristics with Culture as the Central Role.” There will need to be proper management in the relationship between the government and market by improving the administrative systems of the Party Committee and government to regulate state-owned cultural assets while searching for a sound, unified method to manage related personnel, operations, and assets. In addition, it also requires further inspection into regulations in supervising and managing the state-owned cultural enterprises and assets and establishing a comprehensive benefits evaluation system to ensure or increase their values. This way the State-owned Cultural Assets Supervision and Administration Office of Beijing Municipality can come into full play in promoting common growth of cultural enterprises, improving public services for CCI, and persistently encouraging the development and prosperity of the industry.

With ample investment funds, forward-looking leadership, services, and overall development strategies, playing as a major supportive role in large projects, Beijing will attract private capitals to come and invest in CCI.

Beijing plans to formulate a two-level policy platform for CCI subject to systematic review and revision to facilitate new policy-making, consultation, and smooth adjustments after securing investments. The city is setting up enterprises, research institutions, and platforms for collaborative innovation between universities, which will open new
academic research channels in search for effective models that combine culture with technology. The city will continuously hold investment and fundraise through conferences to increase the available resources, while tightening up the relationship between culture and finance. Persistently improving CCI investment and financing service platform to promote the cultural and creative enterprise database construction, and investment and financing electronic service network construction. Beijing will also upgrade CCI public information service platform to promote the integration of information flow and production factors.

B. Construct a Sound Cultural Market Structure

Making good use of the cultural market can allow it to play a decisive part in cultural resources allocation, following market rules, prices, and competition to maximize efficiency. With a clearly defined role of the government in cultural resources allocation, it will need stronger functions in macro-management and a shift in position from a supporting role to a major one. Consolidating policy guidance and surveillance will help stabilize the development of the cultural market, but intervention from the government is also needed when the market fails. In addition, an improved enter and exit market mechanism is also needed to promote a fair market, screening out the unfit entities. Furthermore, private businesses will be allowed to participate in publishing, web publishing, and become shareholders of state-owned film and television production agencies and theatrical troupes’ reorganizations.

Create a fair, open, and impartial market to ensure the healthy development of CCI. Enforce intellectual property protection regulations
to secure the vitality of CCI’s market. Continue to push forward of state-owned cultural institution reforms and efficiently use state-owned capital to unleash innovation and growth potential of small and medium-sized businesses.

Remove market barriers to improve the efficiency and fairness of cultural resources allocation, and guarantee enterprises operating independently and consumers having freedom of choice with the free flow and equal transactions of cultural products. Encourage information disclosure system to increase the transparency of it, and further strengthen the market environment governance laws. Unifying supervision against local safeguard and unfair competition will allow for enforced penalties with equal treatment on violators or illegal operations.

Improving comprehension of intellectual property, specifically promulgating consciousness of intellectual property protection to the general public and offer training programs to government and businesses will raise awareness of intellectual property protection regulations among the people of Beijing. Enhance legal protection on intellectual property rights to form a long-term mechanism while also improve the IP protection system. Complete “genuine project,” “voyage project,” “escort project” and “technology rights project” with great effort. By increasing available capital for investment, establishing copyright trading platforms and improving publishing funds, Beijing invites all private capital to invest, while also create a project to encourage “original inventions.” In order to build a stage for performers around the world and extensively attract talented performers worldwide to gather in Beijing, the “Pact on Audiovisual and Art Performances of Beijing” is implemented for a prosperous cultural market.
C. Increase Industrial Competitive Capacity

The tasks include developing top-notch state-owned enterprises by encouraging them to transform, merge, restructure, or enter new emerging industries. This will create a number of large, robust, excellent, yet highly competitive cultural enterprises to ensure that the state-owned cultural capital is a driving force, influential yet in control of the key areas related to national security, culture, and people’s livelihood.

Strengthen the industry by coming up with a CCI guidance directory, particularly focusing on theatrical performances, press, publishing, radio, film, antiques and artworks trades, news media, and other sectors. In addition, there is also the need to develop resource markets, form a cultural property rights exchange platform, and build a sound foreign cultural trade base for China.

Further entice investment groups of all levels to carry out the function of the nation’s capital on investment and financing platforms, and the implementation and operations of major projects. Moreover, promote the trans-regional, cross-industry, cross-ownership mergers and acquisitions, and increase the scale, intensive management and professional level of CCI. In addition, take advantage of intermediary organizations or business associations to lower the barriers for private capital to enter, and assist various small and micro-enterprises to thrive.

Using the Beijing Consumer-Benefitting Sale Season as a platform with relevant issued cards and providing a better marketplace for cultural enterprises will attract more businesses and citizens to participate in this sale, boosting cultural products consumption. Then discover a series of policies to induce even more consumption and
further improve service measures to make this sale of Beijing a well-known brand.

D. Increase the Level of Cultural Opening-up

Adhering to the principle of “government-led, enterprise-oriented, market-operated, and private-sector involved,” this continuously improves the level of opening-up of Beijing. The government is playing a vital role in carrying out this strategy to foster entities, explore global cultural markets, attract social forces, and launch iconic cultural exchange projects.

Formulate strategies for global culture communication while strengthening policy guidance and support, and increasingly build up the overseas marketing system for cultural products to expand into international markets. Build multi-culture carriers and platforms through actively studying outstanding achievements abroad while bringing in talents, technology, and management experiences that are conducive to China’s own development. Furthermore, attract world-class cultural projects so that more international festivals and awards ceremonies will be held in Beijing.

Take advantage of Beijing being the Chinese cultural center and coordinate with both domestic and international resources. Vigorously expand international markets, export high quality Chinese cultural products and brands, build high-end global cultural industry investment and financing platforms, and integrate capital, resources, talents, and creativity together as a whole to increase Chinese culture influence around the world. Create a set of exporters with certain international influence to actively open the channels for cultural enterprises and
products to “Going Abroad,” and encourage cultural enterprises to set up business entities or establish branches overseas through various measures. Continue to encourage innovation to “old name brands” of Beijing, relying on them as carriers of traditional culture to promote excellent Chinese brands.

Build a number of iconic cultural exchange projects to display the charms of China’s capital city to the world. Further expand the influence of the Beijing International Film Festival to make Beijing the Capital of Oriental Film and Television, while continue improving the Beijing New Year’s Concert, Beijing International Music Festival, Beijing International Theatre & Dance Performance Season, and other brand name activities so that Beijing will truly become the center of Oriental Arts. Encourage social organizations and Chinese-funded institutions to undertake the cultural projects to further cultural exchanges with other countries.

The development of Beijing’s CCI is a new historical beginning for China’s further reforms, which will increase the level of opening-up, inspire cultural creativity, raise the city’s cultural traits and attractions, and improve the productivity and emanative impact of the industry so that they can play a greater role in the capital’s development.