

Confidential level:AA

仅供公司内部使用

请勿对外传阅!

Study key information every month

grasp industrial dynamics

China DTV Market Monthly Study

- Issue 4, 2010 Total Issue 48 -

Beijing Guideline Research & Consultation Co. Ltd.

Tel: (86-10) 59706786

Fax: (86-10) 59706785

E-mail: guideline@sinodtv.net

China Digital TV Information Website

Http://:www.sinodtv.net

The file is only available for members of China Digital TV Information Website at or above middle level. Intellectual property attached to the file is owned by Guideline. Without written permit in advance of Guideline, no organization is allowed to circulate this file. Guideline is entitled to take any legal action against those breaches.

Contents Menu

试读版

- I. Summary
- II. Policy/standards
- III. Guideline observation** →
- IV. CADTV operation
- V. Terrestrial DTV operation
- VI. Mobile digital multi-media operation
- VII. Satellite digital TV operation
- VIII. IPTV operation
- IX. Content industry
- X. Equipment manufacturers
- XI. Exhibition & conference
- XII. Data

Guideline Observation:

- Hubei Chutian Back-door Listing and Obtains Initial Results
- Promote Multi-screen Integration Business Grasp Triple Play Opportunity
- The Thought of "Heng Xin China" Investing Cable TV Network
- SARFT Checking IPTV
- The promulgation of triple play pilot city list was postponed
- Serving Shanghai World Expo, Mobile phone is everywhere

• General Overview:

- **Cable:** Hangzhou Wasu developed Multi-service operations and PCCW provided technical support; Hubei Chutian obtained initial results of Back-door listing; Beijing launched the second phase of test, popularization and promotion work of high-definition interactive digital television; Shanghai has completed the NGB model network construction project for 50000 users; Mudanjiang City held cable digital TV hearing.
- **Terrestrial:** the coverage work of terrestrial digital TV was promoted slowly; Xinyang Radio and TV “Every Household” Digital Media Development Co., Ltd of Henan carried out competitive negotiation in public for the Phase II project of 2010 Xinyang digital TV “Every Household”.
- **Mobile Multimedia:** CMMB has been opened in 307 cities across the country; two data broadcasting services including colorful finance and economics and colorful navigation were official used for commercial from May 1; Mobile TV Expo Channel was opened; Hunan Satellite TV also won the approval of related businesses of 3G mobile audio-visual program services issued by SARFT; 16 cities and counties of Yunnan Province has fully opened CMMB signals.
- **IPTV:** The number of Jiangsu Telecom IPTV users has already exceeded one million and closed to 1.1 million; Chongqing Unicom will test commercial IPTV at the end of April; Shanghai Telecom has launchd the annual pay double gift activities of "Premiere + View Favorite Movies" combination package form.
- **Satellite:** Chongqing Municipal, Guangxi, Sichuan, Yunnan, Shanxi and other districts actively promote the "Every Villages" direct broadcasting satellite project; Anhui, Guangxi, Shandong, Sichuan and other regions actively promote special renovation of illegal satellite terrestrial receiving facilities.

Please read following ↓

Policy/Standard

试读版

- List of Industry-Related Policy/Standard/Speech during the April, 2010

Policy/Standard		
Project	Publication Department	Content/Name
Notice	Nine Departments	"The Instruction Views on the Financial Support of Cultural Industries Revitalization and Development Prosperity"
Method	SARFT	"The Notice on March 2010 National Domestic TV Animation Production Publication Record from SARFT"
Notice	SARFT	"The notice on Appraisal result publication record of 2009 national children's programs boutique and animation boutique from SARFT"
Stipulation	SASAC	"Temporary Regulation on Central Enterprises Commercial Secret Protection"
Stipulation	SARFT	"The Management Standard of Internet TV Content Service "
Stipulation	SARFT	" The Management Standard of Internet TV Integrated Businesses"
Notice	SARFT	"The Notice on the Investigation of IP TV Services Carried out Privately by Telecommunications Enterprises"
Speech/Conference		
Central Propaganda Department	Liu Yunshan	Supplied powerful ideological and public opinion support for the transformation of accelerating economic development mode.
SARFT	Tian Jin	The speech during the research and survey period in Hangzhou and Changsha.
SARFT	Zhang Haitao	The 12 years' project implementation of "Every Village" Project has resolved the difficult problem of listening radio and watching TV for 100 million rural people.
SARFT	Zhu Hong	Zhejiang Radio and Television reform development experience has a good reference significance
SARFT	Zhu Hong	It urgently needs financial support to accelerate the development of radio, film and TV industry.

■ GUIDELINE RESEARCH ■

Internal use only for members of "www.sinodtv.net"

Diversification operation of cable TV attracts more foreign capitals

● In this month, Hangzhou Wasu, Gehua Cable, Hubei Chutian, Anhui Provincial Network and other cable operators actively reserve their own strength and improve their own competitiveness, mainly in:

- **Hubei Chutian obtained initial results of Back-door listing:** They planned to carry out major assets replacement together with Hubei Chutian Digital TV Co., Ltd, swap in all the assets of Hubei Chutian digital TV and the balances after deducting 175 million cash from the liabilities and swap out all the assets and liabilities of Wuhan Plastic; at the same time, they respectively bought 26.75%, 26.25% and 47% of the shares of Wuhan Radio and TV Digital TV Network Co.,Ltd., which was owned by Wuhan Cable, Wuhan Broadcast and TV Main Station and CITIC Guoan in the way of private offering shares; they bought all the assets and liabilities of Chutian Xiangfan and Chutian Jinwei; Chutian Digital TV purchased 40.32 million stock shares of Wuhan Plastic holding by the big shareholder Wuhan Jingkai by all the displaced assets and liabilities of Wuhan Plastic and 175 million cash.
- **Promoting multi-screen business operation and grasping triple play opportunities:** Wasu Digital TV Media Group held cross-screen content product release conference in Beijing and some radio and TV network operators with strategic vision had begun the promotion of multi-screen integration business.
- **The thinking of “Hengxin China”’s investment in Cable TV Network:** in this month, Hengxin China invested Anhui Radio and TV Information Network and Nancang Radio and TV Network Transmission centre of Jiangxi in succession, supplied two-way transformation equipments and services of cable digital TV, jointly developed and operated value-added services and so on. Chinese cable TV industry capital market is more and more active.

Guideline Observation I: Hubei Chutian Back-door Listing and Obtains Initial Results

试读版

●On 16 April, 2010, listed company - Wuhan Plastics Industrial Group Co., Ltd. (hereinafter referred to as "Wuhan Plastics") issued Notice (000 665) that company had defined the ultimate transferee of all 4032 million shares on April 13, that is **Chutian Digital TV Company**. The main business of Wuhan Plastics will also been changed to digital cable TV industry's investment and operations management, digital cable TV technology development and applications. Hubei Radio and TV Network realized overall listing through this restructuring.

→ The major part of the reorganization, that is, the significant asset replacement of Wuhan Plastics and Chutian Digital, plans to inject into the cash balance of all assets and liabilities of Chutian Digital deducting 175 million yuan as of evaluation base day and plans to replace out all asset and liabilities of Wuhan Plastics as of evaluation day. For replacement balance, Wuhan Plastics will issue non-public shares to Chutian Digital.

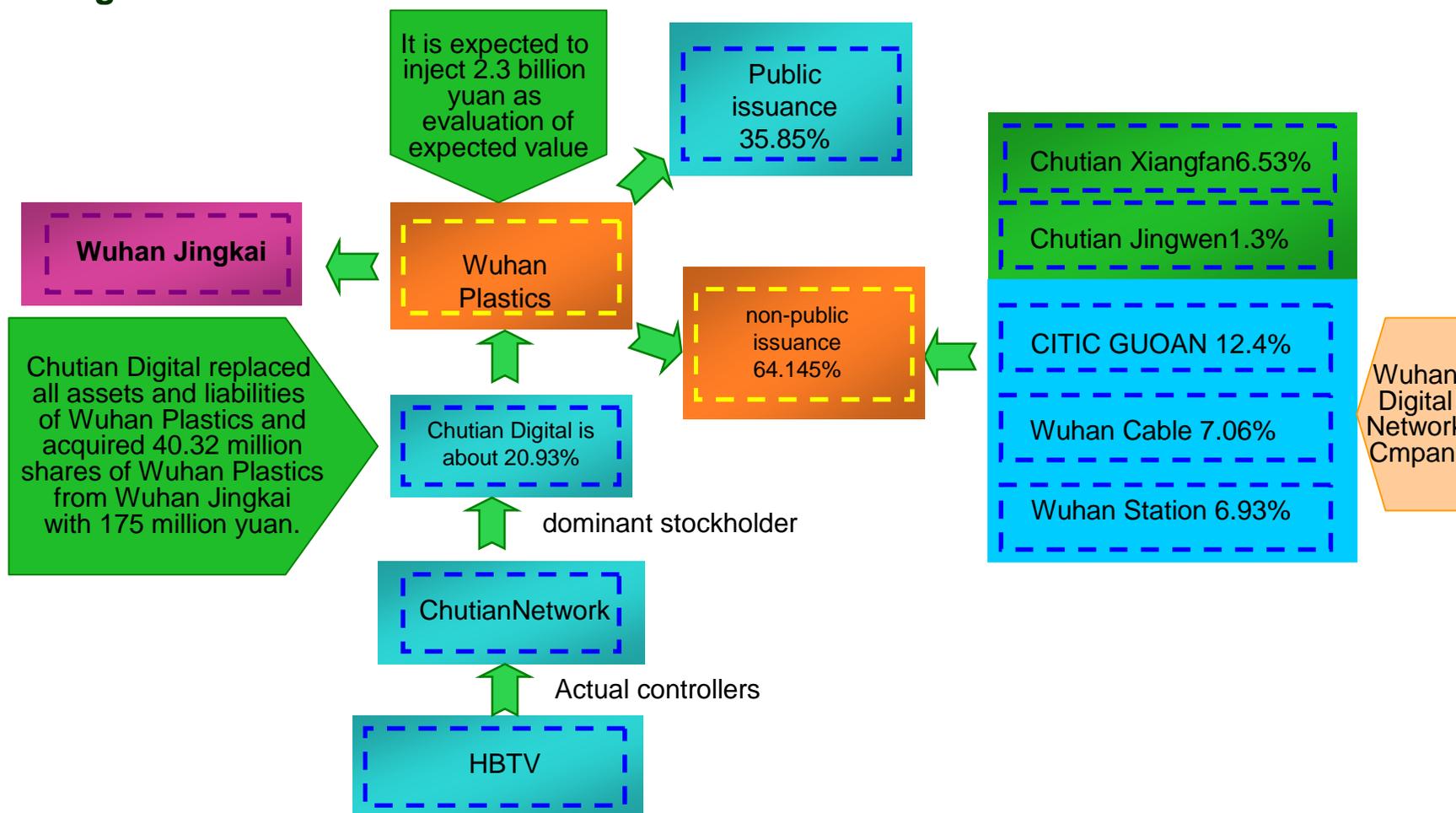
→ The planed injected asset of this restructuring is the balance which Chutian Digital's all asset and liabilities deduct cash of 175 million yuan and Wuhan Radio and TV 100 percent equity and liabilities of Chutian Xiangfan and Chutian Jinwei. The estimated value of mentioned injected asset is about 2.305 billion yuan.

●On 25 April, 2010, Wuhan Plastics Industrial Group Co., Ltd. (hereinafter referred to as "Wuhan Plastics") (000 665) and Hubei Chutian Xiangfan Digital TV Limited (hereinafter referred to as "Chutian Xiangfan"), Hubei Chutian Jinwei Broadcasting Network Limited (hereinafter referred to as "Chutian Jinwei"), Wuhan Cable Radio and Television Network Limited (hereinafter referred to as "Wuhan Cable"), Wuhan Radio and TV Station (hereinafter referred to as "station"), CITIC GUOAN INFORMATION INDUSTRY CO., LTD. (hereinafter referred to as "CITIC GUOAN"), Wuhan Jingkai Investment Co., Ltd. ("Wuhan Jingkai") multi signed a "framework agreement on major asset restructuring among Wuhan Jingkai, Chutian Digital, Wuhan Cable, CITIC GUOAN, Chutian Xiangfan, Chutian Jinwei and Wuhan Plastics". At the same time, Chutian Digital and Wuhan Jingkai signed "Agreement on transferring Wuhan Plastics shares."

Hubei Chutian Back-door Listing and Obtains Initial Results

试读版

- After Wuhan Plastics reorganization, the company's shares plan to be constituted as following:



Hubei Chutian Back-door Listing and Obtains Initial Results

试读版

●This is significant asset restructure of Wuhan Plastics for major assets replacement and shares issuance to buy assets. Wuhan Plastics gets the following support.

- Received the letter from Municipal Financial Bureau on approve of Wuhan Radio and TV of General Station to invest listing companies.
- Provincial Financial Department has give official reply on major asset restructuring of Chutian Digital to list.
- Provincial Asset Supervision and Administration commission of The State Council issued pre-audit view letter on agreement of Wuhan Jingkai transferring state-owned shares of Wuhan Plastics.
- Wuhan Radio and TV Bureau gave the official reply on approve of Wuhan Radio and TV of General Station to invest listing companies.
- Hubei Radio and TV Bureau gave the official reply on Chutian Jingwei and Chutian Xingfan restructuring to list.
- SARFT issued the audit opinion on back-door listing of Chutian Digital.
- Wuhan Propaganda Department gave the official reply on approve of Wuhan Radio and TV of General Station to invest listing companies.
- Hubei Propaganda Department gave official reply on Chutian Jingwei and Chutian Xingfan restructuring to list.
- Central Propaganda Department issued the letter on agreement of back-door listing to finance and integrate Hubei cable TV network.

●After this transaction, Chutian Network which is the common holding shareholders of Chutian Digital, Chutian Jinwei and Chutian Xingfan will control listing companies indirectly and Hubei radio and TV bureau will be the actual controller of listing companies. Besides cable TV network assets of listing companies, Chutian Network and Hubei Station still own the same or similar business in other areas, but operate in different administrative districts. The asset which is not into listing companies has potential competition with listing companies. So, after this restructuring, the related business and asset of actual controller did not achieve overall listing.

Hubei Chutian Back-door Listing and Obtains Initial Results

试读版

- **After successful back-door listing of Hubei Chutian, it will contribute to the development of cable in Hubei Province, mainly in:**

- **Speed up the formation of network cable networks to be one.** At present, Hubei Chutian Network adopts buyout way to promote network integration of county level or above level. Hubei Chutian Network integrated radio and network resources of over 40 enterprises. Successful listing give full capital for non-integration areas of Hubei network, s (eg: Xiaogan, Shiyan, Huangshi, Huanggang, Jingzhou, as the letter, etc.).
- **Promote two-way network transformation.** After the success of Hubei Chutian Network listing it provided capital support for conducting two-way network transformation, promoted two-way network transformation I Hubei province and also were conducive to launch two-way interactive and value-added service.
- **Be conducive to business promotion and avoid repetitive construction.** After the formation of a network in Hubei province, Hubei province can conduct the sharing of equipment resources and program content resources to avoid repetitive construction. At the same time, after integration, the number of Hubei cable TV users will exceed 8 million, which provides the user base for value-added service and is conducive to promote and apply value-added service.
- **Integrate various resources and promote multi-service operations.** Chutian Digital has obtained “Business license of radio and TV program transmission” issued by SARFT, “Hubei receiving satellite and transmission TV program permit” issued by Hubei Radio and TV Bureau and other permits.
- **Expand discourse right and equity of National cable network in the future.**

Guideline Observation II: Promote Multi-screen Integration Business; Grasp Triple Play Opportunity 试读版

● On April 20, WASU Digital TV Media Group held cross-screen content product press conference in Beijing, which showed that under background of triple play, parts of radio and TV network operators with strategic versions began to promote multi-screen integration business and grasp the development opportunity of triple play.

- WASU Group showed a series of cross-screen content products and business, such as interactive TV, Internet TV, mobile TV and new dim TV. The successful pilot of this series product and business will bring users' new view of TV, so users will enjoy more convenient and affordable form of new services. While the products and business will also bring new form of business operation for radio and TV operators.
- The day before press conference, Hangzhou WASU Digital TV Media Group signed a letter of intention with PCCW. Now broadband TV of Hong Kong PCCW and WASU Group will launch cooperation on triple play technology. Both sides will jointly devote to promoting development purpose of "triple play" industry; learning technology, operation advantage and experience from each other; exploring application and operation to lead technology development and integration; exploring new technology and operation models; sharing results of operational industry chain. This cooperation will also create another good example of technology cooperation field of mainland and Hong Kong. According to agreement, both sides will determine specific plan of technology cooperation as soon as possible and will officially launch technology cooperation within one month.

WASU Group cooperates with many well-known enterprises in the upper and down stream of industry chain. Cooperation of "triple play" has important strategic significance, which will push WASU Group fast forward on exploring work of multi-business integration of "cross-network, cross-platform, cross-application, cross-Terminal ". It will also make WASU Group still keep its dominant position in the environment of media industry upgrading in China. WASU Group's results and experience will have important reference for technology development of triple play and the shape of business model in China.

Promote Multi-screen Integration Business; Grasp Triple Play Opportunity

试读版

●China Telecom has been closely watching the video business. Since the end of 2009, it has layout multi-screen interactive business:

- In November, 2009, China Telecom's Video Operation Center was officially established in Shanghai. At the same time, "e surfing" client end products have been provided to China Telecom's users across China. Users not only can watch TV live and VOD programs through WAP, but also can watch all kinds of video information and content more clearly through client end. These series action marks that China Telecom's integration products of three-screen (TV screen, PC screen and mobile screen) content sharing and interaction formally demonstrated in the eyes of the public. Through television, computers, mobile phones, achieve three-screen interactive function, such as three-screen watching, excellent recommendations, video sharing, three-screen monitor, three-screen communications, etc. Users can enjoy cool experience of uninterrupted broadband communication anytime and anywhere.
- With China Telecom's Video Operation Center establishment and e surfing client end product release, it brings transformation of 3G ear phones and perfect present of three-screen integration products.

Triple play has started to layout from user's end. Coincidentally, radio and TV network operators and Telecom network operators are all focusing on multi-screen integration business. Although they have different emphases, but it alls reflects that development trend of multi-screen integration business under triple play background. It also will speed up users' experience process of multi-screen integration business.



■ GUIDELINE RESEARCH ■

Internal use only for members of "www.sinodtv.net"

GR 格兰研究
Guideline Research

Guideline Observation III: The Thought of "Heng Xin China" Investing Cable TV Network

试读版

● This month, Heng Xin China has successively invested Jiangxi Nanchang Radio and TV Network Transmission Center and Anhui Radio and TV Information Network. It provides two-way transformation facilities and services of cable digital TV and jointly develops and operates value-added service etc. It has expended investment direction from terrestrial digital TV to cable TV market.

- On April 26, Heng Xin China announced that it had signed a business cooperation agreement with Jiangxi Nanchang Radio and TV Network Transmission Center. Thereby, it provides two-way transformation facilities and services of cable digital TV and jointly develops and operates value-added service for 15 years and sharing revenue. The agreement will set up that the initial number of users is 500,000 for only Nanchang areas. It is expected to reach 1,500,000 in the future.
- On April 30, Heng Xin China announced that its wholly owned subsidiary of Shenzhen Zhongze Mingxin Technology signed a business cooperation agreement with Anhui Radio and TV Information Network. Shenzhen Zhongze Mingxin Technology provides two-way transformation facilities and services of cable digital TV and jointly develops and operates value-added service for 12 years and sharing revenue. The agreement set up that the number of basic users is 100,000 in Huainan City, Huaibei City, Suzhou City, and Hao Zhou City.

● Heng Xin China has increased investment on cable TV network; fatherly expends market share of digital TV; grasps triple play opportunity and promotes more revenues and profits growth in further. Also shows that the capital market of cable TV network is increasingly active and more investment is turning to cable TV network.

Heng Xin China's main business is investment holding. The Group is mainly engaged in facilities integrated business, research, design, development of terrestrial wireless digital TV network and manufacture of electronic information security products, integrated circuits, and provides solutions for the integrated circuits and related services. The Group actively explores wireless digital TV, satellite digital TV and digital cable TV two-way transformation project in short term, which makes Heng Xin China become the largest supplier of digital TV field of overall digital television planning and design, technology and equipment integration, and overall solutions.

The Thought of "Heng Xin China" Investing Cable TV Network

试读版

●With the development of digital cable in China, capital market of cable TV is increasingly active. More investment takes part in cable television industry, provides equipment support, technical support, financial support etc.. At present, the investment feature of cable TV industry is long-cycle returning and not obvious in a short term.

●Facing active capital market of cable industry, cable operators need to establish a sound financial exit strategy and stability barrier mechanism to reduce investor risk and improve investment results. .

- Perfect project process of initiation, approval, auditing, tracking, and acceptance. Refine operation details and plan operational flow of projects.
- Improve the management level and avoid the multi-management. Specify responsibilities and tasks.
- Establish responsibility system after operation: investment needs have specific project person in charge. After investment, person in charge should prepare input-output analysis report and record details of input and output. According to actual operation situation, work out a reasonable annual business plan.
- Enhance risk controls; recover cost according to the proportion and reduce the risk of capital recovery.
- Establish investment follow-up tracking management method; access piecewise and consider investment returns through comprehensive analysis.

Guideline Observation IV : SARFT Checking IPTV

试读版

● Since 2010, SARFT issued a series of notice about checking IPTV:

- On April 12, SARFT issued “Document No. 41” to all provincial radio and TV bureaus and thought some local Telecoms carried out IPTV business without SARFT authorization, which seriously harmed national network information security and affected the strategic plan of the State Council on the triple play deployment and radio and television normally building. In accordance with the General Administration of the central and SARFT leaders’ instruction, notice issued as follow: without SARFT authorization of carrying out IPTV business, shall be investigated according to law of "Broadcasting Regulations", "Internet Audio and Video Programs and Other Information Network Communication Management Approach” and "Internet Audio-visual Program Service Regulations” and give a deadline to stop illegal IPTV business.
- On February 9, SARFT issued two urgent notices to stop Guangxi Telecom IPTV services which were unauthorized act. One notice was instructing Shanghai TV Station to stop providing IPTV program source for Guangxi and Xijiang Telecoms. The other notice required to investigate Guangxi Telecom IPTV business which was without authorization according to the law.

IPTV is also the pilot business for radio and television industry. Facing scale development of IPTV, radio and TV industry has responsibility to norm management of IPTV according to related law and regulations. In the short run, it will bound to the rapid development momentum of the IPTV on a certain level, but in the long run, SARFT’s checking for IPTV will play a regulatory role of IPTV market under Triple play period. Protect users’ right to know, which is conducive to healthy development.

● Sounds from all directions:

- 《"21cbh": Gehua relevant told reporters, "This is the relentless pursuit of SARFT. IPTV has already affected the development of interactive and High-definition TV users of radio and TV operators. ”
- "NATIONAL BUSINESS DAILY": as mentioned document No.41 of SARFT, an insider of China Telecom told and revealed that for blocking IPTV, China Telecom had sent documents to inside and cleared the attitude at present: First, IPTV was the breakthrough point of the State Council to speed up the process of triple play. Second, the number of IPTV users has reached several million, and only Shanghai, it had more than one million users at the end of 2009. Besides providing entertainment content, IPTV also undertakes to conduct important tasks, such as distance education for Party members in rural areas, Shanghai Expo service etc.. All source of IPTV programs are from legitimate and qualified radio and TV units which have licenses. Network information security problem does not exist. "This is a self-protection response of radio and television industry. At present, telecommunications operators have been building the current network to the level of FTTH, and their IPTV has affected the roots of radio and TV industry."
- 《Bao Ran, chief editor of "VeryDtv.com": during the development of IPTV, telecom operators should be protected user's right to know, for example, give an instruction of whether they have a legal right to operate. TV is a business with strong color public interest and the development and supervision of TV business must be cautious.
- Deng Shao from www.imtv.com: more hope, more disappointment. SARFT issued document No. 41 to stop IPTV on April 12, which can be described as making a big splash. The small result will lead to IPTV facing more strict policy supervision and the large result will make the prospect of triple play look bleak. About the reasons, the current industry status was led by interest divergence of separate supervision system, which has been formed for a long time in China.

●IPTV network operation licenses and pilot cities:

- **Operation license is always uncrossing able threshold for IPTV operators in China.** As radio and TV undertakes “mouthpiece” political attributes of Party and Government, SARFT needs strict control radio and TV content of leading agencies.
- Seven companies has obtained IPTV operation licenses from SARFT: Shanghai Media, CCTV International, Southern Media, China Radio International, Hangzhou WASU, Jiangsu TV Station of 6 enterprises related to radio and TV bureaus, as well as a private enterprise - Beijing Huaxia Industry Technology Co., Ltd.. Any Telecom operators did not obtain the licenses. **The operation agencies with IPTV national license can not launch IPTV business randomly. If wish to launch IPTV business in local area, they must apply another approval from SARFT.**
- So far, only 2 provinces and 12 cities meet IPTV landing policy, namely: Yunnan, Jiangsu, Shanghai, Harbin, Heihe, Mudanjiang, Fuzhou, Xiamen, Taizhou, Xi'an, Hanzhong, Panjin, Shenyang and Dalian. Besides Yunnan, Jiangsu and Hangzhou, the pilot cities which have been approved by SARFT are all IPTV pilot cities of Shanghai Media. As of the end of 2009, the number of BesTV users has exceed 3 million and BesTV become one of operators who has the largest number of users. It is far better than other companies in China. On IPTV business model, it adopts sharing approach with telecommunication broadband network.
- At present, the number of IPTV users is about 5 million in China. This checking will affect about over 1.5 million users.

“Document No. 41” of SARFT did not stop telecommunication operators’ advance in this filed. On April 27, China Telecom issued a 3D high-definition IPTV and other new business in Shanghai. Soon, Chongqing Unicom also launched a commercial trial of IPTV services.

SARFT Checking IPTV

试读版

●The development situation of broadband and digitalization in China families.

Year	2004	2005	2006	2007	2008	2009
Population (100 million people)	13.00	13.08	13.15	13.21	13.28	13.34
The number of family (100 million households)	3.68	3.95	3.98	4.10	4.13	4.15
The number of Cable TV users (100 million households)	1.16	1.26	1.39	1.53	1.67	1.73
The number of Digital TV users (10 thousand households)	106.7	439.3	1306.0	2710.2	4326.5	6497.3
Home Cable digital ratio (%)	0.29%	1.11%	3.28%	6.61%	10.48%	15.66%
The number of Internet users (100 million people)	0.94	1.11	1.37	2.1	2.98	3.8
Popularity of internet users (% , count the permert population)	7.23	8.49	10.42	15.90	22.44	27.45
The number of braodband users (100 million people)	-	0.64	0.91	1.63	2.7	3.5
Popularity of braodband (%)	-	4.89%	6.92%	12.34%	20.33%	28.9%
The number of IPTV users (10 thousand households)	-	28	60	115	253	470
Home IPTV access rate (%)	-	0.07%	0.15%	0.28%	0.61%	1.13%

Guideline Research V: The promulgation of triple play pilot city list was postponed

试读版

●According to the report of "Economic Observer": the Ministry of Industry and Information Department submitted "Triple Play Pilot Plan (First Draft)" to the triple play leading group of State Council together with SARFT, but the draft wasn't recognized and was quickly send back. It was required to implement pilot plan again. The latest news is that this time was delayed again.

- In this draft, both sides had a lot of differences and the solution plans were not listed, but these differences were presented in the draft one by one. The second day after the draft was submitted, the triple play leading group of State Council gathered SARFT, MII and the related person of three telecom operators for the conference. The leader of the team wasn't satisfied with this "contradictory" draft and asked back to rewrite. Both sides coordinated to solve the contradiction in the integration by their self and submitted pilot draft again before the end of May.
- Because the list of pilot cities involved in the specific interests of departments, radio and TV and telecommunication provided two sets of lists respectively. Those who read the draft said that the superposition rate of pilot cities lists submitted by two sides, was not high. On the appeal submitted by both sides, it seems intent to bypassing the pilot cities, and further requests other side's businesses open to it self in the whole country.
- That both sides were not satisfied with the concession of other side on the pilot cities, which made the submitted lists be ineffective.
- Two sides only reached an agreement n the operational main body amount of each city. Both sides reached an agreement that in the pilot phase of triple play from 2010 to 2012, IPTV transmission service in every pilot city was carried out by one telecommunication operators in principal; the internet access service and domestic IP phone services on the basis of cable TV network, were implemented by one Radio and TV Cable Network Company in principal. In order to utmost broaden their sites and limit others to corrode their own services, Radio and TV and Telecommunication all raised "harsh" requirements on the others.

●According to "China Digital TV"

- On 26th, April, the second draft of triple play pilot program was issued and it is the second negotiation result, which was formulated by Ministry of Industry and Information and SARFT, on the basis of the first draft, which was send back by the State Council on the second, April.

See more news : <http://stock.hexun.com/2010-05-04/123600616.html>

The first draft

The second draft

The promulgation of triple play pilot city list was postponed

试读版

●The target of triple play pilot is to research how telecommunication enterprise enter into radio and TV, and how radio and TV enter into telecommunication. Radio and TV and telecommunication carried out seesaw battle on the aspect of how two-way access into specific links, and the discussed geographical scopes have expanded from pilot cities to the whole county.

- SARFT prefers to some cities with better cable network integration and two-way transformation; Telecom and Unicom hope the number of pilot cities can be possibility reduced now and added in the future. It is learned, Hangzhou, Jiangsu, Shanghai, Shenzhen and Wuhan will likely become a pilot city.
- Radio and TV hopes to open basic telecommunications services and value-added telecommunications services, including Internet backbone network access services relating to the core competitiveness of telecom operators and key layout. Radio and TV hopes to apply for the value-added telecom services without the restrictions of pilot regions.
- The ideal goal of China Telecom is to compete for the rights of channel broadcasting, video-on demand and others, which basically equate to the Digital Cable TV Network Company and directly cooperate with content sources (TV); try to introduce more cooperators on the aspect of integrated broadcast control, if can't build direct cooperation with content sources, in order to improve the voice right; can not only transfer programs for TV users through Internet and own billing rights, but also isn't limited by pilot cities.

From the government levels to the two systems of telecommunications and radio and TV, all of them thought the triple play can improve network resources interconnection and sharing of resources, promote network utilization rate and avoid duplication construction. But it needs great efforts to solve these differences and issue the final pilot plan in such a short month.

The postpone introduction of pilot cities may result the extension of triple play pilot phase.

Guideline Research VI: Serving Shanghai World Expo, Mobile phone is everywhere

试读版

● On 27th, April, CBC, Shanghai Branch of China Mobile and Shanghai Oriental Pearl (Group) Co., Ltd. jointly held "Mobile TV Commercial launch" news conference, which announced mobile TV service was officially used for the commerce in Shanghai region and World Expo channels of mobile TV were opened. According to the cooperation contend, during the period of 2010 Shanghai World Expo, both sides will jointly launch 70000 units of mobile terminals equipped with CMMB chips.



- At present, Shanghai Mobile TV Services provides four sets of National programs including CCTV-News, CCTV-1, CCTV-5 and Colorful Film. In addition, Mobile TV also offers two sets of local programs, such as News Integration (World Expo Channels) and First Finance Channel.
- From now to the end of October, 2010, the users who support TD terminal of mobile TV functions can experience all the channels of mobile TV services free of charge if they open and order mobile TV services. The users can enjoy latest hot news of World Expo and large events live broadcasting free of charge through mobile TV services by one mobile phone.
- World Expo multimedia information terminal which was built by CBC for Shanghai World Expo, can not only integrate current CMMB functions including GPS navigation, real-time traffic guidance, colorful TV broadcasting service, colorful financial data services and others, but also add four real-time information promotion services such as colorful "Expo Plate", "Real-Time Information," "Eat, Drink and Play" and "Traffic Trip" as the customized models of World Expo

● The successful commercial use of Shanghai Mobile TV services is a good beginning for the services promotion of local triple play. Oriental Pearl and Shanghai Branch of China Mobile play a example role for the National triple play work based on the market guidance and users' interests. Mobile TV services will usher a bright future by the strong market promotion ability of China Mobile and the content advantage of CBC.

■ GUIDELINE RESEARCH ■

Serving Shanghai World Expo, Mobile phone is everywhere

试读版

● The National Commercial using and successful services for Shanghai World Expo of CMMB + TD mobile TV services mark that the cooperation of CBC and China Mobile has taken a substantial step. Other telecommunication operators also accelerated the commercial using of their mobile TV services and promoted various charging ways to attract users' experiences while China Mobile is adopting the cooperation with CBC.

- China Mobile: **Promotions + free experience, the development of users first and charges second.** The promotional fee of CMMB + TD mobile TV services was 6 Yuan/Month, and one month free experience was launched.
- China Telecom: **visit-on-demand; online broadcast and download broadcast; news, sports, lifestyle information, entertainment area and others created multi-dimensional video information services for users. China Telecom adopted communications + information cost and introduced package services containing different flow.** The extra flows will be charged by 0.0005 Yuan/KB. The users can select different package according to their circumstances to enjoy video information service anytime and anywhere.
- China Unicom: **different video watching methods, the combination of a variety of billing methods and flexible charging models.**

China Mobile

China Telecom

China Unicom

Products		Timing method	Charges	Promotion Period (Oct. 1, 2009 to December 31, 2010)
VOD / Downloads		time	General Video: 2M/Piece	Non
			Hight Quality Video: 3M / a	Non
Live video	Multi-channel	Whole day	8Yuan/Day	4Yuan/day
		Whole Month	38Yuan/Month	19Yuan/Month
	Single Channel	Whole day	6Yuan/Day	3Yuan/Day
		Whole Month	32Yuan/Month	16Yuan/Month

● Charges is the important link of mobile TV services development, but the content is still a key factor in attracting customers. As a kind of "Compensatory Media", mobile phone fills in the demands of people on the video and information and takes the top place in the "fragmentation time", which the traditional TV and Internet TV can not touch. Operators should strongly integrate the video resources from TV Station, film and TV production sectors, animation production agencies, video websites and others, and create short but pithy content products aiming the "fragmentation time" of mobile terminals and mobile users to attract users' attention and promote users to use mobile TV services.

Cable Digital TV

●Chongqing Cable invested 200 million yuan to subsidize the public to see high-definition

- Chongqing Cable TV Network Co., Ltd. officially launched "Full High Definition, Interactive to Home" digital high-definition home universal plan, promised that all the existing high definition channels within China will land in Chongqing and ensured Chongqing citizens can watch HD World Expo and World Cup.
- Chongqing Cable will subsidize 200 million Yuan for Chongqing digital TV users to achieve the upgrade of high-definition interactive terminal and users can receive free standard definition or high definition interactive set-top boxes only paying a certain of upgrade service fee. After the subsidy, users can only pay 160 Yuan and 560 Yuan for the upgrade of 780 Yuan SD interactive set-top boxes and nearly 2,000 Yuan high-definition interactive set-top box
- The users can easily watch 1,500 hours of the latest HD Film and TV synchronizing with overseas, enjoy more than 400 films, 800 series of Europe and America hot plays and more than 200 hours of documentaries, children, fashion, sports programs and others.



Guideline review:

High definition and interaction is a must road for the development of digital TV in the future and also the sharp tool for the operators of Radio and TV and Telecom to seize the market. Chongqing Cable invested a large amount of funds in the popularity of interaction and high-definition interactive set-top boxes terminals and allowed citizens to enjoy high definition in advance and improve living standards. This will be helpful for the development of Chongqing high-definition and interactive services, allow users to experience high-definition interactive services, realize the transition from watching TV to using TV and play TV, attract more users to book related value-added services and improve users ARPU value; at the same time, Chongqing Cable also improves their own competitiveness and in the market competition of triple play , seize market opportunities, improve users' viscosity and protect market share.

Gehua Cable tried television shopping and fully explored users' potential

试读版

●On 3rd, May Gehua Cable Notice: Gehua Cable plans to invest 20 million Yuan with Hong Kong Fubon Media Limited ("Hong Kong Fubon ") to jointly establish a joint venture company and accounted for 20% of the total registered capital.

- Hong Kong Fubon is the wholly owned subsidiary of Taiwan Fubon Multimedia Technology Co., Ltd. and is the second largest TV shopping group in Taiwan. Taiwan Fubon Multimedia Technology Co., Ltd. was jointly founded in June 2004 by the giant of aiwan financial industry-Fubon Group and the operator in the world-renowned South Korea TV shopping field-Lotte Home Shopping with registered capital of 6.3 billion New Taiwan dollars. It's TV shopping brand "Fubon MOMO" has 3 shopping channels at present and broadcasts programs 24 hours a day to 5 million users of Taiwan every day. The sales income of 2009 is about 15 billion Taiwan dollars accounting for nearly 30-40% of Taiwan TV shopping sales market .
- The new joint venture company was tentatively called Fubon Gehua (Beijing) Shopping Service Limited Liability Company with registered capital of 100,000,000 Yuan, which is mainly responsible for the programs production of shopping channels, product sales and so on
- It will rely on existing channels and customer value of Gehua Cable to fully explore the potential users. Gehua Cable is responsible for the implementation of cooperation with joint venture and transfer TV shopping channels in Beijing and Hong Kong Fubon is responsible for providing shopping operation management and technical and all the operational supports.
- Gehua Cable earned joint venture benefits from the following three aspects: charging the cost of transmission to Beijing digital TV users from joint venture companies; according to the difference of last fiscal year's revenues, the royalty rate is different, and the higher income, the higher commission percentage; the companies get commission from the profits in the joint venture company according to equity ratio.

Process Table of China Cable Digitalization

试读版

●Process Table of China Cable Digitalization of Provincial Level Administrative Region of China (As of the end of Mar. 2010) :

City Name	DTV Subscribers (ten thousand)	Household Digitalization (%)	CATV Digitalization (%)	Urban household digitalization (%)	Household Subscribers(ten thousand)	CATV Subscribers (ten thousand)	Number Urban Household (ten thousand)
Beijing	240	37.06%	58.84%	43.60%	647.6	407.9	550.5
Shanghai	71	9.83%	13.47%	11.92%	722.3	527.2	595.5
Tianjin	198	47.56%	81.38%	84.91%	416.33	243.3	233.2
Chongqing	145	15.87%	31.89%	35.50%	913.42	454.64	408.5
Hebei	348	15.48%	55.68%	41.52%	2247.41	625.03	838.2
Shanxi	210.3	20.68%	54.52%	44.40%	1017.02	385.76	473.6
Inner Mongolia	192.5	23.13%	65.99%	43.31%	832.33	291.71	444.5
Liaoning	323.8	21.89%	41.38%	36.28%	1479.11	782.5	892.6
Jilin	249	28.54%	84.69%	53.53%	872.47	294	465.2
Heilongjiang	164	12.86%	32.91%	23.17%	1275.33	498.3	707.8
Jiangsu	760	30.30%	44.13%	61.54%	2507.95	1722.2	1235
Zhejiang	381	20.15%	34.32%	37.93%	1890.51	1110.2	1004.4
Anhui	124.3	6.14%	31.85%	17.19%	2023.43	390.3	723.3
Fujian	152.5	12.66%	28.95%	27.47%	1204.98	526.8	555.2
Jiangxi	45	3.33%	11.06%	7.71%	1351.27	407	583.48
Shandong	370.3	11.30%	28.54%	25.56%	3276.92	1297.6	1448.8

Process Table of China Cable Digitalization

试读版

●Process Table of China Cable Digitalization of Provincial Level Administrative Region of China (As of the end of Mar. 2010) :

City Name	DTV Subscribers (ten thousand)	Household Digitalization (%)	CATV Digitalization (%)	Urban household digitalization (%)	Household Subscribers(ten thousand)	CATV Subscribers (ten thousand)	Number Urban Household (ten thousand)
Henan	73.2	2.64%	11.43%	8.71%	2773.98	640.21	840.1
Hubei	326.9	19.15%	40.69%	43.47%	1707.46	803.43	752
Hunan	389.7	19.12%	71.65%	52.17%	2038.3	543.93	747
Guangdong	708.8	24.93%	45.09%	39.32%	2843.07	1571.84	1802.5
Shaan'xi	230	19.82%	55.36%	45.55%	1160.62	415.47	504.9
Gansu	92.9	12.90%	47.60%	39.52%	720.07	195.17	235.1
Qinghai	29.8	19.57%	92.55%	41.56%	152.27	32.2	71.7
Ningxia	64	36.99%	95.69%	75.65%	173	66.88	84.6
Xinjiang	100.2	16.27%	61.14%	39.22%	615.8	163.89	255.5
Guangxi	258	17.90%	57.05%	45.66%	1440.95	452.25	564.99
Hainan	65	28.81%	60.65%	61.44%	225.61	107.18	105.8
Sichuan	146.1	5.89%	12.04%	15.22%	2480.3	1213.6	960
Guizhou	190	17.26%	56.17%	60.55%	1100.87	338.23	313.8
Yunnan	225	17.67%	46.30%	55.47%	1273.26	486	405.6
Tibet	3.5	5.79%	27.78%	22.29%	60.5	12.6	15.7

Notes: The digitalization rate is the number of the homes with digital televisions divided by the total number of the homes with televisions.

Source: Guideline Research

The cable digitalization rate is the number of the homes with digital televisions divided by the number of the homes with cable televisions.

The town digitalization rate is the number of the homes with digital televisions divided by the number of the homes with televisions.

Progress of Cable Digitalization and Value-Added Services in the urban cities of China

试读版

●Beijing Municipal:

→ Beijing has already launched the popularization and promotion work of the second phase of high definition interactive digital television pilot and by the end of 2010, the amount of high-definition users will reach 1.3 million in the whole city. In 2010, Gehua Cable will continue to strengthen basic network construction to drive the development of TV businesses and personal broadband services and focus on the development of high definition interactive services. At the same time, Gehua Cable will also strengthen the promotion of high definition services and improve more users of Beijing districts to use high definition interactive services so as to enhance their competitiveness, highlight the characteristics of their businesses and promote competition weight of triple play

●Chongqing Municipal:

→ On 7th, April Chongqing Radio and TV Group and Chongqing Welfare Lottery Issuing Center jointly announced that “Digital TV Purchasing Lottery” was officially launched, which is a new way to buy lottery tickets. The lottery types, which were introduced by Chongqing Digital TV Platform included double color ball, seven color, 3D and constant color. The citizens of Chongqing Municipal can buy the lottery through cable TV in the home. This is not only a useful attempt for Chongqing Radio and TV to develop value-added services, but also is one innovation of sales channels for Chongqing Welfare Lottery. This took full advantage of digital TV platform to facilitate the general public.

●Guangxi District:

→ Seen from the Guideline Research, as the end of March 2010, Guangxi Radio and TV Network has developed 52000 high definition digital TV users and mainly in Nanning, Liuzhou, Wuzhou and other regions. Besides the existing 20 sets of free high definition channels, Guangxi Radio and TV Network also had 5 sets of pay high definition channels (columns), which were formed through the jointly development an integration of high definition resources after the cooperation of Guangxi Radio and TV Network and the third party high definition content suppliers. The high definition interactive digital television services of Guangxi Province can provide on-demand personalized and interactive features for the users.

●Jilin Province:

→ Jishi Media Co., Ltd. launched “Red March, Gifts in the Spring” digital pay-TV marketing activities in the scale of province-wide. The city-level branches of Fusong, Zhenlai, Yanji, Tongyu, Tonghua and others actively participated in it, changed marketing ideas, mobilized the enthusiasm of staffs and formulated pay programs marketing plan and preferential methods according to local conditions and characteristics. It strengthened propaganda efforts and increased users’ awareness of the pay programs through pay-TV flyers, TV media and other communication channels

Progress of Cable Digitalization and Value-Added Services in the urban cities of China

试读版

●Inner Mongolia :

→ The cooperation of Radio and TV Networks Company of Inner Mongolia and Inner Mongolia Branch of China Mobile achieved substantive results. Inner Mongolia Radio and Television Networks made full advantage of cable TV network to develop broadband services in the region and had developed more than 4000 users. At the same time, Inner Mongolia Radio and Television Networks accessed Mobile SMS system to complete the users maintenance and other works. Against the big background of trip play, Radio and TV Networks of Inner Mongolia and Inner Mongolia Branch of China Mobile strengthened the cooperation and fully used resources of both sides, not only can form the situation of two sides complement, but also can improve the value-added services of inner Mongolia Radio and TV Networks to a new level.

●Huaian City:

→ As of early April 2010, the overall conversion work of cable TV digital have been successfully completed in the urban districts of Huaian City, Jiangsu Province. Huaian City carried out two-way transformation project of cable network, created overall conversion model, vigorously developed interactive TV and explored new model of cable TV overall conversion according to local conditions, and characteristics while is doing overall conversion. The digital TV users of Huaian City will directly enjoy on-demand, recording and other personalized and diversified digital TV content and services and greatly enriched people's leisure entertainment.

●Xiamen City:

→ Xiamen opened digital TV prepaid card payment mode. The users can charge the face value amount of the prepaid card into the digital cable TV stored account one time by service hotline or online offices after purchased the prepaid card and after that, the system will automatically deduct corresponding payment amount from user's stored account. The introduction of digital TV prepaid card not only eased the pressure of Xiamen cable TV office, but also be good for users to select suitable channels to make the payment and improve the satisfaction of the users on Xiamen cable digital TV.

●Zhejiang Province :

→ Zhejiang Radio and TV together with Jiangsu Juteng Company set foot in Online Game Industry and both sides will jointly operate social gaming "Happy Planet." The users can enjoy entertainment experience of SNS interactive communities and large-scale online games on three terminals including TV, computer and mobile phone. The cooperation of Zhejiang Radio and TV and Juteng Network marked the online game industry firstly go out of the internet and enter into TV. This not only made Zhejiang Radio and TV get first start advantage at the beginning of triple play integration, but was also good for both to play their advantages and promote the cable digital TV development of Zhejiang Radio and TV.

Cable Digital TV

试读版

●Every Districts and Cities held price hearing during April, 2010.

- In this month, only Mudanjiang City, Heilongjiang Province held price hearing of cable TV.
- On 20th April, Mudanjiang Price Bureau was entrusted by Price Inspection and Management Bureau of Heilongjiang Province to hold basic viewing maintenance standard hearing of cable digital TV for the urban regions of Mudanjiang.
- Price Bureau of Shandong Province confirmed the charges standard of cable TV: the charges standard of new installed cable TV one-time construction fee is no more than 250 Yuan per household and charges standard of analog signal is no more than 13 Yuan per terminal every month. The basic viewing maintenance fees standard of overall conversion from analog signals to digital TV was confirmed by the Price Bureau of every cities according to local conditions in the scope of no more than 26 Yuan per terminal every month.
- As of the end of April, 74 prefecture-level cities or regions have held price hearing of cable digital TV viewing maintenance charges, mainly including: Xuzhou, Suqian, Taizhou, Yunnan Province, Qiqihar, Jiande, Hangzhou, Fujian, Hainan, Shanxi, Tianjin, Chongqing, Dalian, Jinan, Qingdao, Zibo, Taiyuan, Yancheng, Guangdong, Guangzhou, Foshan, Shenzhen, Dongguan, Guangxi, Nanning, Wuzhou, Wuhan, Shaanxi, Hunan, Changsha, Hengyang, Ningxia, Zunyi, Guizhou, Gansu, Jilin, Shandong, Hebei, Nanjing, Hefei, Wuxi, Yangzhou, Hangzhou, Suzhou, Changzhou, Xingtai, Huanggang City, Yanbian Prefecture, Zhenjiang and Huanggang.

Operation of Cable Digital TV

试读版

●During the April, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
Municipal	Beijing	Beijing launched the second phase of test, popularization and promotion work of high-definition interactive digital television and the number of high definition users will reach 1.3 million by the end of 2010 in the whole city.
		From May 1, the Radio and TV Bureau of Beijing Municipal will carry out inspection work on cable broadcasting TV network project construction of new commercial residential districts and the quality of cable TV will become the unalterable quota of “naked house” acceptance.
	Shanghai	Shanghai will invest 6 billion Yuan to complete the integration of cable networks within 2010 and the relevant integration solutions have been approved by the Party Secretary of Shanghai Municipal Yu Zhengsheng.
		Qingpu District completed the cable TV network reconstruction for 45770 users in 3 years. The relevant experts carried out the acceptance on the design plan and project construction of Qingpu old network and project fully followed the technical content and indicators of the project specification.
		Shanghai has completed NGB model network construction project for 50,000 users, in addition, "National NGB Application Laboratory" was officially settled in Shanghai Oriental Cable.
	Chongqing	Chongqing Radio and TV Group held HD news production and broadcast platform technical seminar and discussed about the successful experience and construction model of HD news production and broadcast system platform.
		Chongqing Cable will subsidize 200 million Yuan for Chongqing digital TV users to achieve the upgrade of high-definition interactive terminal and users can receive free standard definition or high definition interactive set-top boxes only paying a certain of upgrade service fee.
	Tianjin	On April 26, the Inspection Team Leader of SARFT, Hu Ruiting led the group to the News Center of Beichen District for the survey and research on Radio and TV work.

Operation of Cable Digital TV

试读版

●During the April, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
North China	Shanxi Province	That on April 6, the project acceptance of Shanxi Radio and Television Station Master Control and Shanxi Satellite Broadcasting System was held in the meeting room of Province Radio and TV Main Station, which marks the full digital project reconstruction and upgrade of Shanxi Satellite Broadcasting System was fully completed.
		From April 1, Ruicheng County carry out "Conquests War" outaiding development of cable TV activity within the whole county. The radio and TV stations with rapider development of cable TV and higher networking rate east of Yangcheng County outaid the radio and TV stations with slower development and larger development space west of Yangcheng County.
		The first quarter of 2010, Yangquan Radio and TV Media Company achieved revenue of 11.87 million Yuan (returned money of 10.03 million Yuan), increasing 30% and 2.75 million compared with the same period in 2009 and accounting for 31% of the annual task, and achieved a good start in the first quarter.
	Inner Mongolia	The Baikalsky Radio and TV Network Company, which was invested and established by Inner Mongolia Radio and Television Network in 2004 in Ulan-Ude, Russia goes well and has operated for 6 years with more than 30000 users.
		Inner Mongolia Radio and Television Network deepen into non integrated counties, districts and states to discussed about the integration matters and accelerate the promotion of Cable TV Network integration work.
		Tuchengzi town combined the distance education and cable TV network of the town and opened distance education TV channels covering 512 cable TV users of Goumen Group, Wufendi Village and Tuchengzi Village in the seat of town government. The full day broadcasting was realized.

Operation of Cable Digital TV

试读版

●During the April, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
North China	Hebei	Radio and Television Bureau of Hebei Province held 2010 Provincial Radio, Film and TV Technology Work Conference, which confirmed the main points of 2010 Hebei Radio, Film and TV Technology Work
		CPPCC members of Xingtai City, Fu Wukui proposes to set free public channels, implement one household one fee, cancel one machine one fee and absolve viewing fees for all rural users.
		Since 2010, the county-level companies of Hebei Radio and TV Networks accelerated the promotion speed of cable digital TV overall conversion from improving service quality and enhancing service levels. Lincheng Branch has completed the overall conversion for 2340 users at present and Cixian Branch has completed overall conversion for nearly 2000 users at present.
North east	Jilin	Zhenlai branch of Jishi Media carried out centralized rectification and management for the recolonization users, who privately took the set-top boxes from cottages to the buildings without any documents and the individual users, who used the second and the third terminals, and organized relevant personnel to study the knowledge on the aspects of installation, adjustment, maintenance and others of “two-way” reconstruction equipments.
		Fusong Branch of Jishi Media exceeded full-year pay-TV sales tasks of the first quarter of 2010, which was issued by the headquarter.
		From April 1, Liaoyuan Branch of Jishi Media fully publicized “all-in-one” and “prepaid card” businesses.
		The Integration work of Jilin Radio and TV Networks has been basically completed and realized the overall conversion of digital TV for 2.4 million; Provincial digital TV integrated service platform has been put into operation; high-definition interactive TV, digital television two-way interactive application value-added services pilot and other applications are being launched

Operation of Cable Digital TV

试读版

●During the **April**, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
North East	Heilongjiang Province	In 2010, Daqing Oilfield Communications Company will vigorously promote digital TV households project and some oilfield users will enjoy high-quality information services brought by digital TV before the end of 2010.
		On April 20, Mudanjiang Price Bureau was entrusted by Price Inspection and Management Bureau of Heilongjiang Province to hold basic viewing maintenance standard hearing of cable digital TV for the urban regions of Mudanjiang and 40 representatives attended the hearing.
		In 2010, Baoqing government will invest 180 million Yuan to successfully complete conversion project of cable TV digital in the towns and cities, and will launch 14 people-benefits projects including cable network of rural cable TV, network transformation projects and others.
	Liaoning Province	On April 16, the website of Dalian Tiantu Cable TV Network Co., Ltd. was online
Middle South	Hubei Province	On April 16, Wuhan Plastics (000 665) Notice, one April 13th, the shareholder of the company has confirmed that the final transferee of its 40.32 million shares, which were transferred, is Chutian Digital TV Company. On April 30, the reorganization direction of Wuhan Plastics was released. The main businesses of the company will be changed to the investment and operation management of cable digital TV industry, the development and applications of cable digital TV technology and others. Hubei Radio and TV Network realized comprehensive listing by the reorganization.
		Hubei Province held Provincial Radio, Film and TV Science and Technology Work Conference and arranged the work of 2010.. Radio and TV “Every Village” project should be completed for the rest 9362 villages with more than 20 households in 2010 and rural radio wireless coverage project will continue to be implemented; it will also accelerate radio, film and TV digitalization, networking and two-way and strive to increase the number of cable digital TV users to 4 million at the end of 2010 in the whole province.

■ GUIDELINE RESEARCH ■

Operation of Cable Digital TV

试读版

●During the April, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
East China	Anhui Province	On April 2, the Radio and TV Station of Huainan City held work conference and pointed out that the radio and TV station work of Huainan City regarded deepening the system reform within the station as the main line of one year's work; further improve program assessment and examination system with the core of viewing rate.
		Shitai Branch of Anhui Radio and Television Networks shut down 11 optical nodes covering almost 5000 analog users, completed the overall conversion for more than 4500 users and the users of off-mode regions accounted nearly 80% of total users.
		As of the end of March 2010, the users amount of Xuancheng Branch of Anhui Radio and TV Network exceeded 100000, of which 92000 cable TV and digital TV users and 8000 wireless digital TV users.
		Xiaoxian Branch of Anhui Radio and TV Network signed cable broadband business cooperation agreement with Xiaoxian Mobile and China Railway Telecom.
		On April 7, Anqing Economic and Technological Development Zone and the Oriental Guangda Group held signing ceremony of triple play integrated industrial park.
		The Eleventh Standing Committee Conference of Anhui Province issued that cable TV maintenance fee can be charged according to household, basic viewing maintenance fee was charged in line with household and don't charged in accordance with TV terminal.

Operation of Cable Digital TV

试读版

●During the April, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
East China	Anhui Province	From April 6 th to 9 th , the Chief of Management Division of Media Agent of SARFT, Tao Shiming led inspection team of radio, TV and advertising broadcasting to Anhui Province to inspect the management work of Radio, TV and advertising broadcasting.
		On April 12, deputy director of the NPC Standing Committee of Shitai County, Wang Shengfang, County Party Standing Committee and Deputy Mayor of Government, Dai Weiyi accompanied by Li Donglai, who is the Secretary of Radio and TV Bureau of Shitai County went to Shitai Branch for the survey and research.
		The "Anhui Radio and Television Management Ordinance" , which was approved by the Eighteenth Meeting of the Standing Committee of Anhui Province was promulgated, and the ordinance will officially come into effect on July 1 st , 2010.
		In order to complete the 2010 overall conversion work task of cable TV digitalization in the urban district of the County, Nanling County, Anhui Province promulgated " 2010 Overall Conversion Work Plan of Cable TV Digitalization of the Urban District"
		On April 29, Main Plant of Anqing Petrochemical transferred the cable TV network to cable TV network center of the city, and the overall conversion work of cable TV network of the enterprises in Anqing City had been fully completed.
		On April 30, Hengxin China, which is the wholly-owned subsidiary of Shenzhen Zhongze Mingxin Technology signed commercial cooperation agreement with Anhui Radio and Television Information Network, and they will provide two-way transformation equipments and services of cable digital TV for Anhui Province to jointly develop and operate value-added services for a period of 12 years and share the revenues.

Operation of Cable Digital TV

试读版

●During the April, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
East China	Zhejiang Province	Taizhou City has transferred about 400000 users to Mar, 2010. The Taizhou digital TV work leading team enlarged meeting, which was held on 6 th , April, confirmed that 1.2 million users of Taizhou City will basically complete the target of digital TV conversion in 2010.
		On April 12, Radio and Television Bureau of Zhejiang Province issued a notice, which called on all the units to carry out radio and TV equipments protection and self-examination activity in the whole province from 15 th , April to 25 th , April (before World Expo).
		By the end of March, Pingyang digital TV transition and two-way network transformation project, had been invested with 9.17 million Yuan, accounting for 50.9% of the annual plan. To April 5, the construction of cable digital TV front-end and interactive television platform had been completed, two-way network transformation of sub districts had been completed and 4000 digital TV users had been developed.
		In April, urban district of Wenzhou city started the overall conversion work of cable TV digitalization and by the end of 2010, the transition work will be basically completed. During this period, through the network transformation, the existing 300-500M one-way analog transmission network will be upgraded to 862M two-way digital transmission networks and basic TV programs amount also will be increased to about 50 sets.
		On April 26, Wasu signed a comprehensive strategic cooperation agreement with Zhejiang Daily Group. According to the signed framework agreement, both sides will develop the depth cooperation on the several aspects of brand promotion, content interaction, project investment and others.
		Hangzhou city had realized broadband a hundred M households of the whole city, and Wasu Netcom 10M/20M broadband was officially listed on April 28.

Operation of Cable Digital TV

试读版

●During the **April**, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
East China	Anhui Province	Fujian Province promulgated the implementation of Radio, Film and TV Industry 2010-2012 development plan, including: promoting cable TV scale and digitalization and provincial cable TV network integration projects and accelerating the process of digitalization stimulating the industrialization.
		Xiamen residents can pay the relevant cost of cable digital TV by digital TV prepaid card and the users can charge the face value amount of the prepaid card into the digital cable TV stored account one time by service hotline 968810 or online office.
	Shandong Province	Shandong Radio and TV Bureau actively promoted Provincial Radio and TV Cable Network integration work and established radio and TV cable network integration construction office of the whole province. It confirmed the division of responsibility, deeply carried out studies and research, extensively listened to the views and grasped the situations of grassroots
		Price Bureau of Shandong Province cleared the cable TV charges standard: the charges standard of new installed cable TV one-time construction fee is no more than 250 Yuan per household and charges standard of analog signal is no more than 13 Yuan per terminal every month. The basic viewing maintenance fees standard of overall conversion from analog signals to digital TV was confirmed by the Price Bureau of every cities according to local conditions in the scope of no more than 26 Yuan per terminal every month.
	Jiangxi Province	On April 26, Hengxin China and Radio and TV Network Transmission of Nanchang County, Jiangxi Province signed commercial cooperation agreement. Hengxin will supply two-way transformation equipments and services of cable digital TV for Jiangxi Province to jointly develop and operate value-added services for a period of 15 years and share revenue. The initial users number carried by the agreement will be 500000.

Operation of Cable Digital TV

试读版

●During the April, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
East China	Jiangsu Province	On April 11 and April 12, the Radio, Film and TV Director Conference of six Provinces and one Cities in East China was held in Nanjing. Vice Governor of Jiangsu Province, Cao Weixing attended the conference and made a speech.
		As of the early April, the main urban districts of Huaian City has successfully completed the overall conversion of digital cable TV work.
		Because of the investment scale, the current cable TV network can only ensure that about 20% users accessed to the interactive TV at the same time. Most of the users in replaced districts preferred to interaction and the replaced users amount of some districts exceed 70%.
		On April 30, the Management Committee of Wuxi National Sensor Information Centre and Jiangsu Network held signing ceremony of the next generation of Jiangsu Radio and TV Network, the Internet of Things Research Center. The center will conduct the integration technology research and application development of radio and TV network and Internet of things.

Operation of Cable Digital TV

试读版

●During the April, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
Middle South	Guangdong Province	Pengjiang and Jianghai Districts of Jiangmen City, Guangdong Province will fully realize cable TV digitalization. During the overall conversion period, if the users presorted one year's digital TV maintenance fees, can get one set of free basic type host set-top box.
		To enhance the service quality of digital TV, Meizhou Radio and TV Station held a forum and invited some members of the CPPCC National Committee of Meizhou City to survey and research digital television construction.
		Guangdong Pearl River Digital Group Co., Ltd. carried out open tender on CMTS (Machine-Intensive Style)
		From 7th to 9th April, Yang Jiang, who is the director of Guangdong Radio and TV Bureau, came to Zhanjiang and Maoming Cities to inspect and research the overall conversion work of cable TV and had a discussion with the responsible comrades of relevant departments in two cities.
		On April 14, Zhongshan City held Mobilization Conference of Radio and TV Network integration work and the overall conversion work of radio and TV network of the whole city will be completed at the first half of 2010.
		Nanao Street of Shenzhen fully speeded up the overall conversion of cable digital TV and it is expected all the conversion work will be completed at the end of May.
		The users of Guangdong Cable Video can enjoy 2M broadband without affecting the enjoyment of watching TV programs only with TV line opening of Guangdong Cable, and don't need to dial number to directly access to the internet.

Operation of Cable Digital TV

试读版

●During the April, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
Middle South	Guangdong Province	On April 21, the Inspection Teams of Gruangdong Cultural System Reform came to Liaoyuan City for the checking of radio and TV network reform situation. As of December 2009, the urban district of Heyuan City had 89 766 cable digital TV users and 29 314 analog users.
	Hunan Province	That on April 9, Guoan Network Digital TV High-Definition Interactive Brand of Changsha was officially broadcasted online, which marks the Changsha Cable TV has fully entered into high-definition era.
		In 2009, Huaihua City together with xupu, Hongjiang City, Hongjiang District and Tongdao completed the overall conversion of digital TV. The number of digital TV users of the whole city was up to 184000.
		On April 24, Hunan Film and Television Group (Certificate No. 143 000 000 192) according to "Provisional Regulations on the Registration and Management of Institutions", intended to apply for cancellation of registration from registration and management authorities of institutions. The assets of Hunan Radio, Film and Television Group was incorporated into Hunan Radio and TV Stations and all the liabilities and debts of former Hunan Radio, Film and Television Group were undertaken by Hunan Radio and TV Stations.
Henan Province	Yongcheng City plans to complete digital TV transition for 12000 users and install rural cable TV for 30000 users.	
Southwest	Guizhou Province	Guizhou Network together with Guizhou Branch of China Construction Bank introduced "Guizhou Radio and TV Dragon Card" and the users can not only make the payment by the card number of Radio and TV Dragon Card, but also can automatically pay the monthly viewing fees by card.
	Tibet	On April 16, Lhasa held radio, film and TV work conference. In this year the Radio and TV Bureau of Lhasa City will overall plan the cable TV digital network construction, fully ensure the overall conversion work of cable digital TV network in the urban district can be completed within this year, accelerate the overall conversion process of cable TV network digitalization in Lhasa City and fully promote radio, film and TV digital process of Lhasa City.

Operation of Cable Digital TV

试读版

●During the April, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
Northwest	Shanxi Province	Xi'an Branch of Shaanxi Radio and TV Network Media Co., Ltd. actively promoted the sales of pay programs of Xi'an Branch and formulated pay programs marketing and management approaches of Customer Service Department and relevant measures.
		Yanliangfei Jicheng Branch of Xi'an City reached agreement on the overall conversion cooperation of digital TV in the district with Xifei Company, and the overall conversion project of digital TV of Xifei Company in Yanliang District was officially launched and entered into implementation stage.
		Shaanxi Radio and TV Network Company and its subordinates and branches are all listed into the first batch of transformation cultural enterprises of the province-level. According to Shanxi Province Fiscal [2009] No. 34 document stipulations, the corporate income tax was exempted. The implementation period of tax preferential policies is from Jan. 1, 2009 to December 31, 2013
		On April 14, Shaanxi Radio and TV Network Media Ltd. and Huawei Technologies Co., Ltd. signed a strategic cooperation agreement in Xi'an and reached a strategic alliance. They will develop the cooperation on 9 aspects of network planning, business management and others.
	Xinjiang District	The Fifth Division of Xinjiang Production and Construction Corps launched digital transition work in the March 2009. The total investment of the cable TV digital overall transition work of the Fifth Division was 11 million Yuan and all the work was divided into two phases including urban network and corp. network. In the overall transition process, the fifth division kept a part of analog TV channels and the analog signals transmission will be stopped after the 2013.

Operation of Cable Digital TV

试读版

●During the April, 2010, News and Information about the Aspect of Cable Digitalization and Network Operation are Main as Follows:

Region	City/Province	Situation of Cable Digitalization and Network Operation
Northwest	Qinghai Province	The overall conversion pilot work of cable digital TV in Golmud was officially launched and the overall conversion of all the cable TV to digitalization was planed to be completed on October 1, 2010.
		Qilian County of Qinghai Province completed the fiber optic reconstruction project of cable TV in the county. The coverage scale of programs, which was operated by the county, is expanded and has been transferred to 16 villages of 6 towns and counties.
		On April 17, Vice Director of SARFT, Zhang Peiming and his party visited the earthquake affected areas. They will do a detailed study on the overall damaged situation of the Radio and TV of Yushu State, Yushu County and Jiegu County, and formulate overall planning and layout as soon as possible so as to arrange the basic work for the next new layout of radio and TV.
	Gansu Province	On March 16, the Monitoring Center of Gansu Province completed the transformation work of Gansu cable monitoring major routing. This work was mainly for the ageing of cable monitoring network core equipments and changed high-performance network processing router NE40-4 for original NE05 routing. The exchange capacity of transformed convergence layer was up to 32Gbps, which was 8 times of the original exchange capacity.
		According to “The Security and Protection Work Plan on Stealing and Destroying of Power, Telecommunications and Radio and TV Facilities of Gansu Province in 2010”, from February 2010 to November, 2010, Gansu Province organized and carried out special action on criminal and illegal stealing and destroying of radio and TV facilities.

DTT Operation

试读版

●The Main DTT Information in April, 2010:

- From April 30 to May 9, Henan Xinjiang JJT Digital Media Development Co. Ltd carried out competitive negotiable tender of 2010 Xinyang digital TV “JJT” (phase II).
- Henan Xuchang Radio and TV Bureau cooperated with Henan Tongbu Science and Technology Co., Ltd. to develop rural wireless terrestrial digital TV. Henan Tongbu Science and Technology Co., Ltd. will invest 10 million yuan to build front-end, transmitting and receiving terminal system of all-digital wireless terrestrial digital TV. The project plan to construct a terrestrial digital TV network which could cover 95 percent of the whole county. Initially, provide over 40 sets of programs and gradually develop on-demand, voice TV and many other value-added services.
- Chengdu Municipal Government Public Information Network announced "Chengdu Radio and Television Public Service System Implementation Advice". And also referred that till 2010 all people would enjoy radio and film public service without discriminatory. Each household could watch over 40 sets of high-quality TV programs.
- Anhui Radio and TV Transmission Station adopt a variety of measures to continuously improve the safety level and capacity of broadcasting.
- Yunnan Wireless Digital TV Culture Media Co., Ltd., under Yunnan TV Station cooperated with Lao National TV Station and Lao Technology Development Co. Ltd., to set up Lao Digital TV Co. Ltd. in the Lao capital of Vientiane with 2.65 million U.S. dollars of joint venture and operate digital TV business. This successful cooperation model expands cooperation potential. Recently, Bangladesh has transmitted co-signal to Yunnan's related industries.

Mobile Digital TV Operation

试读版

●The Main Mobile Digital TV Information in April, 2010:

- On April 18, CBC Group announced that two data radio business started commercial officially since May 1st, namely, Jingcai Finance and Jingcai Navigation. This means that the main product of handheld TV (CMMB) launched data business and expended from only providing radio and TV programs to launching value-added service.
- On April 19, Beijing CBC Co. Ltd. announced that its CMMB handheld TV business started commercial officially in Beijing area. At present, Beijing has built 13 main launching basic stations and signal covers 95 percent within Ring V, which is the largest single-frequency network in the world.
- On April 19, Hunan Satellite TV has received approval issued by SARFT on launching 3G mobile audio-visual program services. It is expected to obtain formal license in the near future.
- Handheld TV signal of Fujian province has covered urban areas of 9 districts. Through handheld TV terminals (cell phone, PDA, MP4, laptops, etc.), a total 6 sets of TV programs can be watched, namely, CCTV-1, CCTV-5, CCTV-News, Jingcai film, one set of Fujian TV and one set of district program.
- 16 states of Yunnan Province have launched handheld TV (CMMB) signal, and implement programs uploading simultaneously in all states and cities.

Mobile Digital TV Operation

试读版

●The Main Mobile Digital TV Information in April, 2010:

- On April 23 and 24, CBC Group hosted “Handheld TV hundreds of cities exhibition and Yushu one Yuan auction of relief action” in Guangzhou Tianhe Guangdong Tianyu Plaza.
- On April 24 and 25, “Handheld TV hundreds of cities exhibition” enter Jinan, which was held in Quancheng Plaza and attracted public attention.
- 4月24-25, CBC Group with Shanghai Handy TV Co. LTD. held Expo multimedia terminals release ceremony and Shanghai handheld TV hundreds of cities exhibition in New Bailaohui Plaza.
- On April 27, CBC, Shanghai Mobile and Oriental Pearl jointly announced that 3G mobile phone TV business started commercial officially in Shanghai area. Besides 4 sets of national programs, such as CCTV-News through mobile phone, users also can watch Expo channel and First Finance Channel.
- On April 27, China Mobile Shanghai branch reached strategic cooperation with Shanghai Oriental Pearl Group. According to cooperation content, both sides will jointly launched 70,000 sets of mobile terminals with CMMB chip during Shanghai Expo.
- As of April 28, 307 cities have opened CMMB in China; 22 provincial administrative units achieve opening in the whole province and total 108 cities have completed the requirement of depth coverage of current phase. The newly opened cities are Hegang in Heilongjiang, Xinjiang Kashgar and Dongguan in Guangdong.
- All 3G users of Shanghai Mobile can open mobile phone TV, if their mobile phone has CMMB mobile TV function module. As of the end of October, it is free of charge.

●Shanghai Contrarian Expands IPTV Business And Becomes First City of Triple Play.

- As the opening of the Shanghai World Expo, a telecommunication optic fiber network has been paved, which has leading scale of China and leading technology of the world.
- On April 27, China Telecom issued 18 new businesses in Shanghai, which covers eight major bright spots, including, the home of the city fiber optic network, and wireless broadband of downlink rate up to 100Mbit / S, high-definition with 3D, Internet of Things, mobile cloud computing, mobile digital intercom and intelligent speech recognition translation technology.
- Besides using optic fiber network and IPv6 to improve definition to the Blu-ray HD-quality, Shanghai Telecom is also one of the IPTV operators who introduce 3D high-definition on demand in early stage in the world.



Guideline review:

Shanghai Telecom has invested heavily in fiber optic networks and forms a fiber to the home. About technology, Shanghai Telecom improves the quality of network transmission and resolve problems of difficult transmission high-definition and 3D programs on IP network, which makes up the gap with cable TV transmission programs. About business, Shanghai Telecom uses its own business marketing advantage to launch a variety of new services to meet the differentiation needs of more users, improve customer loyalty and attract more new users to experience and use. Shanghai Telecom makes greater efforts to promote IPTV services, which will increase the pressure on cable television business. Video business competition in Shanghai market will be fiercer.

IPTV Operation

试读版

●The Main IPTV Information in April, 2010:

- At present, Chongqing Unicom's IPTV network programming and content is ready. It is expected to start commercial use by the end of April. The fee is about 30 yuan per month and annual package is about 300 yuan or so.
- China Telecom has provided high-star hotel IPTV service for four-star or above level hotels, including Westin Hotel in Shanghai Bund.
- As of the end of March, the number of Jiangsu Telecom IPTV users had already exceeded one million marks and was close to 1.1 million, becoming the province which had the most users, except Shanghai. This development rate attributes to a large extent of 1 +1 +1 development model this year, namely BesTV of Jiangsu IPTV + Jiangsu TV Station + Jiangsu Telecom.
- On global IPv6 Forum which was closed on April 7, China Telecom obtained the first operator certification of IPv6 ISP (Internet Service Provider) in the world.
- On April 8, Ministry of Industry and Information Technology issued "Comments and Suggestion on Promoting Fiber-optic Broadband Network". It also mentioned that till 2011, the number of fiber-optic broadband ports would exceed 80 million and access capacity would reach 8M in cities, 2M in rural areas and 100M in commercial premises.
- On April 09, Baoji 610 Office, the Public Security, the Administration of Industry and Commerce and Radio and TV Bureau jointly issued "Notice on conducting special rectification to illegal IPTV". It clearly called for an immediate cessation of illegal development of IPTV business, took the initiative to dismantle the facilities, accepted the administration fine, required all hotels, restaurants, entertainment and residential area to consciously abide by relevant state laws and regulations, safety received and watched radio and television programs.

●The Main IPTV Information in April, 2010:

- From March 18 onwards, just logging in Shanghai IPTV "Information Channel" column, you can watch hundreds of free magazines, including the eight major categories: Fashion trends, celebrity gossip, maternal child care, investment and financial management, marriage and family, sports, growth of education, automotive and real estate.
- On April 19, WASU Digital TV Media Group (WASU Group) with PCCW Group signed a letter of intention on triple play technology in Hangzhou. WASU and PCCW have reached cooperation intention on "Triple Play" technology field, which marked the "strong and strong cooperation" between Hong Kong telecommunication and TV enterprises and mainland "triple play" first operation companies.
- On April 25, Hainan Cultural Market Inspection Division said according to SARFT requirement, unauthorized TV business of hotels is prohibited. From April 15, Hainan conducted inspection of illegal IPTV and found a number of illegal units. The situation of unauthorized IPTV business was investigated. Inspection focused on hotels, tea houses of unauthorized IPTV business.
- On April 28, to enhance the user fee program on IPTV awareness and viscosity, Shanghai Telecom has launched the combination package of "Premiere + Watch films" to pay double gift in the form of activities. From 1 January, 2010 to 31 December, 2010, when users apply this business, they will enjoy the dual benefits of the package content.

Satellite DTV Operation

试读版

●The Main Satellite DTV Information in April, 2010:

- In Hechi city of Guangxi, "CCT" project construction team compiled and distributed "Brief Report" and announced that An'yao autonomous state took the leading to complete "CCT" coverage project.
- On April 6, SARFT issued "Provisional measures of satellite television terrestrial receiving facilities installation services" and stressed that cat copy pot is prohibited into market circulation.
- On April 8, Anhui Langxi County held a meeting on special rectification of illegal satellite terrestrial receiving facilities. The meeting conveyed No.129 document of the State Council and "Langxi County regulation on special rectification of illegal satellite receiving facilities."
- On April 10, China Satcom celebrated the first anniversary of re-incorporated into the reorganization. Over the past year, the market share of radio and TV satellite transmission is 10 percent and NavInfo has passed listing application and will be GEM.
- On April 13, Hunan Yuanling Radio and Television Bureau installed 160 sets of direct broadcast terrestrial receiving facilities for 5 remote mountain villages, such as Madizexiang, Benxi, Fangziya etc. which end no TV programs and radio history.
- On April 16, Fengjie County in Chongqing Cit held mobilization meet on "CCT" project construction and would installed 10502 sets of satellite terrestrial receiving facilities for 1841 villages which have more than 20 households. The facilities would receive 48 sets of programs. There are 1841 blind point villages without TV and Radio programs, which involve 40000 households and neary 200000 people.
- On April 20, In Dongxing City of Guangx, half task of 2010 radios and TV improvement of people live hood has been finished. As of April 12, 463 villages have completed the "CCT" radio and TV project, accounting for 58.2 percent mission. Dongxing also issued 13906 set of direct broadcast receiving facilities, accounting for 52.5 percent of issuance facilities. This city has completed 95 percent of construction work in 21 natural villages and issued 630 set of facilities.

Satellite DTV Operation

试读版

●The Main Satellite DTV Information in April, 2010:

- SES Astra announced that it would broadcast the first 3D demo channel on European Astra satellite. In preliminary tests, the channel will be broadcasted on the opening day of ANGA Cable exhibition of international cable and satellite broadband (May 4).
- Shizhu County in Chongqing will complete the installation mission of 13948 set of direct broadcast satellite receiving facilities in 634 villages which have more than 20 households before September of this year. The project is divided into two phases. The phase I project will be completed before May 30 and the phase II project will be completed before August 30. At present, the installation work has been launched in 32 towns.
- On direct broadcast satellite “CCT” project, Huaihua installed 22435 set of “CCT” receiving facilities in only two months and about 157000 people are benefited.
- Longling County of Yunnan Province implements “CCT” and “Digital Village” project and invests 10.32 million yuan to construct 15800 sites of “CCT” coverage work, which benefited 68800 people. 121 villages (communities) has open “Digital Village” network.
- Lufeng County of Yunan province installed radio and TV direct broadcast satellite receiving facility for over 100 people of 30 households in Famen committee of Konglongshan town to solve the problems of difficulties to watch TV. This marks that Lufeng County starts the prelude of “CCT” project for villages which have more than 20 households in 2010.
- Aha in Sichuan made a plan on “CCT” construction training. It will complete 82888 sets of central and provincial “CCT” project mission in 2010.

Satellite DTV Operation

试读版

●The Main Satellite DTV Information in April, 2010:

- 158 natural villages in Chuanling county of Shanxi province reported to be listed in “CCT” project plan during “the 12th five-year plan”. According to SART requirement, Chuanling radio and TV Network Company plans to adopt two coverage ways to construct project, namely, direct broadcasting satellite and cable TV network. 33 villages with 1559 households will adopt cable optic fiber access for near town and other 125 villages with 1393 households plan to adopt direct broadcasting satellite coverage for dispersion.
- In Daxin of Guangxin, The last batch of direct broadcast receiving facilities has been issued to all town and villages. As of April 23, Daxin County has totally issued 24,000 sets of “CCT” direct broadcast satellite facilities and fully completed the issuance mission of “CCT” direct broadcast satellite receiving facilities.
- Liping County of Guizhou is speeding up the pace of implementation of “Extend radio and TV to every village”. In 864 villages which have more than 20 households, 18714 direct broadcast satellite receiving stations will be set up.
- On April 27, in order to strengthen management of satellite TV receiving facilities in residential areas and norm behavior of installation of radio and TV terrestrial receiving facilities, Jining City of Shandong Province issued “Management stipulation of satellite TV receiving facilities in Jining resident areas”, which would be implemented from May 1st. For unauthorized installation and use of terrestrial satellite receiving facilities, individuals can be fined 5,000 yuan, the unit is liable to be fined 50,000 yuan.
- On April 27, Xingshan County Radio and TV Bureau of Hubei province organized more than 30 engineers and technicians to install radio and TV “CCT” facilities for 650 destitute people in remote villages of 8 towns. In June 2009, Xingshan County completed the phase I project and resolved the problems of difficult to watch TV for a total of 1,668 poor rural households in remote mountain areas. In 2010, phase II project will be launched and 650 destitute people will be benefited.

●The Main Content Industry Information in April, 2010:

- On April 5, International station held 60 anniversary of radio broadcasting of Indonesian, Burmese, Thai and Vietnamese and opening ceremony of International Online, "China - ASEAN Network".
- On April 13, Jiangyin cable digital TV added "Shanghai News integrated channel."
- On April 14, after revision, film channel of Hangzhou TV Station was broadcasted officially, which was the first new dim TV channel.
- From April 16 to 17, Yunnan Broadcasting and TV Bureau hosted Yunnan 2009 Radio and TV Government Award for Radio Broadcasting Awards in Dali.
- On April 18, Hunan TV introduced a new program of "Happy Taobao" which was cooperated with Taobao.com and hosted by Wang Han and Fang Qiong.
- On April 20, the Central Propaganda Department, SARFT, Ministry of Civil Affairs, China Red Cross Society jointly organized a large fund-raising program, "The feelings of Yushu • Great Love - a large earthquake relief fund-raising activities, special programs", which was broadcasted on CCTV 1, CCTV 3, CCTV 4, CCTV 7, CCTV 9 and China Network Station.
- On April 22, Tangshan Radio and TV Station which was the first radio and TV station in Hebei held opening ceremony. It marks that the city's radio and television system development has taken a substantial step.
- On April 26, military channel of China Network TV News Station was completed revision and released outside. Military channel is sub-channel of China Network TV News Station.

●The Main Content Industry Information in April, 2010:

- Yiwu TV Station obtained “Radio Film and Television Bureau of Zhejiang Province (RFTBZ) forward SARFT on agreement of Yiwu radio and TV station of pilot trade channel” (RFTBZ (2010) No. 70) document. Yiwu TV Station become the only county (city) radio and TV station which can open two TV channels.
- In 2010, through creating self brand columns, Qilu TV station launched "1 +3" media integration and innovation strategy. "1" refers to the Qilu TV Station; "3 " refers to three new media combination of Chaolian media, ivy media and rural public theater.
- Qingdao Radio and TV Station with Guangzhou Asian Games Broadcast Television Broadcasting Company (GAB) signed a "Service contract of Asian broadcast production team."
- Tibet Radio and TV Bureau actively prepares for the work of Shanghai Expo propaganda and reporting. The preparatory work is orderly progress. Set up a special leading group which is responsible for the preparation, planning, organization, participation in Shanghai World Expo radio and television publicity. The group has held a special session of the editing and business backbone conference and studies the deployment of information programs.
- For 90 cable ground screen networks and enterprise networks on China DTV Media, 61 ground screen access to CCTV high-definition integrated channel, this covers the number of 75 million cable users.
- Central station held several meetings on deployment of the implementation of the preparatory work for the World Expo reporting.
- NXTV with SMG will jointly give full play to the role of Ningxia TV platform and greatly strengthen the Shanghai World Expo publicity.

●The Main Content Industry Information in April, 2010:

- Shanghai Municipal Information Office, Shanghai Tourism Committee, City Council, SMG and Shanghai Oriental Pearl TV Digital Television ICS provide convenient channel access for star hotels in Shanghai, so that each of the foreign guests who participate in the World Expo are able to watch the latest foreign language programs related Expo in time.
- Qingha Radio and TV Bureau installed satellite TV receiving system and TV set boxes in concentrated area of people afflicted by the earthquake. People can watch several sets of television programs of satellite transmission and Tibetan Kham TV programs which were produced by Yushu radio and TV division.
- WinTV again got broadcast right of English Premier League in mainland China in next three years with 50 million U.S. dollars.
- Liu Zhipeng, deputy General Manager of Tianjin Fu Fengda Television Technology Investment Development Co., Ltd. said on Shenzhen Consumer Electronics Show on April 11 that SARFT had approved Tianjin set up the first 3D TV channel in China.
- After ALPHA ANIMATION acquired JiaJiaKTa, ALPHA began to build an animation channel as the core platform for the animation industry.
- Home shopping channel – Happy Shopping which is under Radio and TV Bureau of Hunan Province officially arrived in Beijing Gehua digital TV 69 channel, 24-hour continuous broadcast and live broadcasting breaking 15 hours.
- Since broadcasting of new version of Ningxia satellite TV which is set up by Ningxia TV Station and Shanghai TV station jointly all aspects of work progress smoothly. The landing coverage work of Ningxia satellite TV is promoted actively. This year, Ningxia TV has newly added 6 landing points. It plans that Ningxia TV achieves all coverage of central cities in June and all coverage of 31 provinces, municipalities and autonomous region in October.

Manufacturer Information

试读版

●Front - end:

- Envivio Inc. announced that its 4Caster C4 coding system is selected for the four new projects of China's 3G mobile TV services. The system is based on the three screens-one solution.
- Dalian Kedi's kd7600-6464 large-scale ASI digital matrix with its leading technology, high performance products and quality successfully won the tender of Shanxi GB terrestrial digital TV front-end system.
- On April 10, the "digital TV industry park" project of Beijing Sumavision Technology Co., Ltd. held groundbreaking ceremony in Shunyi Zhongguancun International High-tech Industry Base. The total investment of this project is 1.5 billion yuan and the total area is 200 acres. It is expected that after 5 years when it is completed, it will become the highest level, the largest specialized industrial park for digital TV.
- Compunicate newly launched EM800 which was a digital media platform for the integrated treatment of the exchange.
- U.S. Department of Justice approved Cisco's acquisition of Norwegian video conferencing company Tandberg with 3.4 billion U.S. dollars. And said that it would not hinder competition. The EU management department has also approved this acquisition.
- Linear Technology has introduced hot-swappable I2C Isolators LTC4310. The device provides two-way communication between the I2C buses, but two I2C buses are isolated.

●Terminal Appliance Manufacturer:

- On April 8, Skyworth Digital launched the first single-chip solution based on high-definition integrated machine E80 in China. Yang Dongwen, President of Skyworth Digital TV Business Division, said E80 got many certification and licenses of over 70 cities' radio and TV system in about 30 regions and signed a joint marketing agreement.
- On April 15, Changhong Multimedia Xining office issued the first batch of 100 TV boxes to disaster areas. On April 16, 405 units were issued again and on April 17, an additional 500 units were added. On April 19, organized by local force, Changhong draw goods urgently from Lanzhou, Xi'an and other sources and issued 1000 TV boxes. On April 20, issued 610 Changhong TV again.
- On April 20, Motorola's mobile devices and home broadband division announced its industry-leading DCX series set-top box products are expanding and enhancing software.
- On April 22, Toshiba released the 2010 financial report. The report shows that as of March 31, the performance exceeds the early state of market expectation with the promotion of spending reduction.
- On April 22, Hisense Electric has released financial report of the first quarter of 2010. The revenue is 5.23 billion yuan, up 51.06 percent compared with the same period of last year, which is mainly for increasing of sale scale. The net profit is 144 million yuan which includes 137 million yuan attributed to shareholders of listing companies, up 58.64 percent compared with the same period of last year.

Manufacturer Information

试读版

●Terminal Appliance Manufacturer:

- Haier TV launched dynamic three networks television which is based on model card technology platform based on MO-CLUB technology platform. This TV leads in integration of Internet, radio and TV network and communication network and also realized full upgrade from software to hardware.
- TCL released P11 Series Digital Internet LED TV with many new ideas, new technologies and new results. And first time disclosed four major Internet TV technology engines, namely, "3D display", "Internet", "full media decode" and "digital television".
- Skyworth 46E80RA 46-inch digital TV will come into market, built-in embedded single-chip solution, LED backlight system. A variety of TV programs including high-definition programs could be watched without set-top boxes.
- Samsung launched two multi-points touch integrated machines in Britain: 20-inch U200 and 23-inch U250. Large size of U250 supports 1080P high definition video, but U200 is slightly lower for the resolution of 1600 X 900. Two types of integrated machines all support multi-points touch function and pre-installed Home Premium Edition operating system Windows 7.
- Samsung LCD B550 digital integrated machine is b built-in DTT signal receiver. Wireless digital TV signal could be received without set-top boxes.
- On April 28, TCL Multimedia announced performance report of the first quarter of 2010 in the HKEx, the sales revenue reached 6.761 billion Hong Kong dollars, up 34.8 percent compared with the same period of last year and net profit reached 44 million Hong Kong dollars, up 69.2 percent compared with the same period of last year.
- On April 29, LG Electronics has released the financial report of the first quarter of 2010, total revenue reached 13.7 trillion won (about 11.9 billion U.S. dollars); operating profit was 529 billion won (about 462 million U.S. dollars), net profit was 675 billion won (about 590 million U.S. dollars).

Manufacturer Information

试读版

●Chip Manufacturer:

- On April 22, NXP Semiconductors won "2009 China's most popular semiconductor brand" which was awarded by "China Electronics News". This is the fourth consecutive award of NXP.
- On April 28, Broadcom, the world's biggest TV set-top box chip manufacturer, released its financial report. The net profit of Broadcom is 210.2 million U.S. dollars in the first quarter.
- On April 28, Fujitsu Microelectronics announced that set-top box chips with Fujitsu high-definition solution MB86H60 were sold the first batch of 500,000 officially and achieved 0 to 500,000 breakthroughs since December 2009. It is expected that the high-definition shipment will exceed 1 million this year.
- The first batch of 100 pre-production high-definition chips of Chongqing SICC has been off the assembly line. This means that on China digital TV market, European companies' monopoly will be broken. The price of SICC's high-definition chip is cheaper one-third than the current international price.
- STMicroelectronics released set-top box single chip LSI "STi5197L" for the Chinese and Asian markets. Besides LSI, STMicroelectronics has begun to provide samples for new product "STi7106" of high-end HDTV Decoder LSI. STi7106 is follow-up product of STi7105.
- Microtune announced that Shanghai DigiVision adopted Microtune's single-chip broadband tuner, which was applied to China HD cable set-top box.
- Microsoft plans to release a new media delivery platform - Internet Information Services (IIS) Media Services 4, which is based on Windows Server Platform, enables smooth handling and playing broadcast content and can also be encoded by third-party products, such as Microsoft Expression Encoder 4 to multimedia processing.

Manufacturer Information

试读版

●Chip Manufacturer:

- AltoBeam has ATBM884x Series GB terrestrial digital TV demodulator chip, which is based on third-generation core. The series of chips are only for digital integrated TV and set-top box market. Based on the widely acclaimed ATBM883x, ATBM884 further improves the performance of multipath and interference performance, and increase the DVB-C cable modem, which is helping TV manufacturers to develop high-performance and highly integrated digital TV products.
- The three major mobile operators in Brazil - Vivo, Claro and TIM Brazil are fully promoting the use of the mobile digital TV receiver chip products. Siano cooperation with ZTE makes that the Siano mobile TV receiver chip mobile phones and 3G modem card products have been promoted among Brazil mobile users.
- STMicroelectronics announced its first-quarter financial results; the profit is 57 million U.S. dollars, 541 million U.S. dollars loss in the same period of last year. The revenue rose 40 percent to 2.33 billion U.S. dollars in the first quarter.
- Texas Instruments (TI) announced to launch TMS320DM368 video processor, further enriching its support for full HD 1080p H.264 encoding function DM36x DaVinci line of portable code solution.
- Legend Silicon's terrestrial digital TV demodulator chip once again won the design of 2010 LG digital television integrated machine series.
- Maxim launched broadband, multi-standard silicon tuner MAX3543, with supporting worldwide hybrid TV and terrestrial and cable set-top box design. Through MAX3543, the users can use a single silicon chip to support the major TV standards worldwide.

Manufacturer Information

试读版

●Software Manufacturer:

- On April 1st, Novel-Supertv was selected as first innovation demonstration enterprises in Zhongguancun software industry. This selection organized all aspects of experts, such as investment banks, private equity, research institutes, universities, media and other software industry to develop scientific evaluation system of innovative demonstration enterprises in Zhongguancun.
- On April 5, AsialInfo Technology announced that its wholly owned subsidiary of AsialInfo Technologies (Chengdu) Company had signed a definitive agreement to acquire the majority stakes of Hangzhou Zhongbo Software Technology Co., Ltd. Under the acquisition agreement, AsialInfo Technologies will hold 80% stake of Hangzhou Zhongbo.
- Sumavision's high-definition transcoding platform adopts Sumavision's unique Xplant technology and 1U single card-type structure. Depending on the type of program source and signal processing, achieve standard high definition codec, satellite access, HD transcoding, adaptation and other features to satisfy the majority of operators in the digital TV front-end platform for high-definition signal transmission in a variety of functional requirements.
- Novel-Supertv showed its mature Conditional Access System (CAS) products on Convergence India 2010.
- Google has acquired the chip design startup company - Agnilux. Google spokesman confirmed that the two sides had reached agreement, but did not disclose further details.

Manufacturer Information

试读版

●Terminal STB Manufacturer:

- On April 20, Motorola's mobile devices and home broadband division announced its industry-leading DCX series set-top box products are expanding and enhancing software.
- On April 30, the operating income of SOYEA Technology achieved 194 million yuan, up 153.4 percent compared with the same period of last year in the first quarter. The operating profit is 5 million yuan, up 308.31 percent compared with the same period of last year. Net profit attributed to parent company is 0.8 million yuan, up 85.89 percent compared with the same period of last year. Basic earning per share is 0.004 yuan.
- MC6098 is one type of broadband set-top box of UT Starcom, which is new product supporting full high-definition business. The core of MC6098 is a SOC multimedia processor with real-time multi-threaded embedded LINUX system.

●Others:

- HP announced the acquisition of 3Com with 7.9 U.S. dollars per share in cash, involving an amount of 2.7 billion U.S. dollars. The terms of the transaction has been approved by HP and 3Com's board of directors. 3Com's Hangzhou Huasantong Technology Co., Ltd. (hereinafter referred to as "H3C") will be officially incorporated into HP.
- ZTE has launched the unified management of carrier-grade "xPON + EoC" solution. xPON + EoC solutions are specifically for the old district or five cell lines which are unable to households.

Manufacturer Information

试读版

●The Tender Situation of STB in April, 2010:

City	Type	Quantity	Form	Remarks
Sichuan Ya'an	Wireless digital STB	4400	Open	Tender No. HYCG 2010
Shandong Wenshang	Cable digital STB	1500	Open	Tender No. WSGP-20100403
Shandong Jimo	Cable digital STB	140000	Open	Item No. SDSITC-1107804
Shanxi Baode	Cable digital STB	120000	Open	Identification No.: 40248780-1548003-[1548029]
Zhejiang Jiashan	Cable digital STB	2万0000	Open	Tender No. :JSCG2010014 (J)
Sichuan Guagnhan	Wireless digital STB	20000	Open	Item No. NHZFCG—Z2010005

Exhibition/ Seminar Information

试读版

●The Information of Exhibition / Seminar in **January**, 2010

- On April 14, the communication situation and preparation of the 15th International Symposium on Broadcasting Technology (ISBT 2010) is held at the Radio Television Archive.
- From April 17 to 21, “National Webcast Conference” (NCW2010) is held in Kunming, which is hosted by strategy committee of Technology Association·SARFT and guided by Technology Association·SARFT, the Ministry of Industry and Information Communication Technology Committee and Xinhua News Agency Technical Council.
- On April 20, Full Service Access Networks (FSAN) International Standards Forum was held in Beijing.

●The Upcoming Exhibition / Seminar in **January** or later 2010:

- On May 18 and 19, CCTV held “Beijing International Television Technology Conference “ (ITTC) at the foot of Fragrant Hill to continue promoting the development and application of high-tech TVs, and promote exchanges and cooperation between television and jointly promote the China TV industry and new media the healthy development.
- From May 25 to 30, “22nd Annual Conference of Technology Association of China City TV Station will be held in Sichuan Chengdu, which is hosted by Technology Association of China City TV Station and co-hosted by Chengdu TV Station.
- From August 25 to 27, China Satellite Application Conference will be held in the Beijing New Century Hotel.
- From August 17 to 19, "2010 China Internet Conference" will be held in the Beijing International Convention Center. “, which is organized by the China Internet Association.

Cable Network Plate Contrarian Rising

试读版

● In stumble endlessly market and affecting by triple play and radio and TV checking IPTV, Cable network plate showed contrarian rising in the late fo April. Relatively speaking, outstanding performance is Gehua (600 037), Topway (002 238):

→ From April 16 to May 5, the stock price of cable network plate:

Item	Topway	Gehua Cable	TIK	BC&TV Network
	002238	600037	000917	600831
2010-5-5	4.94%	2.99%	2.03%	4.38%
2010-5-4	-2.61%	3.52%	1.93%	0.78%
2010-4-30	0.98%	-1.26%	-3.75%	-2.49%
2010-4-29	-6.71%	-4.19%	-9.70%	-6.43%
2010-4-28		-2.25%	1.35%	2.39%
2010-4-27	1.57%	1.65%	0.92%	-1.57%
2010-4-26	7.90%	9.97%	3.54%	2.78%
2010-4-23	-1.63%	2.44%		2.09%
2010-4-22	4.72%	2.17%	3.62%	4.45%
2010-4-21	3.53%		4.12%	3.31%
2010-4-20	1.29%	0.86%	-0.92%	1.39%
2010-4-19	-4.68%	-6.09%	-5.20%	-5.12%
2010-4-16	0.44%	-2.13%	0.46%	-0.23%

■ GUIDELINE RESEARCH ■

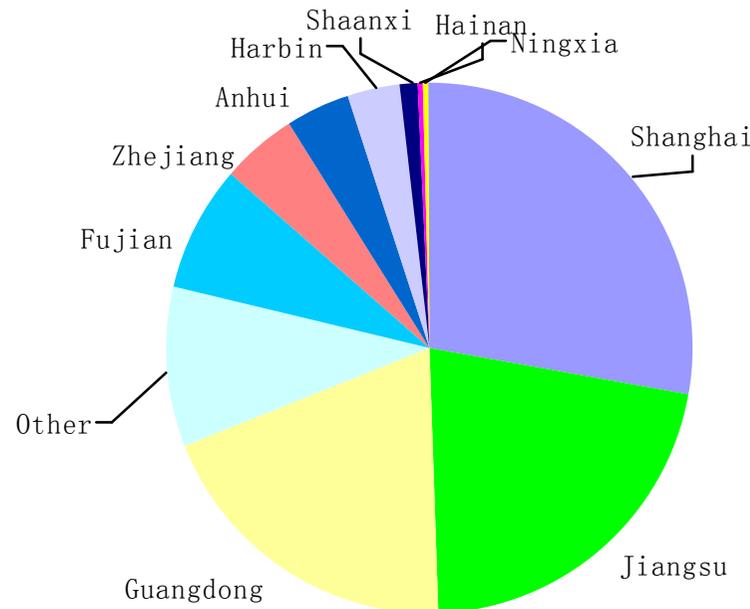
Internal use only for members of "www.sinodtv.net"

GR 格兰研究
Guideline Research

Market Survey Data

试读版

- As of the end of 2009, the number of IPTV users has reached 4.7 million and the number of IPTV users in Shanghai is in the first place, followed by Jiangsu and Guangdong. In early 2010, the number of IPTV users in Shanghai and Jiangsu has broken one million.
- 2009 distribution situation of IPTV users of China Telecom in mainland:



Note: If need specific details of the date, please order Guideline Research - "2010 China IPTV Industry Report"

Correspondences are
welcome.

Thank you!

Beijing GuidelineResearch Consultation Co.Ltd.

TEL: (86-10) 59706786

FAX: (86-10) 59706785

E.mail:guideline@sinodtv.net

*According to
William Kennard,
Chairman of the
Federal
Communications
Commission, two
points are critical
for understanding
the digital TV: first
of all, "it is taking
place". "What we
involve in is a
worldwide transfer
from analog
technology to
digital technology. It
is an important
technical
revolution."
Secondly, "nobody
knows what it will
be". Many
industries will get
involved in and
there are many
market variabilities.*

Many Thanks for long-term support from you and your Co.