



# The Chinese Publishing Industry 2011 Overview

**Healthy Growth** 2011 was a year of healthy growth for China's greater publishing industry. Continuing re-investment of profits spurred double-digit development nearly across the board.

**The Digital Age** The digital sector grew at nearly double the rate of print sectors, though numbers are distorted by the inclusion of non-traditional publishing products (cellphone and online advertising, streaming audio). China has only been reporting digital sales for three years now, and has only just begun to bring regulations up to speed with the industry. Major online media retailers, like Amazon.cn and DangDang.com, are not required to report any sales figures publicly.

**High Profitability** Profitability in the book sector hovers over fourteen percent. Educational materials continue to be a cash cow for a select group of major publishers.

**Continued Restructuring** New regulations continue to streamline companies' transitions from state-owned to private or jointly-owned status. Unsuccessful businesses, especially in the magazine and newspaper sectors, are being trimmed away. Corporate restructuring has led to some startling increases in the magazine sector.

**Growth in Electronic Publications** Online marketing platforms and a changed regulatory environment have caused audio/video publishers as well as software publishers to cut diversity while increasing profit substantially. Electronic publications, which is composed mainly of software publishing, saw a twenty-eight percent growth in profit in 2011.

**Falling Profits for Printing** Printing is still the largest sector in the industry in terms of production and revenue, but its profitability continues to fall (from above seven percent to six percent in 2011). The sector continues to grow, but that growth is slowing.

**Distribution Weaknesses** Distribution is the only sector of the industry that shows signs of ailing. While import/export and copyright trade both show negative numbers for this year, their overall development trends upward as China climbs out of its yearly copyright hole; in the distribution sector, however, poor performances by national bookstores as well as the emerging might of online retailers (who distribute their own stock) have caused a double-digit decline in profit to go with similar increases in production and value added.

## Overall Market Performance in 2011

2011 was undeniably a good year for China's publishing industry, which achieved over ten-percent growth by every metric except net profit (4.84%). Total revenue was posted at 1.457 billion yuan (233.7 billion USD), net profit at 113 billion yuan (18 billion USD). Both revenue and production grew 17% over last year, while industry value added, calculated at 402.2 billion yuan (64.5 billion USD), rose 14%. Growth rates for 2011 are lower almost across the board when compared to 2010, with the 17% growth in revenue two points lower than the 19% posted for 2010, while the 4.84% rate for net profit is a sharp decline from the 20.4% rate posted a year before. The industry profit margin dropped seven-tenths of a percent, from 8.4% in 2010 to 7.7%.

In the print and digital media sectors, two years of over thirty-percent

growth propelled digital publishing and media (which includes digital versions of print media, cell phone media, advertising, streaming audio and games) into the first-place position in terms of revenue, value added and net profit. Print books came in at an ever-more-distant second, followed by newspapers and periodicals. Music, video and other digital media competed for the remains of the market. In the service-related sectors, printing once again posted near twenty percent growth in total revenue and six percent in added value. In import/export and copyright trade, China continued to buy more than it sold, though sales of copyrights grew at a higher rate than purchases did, suggesting slow progress toward the government's ultimate goal of an equilibrium or surplus.

Table 1: Principal Economic Indicators

Indicators	Amount (million yuan)	One-Year Growth Rate (%)
Revenue	1,456,860	17.72
Value Added	402,164	14.79
Gross Production	1,494,254	17.68
Total Assets	1,441,754	13.19
Owner's Equity (Net Asset Value)	734,479	12.45
Net Profit	112,800	4.84
Tax Expenditure	78,785	11.33

Table 2: Economic Performance by Category

Rank	Industrial Category	Points Earned
1	Printing	2.567,6
2	Distribution	0.221,2
3	Digital Publishing	-0.087,2
4	Newspapers	-0.213,6
5	Books	-0.279,3
6	Periodicals	-0.477,3
7	Import/Export	-0.572,2
8	A/V Publishing	-0.576,2
9	Electronic Publications	-0.583,2

Table 3: Proportion of Published Materials by Category (Units: %)

Category	Copies (Published)	Agg. Retail Price
Books	13.19	61.62
Periodicals	5.62	13.82
Newspapers	80.03	23.21
Audio Recordings	0.42	0.57
Video Recordings	0.37	0.78
Digital Publications	0.37	—
Total	100.00	100.00

Table 4: Growth Rates and Structural Change by Category (Units: %)

Category	No. of Copies		Aggregate Retail Price	
	Growth	Change	Growth	Change
Books	7.46	0.50	13.57	1.24
Periodicals	2.17	-0.10	9.53	-0.30
Newspapers	3.38	-0.35	8.91	-0.64
Audio Recordings	3.30	0.00	-14.28	-0.24
Video Recordings	17.59	0.04	-1.72	-0.06
Electronic Publications	-17.76	-0.09	—	—

Table 5: News and Publishing Entities and Their Structure

Category	No. of Entities	One-year Growth (%)	Proportion (%)
Legal Entities	157,559	15.87	45.50
Includes: Legal Corporate Entities	153,113	16.53	—
Non-legal Entities	9,461	-13.76	2.73
Entrepreneurs	179,267	-13.42	51.77
Total	346,287	-2.18	100.00

## Print Media: Books

Chinese book publishers produced a total of 370,000 individual book titles in 2011, 12.5% more than in 2010; of those, 208,000 were new titles, which is also 10% more than were published the year before. Production and revenue rose by almost 20%, and net profit jumped by 22% to 9.424 billion yuan (1.5 billion USD). Rates of growth were all signifi-

cantly higher than the industry showed in 2009-2010, when revenue and profit grew by 16% and 3% respectively. Profitability, however, did not significantly increase, with the sector's profit margin rising by only a third of one percent, from 14.3% to 14.6%.

Table 6: Sector Performance: Books (Units for copies and value: million)

Principal Indicators	Amount	One-year Growth (%)
Titles	369,500	12.53
No. of Copies	7,705	7.46
Aggregate Retail Price	106,306	13.57
Revenue	64,440	19.80
Value Added	22,528	4.76
Gross Production	66,914	19.08
Net Profit	9,424	22.15

Table 7: Product Breakdown: Books

Category	Titles		No. of Copies		Aggregate Retail Price	
	Number	Proportion (%)	Amount (million)	Proportion (%)	Amount (million yuan)	Proportion (%)
Books	290,359	78.57	4,219	55.02	72,641	68.67
Humanities	235,978	63.86	3,871	50.47	61,766	58.39
Science/Tech	51,638	13.97	317	4.14	9,758	9.22
Composite	2,743	0.74	31	0.41	1,117	1.06
Educational	78,281	21.19	3,440	44.85	33,017	31.22
Higher Education	48,126	13.02	332	4.33	9,722	9.19
Secondary	6,307	1.71	1,682	21.93	12,478	11.80
Elementary	5,267	1.43	1,218	15.88	6,517	6.16
Other	18,581	5.03	208	2.71	4,300	4.07
Pictures	883	0.24	10	0.13	119	0.11
Total	369,523	100.00	7,669	100.00	105,777	100.00

Table 8: Sector Performance: Periodicals (Value Units: million)

Principal Indicators	Amount	One-year Growth (%)
Titles	9,849	-0.35
No. of Copies	3,285,000	2.17
Aggregate Retail Price	23,843	9.53
Revenue	16,261	8.00
Value Added	15,242	114.19
Gross Production	17,327	10.70
Net Profit	2,292	23.76

Table 9: Product Breakdown: Periodicals

Category	No. of Copies	
	Amount (million)	Proportion (%)
Interdisciplinary	254	7.72
Philosophy, Sociology	1,388	42.26
Natural Science, Tech	487	14.83
Culture, Education	785	23.91
Arts, Literature	371	11.28
Total	3,285	100.00

## Newspapers and Periodicals

Corporate consolidation and acquisitions, as well as greater market competitiveness promoted by 2003 government policy led to the demise of a handful of magazines and newspapers in 2011. Widespread privatization made magazines much more industry-conscious than they had been, and the 2011 numbers suggest widespread cutting of non-labor costs and substantial reinvestment of capital from 2010, especially given the 50% rise in profit reported for that year. The magazine industry reportedly achieved an industry value added of 15.2 billion yuan (2.4 billion USD), which is more than double the 7.1 billion (1.1 billion USD) it achieved in

2010. The newspaper industry likewise reported 49% growth in net profits during 2009-2010, yet that was followed by a 2% decline in 2010-2011. That loss of profit reflected a loss in profitability as well, with the profit margin falling from 13.8% to 12%; by contrast, the magazine industry saw an identical increase in profit margin, up to 14.1% from 12.3%. For newspapers, single-digit growth in nearly every category except for production and revenue (12% rise) suggests the industry is not adapting to its market's needs the way magazine and digital platforms are.

Table 10: Sector Performance: Newspapers (Value Units: million)

Principal Indicators	Amount	One-year Growth(%)
Titles	1,928	-0.57
No. of Copies	46,743,000	3.38
Aggregate Retail Price	40,044	8.91
Revenue	81,885	12.27
Value Added	32,017	0.95
Gross Production	82,593	12.39
Net Profit	9,861	-2.19

Table 11: Area Breakdown: Newspapers

Category	No. of Copies	
	Amount (million)	Proportion (%)
National	6,896	14.75
Provincial	24,639	52.71
Local, Municipal	15,114	32.33
District	94	0.20
Total	46,743	100.00

Table 12: Product Breakdown: Newspapers

Category	No. of Copies	
	Amount (million)	Proportion (%)
General	32,543	69.62
Specialized	14,200	30.38
Total	46,743	100.00

## Audio and Video

Both numbers of titles and distribution dropped by nearly ten percent in the audio/visual recordings sector as recording companies continued to migrate toward direct distribution on the internet and partnerships with internet music providers. Total revenue rose by 29% but value added only

rose by 11%, suggesting that non-labor costs were considerable\*. The sector reported a net profit of 275 million yuan (44 million USD), which represents a 10.7% profit margin, down 1.2% from the previous year.

Table 13: Sector Performance: Audio/Visual Recordings (Units for publication, distribution, and value: millions)

Principal Indicators	Amount	One-year Growth(%)
Titles	19,408	-9.95
Published	464	9.55
Distributed	389	3.50
Distribution Value	1,830	-9.26
Revenue	2,606	29.14
Value Added	817	11.61
Gross Production	2,704	26.41
Net Profit	275	15.55

## Electronic Publications

China's General Administration of Press and Publication (GAPP) defines "Electronic Publications" as any copyrighted material which is distributed on CD-ROM or CD-RW readable formats (except for music and video content, which are listed under A/V). The main sub-sector in this category is, of course, software, and as the numbers show, the still-rapid development of computer software as well as of readable disk media has

tightened industry performance considerably. Production, revenue and number of publishing instances all fell by over fifteen percentage points, yet revenue jumped by almost 30%. These numbers also suggest China is doing a better job of limiting software piracy, which had severely limited industry profit in the past.

Table 14: Sector Performance: Electronic Publications (Units for numbers published and value: millions)

Principal Indicators	Amount	One-year Growth (%)
Titles	11,154	-0.19
Published	213	-17.71
Revenue	621	-15.51
Value Added	310	8.77
Gross Production	627	-16.62
Net Profit	128	28.00

## Digital Publications

The impressive numbers put up by digital publishing in 2011 reflect in part the failure of Chinese economic regulators to define what economic activities the name “digital publishing” defines. What in the West might be used to refer solely to the digital publication of e-books, EPUBs and electronic text media is currently being used in China to categorize all types of copyrightable media that are published online, including text media, online games and advertising. Not surprisingly, online advertis-

ing, gaming and streaming music for cell phones dominated the income chart, posting revenues of 51.3, 42.9 and 28.2 billion yuan (8.2, 6.9 and 4.5 billion USD) respectively - roughly 88% of total industry revenue. Profit margins for the industry as a whole fell from 8.5% in 2010 to 7.7%, a decline of almost a full percentage point, with numbers nowhere close to 10% in any sub-sector.

Table 15: Sector Performance: Digital Publishing

Principal Indicators	Value (million yuan)	One-year Growth(%)
Revenue	137,788	31.00
Value Added	38,938	34.18
Gross Production	137,788	31.00
Net Profit	10,668	19.05

Table 16: Sector Breakdown: Digital Publishing (Units: million yuan)

Product Category	Revenue	Value Added	Gross Production	Net Profit
Cellphone Publications	36,734	10,381	36,734	2,844
Cellphone Music	28,200	7,969	28,200	2,183
Cellphone Text Publications	4,574	1,293	4,574	354
Cellphone Games	3,960	1,119	3,960	307
Online Games	42,850	12,109	42,850	3,317
Digital Periodicals	934	264	934	72
E-books	1,650	466	1,650	128
Digital Newspapers (e-versions)	1,200	339	1,200	93
Online Advertising	51,290	14,495	51,290	3,971
Online Cartoons	350	99	350	27
Streaming Music	380	107	380	29
Blogs	2,400	678	2,400	186
Total	137,788	38,938	174,522	10,668

## Publishing Service Sectors: Printing

Not surprisingly, the printing sector posted the highest marks in any sector for revenue (930.5 billion yuan, 148 billion USD) and net profit (61.5 billion yuan, 9.85 billion USD) and the lowest profit margin (6.5%). Substantial increases in production and revenue spurred a 25% rise in to-

tal profits in 2010, but a similarly large boost from 2010 to 2011 only increased total profit by 6%, and profit margins declined from 7.3% to 6.5%. Growth numbers for value added also lag behind, perhaps because of worsening outlooks for traditional printing on the global market.

Table 17: Sector Performance: Printing

Principal Indicators	Amount (million yuan)	One-year Growth(%)
Revenue	930,535	17.52
Value Added	232,491	9.63
Gross Production	954,969	16.77
Net Profit	61,460	6.26

Table 18: Sector Breakdown: Printing (Units: million yuan)

Category	Revenue	Value Added	Gross Production	Net Profit
Printing	923,350	230,953	947,717	61,426
Includes: Printing for Publication	134,268	40,775	138,292	7,822
Packaging&Design Printing	674,794	151,710	691,961	40,508
Other Products	90,066	29,555	92,386	9,638
Copying	7,185	1,538	7,252	34
Total	930,535	232,491	954,969	61,460

## Distribution

After years of incremental gains, the distribution industry suffered a 10% drop in total profit in 2011, even as total production increased by 16% and value added by 25%. All growth rates for 2011 except for profit are at least double what they were for 2010, though profit margins shrank

from 10.9% to 8.6%. Industry sources indicate the rising costs of renting and maintaining space for print bookstores are the primary cause of the sector's significant decline in profit.

Table 19: Sector Breakdown: Distribution (Value Units: million yuan)

Principal Indicators	Amount	One-year Growth (%)
Distribution Network Centers	168,586	0.42
Total Distribution Sales	195,349	11.36
Revenue	216,289	13.93
Value Added	59,329	25.97
Gross Production	224,846	16.87
Net Profit	18,514	-10.46

## Import/Export

China continues to import many more publications than it exports, while the state's prohibition against domestic materials being printed abroad continues to keep costs high for Chinese publications in foreign markets. Revenue and profit have crept forward on 4.5% and 1.7% gains

respectively, while value added decreased by almost 40%. After seeing a 37% decline in total profit last year, the import/export sector, though still a total of 351.1 million USD in the red, made up ground from the year before.

Table 20: Sector Breakdown: Import/Export

Indicator	Amount (million yuan)	On-year Growth(%)
Revenue	6,435	4.79
Value Added	491	-39.01
Gross Production	6,486	4.49
Net Profit	177	1.72

Table 21: Sales Breakdown: Import/Export

Category	Indicator (Unit)	Total Imported	Total Exported	Value	Surplus/Deficit
Books, Newspaper, Periodicals	Titles	1,056,800	1,119,975	2,176,775	-63,175
	Amount (million units)	15.49	29.80	45.29	-14.31
	Income (million USD)	58.94	283.73	342.67	-224.79
A/V Recordings, Electronic Publications	Titles	430,378	14,553	444,931	415,825
	Amount (million units)	0.08	0.40	0.48	-0.31
	Income (million USD)	15.02	141.35	156.37	-126.32
Total	Titles	1,487,178	1,134,528	2,621,706	352,650
	Amount (million units)	15.57	30.19	45.77	-14.62
	Income (million USD)	73.97	425.08	499.05	-351.11

## Copyright Trade

As with import/export, China buys more copyrights than it sells; however, the government's subsidy-rich "going out" soft power campaign has greased the wheels enough that the number of sold copyrights jumped dramatically in 2011. In 2010, the ratio of sold copyrights to bought was 1:2.9; in 2011, that number dropped to 1:2.1. While these numbers do reflect China's increasing global influence, and the concurrent desire of foreign readers to understand more about the country, the influx of so much government money makes it very hard to gauge whether or not a

rise in quality has been achieved. On the one hand, worthwhile publications that were originally unknown to foreign countries or considered too risky by publishers who couldn't afford translation are now being translated and distributed with the help of CCP largess; on the other hand, large numbers of unimportant books that could not survive on their own independent merits are being helped through with government money, or bought by foreign branches of Chinese-owned companies.

Table 22: Foreign Copyright Trade Units: Copyrighted Works

Category	Bought	Sold	Value	Surplus/Deficit
Books	14,708	5,922	20,630	-8,786
Audio Recordings	278	130	408	-148
Video Recordings	421	20	441	-401
Electronic Publications	185	125	310	-60
Software	273	5	278	-268
Movies	37	2	39	-35
TV Shows	734	1,559	2,293	825
Other	3	20	23	17
Total	16,639	7,783	24,422	-8,856

## 2011 Chinese Publishing Review: Regional Statistics

Industry rankings by province reveal no great surprises. Guangdong Province, manufacturing hub and heart of the printing industry, led all other regions in total revenue (213.3 billion yuan, 34.2 billion USD), value added (55.2 billion yuan, 8.9 billion USD) and total assets (185.1 billion yuan, 29.7 billion USD), but trailed Jiangsu, Beijing and Zhejiang in net profit and profitability. Beijing, where more and more enterprises are building new administrative centers, led in net assets (98.1 billion yuan, 15.7 billion USD) but also paid much more in taxes than any other region (13.6 billion yuan, 2.2 billion USD; compare Guangdong at 9.2 billion yuan, 1.5 billion USD). As with previous years, the major municipalities

of Beijing and Shanghai as well as the affluent manufacturing provinces in China's southeast dominate the rankings, with Guangdong, Zhejiang, Jiangsu, Shandong, Beijing and Shanghai trading places among the top six in every category; by contrast, Sichuan is the only western province to make the top ten in any category. More thorough regional statistics gathered by the China Book Business Report indicate fluctuating revenues and unstable growth rates for Xinjiang, Tibet, Gansu, Ningxia and other western provinces, further indicating the country has yet to initiate sustainable development in publishing in its western interior.

Table 23: Industry Rankings by Region

Rank	Province/Region	Points Earned
1	Guangdong	2.765,4
2	Beijing	2.517,8
3	Zhejiang	2.047,0
4	Jiangsu	1.571,4
5	Shanghai	1.070,3
6	Shandong	0.980,2
7	Hebei	0.295,2
8	Fujian	0.193,5
9	Anhui	0.191,2
10	Sichuan	0.165,6

Table 24: Industry Revenue (Regional)

Rank	Province/Region	Revenue (million yuan)	Nationwide Proportion	
			Proportion (%)	Agg. Proportion (%)
1	Guangdong	213,317	16.17	16.17
2	Zhejiang	151,008	11.45	27.62
3	Jiangsu	129,102	9.79	37.41
4	Beijing	108,944	8.26	45.67
5	Shandong	89,042	6.75	52.42
6	Shanghai	88,978	6.75	59.17
7	Fujian	61,771	4.68	63.85
8	Hebei	59,906	4.54	68.39
9	Anhui	44,681	3.39	71.77
10	Hunan	43,418	3.29	75.07

Table 25: Value Added (Regional)

Rank	Province/Region	Value Added (million yuan)	Nationwide Proportion	
			Proportion (%)	Agg. Proportion (%)
1	Guangdong	55,280	15.22	15.22
2	Beijing	49,589	13.65	28.87
3	Zhejiang	31,688	8.72	37.60
4	Jiangsu	30,848	8.49	46.09
5	Shanghai	27,090	7.46	53.55
6	Shandong	22,057	6.07	59.62
7	Hebei	14,452	3.98	63.60
8	Anhui	13,433	3.70	67.30
9	Sichuan	12,400	3.41	70.71
10	Fujian	11,569	3.19	73.90

Table 26: Gross Production (Regional)

Rank	Province/Region	Gross Production (million yuan)	Nationwide Proportion	
			Proportion (%)	Agg. Proportion (%)
1	Guangdong	217,700	16.05	16.05
2	Zhejiang	154,263	11.37	27.42
3	Jiangsu	131,532	9.70	37.12
4	Beijing	116,160	8.56	45.68
5	Shanghai	93,146	6.87	52.55
6	Shandong	91,034	6.71	59.26
7	Fujian	62,503	4.61	63.87
8	Hebei	61,350	4.52	68.39
9	Anhui	46,025	3.39	71.78
10	Hunan	44,240	3.26	75.04

Table 27: Total Assets (Regional)

Rank	Province/Region	Total Assets (million yuan)	Nationwide Proportion	
			Proportion (%)	Agg. Proportion (%)
1	Guangdong	185,145	12.84	12.84
2	Zhejiang	177,911	12.34	25.18
3	Beijing	164,764	11.43	36.61
4	Jiangsu	104,027	7.22	43.82
5	Shanghai	102,542	7.11	50.94
6	Shandong	93,932	6.52	57.45
7	Hebei	63,814	4.43	61.88
8	Fujian	60,026	4.16	66.04
9	Sichuan	59,911	4.16	70.20
10	Hunan	49,405	3.43	73.62

Table 28: Owner's Equity (Regional)

Rank	Province/Region	Owner's Equity (Net Asset Value) (million yuan)	Nationwide Proportion	
			Proportion (%)	Agg. Proportion (%)
1	Beijing	98,130	13.36	13.36
2	Guangdong	80,355	10.94	24.30
3	Zhejiang	69,380	9.45	33.75
4	Shanghai	53,924	7.34	41.09
5	Shandong	51,185	6.97	48.06
6	Jiangsu	47,206	6.43	54.48
7	Hebei	34,978	4.76	59.25
8	Fujian	31,052	4.23	63.48
9	Hunan	30,655	4.17	67.65
10	Sichuan	29,704	4.04	71.69



Table 29: Net Profit (Regional)

Rank	Province/Region	Net Profit (million yuan)	Nationwide Proportion	
			Proportion (%)	Agg. Proportion (%)
1	Jiangsu	12,659	12.40	12.40
2	Beijing	11,715	11.47	23.87
3	Zhejiang	9,434	9.24	33.10
4	Guangdong	7,939	7.77	40.88
5	Shandong	7,224	7.07	47.95
6	Anhui	6,695	6.55	54.50
7	Shanghai	5,938	5.81	60.32
8	Hunan	4,457	4.36	64.68
9	Sichuan	3,827	3.75	68.43
10	Hebei	3,539	3.47	71.89

Table 30: Tax Expenditure (Regional)

Rank	Province/Region	Tax Expenditure (million yuan)	Nationwide Proportion	
			Proportion (%)	Agg. Proportion (%)
1	Beijing	13,587	17.25	17.25
2	Guangdong	9,203	11.68	28.93
3	Zhejiang	7,773	9.87	38.79
4	Shanghai	5,466	6.94	45.73
5	Jiangsu	5,288	6.71	52.44
6	Shandong	4,627	5.87	58.32
7	Sichuan	3,742	4.75	63.06
8	Hebei	2,678	3.40	66.46
9	Anhui	2,643	3.35	69.82
10	Fujian	2,584	3.28	73.10

## Conglomerate Rankings

Major conglomerates own nearly half of China's publishing industry. These conglomerates are either entirely state-owned or controlled by state interests; even entities listed as private take direction from their Party representatives. Fonghong Media Group, Inc., is listed as private, and their business model differs significantly from that of other, more traditional conglomerates, but they are similarly not free from government influence.

The tables below that provide "Overall Rankings" for publishers and

publishing conglomerates rank entrants according to industrial scope, which is represented by an overall score. That score is derived through a principal components analysis using each company's total revenue, industry value-added, production, net assets, owners' equity and tax burden. Stronger correlations between statistics produce a higher overall score, and thereby determine each entity's position in the market relative to all other entities.

Table 31: Publishing Conglomerate Overall Rankings

Rank	Corporation	Points Earned	2010 Rank	Change
1	Jiangsu Phoenix Publishing & Media Corporation	3.419	1	0
2	Hunan Publishing Investment Holding Group	2.124	2	0
3	China Education Publishing & Media Group	1.673	—	—
4	Anhui Publishing Group	1.057	4	0
5	Zhejiang Publishing United Group	0.966	3	-2
6	Jiangxi Province Publishing Group	0.862	5	-1
7	Shandong Publishing Group	0.586	6	-1
8	China Publishing Group	0.548	7	-1
9	Guangdong Provincial Publishing Group	0.462	9	0
10	Hebei Publishing & Media Group	0.359	10	0

Table 32: Newspaper Conglomerate Overall Rankings

Rank	Corporation	Points Earned	2010 Rank	Change
1	Chengdu Media Group	3.417	4	3
2	Guangzhou Daily Newspaper Group	3.033	2	0
3	Jiefang Daily Newspaper Group	2.461	1	-2
4	Beijing Daily Group	1.902	3	-1
5	Shandong Dazhong Newspaper Group	1.359	6	1
6	Wenhui-Xinmin United Press Group	1.321	5	-1
7	Nanfang Media Group	0.760	7	0
8	Hangzhou Daily Press Group	0.586	9	1
9	Shenzhen Press Group	0.472	10	1
10	Jiangsu Xinhua Daily Press Group	0.456	11	1

Table 33: Distribution Conglomerate Overall Rankings

Rank	Corporation	Points Earned	2010 Rank	Change
1	Sichuan Xinhua Bookstore Group	2.531,9	1	0
2	Anhui Xinhua Distribution Group	2.306,1	3	1
3	Shanghai Xinhua Distribution Group	1.214,2	4	1
4	Zhejiang Xinhua Bookstore Group	1.116,8	5	1
5	Shandong Xinhua Bookstore Group	1.091,9	8	3
6	Hunan Xinhua Bookstore Group	1.091,6	6	0
7	Hebei Xinhua Bookstore, Ltd.	0.655,7	7	0
8	Jiangxi Xinhua Distribution Group	0.608,4	9	1
9	Henan Xinhua Bookstore Distribution Group	0.330,2	21	12
10	Chongqing Xinhua Bookstore Group	-0.075,1	14	4

Table 34: Printing Conglomerate Overall Rankings

Rank	Corporation	Points Earned	2010 Rank	Change
1	China Printing Group	2.823	1	0
2	Shanghai Printing Group	0.627	2	0
3	Hunan Tianwen Xinhua Printing, Ltd.	0.370,5	3	0
4	Beijing Printing Group	0.094	5	1
5	Shanghai New Printing Technology Group	-0.101,8	9	4
6	Jiangxi Xinhua Printing Group	-0.225	6	0
7	Zhejiang Printing Group	-0.289	7	0
8	Liaoning News Printing Group	-0.317	4	-4
9	Henan Xinhua Printing Group	-0.640	10	1
10	Guangxi Chint Printing and Packaging Group	-0.719	12	2

## Stock Rankings in the Publishing Industry 2011

Six companies in the publishing industry went public in 2011, bringing the total number of publicly-traded corporate entities in the industry to 32. Of these 32, 26 are listed only on the Shanghai and Shenzhen exchanges, 5 are listed on Hong Kong's Hang Seng index, and one (DangDang, Inc.) is listed on NASDAQ (DANG). The top ten spots in the printing, publishing and distribution sectors are traded between six or seven major players, including Beijing Fonghong Media (publishing),

Huawen Media (publishing), Chengdu B-Ray Media (publishing), Shanghai Xinhua (distribution), China South Publishing (publishing), Shenzhen Jinjia Group (printing) and Shanghai Zijiang Enterprise (printing). The tables below rank the top 10 performers in publishing, distribution and printing [together and separately] in terms of their circulation and aggregate market values.

Table 35: Top Circulation Values for Publicly-Owned Industry Companies (Units: million yuan)

Rank	Corporation	Ticker Symbol	Sector	Listed at	Market Value
1	Huawen Media Investment Corporation	HUAWEN MEDIA	Publishing	SZSE Type A	6,093
2	Shenzhen Jinjia Group	JINJIA CO.,LTD.	Printing	SZSE Type A	6,086
3	Shanghai Xinhua Media	XINHUA MEDIA	Distribution	SSE Type A	5,970
4	Shanghai Zijiang Enterprise Group	ZJQY	Printing	SSE Type A	5,774
5	Chengdu B-Ray Media	B-RAYMEDIA	Publishing	SSE Type A	5,134
6	Beijing Kangde Xin Composite Material	KDX	Printing	SZSE Type A	4,839
7	Zhuhai Fu Industrial	ZHUHAI ZHONGFU	Printing	SZSE Type A	4,451
8	Northern United Publishing & Media	NUP&M	Publishing	SSE Type A	4,292
9	China South Publishing & Media Group	CNS	Publishing	SSE Type A	3,598
10	Chinese Universe Publishing and Media	CHINESE MEDIA	Publishing	SSE Type A	3,087

Table 36: Top Circulation Values for Publicly-Owned Publishing Companies (Units: million yuan)

Rank	Corporation	Ticker Symbol	Listed at	Market Value
1	Huawen Media Investment Corporation	HUAWEN MEDIA	SZSE Type A	6,093
2	Chengdu B-Ray Media	B-RAYMEDIA	SSE Type A	5,134
3	Northern United Publishing & Media	NUP&M	SSE Type A	4,292
4	China South Publishing & Media Group	CNS	SSE Type A	3,598
5	Chinese Universe Publishing and Media	CHINESE MEDIA	SSE Type A	3,087
6	Changjiang Publishing & Media	SWID	SSE Type A	2,794
7	Time Publishing and Media	TIME PUBLISHING	SSE Type A	2,545
8	Guangdong Jiuzhou Yangguang Publishing and Media	GUANGDONG MEDIA	SZSE Type A	2,383
9	Jiangsu Phoenix Publishing & Media Corporation	—	SSE Type A	2,341
10	Zhejiang Daily Media	ZDM	SSE Type A	2,192
11	CCID Media	CMI	SZSE Type A	1,473
12	Modern Media Holdings	MODERN MEDIA	HKEX	1,101
13	Zhongyuan Dadi Media	CCLM	SZSE Type A	997
14	(SEEC) Media Group	SEEC MEDIA	HKEX	324
15	Beijing Media Corporation	BEIJING MEDIA	HKEX	192
Total				38,546

Table 37: Top Circulation Values for Publicly-Owned Distributors (Units: million yuan)

Rank	Corporation	Ticker Symbol	Listed at	Market Value
1	Shanghai Xinhua Media	XINHUA MEDIA	SSE Type A	5,970
2	E-Commerce China Dangdang	DANG	NASDAQ	2,218
3	Anhui Xinhua Media	AXMC	SSE Type A	1,657
4	Guangdong GuangHong Holdings	—	SZSE Type A	1,623
5	Xinhua Winshare Publishing and Media	XINHUA WINSHARE	HKEX	1,128
6	T-Angel Publishing	TANGEL PUBLISHING	SZSE GEM	776
Total				13,372

Table 38: Top Circulation Values for Publicly-Owned Printing Companies (Units: million yuan)

Rank	Corporation	Ticker Symbol	Listed at	Market Value
1	Shenzhen Jinjia Group	JINJIA CO.,LTD.	SZSE Type A	6,086
2	Shanghai Zijiang Enterprise Group	ZJQY	SSE Type A	5,774
3	Beijing Kangde Xin Composite Material	KDX	SZSE Type A	4,839
4	Zhuhai Fu Industrial	ZHUHAI ZHONGFU	SZSE Type A	4,451
5	HuangShan NOVEL	NOVEL	SZSE Type A	2,621
6	Tung Kong Security Printing	TUNGKONG	SZSE Type A	2,368
7	Shanghai Jielong Group	J.I.C	SSE Type A	2,098
8	Sha'anxi Jinye Group	SHAANXI JIN YE	SZSE Type A	1,904
9	Fujian Hongbo Printing	HONGBO PRINTING	SZSE Type A	1,005
10	Beijing Shengtong Printing	SHENGTONG	SZSE Type A	351
11	Beiren Printing Machinery Holdings	BEIREN PRINTING	HKEX	125
Total				31,622

Table 39: Top Aggregate Market Values for Publicly-Owned Industry Companies (Units: million yuan)

Rank	Corporation	Ticker Symbol	Category	Listed at	Market Value
1	Jiangsu Phoenix Publishing & Media Corporation	—	Publishing	SSE Type A	21,234
2	China South Publishing & Media Group	CNS	Publishing	SSE Type A	16,272
3	Anhui Xinhua Media	AXMC	Distribution	SSE Type A	9,919
4	Chinese Universe Publishing and Media	CHINESE MEDIA	Publishing	SSE Type A	9,310
5	Chengdu B-Ray Media	B-RAYMEDIA	Publishing	SSE Type A	7,787
6	Huawen Media Investment Corporation	HUAWEN MEDIA	Publishing	SZSE Type A	7,602
7	Beijing Kangde Xin Composite Material	KDX	Printing	SZSE Type A	7,338
8	Zhejiang Daily Media	ZDM	Publishing	SSE Type A	6,201
9	Shenzhen Jinjia Group	JINJIA CO.,LTD.	Printing	SZSE Type A	6,086
10	Shanghai Xinhua Media	XINHUA MEDIA	Distribution	SSE Type A	5,970

Table 40: Top Aggregate Market Values for Publicly-Owned Publishing Companies (Units: million yuan)

Rank	Corporation	Ticker Symbol	Listed at	Market Value
1	Jiangsu Phoenix Publishing & Media Corporation	—	SSE Type A	21,234
2	China South Publishing & Media Group	CNS	SSE Type A	16,272
3	Chinese Universe Publishing and Media	CHINESE MEDIA	SSE Type A	9,310
4	Chengdu B-Ray Media	B-RAYMEDIA	SSE Type A	7,787
5	Huawen Media Investment Corporation	HUAWEN MEDIA	SZSE Type A	7,602
6	Zhejiang Daily Media	ZDM	SSE Type A	6,201
7	Time Publishing and Media	TIME PUBLISHING	SSE Type A	5,935
8	Zhongyuan Dadi Media	CCLM	SZSE Type A	5,927
9	Changjiang Publishing & Media	SWID	SSE Type A	4,344
10	Northern United Publishing & Media	NUP&M	SSE Type A	4,292
11	Guangdong Jiuzhou Yangguang Publishing and Media	GUANGDONG MEDIA	SZSE Type A	3,826
12	CCID Media	CMI	SZSE Type A	1,482
Total				94,213

Table 41: Top Aggregate Market Values for Publicly-Owned Distributors (Units: million yuan)

Rank	Corporation	Ticker Symbol	Listed at	Market Value
1	Anhui Xinhua Media	AXMC	SSE Type A	9,919
2	Shanghai Xinhua Media	XINHUA MEDIA	SSE Type A	5,970
3	Guangdong GuangHong Holdings	—	SZSE Type A	3,703
4	T-Angel Publishing	TANGEL PUBLISHING	SZSE GEM	2,364
Total				21,956

Table 42: Top Aggregate Market Values for Publicly-Owned Printing Companies (Units: million yuan)

Rank	Corporation	Ticker Symbol	Listed at	Market Value
1	Beijing Kangde Xin Composite Material	KDX	SZSE Type A	7,339
2	Shenzhen Jinjia Group	JINJIA CO.,LTD.	SZSE Type A	6,086
3	Shanghai Zijiang Enterprise Group	ZJQY	SSE Type A	5,774
4	Zhuhai Fu Industrial	ZHUHAI ZHONGFU	SZSE Type A	4,451
5	Huangshan NOVEL	NOVEL	SZSE Type A	2,635
6	Tung Kong Security Printing	TUNGKONG	SZSE Type A	2,407
7	Fujian Hongbo Printing	HONGBO PRINTING	SZSE Type A	2,223
8	Shanghai Jielong Group	J.I.C	SSE Type A	2,098
9	Sha'anxi Jinye Group	SHAANXI JIN YE	SZSE Type A	1,904
10	Beijing Shengtong Printing	SHENGTONG	SZSE Type A	1,404
Total				36,321

## 2011 Publisher Rankings

The rankings table below, compiled by the China Business Book Report on the basis of a principal components analysis, demonstrates clearly the predominance of certain publication types within the Chinese market. People's Education Publishing House, Higher Education Publishing House, Jiangsu Education Publishing House and Foreign Language Education Publishing House are all major national producers of in-school and extracurricular enrichment textbooks, demand for which has been advancing for many years. These publishers are benefited by government

contracts to supply the nation's primary and secondary school system with standardized textbooks; those who don't have access to exclusive relationships with schools work with privatized training and enrichment companies, which have burgeoned as study abroad becomes a primary goal for Chinese students. Another profitable category is technical training; industrial and technical manuals, along with professional training supplements continue to make the bestseller lists yearly.

Table 43: Top Ten Book Publishers: General Rankings

Rank	Book Publisher	Points Earned	2010 Rank	Change
1	People's Education Press	11.939,6	1	0
2	Higher Education Press	10.187,0	2	0
3	Chongqing Publishing House	7.084,1	3	0
4	Foreign Language Teaching and Research Press	5.415,6	4	0
5	Science Press	4.805,7	5	0
6	People's Medical Publishing House	4.749,5	6	0
7	Jiangsu Education Press	3.277,8	7	0
8	China Machine Press	2.970,1	8	0
9	China Light Industry Press	2.682,4	50	41
10	Shanghai Shuhua Press	2.655,6	18	8

Table 44: Top Ten Government Agency Publishing Houses

Rank	Book Publisher	Points Earned	2010 Rank	Change
1	People's Education Press	11.939,6	1	0
2	Higher Education Press	10.187,0	2	0
3	Science Press	4.805,7	3	0
4	People's Medical Publishing House	4.749,5	4	0
5	China Machine Press	2.970,1	5	0
6	China Light Industry Press	2.682,4	21	15
7	China Labor Security Press	2.099,9	7	0
8	Sinomaps Press	1.905,0	6	-2
9	Posts & Telecom Press	1.837,8	8	-1
10	Intellectual Property Publishing House	1.772,7	10	0

Table 45: Top Ten University Publishers

Rank	Book Publisher	Points Earned	2010 Rank	Change
1	Foreign Language Teaching and Research Press	5.415,6	1	0
2	Beijing Normal University Publishing House	2.558,9	2	0
3	Tsinghua University Press	2.307,1	3	0
4	Shanghai Foreign Language Education Press	1.938,4	4	0
5	People's University Press	1.519,0	5	0
6	Peking University Press	1.463,3	6	0
7	Guangxi Normal University Press	1.045,7	8	1
8	Central Radio & TV University Press	0.949,4	7	-1
9	East China Normal University Press	0.761,4	9	0
10	Southwest China Normal University Press	0.709,4	10	0

Table 46: Top Ten Regional Publishers

Rank	Book Publisher	Points Earned	2010 Rank	Change
1	Chongqing Publishing House	7.084,1	1	0
2	Jiangsu Education Press	3.277,8	2	0
3	Shanghai Shuhua Press	2.655,6	7	4
4	Zhejiang Education Press	2.334,8	3	-1
5	Qingdao Publishing House	2.225,2	5	0
6	Inner Mongolia Education Press	1.699,8	4	-2
7	Beijing Publishing House	1.688,4	6	-1
8	Anhui Education Press	1.459,0	9	1
9	Shanxi Education Publishing House	1.406,0	11	2
10	Sichuan Education Publishing House	1.287,0	16	5

## About this Report

This is a summary of statistics related to the performance of the publishing industry in mainland China for the year 2011. It was compiled by Paper Republic in cooperation with the *China Book Business Report* (CBBR) and Shanghai Eastern Book Data (ISBNOK) using data gathered from the industry and correlated by ISBNOK and GAPP. The report provides general performance figures, including revenue, industry value added, total production, and profit for the various sectors of the industry, including books, newspapers, periodicals, audio and video recordings, electronic publications (including all copyrighted content distributed on CD-ROM or CD-RW), digital publications, printing, distribution, imports/exports, and copyright trade.

The second half of the report highlights a few of the important regional differences in the industry country-wide, then presents lists of the major publishing conglomerates, publishers and publicly traded companies in the market today. Please note: As there is no official body in China that requires online retailers (Amazon.cn, DangDang.com, etc.) to report their sales figures, those numbers are not made available. The retail statistics here provide accurate oversight of approximately 5 billion yuan in total sales, reported by over 1,000 retailers in 28 provinces and autonomous regions.

This report aims to represent accurately certain facets of the publishing industry in the world's largest growth economy. In the past, China has been a major global player in the purchase of copyright as well as in the printing sector; now, as domestic publishing and distribution companies distance themselves from state control and transit into the private sector,

they are beginning to achieve double-digit growth rates. Online and mobile phone platforms are particularly successful to date; in the online retailing market, Amazon.cn now competes with DangDang.com (NASDAQ: DANG), 99Reader and several others, while the inscrutable conglomerate Clouduary (formerly Shengda) has monopolized the multi-million-dollar industry of internet literature.

In China, privatization means not only rampant growth, but also unreliability. It was only two years ago that "digital publishing" was recognized as an independent sector in GAPP's yearly reports, and their definition of "digital publishing" still differs from Western definitions (for specifics, see the "Digital Publishing" summary below). Moreover, no government or industry-related entity has statistical oversight on China's online book retailers (who are consuming market share just as fast as their Western counterparts), making hard to judge definitively their performance and effect on the market as a whole.

Recent precedent in China's environmental policy has shown that persistent inquiry does produce greater transparency, if only after a long while, and we expect more complete statistics to be available in the near future. Until they are, subsequent reports will provide the clearest picture possible through summary and analysis of industry statistics, related news and new government policy.

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