

研究緣起

RIPE 研討會(Re-visionary Interpretations of the public Enterprise, 中譯：公共事業詮釋的再想像)創立於 1997 年，由芬蘭公共電視台與 Tampere 大學協力主辦，日後每 2 年舉辦 1 次並對外徵稿，徵稿內容以各類公共廣電媒體議題為核心。2012 年 RIPE 首度移師歐洲以外的國家舉行，承辦此屆研討會的國家為澳洲，由雪梨大學主辦，澳洲公共電視台(Australian Broadcasting Cooperation, 以下簡稱 ABC)協辦。本次研討會主題為「Value for Public Money /Money for Public Value」，再分不同子題對外徵稿。該研討會與會講者多元，包括各國公共電視研究與經營工作者(如日本 NHK、澳洲 ABC、SBS)、研究人員(如歐洲廣電聯盟 EBU)、大學學者等。

本會工程部與研發部 2 位研究員，以「The sustainable operating model for developing Asian PSB: A case study of HiHD channel launching in Taiwan (2008-2012)」【提出亞洲公共廣電媒體的永續運作模式：以台灣公共電視發展高畫質電視頻道為例(2008-2012)】一主題，投稿 RIPE 研討會並獲通過，岩花館亦同步刊登研究論文，以供外界參考。

註 1. 本研究以英文撰寫，相關中文資料可參閱「出國報告」專區下載相關內容：

「公共事業詮釋的再想像」，2012 年澳洲雪梨 RIPE 研討會報告

http://info.pts.org.tw/open/paper/2012/pa2012_017.html

「十年努力晉身國際學術論壇 RIPE 2012」

http://info.pts.org.tw/open/paper/2012/pa2012_016.html

註 2. RIPE 活動網站：<http://ripeat.org/conference2012/programme/>

The sustainable operating model for developing Asian PSB:

A case study of HiHD channel launching in Taiwan (2008-2012)

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Abstract

The case of developing public service media in Taiwan may be different to the rest of developed world envisaged the TV digitization coming true. What political and economy backdrop is critical to sustain the Taiwan Public Television Service Foundation (PTS) earn its survival facing the decline of forerunners in Western Europe and the rise of multi-channel TV business in Asia. The cause and effect of this progress of public TV go digital will be analyzed by this research paper. And this proposal is checked against local political ideological contestation and audiovisual economy reality during a decade of sustainability test. In conclusion, it seems that the liberal political economy reform is doing nothing help to enlarge the support of Taiwan public television service. On the contrary, the critical political economy reform school promoted successfully at gaining the monetary contribution within the span of different political spectrum.

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1. Introduction

One of the features of Public Service Broadcaster (PSB) is making full use of new media to support the innovation and creativity. Those new digital technologies also empower PSB to distribute quality content and technical know-how to the publics (Banerjee & Sennviratne, 2005). The Olympic Games at Beijing in 2008 contributed to the growth of High Definition Television (HDTV) sets sales and allowed HDTV not only become an essential format to program making but also a unavoidable issue to communication policy.

Following the booming of HDTV industries, most of the PSB in Europe have also started to launch HD channels to upgrade production technology and fulfill the market needs. However, comparing to the financial status of PSB in Europe, some developing Asian PSB could not afford the cost of launching HD service. They face a catch-22 situation between the budgetary dilemma and the crisis of losing competitiveness. However, Taiwan Public Television Service Foundation (PTS) launched her HD channel, the first terrestrial HD channel in Taiwan, in 2008. In April 11th 2011, Taiwan government conducted the plan named 'The Inception Year of Taiwan Digital High Definition Television'. According to this plan, Taiwan government will help PTS's HD channel being a regular one before completing the Digital Switchover (DSO) task.

Digital television, originally evolving from technological determinism, challenged the incumbent broadcasters in general and public broadcasting in particular (Chalaby and Segell, 1999). However, the research found that Taiwan PSB operating by PTS after 1997 is handling this technology threat in a completely different scenario. Within the political ideologies fight, PSB is facing budget cut and narrowing its mandate solely to compensate the market failure. Although, the democratization of broadcasting media won the reform to reorganize the terrestrial broadcasting ownership after the United Nations World Electronic Media Forum was held in the end 2003. The consolidation of commercial broadcasters with Public Television Service, after the government shares were transferred to them, earned no blessing for any financial support (Rampal, 2007; Siriyuvasak, 2009). In the meantime, a package of digital television project was delivered to PTS in contrast with USD\$ 137 million later (Asia Pacific Broadcasting, 2006). This appropriation was coming along with a "Taiwan Broadcasting System Policy Launch" announced by Government Information Office. The fund of digital television is aiming at the same goal to

establish a stronger public service broadcasting but with different financial strategy. "Digitalization" generated the power to turn the other way around for reinventing PSB by technical nature not the cultural lead.

Even after The Nationalist Party (the KMT Party) won the Presidential Election in 2008, the original digital TV project is continually on schedule to finish at a HDTV broadcasting platform at large. The finance and policy of public service broadcasting moved beyond the quarrel of speech freedom fight politically for check and balance between politician and NGO movement to sustain a long-term digitalization leading project.

This Taiwan case may be different to the rest of developed world envisaged the TV digitization coming true. What political and economy backdrop to sustain the local PSB earn its survival facing the decline of forerunners in Western Europe and the rise of multi-channel TV business in Asia? The cause and effect of this progress of public TV go digital will be analyzed by this research paper in follows. The research also proposed that the survival of Taiwan PTS could shed light on Asia PSB faced increasing commercialized TV operation and multi-channels rollout by pan-Asia satellite communication in here (Astley, 2002). And this proposal is checked against local political ideological contestation and audiovisual economy reality during a decade of sustainability test.

2. Reviewing Taiwan PSB and Media Governance Reengineering

After the Martial Law ended at 1987, Taiwan is opening the door for new mass media business forced by the internal democratization process. The licensee control was released to mass press firstly, and audiovisual media secondly. However, the dominated one of mass media in those time is terrestrial TV broadcasters without liberation. KMT government put a tight hold on broadcasting license three-year more even the cable broadcasting operating license was legalized by 1994.

In the span of that transitional period (1987-1997), a reshuffle of Taiwan mediascape was greatly rolling out. By situating a political ideology contestation, a liberalized economy naturally came along with political transition to democracy. In so doing, according to one fine observation done by Gary Rawnsley (2000: 576) as follows,

Such impulses also captured the popular imagination, and the slow liberalisation of the media became itself a prominent political issue. Cable television channels and call-in radio stations proliferated between 1987 and 1993, even though neither were legal at that time. Not only did such 'new' media suggest that people expected and demanded greater diversity in ownership and content—giving more choice in both—but their creation and popularity were viewed as an organised and deliberate response to the unhurried change in the mainstream media.

What is the lacking of this process is the topic of transferring the state-owned terrestrial TV broadcasting into public-owned broadcasters. On the one hand, Nationalist Party served her majority interests by rejecting this proposal altogether. On the other hand, the opposition party (Democratic Progressive Party, DPP) aimed at quickly be awarded with franchised of cable operator system or license of terrestrial commercial broadcaster before 1997 to extend her political campaign. As a result, PSB was left unnoticed almost three-year from 1994 to 1996.

What PSB is established by the very foundation of this New Industrial Asian Country-Taiwan, would tell a story of media democratization based on a different path to Western liberal democracy modernization. This path critically contributed to the HDTV officially launching nationwide by public broadcasting network in here.

2.1. Political activated broadcasting media turns into deadly turmoil

Media democratization of Taiwan is gained its momentous in a new era of post-martial law. However, the media regulator is continually without change in the hands of Government Information Office (GIO). Lacking the profession of market economy and assessment, GIO only followed the media trend of free from censorship without proper market regulation.

It was the era of not only liberation but free without responsibility. The new media is born for serving as the alternative voice of political information. Excepting the academic and social elite proposal, the major political forces are busy in taking over the any currently available media enterprise to communicate their campaigns. For example, video filming group and sales agents by DPP indirectly support, Taiwan Democratic Cable Television directly owned by legislator or party members (before legalized in 1993), a

terrestrial commercial broadcasters license awarded to party members' venture, those progress were the attention the political party paid for and not aimed at public service broadcaster, if PSB is not the least goal.

The democratization of media emerged from the post-martial law period above is realized the liberal political economy assertion (Lee, 2000). The reform is not aim to restore the lacking process of mass media modernization. The political parties (either ruling or opposition) are not following the line of state-broadcasters balancing the commercial market failure in very beginning of industry. They relied mostly on the American liberal approach to open up more channels serving cultural diversity and consumer sovereignty (Chin, 1997; Lee, 2000). It is reasonably linked Taiwan political ideology with one school of western hegemony by her postwar historical foundation laid down through American Cold War containment policy.

Nationalist Party government is pleased with this exchange by safely controlling her three terrestrial broadcasting stations (by Provincial Government, KMT investment company, Ministry of Defense respectively). DPP, the opposition party quickly obtained the operating license of cable television system in running the multichannel venture including her political organ. The post-martial law reconstruction is decisively implanting American model of broadcasting market to the state on far west front of the past defensive strategy (see Table 2.1).

Table 2.1 The Comparing Models of U.S. and Taiwan Broadcasting Modernization (1990s)

TV Business	United States	Taiwan
Terrestrial Broadcasters	ABC, NBC, CBS (public trustee)	TTV, CTV, CTS (KMT trustee) FTV (serving DPP interest)
Cable TV	Dominated operator (reception share, 68%)	Promising dominated operator (600,000 HH at early stage)
Satellite TV	Second to cable TV (reception share, 15%)	50-60 channels re-transmitting through cable
Alternative video media	Paper Tiger	Green Group, Third Image, New Taiwan
Public Broadcasting	Supplementary Educational Broadcasting	Undecided already more than 15 Yrs and later than Commercial one for 35 Yrs

(Source: BIPE, 2002; Chin, 1997; Rawnsley, 2000; Halleck, 2002)

This resemblance is only on the surface at best when one is comparing the real business beneath. In Taiwan, the nationwide of cable service is set at a flat rate around USD\$ 17.59 for over 100 channels. The price of this package is almost equal to that of HBO monthly subscription in United States (TelevisonAsia, 2003). It seemed that the later mass take-up rate of Taiwan cable service by 80% was contributed by its low-priced sales. However, this local strategy is serving the interests of cable system operators rather than the TV programming sector. According to Rawnsley (2000) and Chin (1997), the feature of Taiwan cable TV industry is demonstrated by its underground economy base for importing cheap video programs and Japanese TV series, professional wrestling, and pornography other than the political forum and talks show serving DPP and Legislators. After 1999, the cable TV market penetration had increased to 80% and enjoyed the highest score in the Asia-Pacific region. This Taiwan miracle is not done by a wired nation with program diversity or subscription revenue but only a cheap package for the most households could afford. A legalized cable TV industry is quickly transformed from a underground economy business to a passing public utility with price cap and single package for all in the end of 20th century.

According to a report by one of typical western style media industry associations in Asia, the CASBAA (Cable & Satellite Broadcasting Association of Asia), it interpreted the modernization of broadcasting industry as,

Every government will wish to provide a basic level of television content for all citizens-frequently through public broadcasting services. Modern pay-TV systems, however, normally seek to provide a differentiating level of service with different types of content and different price levels. (CASBAA, 2008: 6)

Comparatively thinking, the modernization of Taiwan broadcasting media is taking an opposite road to heading her goals. By deferring the mandate of serving all citizen by public television service, Nationalist government and DPP were seeking intensively the opportunities to secure the new media business in their best interest. The former kept tight hold of three terrestrial broadcasters and close relation with foreign capitals investing cable TV. DPP supported its member to operate satellite channels into cable TV and obtain the license of VHF TV broadcaster. The establishing public broadcasting could not be paid attention until the deal with political forces settled in 1997. The market is largely shared by cable TV system and four must-carry terrestrial

TVs let Public Television Service occupy the rest. This process of transformation is best described by Lee (2000: 133),

Large numbers of small merchants (for reasons of profit) and some opposition politicians (for reasons of power) found a strange bedfellow in external satellite signals (new technology) to fill their cable channels.

However, provided cable TV service to each household subscriber, this alliance is not welcome by public and criticized by industry benchmark organization. CASBAA published a Taiwan report in 2008. There are so many unexpected findings concluded by this local case (*italic added*),

Despite its strong economy and stable political climate, Taiwan's pay-TV sector *lags behind that of comparable Asian markets*..... Furthermore, there has recently been a significant rise in the level of general *consumer complaints about content quality, particularly around the large number of low production value news show and the level of tabloid reporting* (2008:3)

It is striking that Taiwan, a highly developed economy with a high predisposition to advanced technology ranks so low *below developing countries like the Philippines, Indonesia and Malaysia* (2008: 7)

In contrast, moves towards a level playing field, true convergence and effective competition remain limited in Taiwan. This is having an adverse impact on digitization. In Taiwan, **a level playing field does not exist** between competing, converging platforms such as cable and IPTV. (2008: 8)

Taiwan's pay-TV market is currently *focused on creating content for the mass market rather than developing new niche and offer high value markets*. Given current regulations on market caps, the alliances lack incentive to allocate resources to produce diversified content and the international channel providers have done little to localize content beyond subtitling..... The *alliances' control over popular domestic programming has slowed, or prevented*, the introduction of alternative pay-TV platforms like DTH satellite and IPTV. (2008: 14)

.....and because some channels have been unable to gain a foothold in the *cartelized distribution system*..... In fact, past attempts to create new distribution channels by other service providers *have largely failed*. (2008: 16)

conclusively, what a perfect weakness of Taiwan broadcasting industry faced in the beginning of Twenty-first Century. Inside the cable industry, there is no incentive to innovate the content for digital age due to its domination status of market (over 80%). Out of cable industry, there is no competitor survived due to the cartel-like distribution agents who control the popular programs and prevent international channel providers from off-loading. In almost less than a decade, the democratization of media in Taiwan gained its achievement only by the quantity of channel and endless political contestation on screen. Suddenly, it created a flourish media without choices and communication without public interest.

CASBAA blamed that lacking of political will for the problem of Taiwan cable TV by its stand. However, three-year later a research conducted by Taiwan Communications Society found that the industry is completely lack will to remove the single program tier, either. Based on the proposal to reform the cable TV system, the research team provide five solutions to changing basic channel package as follows (Tsai, 2011),

- (1) Proposal A: The same price to have all channels currently offered (USD 16.98 for over 100 channels).
- (2) Proposal B: Maintaining the status but with the option to exclude the channels regarding religious, stock information (midnight for soft pornography), and TV shopping.
- (3) Proposal C: To included 40 to 45 channels (which can be extended to 50-55 channels) in the basic package, including five terrestrial broadcasters, Hakka and aboriginal languages channels and other channels (including, news, movies, variety theater, science and new knowledge with children , each with 2 to 6 channels). The price would be about USD\$13 per month.
- (4) Proposal D: all channels in the first 25 channels currently offered, including the group of must-carry, and the whole family viewing local content. This package should be able to meet the most "basic" needs and aspirations of average families. The price would be about USD\$6.6 per month.
- (5) Proposal E: only the must-carry channels, and the price should be reduced to US\$5.

Replied to above proposals, no matter is cable system operator, channel operator or agent, the most of responses supported the current situation

(one single tier) without complying tier price regulation as the result follows,

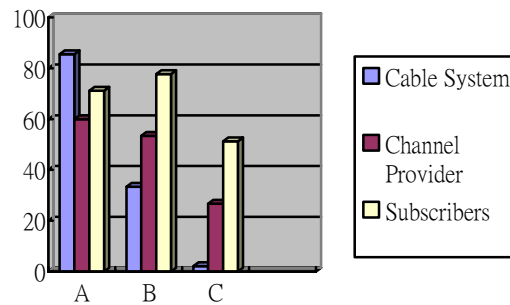


Figure 2.1 The Result of Agreement Rate toward Proposal A, B, C to Change the Tier Pricing

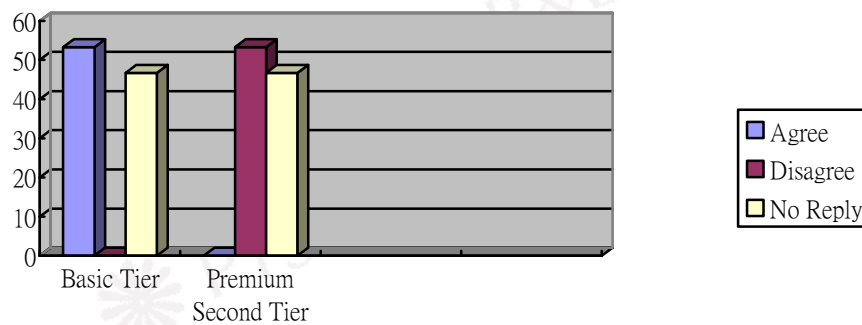


Figure 2.2. The Opinions Regarding Channel Positioning in Cable Basic Tier or Premium Services by Channel Providers

Surprising enough, the majority of cable system operators and channel providers were voting for status quo. However, the subscribers replied in a little different way by ticking proposal B highest as a remedy to current offer. The survey is proved that consumers is starting to revoke the low cost offer of cable TV service during the past ten-year. In other words, the government is coopted cable TV industry in the long rung since 1993 by sharing the major TV market for winning election and occupying revenue respectively.

Therefore, the TV program is downgrading its substance each year as CASBAA report said (2008:14),

They have not attempted to transfer successful reality-TV programs, such as “American Idol” or “So You Think You Can Dance” as has been norm in many Asian markets. Nor has there been an effort to produce original Mandarin language content in Taiwan. It is therefore not surprising that a significant proportion of programming *comprises local news, political talk shows and locally produced soap operas.....*

it is likely that the MSO’s and distribution agents will *battle over which channels will remain in the “basic” package rather than be allocated as premium services*. Debate continues over sequencing and who should bear the responsibility for providing the investment capital that will be necessary to drive the market forward.

Finally, the losing side is belonged to general subscribers and public interest. The supporters of media reform and academia criticized that seven 24-hour television news channels, 135 cable TV channels are enjoyed everyday by over 80% TV Households. The rating war is daily assignment for TV journalists to perform their real job. As a result, the most people here recognized that quality of TV news is deteriorated greatly and the product placement hides behind many so call soft-news productions. According to Kuldip R. Rampal pointed out (Blankson and Murphy, 2007: 117),

A study conducted by the Foundation for the Advancement of Media Excellence in Taiwan in December 2004 said, “The lack of professional autonomy of individual journalists in news enterprises demonstrates that the force controlling the media is no longer the public interest but the commercial interests of media bosses”.

He again found out recently (Rampal, 2011:90) that,

The Citizens’ Coalition has played a significant role in the development of a reporting guide for the media to promote professional coverage of disadvantaged groups and to protect their human rights. “All in all, the quality of the media coverage of disadvantaged groups and minorities, especially that of cable TV news, is still weak and even superficial

What Taiwan TV subscribers’ laments on this wasteland of 100 Channel are also the cultural bribery received from government and legislators they

- elected. Those linkages are structured by following historical development,
- (1) Nationalist party tightly held the terrestrial TV broadcasters by releasing, if not total domination, the unregulated cable TV market to opposition party.
 - (2) DPP is greatly sponsored by medium and small enterprise locally and American liberal politicians internationally, and adopted a liberalization approach to media reform and chose a supplementary role for public broadcasting as a least option.
 - (3) This unregulated cable market packaged the different political voices, so many channels, cheap foreign films, TV shopping, celebrity talk-shows, even the underground stock market info exchange, superstition heresy, soft pornography to cater the mass market of a new industrial country.
 - (4) Cable TV gained the lion's of market share in short time in exchange for political support to its single tier price structure and set a too good to be rejected package for general household subscribers.
 - (5) One tier price for all in nationwide market created no level playing field for competitors from telecoms or terrestrial broadcasters and deterred innovation on program and digitization on technology.

2.2. Public service broadcasters limited as supplementary role by a bi-partisan media democratization

PTS is established by its Act legalized in 1997 as the last stop of media democratization. Its size is halved by a political decision regarding the multichannel cable service and freedom of press is highly glorified in that time. Although politician and academia adopted American type of PBS in their legislation (government appropriation for establishment should reduce 50% in 5th fiscal year, and fundraising another half by civilian donation), PTS successfully passed her first-three year assessment in turning to follow the Europe-typed PSB.

Currently, the revised Public Television Act in 2001 demonstrated her strength in following points and also complied with international standards (Mendel, 2000),

- (1) Fiscal guarantee: The Foundation's government donations for which a budget is prepared in accordance with this Law shall be reduced by ten

percent each year until the third fiscal year (Article 2, set the minimum, USD\$ 26 million)

- (2) Journalistic autonomy protection: To safeguard the professionalism and autonomy of journalism, the personnel of the News Department shall appoint among themselves three to five persons to enter into the News Production and Broadcast Agreement with the President (Article 27, after 2001 the primetime news is legalized as one of the public services).
- (3) Collective appointment of the Board of Governors: The Parliament shall appoint 11 to 13 impartial members to form the Public Television Director and Supervisor Review Committee; the candidates for them shall be nominated by the National Government and submitted to the Review Committee. Candidates receiving the approval of three-fourths of the committee members will be referred to the Premier for appointment. Appointment considerations shall be given to the representation of different gender and ethnic groups and balanced representations of education, art and culture, academia, mass communication and other professions. Members of the Board from the same political party shall not exceed one-fourth of the total Directors. (Article 13)
- (4) Clear mandate for public service: Providing information and fair services to the public without seeking profits; with opportunities to properly use the Stations, particularly by disadvantaged groups; opportunities for all kinds of folklore and artistic creations and demonstrations to ensure balanced development of culture; introducing new knowledge and concepts; producing programs in observance of human dignity and in compliance with the constitutional tenets of freedom, democracy and the rule of law while maintaining their diversity, objectivity, fairness and balance among different ethnic groups. (Article 11)
- (5) Trustee for comprehensive business activities: the operations of the stations; the broadcast of television programs; the production and distribution of television programs, video and relevant publications; the training of station personnel; the research and development of television industry, technologies and programs; and any business may help attain the objectives set forth in Article 1 for a sound public television. (Article

10)

- (6) Accountability request: shall make available in the Foundation for public review its business plan, fund management, budget utilization, list of property, balance sheet, profit-and-loss statement and other documents relating to operations and finance which are certified by public accountants. (Article 34)

Based on the first three-year evaluation set by parliament, PTS marked its program performance in following analysis (Swen, 2001),

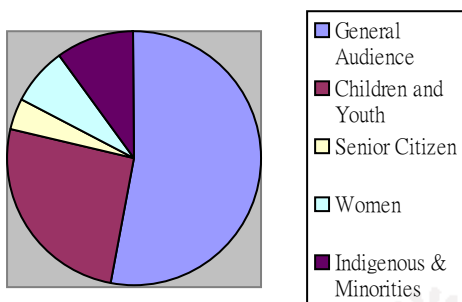


Figure 2.3 Program Production Hrs for Target Audience

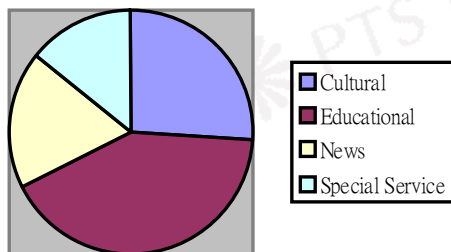


Figure 2.4 Program Production Hrs. for Content Type

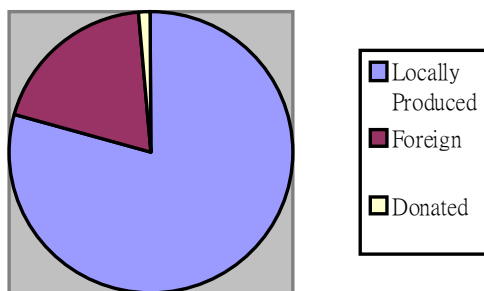


Figure 2.5 Program Production Hrs. for Program Sources

The above charts are fulfilled the mission of PTS in three aspects: to produce a variety of high quality programs (largely local produced and variety of genre); to promote the development of society (provide knowledge, education, culture and public information increasing welfare of the public); to enrich the content of indigenous cultures (represented the culture of various ethnic groups by special service) (PTS, 2002: 14).

In the meantime, PTS also launched a comprehensive international exchange program either for understanding Taiwan audiovisual culture or enhancing corporate development. A flagship program made by international co-production base called "Aunt Tiger" (an animated short film). This film won the best animation award at the Banff Film Festival in encouraging many following projects went through the similar alliance to cultivate local culture with global perspective and promote understanding Taiwan culture in global society.

However, the most important initiative was the exploration of international alliance with worldwide public service broadcasters and its supporting members. "New Vision", the first International Symposium on the Future of Public Service Broadcasting was convened in February 2001. It enlarged the scope of PSB in local context by denying a supplementary education TV service only in the past. PTS invited ZDF (German Second Public TV), SBS (Australian special service for ethnic groups), Founders of Benton Foundation (serving in Presidential Committee on the Public Service Obligations of Digital Television Broadcasters, United States) meeting with local delegates. One of desired conclusions is made after three-day conference: public broadcasting must take a leading role in digital TV transition. An industrial upgrade and technology transfer issues are clashing with indigenous culture and audiovisual arts production. This turning point is really moving PTS beyond a residual social welfare funded only for educational, philanthropic, children affairs, and non-profit purpose.

Compared with the conditions for inception of PTS in 1997, a three-year old public television really made a great change to the new route deviated from the original much narrow perspective. The PTS Act is a compromise made clearly between political parties in 1997 (Rawnsley and Tsai, 2001: 105). Nationalist Party promoted a "small and beauty" approach by reducing the size of public television in only producing the children and education TV

(without daily news program). Opposition party is paid much interested into the appointment of Board Directors. DPP is working hard to prevent KMT from control the board's decision-making by requesting a majority votes before Premier appointing each board member. Also, the law-binding news broadcast agreement signed with President is for securing editorial right on the hands of news staff. Both parties aimed at de-politicized public television before legislation. Nationalists are trying to domesticated PTS into a no harm entity to ruling party just like their ideal of American PBS (Public Broadcasting Service). DPP and its alliance are trying to disconnect the policy dialogue between Board of PTS and National Government, and PTS reporters and CEO.

Situated within the end of Twentieth Century in Taiwan, the TV market, dominated by multichannel on cable platform, minimized a de-politicized public TV into a supplementary role playing with over-commercial TV. Exactly coexisting with the digital TV transition period, Taiwan PTS is far way behind the role of PSB in maintaining quality standard for the industry under the compromise deal done by political parties (Born, 2002). There is no hope for PTS to go digital, however, unexpectedly enough, neither for Taiwan Cable TV and terrestrial commercial broadcasters. This dilemma left a policy vacuum in the beginning of Twenty-First Century and waiting for change.

Although during the first decade of 21st Century, PTS successfully transferred the status of supplementary role to the leading one in digital TV after 2001. When Nationalist government re-elected again in 2008, DPP supporters and one civil society organization has already taken over the control of PTS five months before and defended her independence. A second time of media democratization is coming back. One of leading protestors is Sylvia Feng, CEO of PTS (2008-2010), once defended her own right in one international forum (Sennitt, 2008),

.....that since a change of government earlier in the year, there had been moves to undermine the independence of the public broadcaster. They are threatening to take over public TV, they are threatening to replace the board of directors, and they are threatening to change the whole management team, she said.....

When the digitization of TV is closely moving to another step from Standard-Definition TV to High-Definition TV, the defender of PTS moved back to tell the old story about conspiracy, political appointment, and journalistic manipulation. During this contestation enduring, the media policy of digital media transformation is withheld until Sylvia Feng was removed from the post in Sept. 2010.

In the past decade, Taiwan PSB movement is walking on a tightrope. To preserve its public service mission in negotiating with State for long-term planning is enhancing her value. To defend its independence from state without firm talks with media development as a whole is an endless democratization process of media. Conclusively, Taiwan public broadcasting policy is fluctuated on the wave of cultural and technological change also faced a political turbulence beneath. Nevertheless, PTS, for gaining the leading role of set industry benchmark is sustainable much more than that for cycling media democratization in the long run as following section review.

2.3. Public service broadcasters functioning as media governor left by an imperfect marketplace

When a bi-partisan politics is literally grounded in local and national elections (CASBAA, 2008), then a tug-war is enduring by two political forces in competing for media coverage or affiliated them with their ideologies. Although the civil society organization is flourish after the end of Martial Law, however, their reforms are intensively intertwined with one of political forces-DPP's campaign,

The governing boards of all of these CSOs (civil society organizations), therefore, naturally attract members who are also pro-DPP or the pan-Green Coalition. But these CSOs end up in a "Catch-22" situation, meaning that as they fight for progressive causes with the support of the DPP, they become labeled as affiliates or agents of that political party. (Rampal, 2011: 92)

Reviewing this state, capital and media relations in Taiwan, Lee pointed out (2000: 133-134),

The critical political economy of communication is more "economistic," whereas the liberal political economy of communication is more "political,".....However, the liberal political

economy perspective seems to fit late-developing, the proponents of this “bottom-up” approach struggle against the low and rough ground of naked state media repression and are inspired by the liberal images of “checks and balances” in “the marketplace of ideas.” After all, a freer market order, not abused by the state, offers an emancipatory alternative to....

In turn, this research clearly found that DPP and most of the civil society organizations took a much liberal approach to rebuild a democratic media in Taiwan by mainly requesting diverse channels and political voices to be heard. The goal is maintaining the free space in analog cable multichannel and kept the terrestrial broadcasters in “must-carry” provision. However, to maintain a level-playing field within broadcasting platform, transit the industry into a digital age, set a benchmark for local broadcasting market, those issues is left intact by so called “media democratization” movement.

When Nationalists strongly hold the terrestrial broadcasters and kept friendly relationship with foreign capital and media conglomerate, the responsibility of digital media transition is naturally buried on KMT side when she being reelected for National Government or won the majority of seats in Parliament. In the past decade, a digital TV revolution worldwide is ongoing fiercely within device, transmission and production chains. Under enormously pressure, National government executed a digital TV policy to keep abreast of most advanced technology for an industrial state.

However, the market loses its momentum when the low cost golden rule is eternally shared by industry and audience (coopted). According to the current trade publication,

..... at the business level, Taiwan's television industry is highly fragmented, perhaps more so than any other Asian country, as a result of a previous revolution that swept the industry two decades ago.... Two decades later, the result is a mindbogglingly, overcrowded playing field..... So, to fill the island's airwaves, programmers dream up low-cost productions..... This programming lineup comes cheap – to the public, that is. Cable TV subscriptions average NT\$520 a month. (Smith, 2012: 35)

Under this circumstance, should Taiwan PTS turn out to be the sole CSO aiming at industry standard setting and level-playing field marker. What backdrop of this digital TV transition is based for letting public service broadcasters fill the void of Taiwan media industry development? The research proposed a “media governance” conceptualization as an interpretation framework (Siochrú, Girard and Mahan, 2002; Buckley, et al., 2008; Puppis, 2010).

Media transition is an institutional reform. The change of the whole system is activated by many internal and external factors. Particularly, when Taiwan media regulation is lagged too much behind the TV digitization process by not revising the Broadcasting & Television Law for almost twenty years. And the Public Television Act is compromise in nature. The review on the digitalization of terrestrial broadcasting is not enough through statutory media regulation only. It is a political reform in reallocating the resource to new market player and opening a horizontal separation of original broadcasting chains (DVB, 1998) as Galperin said (2004: 4),

It is a story about large-scale changes in the normative models as well as the institutions that shape television as an economic and social force-and, ultimately, about the politics of the information society.

Positioning as a rather small economy scale of broadcasting market, Taiwan is a late comer to the digitalization in TV sector followed her industry limitation and consumer demand. They are many options internationally available to Taiwan to choose rather than a country is strategically involved into standard research in the early days. Again, the situation is reflected the transition in Taiwan as “domestic industries adapt to new technologies and common international pressures”. When there is a losing momentum of low-cost cable TV, a liberal media democratization felt comfortable with analogy multichannel, should Taiwan PTS take advantage of TV digitization as one of the core developments belong to Asian NICs. A sounding analysis followed will echo with Galperin’s remark (2004: 5),

Digital TV thus offers a particularly rich case to investigate the interplay of domestic, regional, and international forces in shaping the way nations adapt to changes in information and communication technologies.

The following scenario of PTS as leading role of TV digitization is demonstrated by a legalized national development project without convergence regulation in place. It is a political engineering of broadcasting in advance before the legal hurdle created by the liberal bias of media regulation and reform is solved. It demonstrated that “state authority over media has been more resilient than many have predicted, or preached.” (Galperin, 2004: 7-9)

In sum, PTS-led digitization is surrounding by a great integration of policy efforts before many related draft of bills are finalized which referred to Puppis defined (2010: 138),

we can thus define media governance as the regulatory structure as a whole, i.e., the entirety of forms of rules that aim to organize media systems.

And the system is structured by total mechanisms, including formal and informal, national and international, central and local settings (Freedman, 2008 cited from Puppis, 2010) . The process of governance transformed media institution relation in where society one localized.

2.3.1. The Communication ecosystem in denying Taiwan go digital and forcing government to change

According to the Australian Key Centre for Cultural and Media Policy (CMP), it suggested that one of the spirits of Australian Broadcasting Services Act (BSA) should be intended to be competitive, efficient, and responsive to audience needs (CMP, 2001: 10). The media policy should also balance the commercial pressures in the provision of news, current affairs, information and local programming.

If we evaluate the media ecosystem in Taiwan regarding to the principle suggested by CMP, we will see the result of media policy failure in Taiwan. It was proved from the report released by CASBAA in 2008. Moreover, quoted to one quality magazine survey in the beginning of 21st Century (see Table 2.2), the tabloid cable news channels are listed as second to the partisan politics which greatly contributed to the crisis of nation governance:

Table 2.2 National Opinion Survey by Taiwan Common Wealth Magazine

Year of Survey	Who should be blame for governance crisis	Agreement in total response
2001	Media	17.4%
2002	Sensational News, Tabloid Journalism	36.3%
2003	Sensational News, Tabloid Journalism	30.3%

(Source: Yang and Lee, 2002)

Most terrestrial commercial broadcasters also relied on ratings from the subscribers of CATV in no hope to promote their digital television to attract the viewers to gain advertising profits. It means terrestrial broadcasters are no less than content providers but platform operator. In this case, there is no significant competition between Digital TV platform and CATV platform in Taiwan (Yang Lee, 2011).

No competition is produced by a lack of innovation because there is no motivation to trigger commercial operators to invest in new local programs, including HDTV. Commercial TV and CATV operators therefore largely imported Korean TV programs and positioned Taiwan becoming the leading importers of Korean TV dramas in Asia since 2004. Korean drama has been a site for Taiwan media competing which has led to skyrocketing prices for most of the Korean programs (Kim, 2007). This may result in Taiwan media service far away from the global level of digital media penetration and even losing the digital content market locally.

2.3.2. The breakthrough and the dilemma of Taiwan Public Television Service

If PSB would be the systems which transparently and efficiently achieve the social and cultural objects designed by regulator (Goldsmith, Thomas, O'Regan, and Cunnungham, 2002), strategically thinking, to achieve the untenable goal of going digital dominated by commercial broadcasters, Taiwan government is certainly forced to bring the state back into structuring and processing communications for the sake of public interest. According to the perspective of well-developed media policy regime, media governance is timely termed with this regulatory paradigm shift (Raboy, Murray, Sauvageau and Taras, 2005). Taiwan government started to reorient her market liberalization and light-touch regulation by pouring resources into the

benchmark of public TV.

The transition originated from an important regulator shift promoted strongly by terrestrial broadcasters, specially public television service. When KMT government followed suit let the pro-American interest of media regulation be mandatory, ATSC was chosen as Taiwan digital television standard in 1998. Digital TV is gained no attraction due to the immature HDTV service. Since 2000, PTS has recruited new staffs of R&D Department to promote DTV issue. They clearly addressed the transition beyond the purely technological advanced issue to including the political reform of broadcasting market (Cheng, 2001).

The proposal of PTS principally aimed at switching the U.S. standard to European one (DVB-T). The standard imported the technology and Europe based-public service broadcasting as major force together. The advantage of mobile reception and multipath free won the support from industry and new adoption of DVB has been made at International Broadcasting Convention 2001 in Amsterdam. The final official decision was recommended by National Information and Communication Initiative (NICI), a Digital Policy Advisory Body affiliated to the National Government.

Followed the DVB Guidebook, a horizontal integration of digital TV and centralized transmission platform must be introduced into a public corporation. Based on new value chain, a platform for TV anywhere should served multichannel with clear picture in competition with cable TV system. A political strategy is facilitate by technological and venture capital restructured one's national broadcasting market into domestic players. These cultural and political intervention are well performed by United Kingdom, Sweden, Finland, Netherlands, Australia, New Zealand and Singapore (Brown and Picard, 2004; Iosifidis, 2010). Followed suit, Taiwan PTS drew a completely new picture by acquiring a MOU with commercial terrestrial broadcasting into negotiation with Government Information Office for Digital Taiwan Challenge 2008 Project. The project was finally approved by the recommendations of NICI, Digital Convergence Legislators Alliance, Directorate General of Telecommunications in 2003.

Since then, PTS is continually received state grants to roll out the DTV service (2003, 2007, 2010, 2012 respectively). With USD\$ 40 million, the first project

named “Common Platform for Digital Broadcasting Service” was launched for digital terrestrial broadcasting, standard definition multichannel TV, mobile TV, Multimedia Home Platform, EPG etc (Cheng, 2004). It is first ever a station with government appropriation delivered for its broadcasting network to serve public interest after over-commercialized TV for forty-year (1962-2002).

Coincidentally, a Bangkok Declaration prepared by Asia-Pacific Institute for Broadcasting Development in 2004 is well distributed worldwide by firmly stating that *National Authorities are encouraged to provide government grants to public service broadcasting for infrastructure building.* (AIBD, 2003) Again, a statement addressed by the head of Friedrich Ebert Foundation (Schellschmidt, 2006) with the support of Southern African Broadcasting Association was announced, in choosing transmission operating cost as a state transfer fund to move public service broadcasting into digital age (African Commission on Human and Peoples' Rights, 2002) .

Surging on the tip of sea wave change, PTS successfully followed the guideline “adaption to changes in science and technology and exploits all significant digital platforms” finalized by Asia Media Summit, May 2008 and included into one of major Asia-Pacific approaches to public service broadcasting (AIBD, 2008). Once a regulatory change is concluded by developed world, this rhetoric encountered with a re-affirmative developing state’s capacity in digital nation-building of the local broadcasting organization. In sum, Taiwan PSB reform through digitalization is a perfect turn against the backdrop above.

The real show is performed by PTS reframing the switchover to digital issue into one of national information infrastructure building policy options. The finance of digital terrestrial television for PSB is changed to be expenditure belonged to national long-term development project varying from 6 to 18 million USD. Binding on this condition, PTS equipped a trial channel license went through regulatory discretionary mechanism. The channel has broadcast HD programs since May, 2008. HD reflects not only the necessity of the public investment for public television service in particular but also for Taiwan electronic media industry in general. Nevertheless, it failed to claim to be one stable funding for broadcaster’s annual appropriation with caution.

Ironically, since 2001 when limit set annual government appropriation for PTS, she received 26 million USD without fine tuning with inflation resulted from the disagreement regarding the sounding future of public service broadcasting. However, for digitalization and convergence future, one can agree with digitalization and HD broadcasting brought the support for PSB as an extra financial mechanism leveraging the over-commercialization of TV system. Regarding this encounter, the following chapter would like to prove a kind of social foundation or media ecosystem empowers PTS to acquire the extra resource and develop one of the sustainable operating models for Asia-Pacific public service broadcasting so far it earned and acknowledged by international media governance paradigms shift.

3. HDTV Research Question, Methodology and Concept Framework

This following research reveals the adaptation of the HDTV service in Taiwan through addressing the HDTV system made history of PTS and the HDTV deployed by government direction. Therefore, the research aims to answer the following research questions:

1. How PTS deploying her HiHD channel?
2. How Taiwan state making the HDTV policy?
3. What is collaboration model among all PTS and governmental units?
4. What social foundation in Taiwan triggers the sustainable operating model of HiHD channel revealed in this research?

3.1.1. Methodology

Three research strategies including documents analyze, participant observation, and in-depth interviewing are adopted in this research. Firstly, the tasks of PTS Engineering and R&D Department included communication policy and project management would be allowed to study the primary source documents. As being team members and researchers, it is available to understand the relationship and cooperation between PTS and other governmental organizations through working flows observation. Secondly, it is accessible to the documents issued by related governmental organizations and PTS regarding the HDTV developments. It has been assumed that policy deployment will be affected by the potential actors. In-depth Interview with key actors in line with the process of deploying the HDTV service will guarantee the credibility of the research.

3.1.2. Concept Framework

Through the conceptualization, this research has been structured in four main sections of Chapter four. In the first and second section, the deploying process of PTS' HiHD channel and the Taiwan government's HDTV policy will be addressed to answer research question 1 and 2. In the third and fourth section, it explores the cooperation model among PTS and related governmental organizations. Finally, it will analyze why the model is feasible in Taiwan.

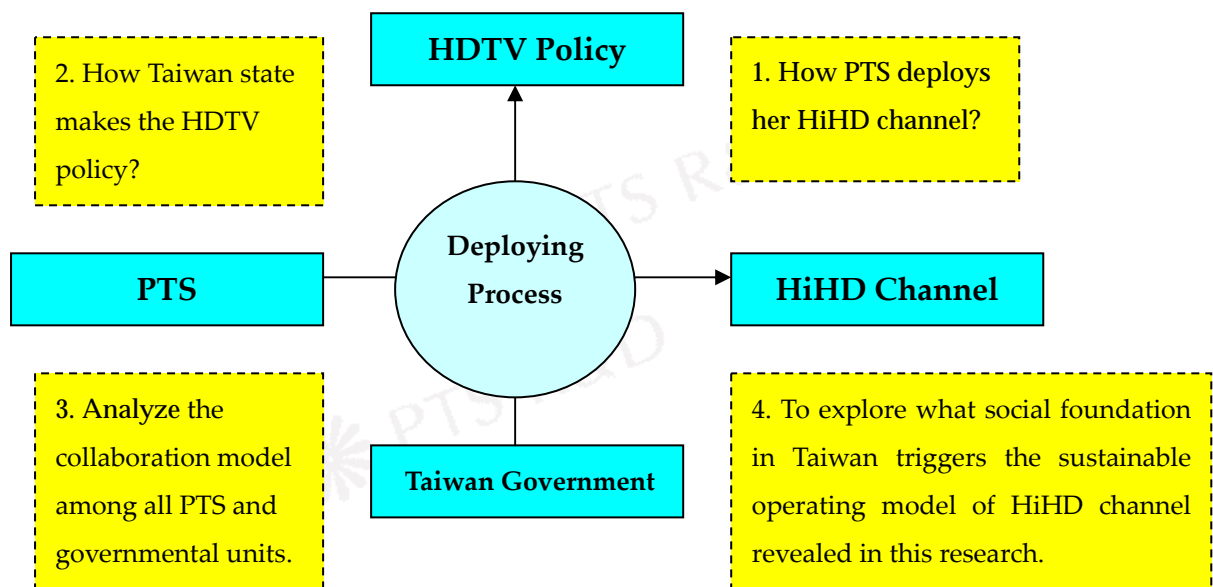


Figure 3.1 The Concept Framework

Source: compiled by authors

4. An analysis of HiHD channel

The booming of the 16:9 screens, the success of DSO, and the advance of video compress systems allow terrestrial broadcasters offer the HDTV services at the beginning of 2000(Laven, 2007). Some of the countries even closed down existing SD channels to launch HD services. Those countries included Canada, Japan, and Korea (see Table 4.1). Their moves from analogue to digital terrestrial television context were happened with the launch of HDTV services on the DTT platform (Debrett, 2010).

Table 4.1 The Action Plans of Deploying HDTV Service in Canada, Japan and Korea

Countries	The action plans of HDTV
Canada	<ol style="list-style-type: none"> 1. In 2006, Canadian Radio-television and Telecommunications Commission (CRTC) asked that a minimum of 50% of this unduplicated HD programming must be Canadian and all of the unduplicated programming must be in HDTV format. 2. The CRTC also encouraged transitional DTV licensees to ensure that 2/3 of their schedules would be available in HDTV format by 31 December 2007. 3. CRTC announced the completion of digital transition in 2011.
Japan	<ol style="list-style-type: none"> 1. In 1998, The Ministry of Internal Affairs and Communications aimed to offer the HDTV service through DTT platform after completing the DSO task. 2. In 2004, more than 50% of HDTV programs were available on DTT platform. 3. In 2011, Japan completed the DSO task.
South Korea	<ol style="list-style-type: none"> 1. In 2001, South government started the planning of HDTV deployment. 2. It amended a special law for digitalization on FEB. In 2004, it asked all of the terrestrial broadcasters need to offer 100% HD programs before 2010.

Source: Asami, 2004; CRTC, 2006; CRTC, 2011; Lee, 2012; Seong, 2008

Following the technology trend, Taiwan government also decided to develop the HDTV service in 2005. Since PTS was commissioned a national project named 'The Project of Public Broadcasting, Cultural Creation and Digital

Television Development'. One of objects is building the HDTV network. This is the second national project handled by PTS after accepting 'The Project of Constructing Common Transmission Platform'. In this section, the deployment of HDTV service and policy in Taiwan are described. This will enable us to reflect what social foundation in Taiwan triggers a sustainable operating model of PTS.

4.1. PTS started the journey of HD channel building

In 2005, the Executive Yuan sized up the possibility of enlarging the service scale of PTS and upgrading her service quality as BBC or NHK. The former Premier of Executive Yuan, Frank Hsieh who belonged to the Democratic Progressive Party, expected to bring Taiwan to the world through empowering the PTS (GIO, 2006).

Thus PTS followed the policy of Executive Yuan to propose a plan called the 'The Project of Public Broadcasting, Cultural Creation and Digital Television Development'. It was a plan aimed to offer the multi-channels service (art channel, children's channel, HD channel, DVB-H mobile channel, the channel for the foreigners in Taiwan and the international news channel), digital radio service, building the second single frequency network and digital archive. The amount of the budget was around USD 270 million.

The plan was approved but also sized down by the Legislative Yuan in 2006. Other than the channel line-up, it secured budget of HD channel, DVB-H mobile channel, the digital archive and the second single frequency network building. The final amount of the budget was around USD 149 million totally.

HD channel building was one of the projects from 'The Project of Public Broadcasting, Cultural Creation and Digital Television Development'. Its works included constructing the 12 HD transmitters³ and the microwave trunk network around Taiwan, purchasing the HD production facilities and HD program production.

Since the KMT won the presidential election in 2008, Nationalist government had faced the financial tsunami in 2009. In this regards, PTS was asked size down the plan scale again. The budget was decreased, and the amount was

³ Those transmitters located in north, middle, east, and south Taiwan. Each area was placed 3 transmitters.

finally became USD 83 million regarding to eliminate the HD transmitters from 12 to 9 and some part of HD production facilities acquisition. Based on the project, PTS also applied the HD channel trial license from the National Communications Commission (NCC) in 2008. This experimental channel was named HiHD. HiHD channel had broadcast HD programs included the Beijing Olympic Games since May 2008. During the trial process, she also launched the high definition television early-adopters pilot studies from 2008 to 2011 (2010 was excluded) to understand viewer preference and acceptance regard to HDTV service.

4.1.1. The Viewer's experience

HiHD channel broadcast the programs 4 hours a round, and 16 hours a day. The new production programs were around 1.25 hours a day from 2008 to 2010. According to the pilot study, most of the viewers complained about the high proportion of the rerun programs. They dissatisfied with the channel programming (4 hours / per round, 3 rounds / per day). However, they were welcome to the HDTV service and expected that PTS's HiHD channel can extend her service coverage. In 2011, HiHD channel broadcast the programs 6 hours a round, and 18 hours a day. The amount of the new production programs are around 3 hours a day. The viewers of HiHD reflected their suggestions in early-adopters pilot study, including:

Table 4.2 Viewer's Experience of HiHD channel

Year	Replies from the early-adopters of HiHD
2008	<ol style="list-style-type: none"> 1. The documentary and sport events are good programs to promote the HDTV quality and attract the audience to access. 2. The HDTV service coverage at Taiwan in 2008 was limited and unstable. 3. Complained about the high proportion of the rerun programs. 4. Not satisfied with the programming (4 hours / per round, 3 rounds / per day)
2009	<ol style="list-style-type: none"> 1. Sport events and documentary were the most popular program types. 2. Complained about the high proportion of the rerun programs. 3. The difficulty of installing the set top box and the antennas.
2011	<ol style="list-style-type: none"> 1. Satisfy with the programming (6 hours / per round, 3 rounds / per day) 2. Still complained about the high proportion of the rerun programs.

Source: compiled by authors

PTS is financed by 'The Project of Public Broadcasting, Cultural Creation and Digital Television Development' to produce the HD programs since 2006. The budget regarding to HD programs is around USD 6.7 million. There was no extra funding after PTS completed the project in 2011. PTS was suffered from the shortage of the funding so she has to use her own (USD 26 million) to maintain HiHD channel among many other expenses.

4.2. The deployment of HDTV policy in Taiwan

In fact, PTS advocated the importance of deploying the HDTV service to the Taiwan government since 2006. However, the KMT government had no positive reply. The official final date regarding to analog switchover of terrestrial television was not clear, either. When government kept doing nothing in line with the media policy, two crucial events happened to be interlaced together then forced the government to face the vacuum of the communication policy.

In 2010, the 'PakLee Foundation', functioning as a think-tank, conducted the research and engaged in advocacy for communication policy. Barry Lam⁴, the Chairman of PakLee Foundation, recommended to the President Ying-jeou Ma. The recommendations include: (1) Finance public service media, (2) Deploy the HDTV service, and (3) Complete the digital switchover task before Olympic Games in 2012.

According to the interview conducted by the authors⁵, PakLee Foundation pointed out that it was fail at her first round of policy lobbying in 2010. Although PakLee Foundation's idea was accepted by the President Ma, however it was stuck by KMT's bureaucratic system. So PakLee Foundation continually advocated her thoughts through participating the seminars, conferences. It also contacted the governmental officers then recruited them as consultants. The key persons recruited by PakLee Foundation included the former Commissioner of National Science Council and the former Minister of Council for Economic Planning and Development. Both of them supported the ideas proposed by PakLee foundation, and also help it accessing the top level of governmental decision making.

⁴ Barry Lam is also the Chairman of Quanta Computer.

⁵ Julian Chen, the former Senior Researcher of PakLee Foundation, was used to be the Executive Secretary of Chairman in PTS. He also helped PTS negotiating with GIO to propose 'The Project of Public Broadcasting, Cultural Creation and Digital Television Development' in 2005.

Mr. Yo Cheng, an economist and the Editorial Controller of Market Daily, inspired the President of 'Business Today', a local finance magazine, to conduct the special report. With a close partnership of Business Today, Yo Cheng analyzed the crisis of TV media industry in Taiwan.

As the result, Business Today published a report named '*the nation crisis from the depraved TV*' to severely criticize the government in 2010. Business Today described the government was doing nothing to communication policy. This would result in Taiwan media service far away from the global level of digital media penetration and even losing the digital content market locally (Liu, 2010).

The suggestions from PakLee Foundation and the critics from Business Today were noticed by President Ma again. Finally, Ma announced deploying the HDTV policy through his speech of New Year's Day in 2011. As a result, Vincent Siew, the former Vice President, convened the consulting meeting of financial affairs to propose the action plans regarding to digital media development. PTS was also invited to address her ideas regarding to the necessity of expanding the scale of public service media.

Finally, a new task force named Government Digital Convergence Task Force Office (DCTF) appointed by the Taiwan Executive Yuan was established.

DCTF's action plan was included (DCTF, 2011a):

1. Activate the public resource through completing the DSO task.
2. Build the second information superhighway through encouraging the cable TV operators digitalizing their networks.
3. Offer the quality broadband service.
4. Develop the digital integrated service.

To enrich the Taiwan TV programs, DCTF is going to ask DTT operators offer one HD channel at least before 2015. Secondly, 74 HD channels should be available in media market in 2015. Finally, the amount of the HD programs should reach 5,383 hours annually.

4.3. PTS functioning as media governance

The action plan from DCTF is an important milestone of communication policy in Taiwan. As Gaperin pointed out the change of whole system was

activated by many internal and external factors. Regarding to the internal factors, DPP planned enlarging the economies of scale of PTS through developing the multi-channel service. It showed that the DPP government saw PTS as a nation power then using PTS bringing Taiwan to the world (Price, 2002:19).

The cable TV, the major platform owned around 55 million subscribers, is nevertheless created only 11% (around 605,000) of digital penetration rate. Although the KMT government tried to encourage cable TV operators to digitalize their system before 2014, the cable TV operators are resistant to follow. That is why that even DPP lost the presidential election in 2008, KMT, the governing party, was still coming back to resource into PTS.

Regarding to the major external factors, both PakLee Foundation and the Business today played as triggers to turn KMT government handling the crisis of the TV media industry in Taiwan. KMT government was forced to seek the help from PTS because she just completed the HDTV infrastructure and offered the HDTV service. The whole process above directs the policy making of financing PTS becomes necessary media governance mechanism of government.

Finally, KMT government decided to conduct the HDTV service through resourcing to the public construction fund. What it applied in details including (DCTF, 2012b):

1. Help PTS acquire the TV rights of London Olympic in 2012 then broadcasting on HiHD channel.
2. Help PTS construct the HDTV network in eastern Taiwan.
3. Coordinate NCC to help PTS acquire the formal operating license of HiHD.
4. Mandate HiHD channel launch on the CATV platform through the must carry rules. CATV operators could promote HiHD channel for digital set top boxes sales.

Clearly, most of the assignments were to help PTS launching her HD channel. Here are the results of the task so far developed:

Table 4.3 The HDTV Action Plans of DCTF in 2012

Tasks	Process
<ul style="list-style-type: none"> ■ Help PTS to acquire the TV rights of London Olympic in 2012 then broadcasting on HiHD. 	<ul style="list-style-type: none"> ■ Government subsidized PTS to acquire the TV rights of London Olympic in 2012 (around USD 0.33 million).
<ul style="list-style-type: none"> ■ Help PTS construct the HDTV network in eastern Taiwan. 	<ul style="list-style-type: none"> ■ Government has subsidized PTS financially to construct the HDTV network in eastern Taiwan. HiHD has been available in eastern Taiwan in the end of May in 2012. Moreover, NCC also subsidized PTS to build the HDTV gap fillers (total 21 stations) in 2011 regarding to reach the HD full coverage in Taiwan.
<ul style="list-style-type: none"> ■ Coordinate NCC to help PTS acquiring the formal operating license of HiHD. 	<ul style="list-style-type: none"> ■ PTS delivered the proposal to NCC in February 2012. NCC passed the PTS' proposal at July 2012.
<ul style="list-style-type: none"> ■ Mandate HiHD channel launch on the CATV platform through the must carry rules. CATV operators could promote HiHD channel for digital set top boxes sales. 	<ul style="list-style-type: none"> ■ Under negotiation.

Source: compiled by authors

Other than the network building, PTS continually warned the emergency of budget shortfall for producing HD programs. There are two approaches suggested by PTS, includes:

1. Increase the amount of PTS budget through amending the Public Television Act.
2. Finance PTS through government subsidies annually.

The first option seems to be the total solution for PTS. However, it would spend a long time lobbying with the Legislation Yuan, thus PTS can not acquire the sustainable budget in time. The GIO decided to use her own funding to finance PTS to produce the HD programs. In March, 2012, the GIO financed PTS to produce HD programs and promote the HD service through a commissioned project. The budget of this project was around USD 6 million and targeted to produce around 580 hours of HD programs.

4.4. The next step

Above all, the amount of extra financial assistance from the government is around USD 133 million. As the table below showed, most of budget donated from government was infrastructure building. The large financial help of HD

programs production was not accepted by the government till 2012.

Table 4.4 The Government's Finance Assistance from 2003 to 2012

Year	The Projects	Budget (USD)
2003-2009 (2008 was excluded)	The Project of Constructing Common Transmission Platform (including DTT network, MHP testing, mobile TV system)	40 million
2006	The Project of Public Broadcasting, Cultural Creation and Digital Television Development	83 million
2011	The Project of Building HDTV Network in Eastern Taiwan	1.5 million
2011	The Project of Upgrading 21 Gap Fillers from SD to HD System	2.5 million
2012	The Project of Producing HDTV Programs	6 million
		Total: 133 million

Source: compiled by authors

When the proposal of amending the Public Television Act regarding to increasing the budget is suspended by the Legislative Yuan, PTS needs to find another way to justify her legitimacy for increasing the budget. Facing demand for expanding and upgrading the national transmission infrastructure from SD to HD, and launching a new channel from experimental to regular, strategically speaking, PTS utilized the concept of media governance to win a political will for public service media. Those issues of governance are digitalization and upgrading the communication infrastructure (see the figure 4.1).

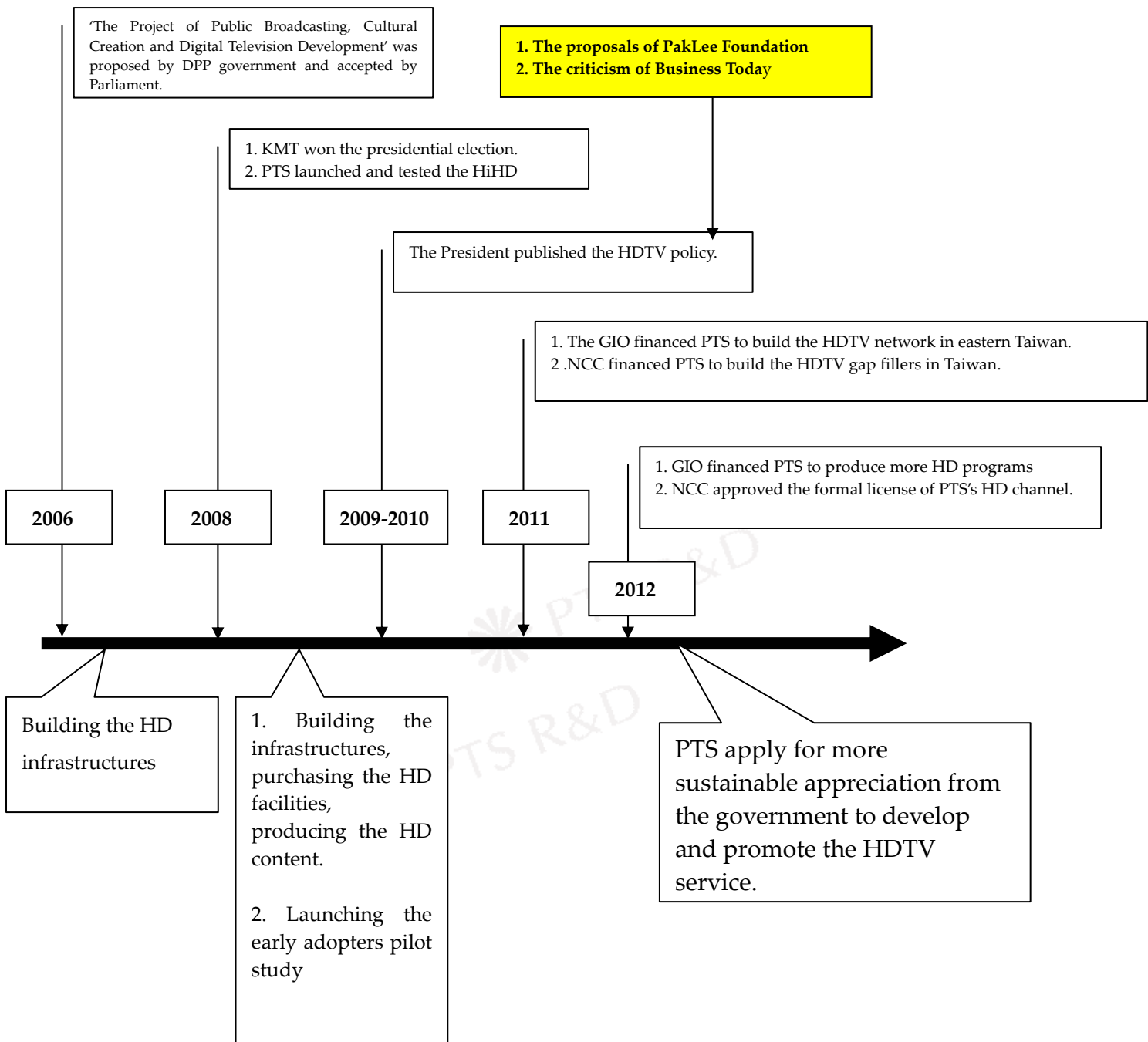


Figure 4.1 The Process of Establishing HDTV Terrestrial Broadcasting from 2006-2012

Source: compiled by authors

4.5. Way Future

HiHD is officially launched on July 2012. The population coverage of HiHD is reaching 96.14%. The Olympic Game 2012 is the premier programs to attract the viewers to watch the DTT platform. After the Olympic Game 2012, the programming is going to be focus on children, art, drama and documentary. 70 % of the programs are locally produced to expand audiovisual market supply.

Following the action plans of DCTF, the other commercial terrestrial broadcasters also launch their own HD channels to broadcast the HD programs (3 hours at least per day).

The DCTF's action plan could be practical is based on the success of digital switch off. There is no more excuse from commercial broadcasters to refuse offering the HD programs. It is also a perfect starting point to deploy the HDTV service in Taiwan. The completion of terrestrial broadcasters' digitalization is the first step of building a digital nation. It is a pressure to push the cable TV system to upgrade their network to digital and offer the HD channels. Therefore, the media market in Taiwan could find the way to sustain and grow.

Although NCC has approved the formal license of HiHD channel, it asked PTS have to negotiate with government to earn the sustainable finance in line with the operating plan. The amount of HiHD operating budget proposed by PTS is around USD 14 million. The request from NCC, this again leads PTS be able to gain a foothold in asking the sustainable appreciation from government to maintain the HiHD channel. In that sense, the Ministry of Culture, the latest competent authority of PTS, budgets this amount for the coming year.

The way future is still not clear, however, the experience so far PTS learned, functioning media governance, might realize the significant value of public service media so far this nation preserved.

5. Conclusion

Taiwan public broadcasting is continually financed by extra funds for TV digitalization to supplement its frozen deal with government appropriation targeted by political parties' controlling strategies. It seems that the liberal political economy reform is doing nothing help to enlarge the support of public television service. On the contrary, the critical political economy reform school promoted successfully at gaining the monetary contribution within the span of different political spectrum (from DPP to KMT). This achievement was clearly done by the critical school's intention,

The critical political economy of communication is more "economicstic",The former is a "top-down" approach in the sense that its proponents critique the status quo—the "incomplete emancipation," resource inequity, and cultural distortion posed by economic dynamics in advanced capitalism—from the high plateaus of various radical Marxist humanist formulations,..... (Lee, 2000: 133-134)

The HiHD Channel project is demonstrated the coalition of pro-European PSB model and economic reform supporters could be formed into a progressive movement. With government endorsement, the HDTV terrestrial broadcasting officially launched and the switchover of analogy one is set enhanced the digital content market by a revised planning. A nation crisis of local audiovisual production is gradually targeted by PSB's HDTV broadcasting approach. The policy rhetoric is fine tuning to the core of TV problem. And the solution is begun to tackle the issue and the result is highly speculative.

Back to the significance of "sustainable" model, the research paper reflected the solution to Taiwan dilemma was a choice of an alternative way, on the surface, given full-fledged one wing of national information infrastructure building, but to landmark a meaningful PSB mission to driving digital uptake beneath. As a result, whom be commissioned to rescue the nation crisis from low-cost TV production and the sector's unemployment, an answer to PTS-led HDTV programming and distribution is provided by media politics.

The political will do being strengthened to maintain the PSB in digital terrestrial broadcasting and created a level playing field to the digital TV

multi-channels platform. This ‘sustainability’ is confirmed by new concept regarding media policy. A concept of media governance is relevance with this fact if not totally be exhausted. As Manuel Puppis (2010: 140) concluded the implication of ‘media governance’ in an integrated analytic concept by building vertical and horizontal extensions as follows,

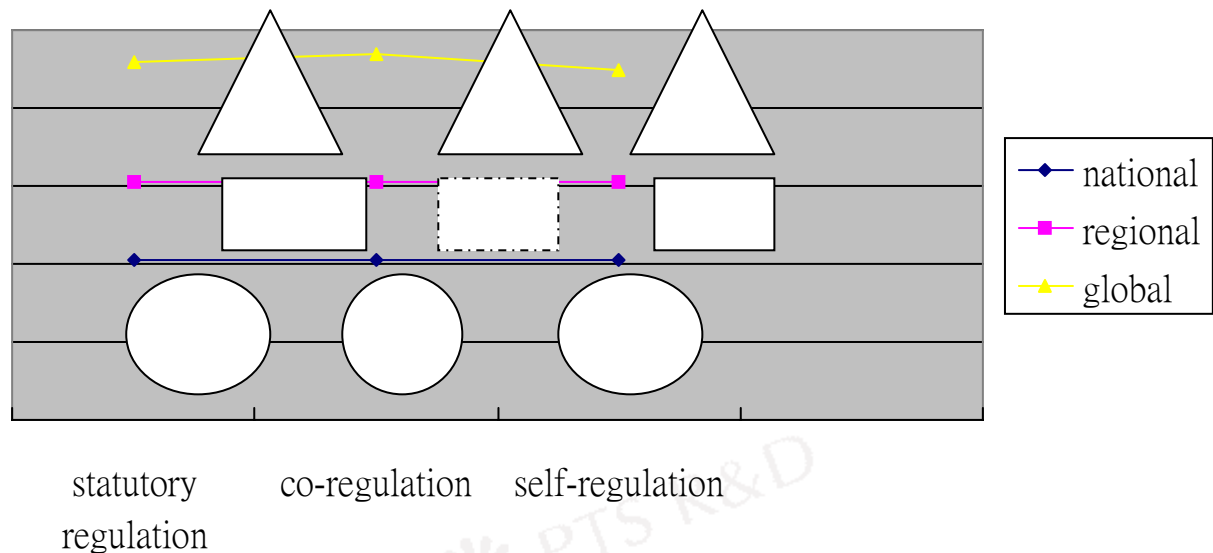


Figure 5.1 The Policy-making of Taiwan PTS in Driving Digital Uptake

The making of media governance in the research topic of Taiwan digital TV uptake could be illustrated by nine areas in above figure:

- (1) National-statutory regulation: Article 10 of Public Television Service Act empowers PTS functioning the full value-chain of digital TV.
- (2) Regional-statutory regulation: Bangkok Declaration ratified by AIBD 1st Conference of the Ministers on Information & Broadcasting in the Asia-Pacific Region.
- (3) Global-statutory regulation: Digital Video Broadcasting-Terrestrial Specifications & Standards; Agreement to Broadcasters’ Action Plan, World Electronic Media Forum 2003
- (4) National co-regulation: Memorandum between PTS and Taiwan Association of Terrestrial Television Network (commercial broadcasters’ arm) in building a common transmission infrastructure, and HDTV broadcasting.
- (5) Regional co-regulation: CASBAA’s report for Taiwan Digital Gap.
- (6) Global co-regulation: International Broadcasting Convention in Amsterdam.

- (7) National self-regulation: the Legislative mandate for financing PTS projects of digital television (2003-2012).
- (8) Regional self-regulation: An Asia-Pacific Approach to Public Service Broadcasting—AIBD guidebook.
- (9) Global self-regulation: the policy documents of broadcasting authorities in Japan, Korea and Canada.

The distribution of legal documents above is facilitated by PTS when facing the transition to digital broadcasting issue. This progress of policy movement is intertwined with the ill-structure of local cable TV industry and gained its ground annually with little refusal. The sustainability of this model to Asian PSB is striking when one situated with the similar market structure below:

- (1) Commercial TV is dominated
- (2) Multi-channels are overfilled the demand of market
- (3) A cultural sovereign is faithfully agreed by industry stakeholders and politicians

This research topic, at best, solely cured the Taiwan's failure of TV policy and market. Nevertheless, it is sounding for suggestion to latecomers of Asian industrial countries tackling the similar symptom once happening between TV culture, technology, wrestling with western assuming freedom of speech and Asian indigenous economic reform.

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