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影响你生活的世界

与世界传媒巨头雷石东对话

薄义群 华明 / 著 区念中 / 摄影



南方日报出版社
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传媒巨头的全球化扩张及其趋势

Joseph Turow

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Power without Boundaries:

Dialogue with Sumner Redstone

Written by Bo Yiqun Hua Ming Photographs by Ou Nianzhong

A World of Blurred Media Boundaries

by Joseph Turow



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Preface 1



Wang Keman

Chairman of Guangdong TV Artists' Association

First President of Southern Media Corporation (SMC)

“Going Global” Starts from Globalized Cooperation

While reading *Power without Boundaries: Dialogue with Sumner Redstone*, my visit to Mr. Sumner Redstone, CEO of Viacom three years ago comes clearly into view. In June 2005, Mr. Cai Dongshi, Vice Secretary of Guangdong Provincial Party Committee led a delegation of Guangdong broadcasting media went to the United States on a tour of investigation. On Mr. Sumner Redstone's invitation, the delegation paid an official visit to him at his Beverly Hills residence. A broad consensus was reached by the two sides on further cooperation during the meeting.

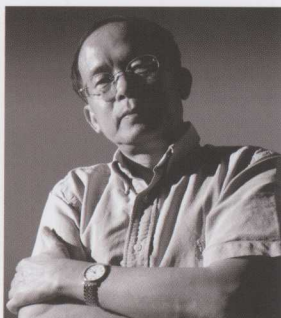
In order to promote friendship and mutual understanding, I proposed that Southern Television Guangdong (TVS) should make an exclusive interview with Mr. Sumner Redstone during the visit, he accepted it and was confident of our future cooperation. In Oct. 2006, a filming team flew to America led by Mr. Ou Nianzhong, President of TVS, they did a successful interview with Mr. Sumner Redstone. Later, the documentary *The Legend of Sumner Redstone* was broadcast. And now the team has finished the book *Power without Boundaries: Dialogue with Sumner Redstone*.

The documentary and the book which provide consumers with first-hand information on those international media groups, the executives, and the developing trend of the media industry, are a concrete act of SMC's implementation of “Going Global” strategy. Moreover, some contents which were not mentioned in the documentary are included in the book. By reading it, you cannot only know more about Mr. Sumner Redstone, but also the whole process of how a trans-national programme got into birth, and the writers' thinking on the media industry.

王克曼

22.12.2008

Preface 2



Ou Nianzhong

Vice President of Southern Media Corporation (SMC)

President of Southern Television Guangdong (TVS)

Influence: A Soft but Strong Power

"I would not over-state the power of any individual or any company to influence the world," Mr. Sumner Redstone talked to us in an afternoon in Oct. 2006 at his study, "but to the extent that we can influence for the better, we do." The media giant who has influenced the world through his media empire---Viacom now is sitting in front of us in his luxury residence at Beverly Hills.

We are competitors. MTV China affiliated to Viacom was officially allowed to enter Guangdong TV market through cable network in April 2003. Since then, together with another 8 international channels from both Hong Kong, Macau and abroad, MTV China started to compete for market shares with local media. We are partners. We cooperate in programme exchange, staff training, and share production and operation experience.

As an executive, I want to know those successful experience from Mr. Sumner Redstone, such as capturing business opportunities, expanding business, using strategy; As a journalist or an ordinary person, I am interested in his personal stories, his commitment, attitude and vision, his lifestyle, even his cartoon image on the wall at his home.

Entrusted by Southern Media Corporation (SMC), as the chief planner for the

documentary series Who Is Changing The World: Dialogue With Media Moguls, I led the team to interview Mr. Sumner Redstone, we discussed the status quo and developing trend of the international media with him as well. For me, on the one hand, the trip is to produce the documentary, on the other hand, it's also a good opportunity to learn from those international media groups.

The documentary The Legend of Sumner Redstone has been finished and screened, but there are still some interviews and photos not included in the documentary, therefore, we hope to share them with readers in this book.

However, just on the point of the book's publishing, the economic crisis has stormed the whole world by the end of 2008. Viacom declared to fire 850 employees to save cost. Meanwhile, Hong Kong TV companies declared to cut jobs and strip bad assets off one after another. The global media industry is facing a new challenge.

It's still unknown what the impact could be of the financial crisis on the media industry, on Viacom and on Mr. Sumner Redstone in person, but undoubtedly, the export of values, the flow of information and the competition for influence are still going on.

Mr. Sumner Redstone said: Luck can affect one small incident, but luck is not the reason for success, whether it'll be in living, whether it will be in business. It's the will, the will to succeed and the will to survive.

He is right!



20.2.2009

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The Legend of Sumner Redstone



Sumner Redstone, Beverly Hills, Los Angeles, 2006

The Legend of Sumner Redstone

(Script of the documentary)

[Forrest Gump: My momma always said: "Life was like a box of chocolates. You never know what you're gonna get."]

In 1994, Forrest Gump was shown to the whole world. It brought 6 items of Oscar Award to Paramount Pictures, as well as the box office of nearly a billion dollars to Viacom Corporation, to which Paramount Pictures belongs. Forrest Gump who succeeds by insisting on running is a fictive role, while the owner of Viacom, Sumner Redstone, is a media magnate who is more legendary than Forrest Gump.

He gives up the opportunity to be a millionaire and devotes himself in a completely unknown industry; he even utilizes all his wealth to carve out for the second time in his 60s; he starts with nothing, but finally becomes a magnate in media industry.

[October 25th, 2006 Beverly Hills, Los Angles]

This is a mysterious place. The high iron gate is telling us that this is not an ordinary residential area. Even the cheapest house here is over 10 million dollars, and it is quite possible to run into Hollywood stars such as Denzel Washington, Eddie Murphy and Stallone. Sumner Redstone lives on the hill, just at the end of the road. He receives the filming team from Southern Television Guangdong in his house.

[This is Mr. Ou, President of Southern Television. This is the interviewer. This is Sumner Redstone, of course.]

Burned scar still lingers on Sumner Redstone's right hand. However, you can feel his energy and lifelong hardship when shaking hands with him.

Sumner Redstone was born in a poor Jewish family in Boston in 1923. After graduation from Harvard Law School, he worked in a lawyer office. His annual income in 1954 was 100,000 dollars, which equaled to a million dollars nowadays. However, just when he had experienced the taste on the climax of lawyer career, he gave it up.

[Sumner Redstone: I enjoy practicing law, but like any other young people like my age at that time. I thought that practicing law would enable me to serve humanity, sounds extreme, but that was true, me and many others in Washington. When I found out that the law is just like any other business, I decided to leave the law and going to my father's business.]

From joining the family business of movie feature on, Sumner Redstone gradually reached media industry, the power center influencing hundreds and millions of people. In the first 30 years in his career life, he accumulated the wealth of 500 million dollars, but the most splendid part of his life came after a fire.

A big fire in Boston in 1979 had over 45% of Sumner Redstone's body burned. Many one thought that he was unable to survive, and even if he survived, he was unable to walk. However, due to the strong mind, the 55-year old Sumner Redstone incredibly stood up again after 6 operations and several months of hospitalization.

[TVS: I know that you have talked many times that the fire didn't change anything of you, but many people don't believe that, is that true?]

[Sumner Redstone: No, I know people believe that something like that is a sudden event. It is not, certainly it was not for me, I have the same priorities, the same desires, the same possess, before the fire and after the fire, very little change.]

[TVS: You know in China we believe that good luck comes after the survival of a terrible disaster. Actually the most exciting part of your career life comes after the fire.]

[Sumner Redstone: I don't think anything is a matter of luck. I really doubt a luck in one small incident, but luck is not the reason for success whether we're in a living, whether in a business. It's the will, the will to succeed and the will to survive.]

It is unknown that what Sumner Redstone depended on, bless from the God, or the passion to win, to defeat the death and develop his National Amusements into the largest chain movie theater in the USA.

[President of Paramount Brad Grey: People like Redstone, you know, that have built the great entertainment company, and he built an extraordinary company from very small beginnings. So I always had enormous respect for him, I always watch him from a distance. Now I have the privilege working for him.]

[June 3rd, 1987 Sumner Redstone Acquired Viacom Inc.]

The continuous enlargement of Sumner Redstone's media empire was achieved through mergers and acquisitions, among which the acquisition of Viacom Inc.,

Paramount Pictures and Columbia Broadcasting Station were three most splendid ones.

In 1986, being a 63-year-old successful businessman, Sumner Redstone was able to choose comfortable retirement life, but he made a quite different choice as carving out for the second time. He utilized his lifelong wealth and all debt and financing of over 2 billion dollars to acquire Viacom Inc., the most important contest in his life.

[President and Chief Executive Officer of Viacom Inc. Philippe P. Dauman: You know at that time, Sumner was a successful operator of movie theatres, and he was in a age when many people think about retirement: This was 20 years ago, but he saw it was a bright future, and MTV and Nicklodeon which was very very young businesses then, and it was a lot of fun he risked all the money he had to buy Viacom, he put the money at risk he made at theatre business, he was relentlessly pursuing it. It was a lengthy acquisition process.]

In fact, not only all Sumner Redstone's wealth was at risk, the Board of Directors of Viacom was also intended to favor Sumner Redstone's competitor, and there were some problems with his fund. Was Sumner Redstone able to succeed under that situation? Wall Street doubted it seriously, and all the people recognized Sumner Redstone as crazy. However, the lucky balance leaned towards Sumner Redstone. After effort for over a year, Sumner Redstone succeeded in acquiring Viacom, which marked that he had entered content production industry from movie feature industry successfully.

About that impressive acquisition, Sumner Redstone describes it in his biography as such: "When I was 63, I experienced the most important battle in my life. I regarded Viacom as my lifelong wager, and I was confident to make it the testimony of my lifelong success."

[Sumner Redstone: And of course, I enjoy the acquisition of Viacom.]

By 1991, the risk of acquiring Viacom by Sumner Redstone had been paid back, as MTV, its branch company, achieved great success in the whole world. During the whole 1990s, the profit of MTV increased over 10% annually.

Meanwhile, Nickelodeon, a children channel belonging to Viacom, began to show its potential. At present, it has occupied 50% of the American children TV market, and these children are possibly turned into the audience of other programs or channels of Viacom.

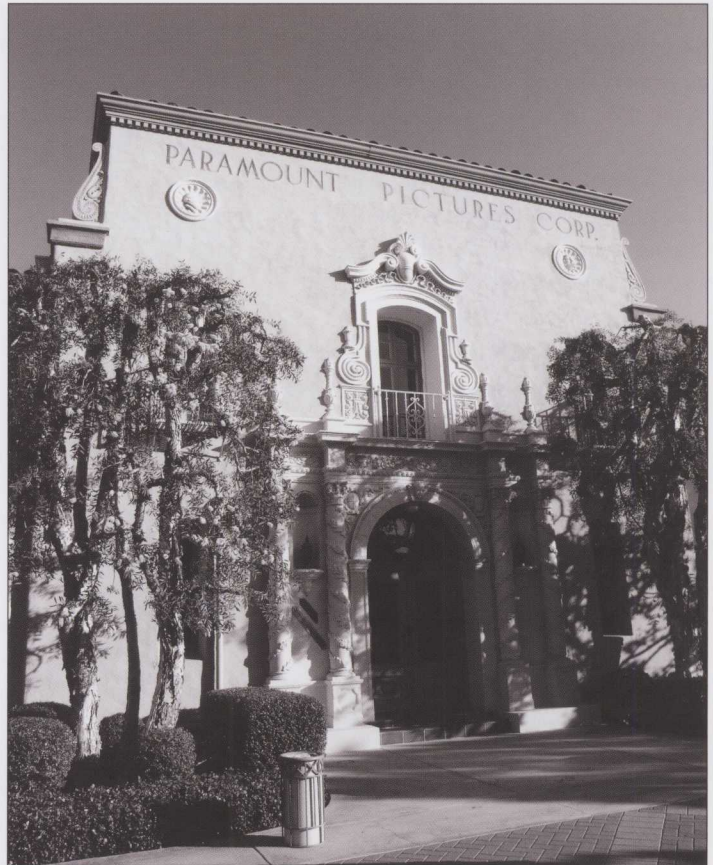
Many years of experience in chain movie theater industry enabled Sumner Redstone to acknowledge that the value of media company depends on content rather than transmission net. At that time, he firstly put forward the concept of "content is king".

[Sumner Redstone: I would like to say people don't watch CBS, they watch CSI, in other words, distribution is important, talent is important, but all the important is content, content is king, as you know, I coin the phrase.]

Although Sumner Redstone proposed the concept of "content is king", Viacom was still in need of a platform to establish an international first-class content oriented media. What the platform was?

[1994 Viacom Acquired Paramount Pictures]

Due to Sumner Redstone's successful operation, the



Paramount Pictures, Los Angeles, 2006

business of Viacom became prosperous. From 1987 to 1993, both scale and value of the company increased by 10 times, and the social value of Sumner Redstone also increased from 500 million dollars to 5.5 billion dollars within 7 years.

In 1993, the competent Sumner Redstone began to acquire Paramount Pictures.

[President and Chief Executive Officer of Viacom Inc. Philippe P. Dauman: The acquisition of Paramount which took us from an important but relatively small company

to one of the most powerful companies in the media business, and that was in 1993 and 94, also a very very difficult acquisition, difficult process. He was very tenacious.]

Similar to the last time, the acquisition was not quite easy. Firstly, the management level of Paramount changed ideas repeatedly, and then the partner turned to be the rival, and the competitor viciously made the situation worse, all of which made the originally amicable acquisition a fierce bid battle. Sumner Redstone was again pushed to the edge of failure.

Fortunately, the God of Luck was moved by the effort of Sumner Redstone again, and Sumner Redstone finally succeeded in acquiring Paramount Pictures by 10.6 billion dollars.

From the acquisition of Viacom in 1994 on, Paramount has produced several excellent movies, such as Forrest Gump, Brave Heart, Mission Impossible, and Titanic, among which just Titanic achieves the global box office of 1.8 billion dollars, and Sumner Redstone becomes the genuine authority in entertainment industry.

[President and Chief Executive Officer of Viacom Inc. Philippe P. Dauman: I think both those transactions exemplified who Sumner Redstone is. He is tenacious, He is passionate. He won't give up in the face of adversity. That's why he is who is today.]

[1999 Viacom Acquired CBS]

In October, 1999, Viacom, which had become one of the five largest media corporations in the world, acquired Columbia Broadcasting Station (CBS), one of the three largest American TV networks, by 39.7 billion dollars. That acquisition was quite easy, and the 76-year-old Sumner Redstone created a giant worth 80 billion dollars

within only 8 days. In Sumner Redstone's opinion, the acquisition was not aiming at enlargement, but the combination of those two, so as to make them absorb advantages from each other, form a stronger company, and achieve the scale benefit. It is proved again that the insight of Sumner Redstone was keen. New Viacom will be number one in broadcasting, cable TV programming and outdoor advertisement industry, as well as the largest media and entertainment company in the world.

[TVS: What do you think we can learn from Sumner and his company?]

[Prof. Joseph L. Bower Harvard Business School: Good question. I think two kinds of things, one that when you run a larger organization, you have to have very good people working for you, running the pieces, you have to back them and give them support. Second which is almost the opposite, there are times when the world is changing, when things are happening, when there are opportunities, you have to move fast and decisively, you can't have committee studying things for ever. Sumner is willing to move, to step in and move, and he's done a really dramatic thing.]

How did Sumner Redstone understand the industrial value, being a businessman without knowledge about media industry? Sumner Redstone's answer was the intuition. In his opinion, the person with commercial intuition is always able to combine its own intelligence and experience together perfectly and find out a proper solution plan. After watching Star Wars, Sumner Redstone began to hold more stock of 20th Century Fox, and finally that batch of stock was sold for 30 million dollars. It proved the accuracy of his intuition and the will of his decision again.

Philippe Dauman, present CEO of Viacom, is a quite important role in Sumner Redstone's media empire. He has been following Sumner Redstone for many years,

and participated in the acquisition battle in the past. Once Sumner Redstone is mentioned, his expression and word exposes his admiration to him.

[President and Chief Executive Officer of Viacom Inc. Philippe P. Dauman: He has great strategic vision, he's been in entertainment industry for well over 50 years, so he has historical perspective. He made decisions based on an intellectual process, evaluating the risk and opportunities. We discuss those, and on an important strategic decision, if it was well thought out, he will endorse the recommendation that I make.]

Just after the acquisition of CBS, Sumner Redstone was chosen by Vanity Fair as one of the three most influential leaders in information period, and Entertainment Weekly called him as the most powerful people in media and entertainment industry.

Even if being such a legendary giant in charge of CBS and Viacom, Sumner Redstone was not known by every one, even so in the USA.

[TVS: Do you know Mr. Sumner Redstone?]

[Boston Citizen: No.]

[Boston Citizen: I don't really know him, sorry.]

[Boston Citizen: Sumner Redstone, NO.]

It was an interview made by reporters at the gate of Boston Latin School, the alma mater of Sumner Redstone. It was surprising that among the ten persons we interviewed, only one had ever heard of Sumner Redstone.

[TVS: How much do you know about him?]

[Boston Citizen: not that much, I guess.]

[TVS: Do you know MTV?]

[Boston Citizen: Yes.]

[TVS: Do you know CBS?]

[Boston Citizen: Yes.]

[TVS: And Mr. Sumner Redstone is the boss of the companies.]

[Boston Citizen: Yes, glad to know.]

Although these people did not aware of Sumner Redstone, all of them knew MTV and CBS well. Just as Professor Joseph Bauer from Harvard University says, Sumner Redstone is invisible, what we see are just pieces.

[Prof. Joseph L. Bower Harvard Business School: I think in a way for the ordinary American, Viacom is invisible, we don't see Viacom, we don't see News Corp., we don't see Disney, we see the pieces. And so in that sense, I think for the ordinary American, he is invisible.]

McLuhan says that modern media tool is changing our earth into a village. In this global village, the influence from media magnates in the world cannot be underestimated. Although Sumner Redstone is invisible, his shadow is in everywhere of our lives, so is his mark.

The MTV in his charge has become the symbol of youth, fashion and influence, and has left marks on those from 15 to 34 in nearly 400 million families in the world.

[American Citizen: I watch MTV like everyday, I mean not, you know, not all the shows, but I definitely like watch a lot, because such a part like a culture of today.]

Sumner Redstone believes that MTV is no longer a program or a TV series, but a brand new way of watching the world and an attitude towards life. Sumner Redstone is also providing consumers of different age, skin color and culture in each part of the world with spiritual consumption and entertainment product through his media empire. Even some American politicians especially choose MTV as a bridge for communication with the youth. The influence from media magnates can be proved.