

# Robert Chua goes for broke to keep vision

**HONG KONG** – Hong Kong TV veteran Robert Chua has encountered many ups and downs during his 40 years in the industry.

His “baby” — China Entertainment Television (CETV) — faced financial difficulties after a group of Chinese companies failed to honour the planned buy-in. However, in 2000, things took a turn for the better when AOL Time Warner pumped in much-needed funding, albeit leaving him with only a tiny stake.

Chua himself had to counter a personal challenge, having had to undergo a brain surgery. **Eleanor Yap** talks to the semi-retired media veteran.

## CETV almost went bust in 2000. What went wrong?

**Chua:** Looking back, I should have never started the channel with limited financial resources. How was I to compete with the likes of Rupert Murdoch and his Phoenix channel?

In 1997, Phoenix was given landing rights into Guangdong and I was upset as CETV, which started much earlier than Phoenix, did not get the rights. Also, Phoenix was given the rights because it was founded by a mainland Chinese (Lui Changle). If I wanted CETV to have the rights, I would have to have a majority mainland Chinese partner. That was what got me in trouble.

A consortium of Beijing companies signed up to buy an 80% stake but was unable to come up with the money after the MOU and sales purchase agreement was signed, leaving CETV without funds. I did misread the situation, trusting that the consortium would come up with the money and connections they claimed.

## Has this changed your working relationship with the Chinese government and Chinese companies?

**Chua:** Yes, I am now more careful when dealing with Chinese companies, but I still have lots of confidence in the government. It did come true for us when we were finally granted our landing rights, and it (the government) realised we had been wronged by the consortium. There are honest and professional Chinese companies out there, and if one is patient, one will find them.

## Can you comment on the ongoing negotiations with Hong Kong media company tom.com buying AOL Time Warner's stake in CETV? What are your thoughts on working with Li Ka-shing and how will this deal affect CETV's future growth?

**Chua:** This negotiation is between AOL (the 80% controlling shareholder) and tom.com. I retain my minority 4% share of the company and have no plans to sell it.

As for Li, I think he will make a good partner as he has good Chinese connections and is a well-respected international businessman. His company tom.com will bring more to the table and will help CETV grow stronger in China.

## Your motto of “No sex, No violence, No news” has survived many changes at CETV. Don't you feel this is rather sterile programming in today's situation?

**Chua:** My “No sex, No violence, No news” channel is no different from healthy specialised channels like Disney and ESPN, where no news, sex or violence programmes are aired. Just because I spelt out the three No's, one thinks it is bland and sterile.

Creative formats and presentation can make programmes with the three No's, such as cooking and talk shows, interesting. I am confident such programming can be interesting if they are well-produced and entertaining.

## What's next for CETV?

**Chua:** I do not know what the direction and programming choice will be after AOL gives up management control. As a non-executive chairman (since AOL took over CETV), I do not have any say or control over the channel and, therefore, cannot dictate the direction and the content. I mainly advise, without making any decision.

## Hong Kong viewers know you as a creator of content for TV. What are some of your latest content creations?

**Chua:** I have many new formats that I will be launching over the next 12 months. However, *Everyone Wins* is my flagship show as it was the first interactive quiz/game show that allows homeviewers to win along with studio contestants. In Shanghai, it is the top quiz/game show and, since January, has been aired every day on prime time at 8pm. Other quiz/game shows only allow studio contestants to win while homeviewers watch.

## What is your formula for choosing successful programming?

**Chua:** There is no specific formula other than what is created through gut feeling from my four decades of knowing what viewers want. The mood and the culture of the country dictate the type of content (other than sex and violence) and the style of production that appeals to them. I will not create and produce shows that are unhealthy just to win viewership. As long as a show has edutainment and infotainment value, it can be successful.

## Is this how you come to coin “degratainment” TV?

**Chua:** The current explosion of new programmes that degrade and humiliate the studio contestants makes me wonder — should we be encouraging viewers to take pleasure in others' discomfort or fear? I believe these programmes are unhealthy and ought to be unacceptable in any modern society. This “degratainment” TV threatens to unravel the many years of progress the industry has made.

I urge broadcasters and programme creators to concentrate on work that benefits society, rather than causing pain or embarrassment. A modest profit from creating good material is much better than a large profit from doing damage.

## Interactive TV (iTV) seems to be the trend, particularly in Asia. What are your thoughts?

**Chua:** iTV is the next step. Passive TV has become less interesting. I anticipated this trend when I created iTV programmes like *Everyone Wins* nearly two years ago. Most of my new formats today are interactive.

More such programmes will be introduced and will become an extra source of revenue for TV stations. Interactivity will grow in popularity especially in Asia, in part because of SMS.

## What are your views on China and CETV's plans for that region after being granted a licence in April?

**Chua:** The market potential in China is tremendous. The billions of dollars of advertising money is there. All CETV and any other station need to do is to air successful programmes, and viewers will come. With increased viewership comes more advertising dollars.

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— Robert Chua, founder/chairman, CETV



## What is your opinion on the state of Asian TV today and its direction?

**Chua:** Generally, the standard of TV programmes in Asia and the world, especially the US reality shows, is falling in quality and content. Many of the shows are demeaning and only set bad examples to viewers.

Also, Asian TV will be producing more local programmes and will be less dependent on importing overseas programmes. The local stations with local programming will do better than regional and overseas channels. And, news will dominate, followed by dramas and quiz/game shows.

## You mentioned in a media report that business should be run to fulfil a vision and not just for profit. Can you elaborate on that?

**Chua:** Starting CETV as a family channel was my vision and, to sustain this, I have to be very creative in my programming. I see success as more important than money, especially in promoting Chinese culture and giving Chinese people in Asia a choice away from unhealthy programmes.

To experience CETV almost going bankrupt two-and-a-half years ago, and then having to undergo brain surgery, was worth it because of the incredible support from CETV viewers. They gave me the strength and reason to fight to keep CETV alive. (The station received pledges and donations from viewers.)

## You have gone through many ups and downs. What life lessons have you learnt?

**Chua:** Stay healthy and happy. In the past, I had always wanted total control of my projects, meaning 100% ownership. That

resulted in fewer projects to work on. Had I allowed myself to take in partners and their money, I would have been able to have done some good projects.

There were many potential projects which were not realised in the late '70s and early '80s because I did not seize the opportunity for being the first media company to deal with China TV then. I am happy now having smaller stakes in projects and advising — rather than controlling and managing.

## You are said to be semi-retired. How do you see “life after CETV”?

**Chua:** I consider myself semi-retired, although friends disagree, as it appears I am as busy as before. Without the day-to-day running of CETV, whatever I do is pure joy. I look at it as a hobby rather than work. I love creating and that's not hard work at all! This is already “life after CETV” for me.

I am also involved in various international TV organisations, including Banff Television, Monte Carlo TV Festival and FRAPA (Format Recognition and Protection Association).

## What business ventures are you involved in?

**Chua:** I am currently planning to produce for the Chinese community an international musical stage show that will travel the world. This is done with my own production company.

I would like to start an English satellite channel for Asia, if an opportunity arises. I will not be foolish to start another channel until I get enough funding to tide over three to five years of possible losses. I will eye any interesting project but will not rush into it.