Innovation and Development of China Machine Press in the New Century

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Description

China Machine Press (CMP), founded in 1952, is a leading multi-field, multi-discipline and multimedia publishing group in China with large scale, comprehensive and specialized business that integrates paper media, audiovisual media and online media, and combines research, publishing, training, printing, issuing and distribution. Currently, CMP publishes more than 3,700 new books and imports over 400 foreign books each year. In 2010, its sales volume of books and periodicals reached RMB one billion. CMP’s core competitive advantage lies in its innovative business strategy and management concepts, rigorous publishing standards and high product quality. In 2007, CMP was ranked among the Top 500 Most Valuable Chinese Brands by the World Brand Lab with an estimated brand value of RMB 787 million. From 2008 to 2010, CMP had been on the list for three years in a row, and with brand value rising beyond RMB 1.66 billion in 2010. CMP started as a state-owned institution, and as part of China’s publishing industry that is highly regulated by the government, it was also subject to strict government supervision. Therefore, the focus of this case study is to understand how Wang Wenbin, President of CMP, devises new business strategies to gain a competitive advantage in a regulated industry and leads the company to carry forward marketization reform.

Learning objective:

This case is recommended for use in business courses including: Business Strategy and/or Organizational Behavior and Change. When used in Business Strategy, the case analysis should focus on how a company formulates development strategies at different stages based on external factors and its own internal characteristics. For Organizational Behavior and Change, this case can be used to analyze the opportunities and challenges faced by a company in the process of transformation under specific supervision environment. This case can inspire students to conduct in-depth discussion on the selection of corporate strategies in emerging markets, strategies adopted in different stages of development, and guidance for organizational change, etc. In addition, this case can be used to introduce China’s publishing industry and the transformation process of Chinese publishing businesses within a particular historical context.

Subjects Covered:

General management; Organizational structure; Strategy