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CHINA STARTS POINTS PENALTY SYSTEM FOR MEDIA

HONG KONG - China's Communist Party propaganda department has launched a points-based penalty system to try to rein in the increasingly muck-raking print media, a Hong Kong newspaper reported on Friday.

Media outlets will be allocated a dozen points that the propaganda department and the government media regulator can deduct one, three, six or all 12 at a time, the newspaper quoted unnamed sources as saying.

It was not clear how the severity of a perceived infringement would be judged, but penalties would range from warnings and dismissals to closure of the publication, it said.

The Party has always exercised control over the media, and after some relaxation, it has been tightening in recent years. The propaganda officials regularly issue lists of banned topics or coverage guidelines for certain subjects.

Later this year the Party holds its five-yearly congress, at which leaders are reshuffled and policies are set.

'The new system is a clear message that the top leadership wants a peaceful social environment ahead of the 17th Party Congress and next year's Olympic games,' the newspaper quoted a senior state media executive as saying.

The media point system was similar to China's driver license point system whereby points are deducted for moving violations.

Source: Reuters

SEARCHING FOR AD REVENUE

Dubai: With its search-related online ads a runaway success in the West, Google is now moving into the Middle East to increase web usage and stimulate the fledgling internet advertising market.

The company, which just reported a near tripling of fourth-quarter revenue to $1.03 billion, opened its first office in the region in Cairo last September, and has begun offering free tools and services such as translation, email and chat to build up the base of Arabic-speaking internet users.

Google has a commanding perch at the top of the online advertising market, controlling nearly 70 per cent of search-related advertising - an industry worth more than $15 billion a year and growing at roughly 50 per cent per year, according to estimates.

But the Arabic market has largely eluded the web search titan because internet penetration rates are drastically low, scraping along at seven to nine per cent in some countries in the Middle East and

North Africa. The UAE, at 30 per cent coverage, is the most developed.

Sherif Iskandar, Google's regional manager for the Middle East and North Africa, views the current market potential for online advertising in the region as between $400 to $550 million, or between eight to 11 per cent of the overall Middle East advertising market of $5 billion, as estimated by Arab Advisors Group.

Targetability

In a region with one common language among 300 million residents, Google's ability to route certain ads to certain geographical areas through IP addresses -what it calls "targetability" - is what makes online advertising attractive compared with other advertising media, Iskandar said.

Also, Google's largest revenue markets are small scale, so-called 'Mom and Pop' shops worldwide, which also make up a large percentage of Middle East businesses.

"Our basic strategy is, let's grow the online community and speed the adoption of online tools, then we'll worry about market share," Iskandar told the Gulf News via a telephone interview. "We're not really going after market share at the moment or advertisers."

One of its biggest successes has been the release of a free translation tool that allows non-English speakers to view English content in Arabic, and vice-versa.

"We know the money will come," he said. "First, we have to sort out the eyeballs - the users, which are heavily underpenetrated. We think it should reach 20, 30, 40 per cent penetration. Then it becomes a sizable market."

Source: Gulfnews