

How CSR Magic Helped Make Shanghai Disney Resort Possible



Today Shanghai Disney Resort opens to the world. From afar, the \$5.5 billion project looks spectacular and I congratulate all of my friends and colleagues who have worked to make this a reality. It's been a 15 plus year journey, and while I have been gone from Disney for a while, I was involved with setting the stage. Corporate Social Responsibility (CSR) was part of the mix from the beginning. I was fortunate to be part of the team looking at what The Walt Disney Company was going to be in China. Moving from years of a licensing model to one where Disney actually had a presence and operated within the country.

My role was to establish the corporate citizenship strategy and function within China. Being a Communist country, unlike in other parts of the world I've worked, government interest is central to the strategy. Melding their interests with Disney's outreach focus of helping children in need, was a delicate dance. Helping children with severe medical conditions is fine, helping poor children can be problematic as it could be viewed as spotlighting a deficiency on the part of the government.

China was exciting. Disney opened an office in Shanghai adjacent to the French Concession. On my visits, the walks between my hotel and the office were filled with sights and smells very different from what we are accustomed to, even for a large cosmopolitan city. I would eat Chinese food three meals a day and loved it. Primarily, I worked with the government relations team as we met with government officials and nonprofits/NGO representatives. NGO stands for Non-Governmental Organization, in China, many are run by the government so we call them GONGOs... Government Operated Non-Governmental Organizations (oxymoron?). One of these GONGOs was the Children's Palace. Very similar to a Boys & Girls Club in the United States.

One of the early initiatives in China was to bring a traveling company of "The Lion King" to Shanghai. We organized a Children's Palace trip to see the show followed by a special educational presentation by the cast. Disney VoluntEARS escorted the children. It was the first Disney VoluntEARS project for the new office. We also established a relationship with Shanghai

Children's Medical Center. Disney designed and installed a playroom in the hospital complete with play area, reading area and fun character murals on the walls. Disney VoluntEARS regularly read to patients in the playroom along with visits from Mickey, Minnie and friends.



Building on this, last week The Walt Disney Company announced an RMB 20 Million (\$3.1 million) to create more than 50 of these rooms in hospitals across China. When the Sichuan Province Earthquake occurred, Disney donated \$1 million to help rebuild destroyed schools. The company also donated books and toys. Disney VoluntEARS took the train to the region and actually helped with the rebuilding. Plus, through the Disney Wildlife Conservation Fund, a donation was made to help with the damage at the Chengdu Research Base of Giant Panda Breeding. Actively demonstrating that Disney is a good corporate citizen and showing examples of what the Chinese people could expect as the company's presence grows, was a strong consideration with the early strategy.

Back to the potential Shanghai theme park, I spent a good portion of a day touring what is now the 1,000-acre project in Pudong. While the government was responsible for the land acquisition and re-settling the farmers and other residents, it was important for the company to ensure that it was done in a fair and equitable manner; looking at near and long term effects on jobs, families, education and overall wellbeing, as well as addressing any environmental issues related to the site. In addition to being the right thing to do, reputational risk was a major consideration. Earlier I had a similar role with Hong Kong and then specifically advising Hong Kong Disneyland, but with Hong Kong I was involved when the current site was still under water, before the land fill, all the way through construction, opening and on-going operations.

Once the Shanghai Resort project was announced, in Burbank, both the International Business

Development group and Walt Disney Imagineering started a Chinese cultural awareness and understanding program. After criticism of the early days of Disneyland Resort Paris, the company spent much time, money and effort to make the park more culturally relevant to not only the French but to residents from the other countries in greater Europe. Advancements were made with the Hong Kong project, but for Shanghai, the cultural relevance extends deeply into the design and storytelling. I learned a lot from that cultural program and would have benefited from them when I first started working on China. The new resort is “Authentically Disney and Distinctly Chinese.”

From all of the conversations with those involved, the posts and articles I have read, the photos and videos I have seen, this is one amazing Park. It is unique. While all of the Magic Kingdoms have their own personality, this one has significant differences, and for good reason. From a “license to operate” perspective, the government was actively involved, in fact the joint venture partner, the Shanghai Shendai Group is a consortium of four state-run companies. Interestingly, the many compromises that Disney made I think challenged the company to be more creative in the design, resulting in many new attractions that would have never been created.

It has been heartwarming to see the photos of new Shanghai Disney Resort Cast Members (employees) wearing their Disney VoluntEARS shirts in local neighborhoods. The sense of community and responsibility has already taken root and is growing. While my involvement was before the design was finished and construction began, I feel proud and honored to have played a small part in paving the way for the magnificent Enchanted Storybook Castle and its realm. It is amazing to see how CSR magic helped make Shanghai Disney Resort possible.