## China Fights Trade Rule on American Media

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China on Tuesday appealed a <u>World Trade Organization</u> ruling that forced restrictions on the sale of music, films and books from the United States.

The W.T.O. announced the appeal in a statement to its members, but documents were not immediately made public.

The ruling last month came down decisively against China's policy of forcing American media producers to route their business through state-owned companies.

The country's restrictions have been a main concern for Western exporters, who complain that China's rapid rise as a trade juggernaut has been aided by unfair policies that bolster sales of Chinese goods abroad while limiting the amount of foreign products entering the Chinese market.

The W.T.O. decision in August backed a number of complaints of trade associations representing record labels like E.M.I. and Sony Music Entertainment; publishers including McGraw Hill and Simon & Schuster; and, to a lesser extent, the major Hollywood studios of <u>Warner Brothers</u>, <u>Disney</u>, Paramount, Universal and 20th Century Fox.

The panel made no finding that implied it was illegal for China to review foreign goods for objectionable content. But it said China's methods were invariably breaking the rules, with the W.T.O. backing the United States on almost every major point.