

[The Power Broker Chang-bae Ji] Meteoric Rise as Disney+'s Gatekeeper... Then a Plunge Amid Scandal (*DealSitePlus*, February 24, 2026)

Reporter Lee Seul-yi | February 24, 2026, 16:03



In 2021, global content giant Disney formally launched its online streaming service Disney+ in Korea. Disney's arrival rattled incumbent competitors such as Netflix, while production companies scrambled to seize new opportunities. Operating nimbly beneath the surface of this competition was Arc Media (now Sine & Studio), a fledgling production company.

Acquired by Chang-bae Ji, CEO of private equity firm One Asia Partners, the content producer defied industry expectations by securing an exclusive position during the early stages of Disney's entry into Korea and swiftly dominating the market. Yet behind its rapid ascent were business arrangements that would be highly unusual under normal circumstances. The aftershocks would eventually unsettle even CJ ENM, the country's largest content company.

◆ Absence of a Verification System at Disney

Arc Media's explosive growth coincided with Disney's push into the Korean market. At the time, Disney was aggressively pursuing Korean content (K-content) but lacked a deep understanding of the domestic production ecosystem. Critics noted that Disney had insufficient internal systems and personnel to properly assess production capabilities or determine appropriate budgets.

Chang-bae Ji appears to have capitalized on precisely this vulnerability. Leveraging his high-level Chinese political connections, he reportedly presented Disney with an unconventional proposal: Arc Media would comprehensively manage content sourcing and production budget oversight tailored to the Korean market. Disney, it is said, placed significant weight on Ji's expansive China network and accepted the proposal.

Arc Media's operating model resembled that of a financial intermediary. Utilizing capital from One Asia funds, it advanced production costs to smaller studios in a pre-production investment structure. The company would later recoup the funds upon reimbursement from Disney.

For cash-strapped mid-sized and smaller production houses, Arc Media's offer was difficult to refuse, as it provided immediate liquidity to commence filming. Disney, for its part, opted for the convenience of dealing with a single gatekeeper rather than directly managing multiple production partners.

However, in the process, Arc Media evolved from a mere intermediary into a dominant power broker. It exerted significant influence over budget allocations and programming decisions alike. Some critics argued that Arc effectively seized control of the content market's order.

An industry insider remarked, “At the time, it was widely understood that without going through Arc Media, securing a Disney Original slot was virtually impossible. Relationships with Arc took precedence over the merits of the project itself.”

Exclusive power, when unchecked, can easily morph into abuse. Arc Media faced allegations that it invoiced Disney for inflated production costs exceeding actual expenditures. Whistleblower complaints also surfaced, alleging rebate schemes in which excess margins were shared with subcontracted production companies.

The controversy spilled over to CJ ENM, Korea’s largest content conglomerate. Around 2023, CJ ENM deployed a group-wide audit targeting subsidiaries involved in Disney+ projects. CJ ENM’s portfolio includes Studio Dragon, CJ ENM Studios, and Fifth Season.

According to reports, CJ’s audit team closely scrutinized transaction records involving Arc Media. The investigation allegedly uncovered indications of production fund misappropriation and rebate arrangements at certain production companies. CJ subsequently implemented personnel actions within its subsidiaries and reportedly removed a senior executive who had overseen the relevant projects.

◆ Ultimately, Disney Also Severed Ties

After gaining sufficient familiarity with the Korean market through major titles such as *Casino* and *Moving*, Disney headquarters ultimately took action. Disney Korea restructured its content division and altered the exclusive programming channel it had maintained with Arc Media. Instead, Disney increased the proportion of direct contracts with production companies and strengthened its budget verification processes.

As Disney scaled back the partnership that Arc had relied upon, Arc Media’s performance deteriorated. Revenue, which had surpassed ₩100 billion in 2022, declined to ₩71.1 billion in 2023. The company recorded an operating loss of ₩15.6 billion that year, marking a reversal into the red.

To make matters worse, owner Chang-bae Ji became embroiled in separate legal proceedings, further destabilizing the company. When Ji received a partial guilty verdict in the related trial, Arc Media’s standing weakened further. Critics argued that the production house had functioned less as a creative enterprise and more as a vehicle for financial maneuvering.

The general partner (GP) of the Korea Growth No. 1 fund—the largest shareholder of Arc Media—was replaced at the end of last year, shifting from One Asia Partners to Factum Private Equity (PE).