

# **Transformation Charter finally signed**



24 Nov 2005

The Advertising, marketing and communications industry Transformation Charter was signed by all the organisations party to it, setting in motion an intense process to speed up transformation in the industry: this sector should have begun already to meet targets for 2006 and 2009. It has until 2014 to be fully transformed in line with current Black Economic Empowerment policy.

The ceremonial signing saw 12 marketing, advertising and communications bodies, including GCIS (Government Communications) put together their signatures to symbolize their commitment to the transformation of the industry in Johannesburg yesterday, Thursday, 24 November:

1. ACA: Nkwenkwe Nkomo

2. AMF: Gordon Muller & Paul Middleton

3. ASA: Dr Danisa Baloyi4. Café: Kagiso Musi

5. Design SA: Madoda Dlamini

6. GCIS: Joel Netshitenze

7. Mapp-Seta: Dikeledi Mosala8. Out of Home SA: Les Holley

9. PRISA: Merle O'Brien

10. RITAG: Vusi Makhathini11. SAARF: Francois Loubser

12. THINK: Tebogo Serobatse

The official signing of the marketing, advertising and communications (MAC) transformation charter was hosted by the MAC transformation steering committee chairperson Dr Danisa Baloyi, with Minister of the Presidency, Dr Essop Pahad as the keynote speaker.

The Preamble to the Charter, read out by FCB's Nkwenkwe Nkomo and a leader in the process says it all: "We, members of the broader marketing, advertising, public relations, communication and research industry as well as related sectors, recognise the critical role our industry, fulfils in South Africa. We are mindful of the impact our industry has on millions of our people across all walks of South African life, therefore we accept the responsibility consequent thereto. We further acknowledge that marketing and advertising communication is the livewire of a free market-based economy. It is an intrusive form of communication to which over 40 million South Africans are subjected every day of their lives. For such a small industry, its power to influence South Africans is disproportionate to its size, hence the need to make it a truly South African industry is imperative."

## A long process

"In the early 1990s as we set about formulating a programme for the reconstruction and development of our country, we knew that we were embarking on a total transformation that would touch every aspect of life in South Africa. But the paths we would go down and the detail of what we would create, as well as the time it would take, were not known to us. And that was precisely because what we did know is that transformation of any sector of the economy or society - real and lasting transformation - would require collective and creative action by many structures, formations and individuals," said Minister Pahad.

In thanking everyone involved in the industry who drove this, the parliamentary portfolio committee for communications, the monitoring and steering committee, and so on, Pahad also paid special tribute to industry guru's and specialist editors, Chris Moerdyk and John Farquhar, who started the debate about racism in the industry which led to the parliamentary hearings - and were marginalized by the industry for their brave stance at the time.

Continued Pahad: "I would commend those giving collective leadership to the process that they slowed down when they had to, rather than sacrifice the imperative of a comprehensive consensus... a People's Contract for the industry.

"In this regard, I would also say to those who have still to commit themselves and who are not signing today, that as government, we feel confident that they will come to the same conclusion as those who have already made the decision. We are confident that they will recognize that it is in their interest and the interests of their industry as well as the interests of our emerging South African society, that their voice and energies should be added to the driving force behind the goals of transformation," Pahad encouraged.

### Transformation, freedom and nation-building

Pahad said Government was proud to have facilitated. "Looking back, it is clear that a decisive moment was government's adoption of the Broad-Based Black Economic Empowerment policy and strategy - at a critical point it provided a national framework that made it possible to overcome the hesitations."

He continued: "What all this tells us is that progress towards transformation of the advertising, marketing and communications industry is not only the expression of an industry identifying with the aspirations of the people of South Africa as a whole. It is in a very real and practical sense itself, one of the fruits of democracy, made possible by liberation, by a democratically elected national assembly and democratic government, as well as a society resolved to realize its aspiration for a better life for all."

The Charter is a culmination of a process that was initiated in 2001, when parliament initiated hearings on the state of the advertising industry. At the hearings, the industry committed to achieving 40% Black representation and since then, a consultative process between government and the broader industry intended to implement a mutually agreeable process of transformation in the industry has been unfolding.

The Marketing, Advertising and Communications Charter is a shared vision of the MAC industry and its scorecard will promote change in the industry in line with the Broad-Based Black Economic Empowerment Act and Strategy and the Codes of Good Practice.

The Association for Communications and Advertising (ACA) said it had already made progress in some of the key indicators in the scorecard, with more than 70% of ACA members having achieved over 20% Black ownership. Hence it has chosen to set earlier deadlines for its members than those of other sectors.

Says Nkwenkwe Nkomo, of the ACA: "We are pleased that the journey we embarked upon when we first signed the ACA Charter has produced results. This is the outcome of a consultative process that would not have been possible without the input of the broader industry and government. We are proud to have reached a mutually agreeable scorecard that will promote real change in our industry."

When the Charter and Scorecard were presented to Government in July 2005 for comment, Dr Danisa Baloyi, Chairperson

of the Monitoring and Steering Committee for the Transformation of the Marketing and Advertising Industries, explained that the parliamentary portfolio committee was briefed on 12 July 2005 and a final draft of the BEE Transformation Charter and Scorecard for the industry presented. "We needed to give an indication of where we came from when they gave us a hiding in parliament (the parliamentary hearings in 2001 into racism in the industry), and as to where we are now... they were surprised at the ground we have covered... and the number of organisations and stakeholders on board."

#### Next step

Dr Baloyi said it was very important for this industry to transform, given the images that influenced what people think daily, generated by this industry: marketing and advertising - the broader communications industry.

The next steps are:

- The Transformation Charter and Scorecard for the marketing, advertising and communication industry has been accepted by all stakeholders.
- By 2008 the soon-to-be established Charter Council (to be appointed by the Department of Trade and Industry which is overseeing the BEE Charter process) will investigate how the industry measures up to the Transformation Charter and Scorecard.
- By 2014 the industry should have concluded transformation efforts.
- The Charter Council will be able to look at all these targets and make necessary shifts as it may be deemed necessary, in consultation with the industry in a continuous review process over the next three to nine years.

Also signatories to the Charter were organisations within the industry, a so-called 'Advocacy Group':

"We, the undersigned, also identify with the Marketing, Advertising and Communication Charter and pledge to advocate, promote and support the transformation goals and targets contained therein."

- 1. Commercial Producers Association
- 2. Hilltop Sound
- 3. Radio Today
- 4. National Association of Broadcasters
- 5. Sonovision

Concluded Pahad: "The occasion speaks to the mood that is abroad in our nation, with levels of confidence and a sense of emerging nationhood not seen since the heady moments of democratic transition, a mood which is increasingly reflected in the creative vigour of your industry. This milestone of unity, this mood and this creative vigour can only help equip us to speak a common message when the attention of the world is drawn to our continent by the prospect of the 2010 World Cup."

#### ABOUT LOUISE MARSLAND

Louise Burgers (previously Marsland) is Founder/Content Director: SOURCE Content Marketing Agency. Louise is a Writer, Publisher, Editor, Content Strategist, Content/Media Trainer. She has written about consumer trends, brands, branding, media, marketing and the advertising communications industry in SA and across Africa, for over 20 years, notably, as previous Africa Editor: Bizcommunity.com, Editor: Bizcommunity Media/Marketing SA; Editor-in-Önief: AdVantage magazine; Editor: Marketing Mx magazine; Editor: Progressive Retailing magazine; Editor: BusinessBrief magazine; Editor: FMCG Files newsletter. Web: www.sourceagency.co.za. 

"Teaching trade: the importance of empowering the female entrepreneur - 17 Dec 2019

New monetisation models for media are needed - 16 Dec 2019

#AfricaCom: The many VOD markets - 25 Nov 2019

#AfricaCom TV content future will be shaped by OTT - 20 Nov 2019

Africa's growth rests on economic empowerment of women - 1 Nov 2019

View my profile and articles...