


Lucrative SABC account awarded

 The SABC announced Thursday, 25 August, which agencies were successful in bidding for its account one of the most valuable in South Africa - amidst a change in the tender process to ensure empowerment criteria were met. The successful agencies who all have a piece of the action, are: Y&R South Africa; Network Naledi BBDO; FCB Southern African Holdings; Herdbuoys McCann-Erikson; Tequila Johannesburg; The Media Shop; and Espial-Go-To-Market. The selection process was, according to the SABC, one of the most rigid ever employed to date.



For the past three-year period, the SABC had contracted two Creative Agencies for above-the-line advertising, and one for below-the-line advertising, a Media Buying Agency, and a Design Company. In line with the operational requirements of the SABC, together with the commitment to promote BEE, the SABC decided to increase the number of Agencies and suppliers to work with the Corporation.

As a result, the SABC embarked on a full tender process for through-the-line creative advertising for both the PBS and PC portfolios, and for the Corporate and Transversal brands; for below-the-line advertising for Radio and Television Sales, for a Design company to deal with Corporate identity, and for a Media Buying and Strategy Agency. Also, a list of preferred suppliers for Event and Brand activation was compiled.

According to a statement issued by Mark Jakins, Chief Executive: Commercial Enterprises, SABC, the Agencies and Companies selected are:

- Through-the-line Corporate and Transversal Brands: Y&R South Africa
- Through-the-line Public Commercial Services: Network Naledi BBDO
- Through-the-line Public Broadcasting Services (Television): FCB Southern African Holdings
- Through-the-line Public Broadcasting Services (Radio): Herdbuoys McCann-Erikson
- Below-the-line Sales (Television): Tequila Johannesburg Advertising
- Below-the-line Sales (Radio): FCB Southern African Holdings
- Media Strategy, Planning and Buying: The MediaShop
- Brand Design: Espial-Go-To-Market

In addition, the SABC called for tenders for Brand activation and below-the-line activities, for an unlimited number of preferred suppliers. A large number of SMME applicants throughout the country were successful. The criteria included Black equity ownership of at least 45%, and a basic tax clearance certificate. The SABC expects a large proportion of its marketing budgets to be channeled through these companies as it embarks on activities such as promotions, events, conferences and exhibitions.

Strict tender process

The SABC brought on board two highly reputable consulting firms to ensure the fairness, professionalism, and integrity of the process: Tedaka Business Consulting, a wholly Black owned procurement specialist consultancy; and The Yardstick, a Media and Marketing firm specialising in Agency and Client remuneration, and performance management systems.

In accordance with best practice, the criteria for the first phase of the tender included three basic sections: BEE, functional expertise, and financial stability. In the process, the SABC fulfilled its obligations in terms of the broad based Black Economic Empowerment Act. Incorporated were Black equity ownership, senior management, authorisation levels, employment equity, targets for the future, females, disabled, skills development, preferential procurement, and CSI. No other agency pitch in South Africa has employed such extensive and rigid criteria.

Functional expertise was added to demonstrate a reputable track record, including regional capacity, competence in all the

advertising disciplines, use of all the South African languages, experience in "Bretail" (retail advertising - incorporating programme and talent promotion to increase audiences) - and industry creative excellence.

Financial criteria included demonstration of stability and service levels, and proof that the applicant was a reputable, going concern.

Following this, short listed Agencies were given an assignment applicable to the portfolio, and these pitches were presented to three of the SABC executive members, supported by subject matter experts from the various disciplines within the SABC. These pitch presentations were conducted at a neutral venue, and the agencies were evaluated on strategy, creative, concepts presented, cultural fit, and overall solution.

This extensive and thorough process has now been completed, and the Board of the SABC has approved the list of preferred agencies and one design company, subject to final negotiations, contracting terms and BEE formal accreditation.

This process will be reviewed and updated annually to encourage more Black empowered SMME's to work for the SABC's Marketing divisions.

The agencies comment...

FCB South Africa, the country's largest and oldest agency, is one of the biggest winners and the only agency to be awarded two pieces of the corporation's business. Commenting on the agency's appointment on two high profile and important areas of the SABC's business, FCB Johannesburg chairman, Klasie Wessels, said everyone at its Sandton campus was 'upbeat' about the win and looking forward to knuckling down to work. "This was one of the most exhausting pitches the agency has been involved in for a number of years," he admitted. "And I take my hat off to those who led the pitch team and ensured our submissions were both professional and timely. Of course, a pitch of this size impacts everyone in the agency, even ones as large as FCB South Africa. Everyone at FCB Johannesburg and FCB Impact 361° rose to the occasion to support the pitch team, and I'm really proud of them."

In a three-way pitch against Switch (the incumbent) and Herdbouys-McCann, *Espial* has been appointed as the SABC Brand Design Agency for the next three years. Rupert England, Executive Creative Director of *Espial*, commented: "We are extremely proud to be associated with the public broadcaster and look forward to a successful partnership - both with the SABC and the other successful agencies." Speech Nkosi, Creative Director of *Espial*, agrees: "We love you SABC!" This success follows a string of new business wins for *Espial* including Coca-Cola's Style My Coke project, Metrobus, PVM, Prism, General Motors, Palau, Kensani Capital and the Department of Labour.

Nevertheless, *Herdbouys-McCann* did retain a piece of the action, gaining the SABC PBS Radio business. "We are very excited and pleased with the awarding of SABC PBS Radio to HerdBuoys. It was the significant piece of SABC business that we pitched for so that we could focus single-mindedly on doing a superb job and that has certainly paid dividends. We look forward to a really rewarding relationship with SABC and we can't wait to get started. We would also like to congratulate the SABC team for conducting a totally professional and thorough pitch process," said Ann Muthuma, Managing Director, HerdBuoys McCann Erickson.

Net#work BBDO will be working on through-the-line public commercial services and this "demonstrates the stability and dynamics of the relationship that we have with the SABC and their recognition of our commitment to working on 'awesome brands'", believes Boniswa Pezisa, deputy managing director at Net#work BBDO. "We have been doing the creative for SABC brands since 1998. Managing to retain this account since then is a real vote of confidence and tells us we must be doing something right," says Net#work BBDO managing director Abdulla Miya in turn, on the SABC's announcement of the tender process winners.

An ecstatic Harry Herber, Group Managing Director of *The MediaShop*, said being appointed to handle SABC's media business is a milestone for the MediaShop. "The SABC is the most prestigious account a media agency can win. As the biggest media owner in the country, they have vast audiences, and shape the opinions of consumers and marketers alike. If we hadn't retained the business, there would have been a huge downside for us, so we threw all our resources at the final product we presented. We sent staff overseas to get cutting-edge information, and called in favours and help from our many international, and local, contacts. A "hit-team" of over a dozen strategists colluded and fought, agreed and disagreed, before

concurring and constructing the final 2-hour presentation. Honestly I think over 1000 hours went into the work that manifested itself into the final pitch. The MediaShop's philosophy and attitude of 'Open 24 hours. No problem!' kicked in big time on this pitch and, well, the proof of the pudding ..."

TEQUILA \Johannesburg walked away with the much coveted direct advertising account of SABC TV Sales. This announcement means that *TEQUILA * continues to play an important role as part of the highly successful SABC TV Sales marketing team for the next three years. The unprecedented results shown by the corporation (largest profits in 70 years), are in a large part due to the television airtime sales division, which accounts for R1.92 billion in television advertising and sponsorship sales. "It is really exciting to be part of such an incredible success story," says Val Bourdos, Managing Director of *TEQUILA *. Commenting on the enthusiasm and commitment of the whole *TEQUILA * team, she continues: "Our contribution as part of the SABC TV Sales team is understanding the needs of our client and developing creative ideas that generate sales."

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