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# ASA in crisis - seeks industry support at AGM next week

The crisis surrounding the Advertising Standards Authority (ASA) has deepened since it was placed in business rescue last year and its supporters are calling on the industry to attend the AGM and 'Save the ASA' event on Tuesday 25 April 2017 at the SAB 'World Of Beer' 15 President Street Newtown Johannesburg.

Failing a bailout by the advertising industry, the ASA will be liquidated by the end of April 2017, following the business rescue meeting held last week. Short-term funding could keep it in business while a turnaround strategy is implemented. In partnership with the business rescue team, the ASA has identified ways in which it can improve and better serve the evolving advertising industry in future.

#### Special AGM to discuss ASA's future

At this special AGM, convened by the business rescue practitioners, a number of resolutions will be tabled, giving effect to a new management team and board, a leaner organisational structure, a long-term funding model and a streamlined adjudication process.

Key speakers outline the state of play of self-regulation of commercial speech in South Africa and why the industry cannot let this role be assumed by government. These will include:

- Judge Bernard Ngoepe tax ombudsman and chairman of the ASA Final Appeal Committee
- Nkwenkwe Nkomo chairman of the ASA
- Sechaba Motsieloa representing the Marketing Association of South Africa [MA(SA)]
- Odette van der Haar CEO of the Association for Communication and Advertising [ACA]
- Andrew Allison Head of IAB SA Regulatory Affairs Council [IAB SA]
- A representative of the National Association of Broadcasters [NAB]



Andrew Allison - Head of IAB SA Regulatory Affairs Council

Allison, who is also COO of the Red & Yellow advertising school, and a director of WPP-owned digital agency Mirum and creative agency NotNorm, states, "Losing the ASA would be a sad day for not only the advertising industry but more importantly for proponents of industry self-regulation in any form in South Africa. The ASA is an institution that was established by the advertising industry, belongs to the advertising industry, and has faithfully served the advertising industry for over 50 years. It has provided consumers and competitors alike with a means of resolving complaints and disputes relating to unethical and irresponsible advertising, and has fiercely championed advertising excellence, morality and fairness.

"It has certainly had its issues in recent years, but these are already in the process of being resolved. The IAB believes that the ASA is worth saving, and that a South African advertising industry that continues to regulate itself is far better than one which does not."

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ASA: From guard dog to lame duck? Leigh Andrews 1 Nov2016 enormous wealth of decisions and precedents which flesh it out and give it life. Without the ASA, the industry would stand to lose all of this, and would need to start again and look to the courts or arbitration as a means of settling disputes that cannot be solved amicably. This would, without question, be more expensive, take much longer, and would not be backed by the code and the precedents that support it.

#### No home for consumer complaints

Elizabeth de Stadler, consumer rights expert, adds, "ASA is a vital cog in the consumer protection machine. It has been protecting consumers against unethical marketers for 50 years. Losing its protection and all that knowledge would be a tragedy for the industry and for all consumers."

"It is also by no means certain what will happen to consumer complaints if the ASA is gone. The industry would also be losing the moral compass that has served it, and which has evolved with it and the needs of South African consumers, since the 1960s. Without the ASA, consumers' only means of redress would be to lodge complaints with

the National Consumer Commission (NCC), which is already overloaded and

backlogged with complaints. Further to this, the NCC is actively looking to collaborate with accredited ombuds across different industries to manage the caseload and to ensure that the Consumer Protection Act is effectively enforced across the economy generally.

"The ASA is in the process of applying for accreditation of the Advertising Code of Practice. This would allow it to function as the recognised ombud for the advertising industry. If the ASA were to be liquidated, this process would cease. Consumer rights in South Africa would be dealt a crippling blow as a result.'

Questions and funding commitments can be communicated directly to Andrew Allison (<u>andrew.allison@redandyellow.co.za</u>), or to Mike Gendel at the ASA (<u>mike@gendel.com</u>). to book for the AGM, email <u>dorothy@gendel.com</u>.

### **Further reading**

- Advertising Standards Authority placed into business rescue
- IAB SA to join Advertising Standards Authority of South Africa as core member
- ASA: From guard dog to lame duck?

For more, visit: https://www.bizcommunity.com



Bizabeth de Stadler, consumer rights expert