

SABC strengthens relations with TV industry coalition

In a statement issued today, Friday 9 April 2009, the SABC has assured the television industry that it will meet its contractual obligations for the year. The statement was apparently prompted by the industry expressing its concerns regarding the public broadcaster's financial situation and its possible impact on the industry.



The SABC has met with industry representatives to reiterate its position that it is not bankrupt but merely facing a short-term cash-flow problem. The representative body calling itself the Television Industry Coalition comprises the South African Screen Federation (SASFED), Independent Producers Organisation (IPO), Black Filmmakers Network (BFN) and The Producers Alliance (TPA), and non-aligned producers. Members also include equipment suppliers and facilities representing many of South Africa's most popular shows.

The coalition, driven by concerns from its members reporting on outstanding and missed payments, sought assurance from the SABC that it intended to honour its financial obligations and consult with the independent production sector regarding its proposed turn around strategy.

The broadcaster's acting GCEO, Gab Mampone, emphasised the fact that the situation that the organization finds itself in is symptomatic of the global economic situation. Being reliant on the advertising revenue has meant that the SABC could no longer expect to receive the kind of revenue it had initially projected.

"The SABC had projected revenue of 14% but given the current market condition that can no longer be possible" said Mampone. He also noted, in particular, the decline of revenue from the FMCG market.

He said the credit crisis has also resulted in major studios changing terms of trade [such as] increasing the upfront payments on content rights.

All these things coming together at once have resulted in the cash flow crisis in which the organization currently finds itself, Mampone said.

Transparency

The SABC agreed to transparency and consultation with the Industry of its plans going forward to ensure that it manages the situation.

Chairperson of the SABC Board, Kanyisiwe Mkonza, acknowledged the challenges currently being faced by the organisation but assured the industry that the public broadcaster believes the health of the local production industry and that of the SABC is clearly intertwined and views the independent industry as a key stakeholder. Mkonza expressed her wish for constant engagement between SABC and the industry and her commitment to locally produced content.

The coalition welcomed her comments and agreed to a formal meeting with the board with a view to providing mutual insights on the challenges facing the sustainability of the independent sector and the SABC.

The SABC reconfirmed the importance of the Operations Task Team and Intellectual Property Management (IPM) committees which were instituted three years ago. These committees, according to the statement, will be “reignited” and scheduled into the SABC annual calendar. The mandate of these committees has been extended to meet the current and future challenges which include sustainability and advocacy, but the immediate focus will be to resolve any outstanding payments.

Undertaking to ‘work together’ to find solutions

The industry acknowledged the SABC budget constraints and agreed to work together in finding common solutions regarding the SABC's funding model and the industries growth and sustainability.

Overall, there was a common understanding that both the SABC and industry share a common destiny and that both parties seek a relationship that is based on a sustainable mutually beneficial partnership.

‘The meeting has cleared things up and we look forward to a relationship of mutual trust between us and the SABC. The coalition has people that we are accountable to and we are happy to be able to report back to them from this meeting that the SABC is committed to deliver on their commitments,’ said Rehad Desai, spokesperson for the coalition.

In a quest for broadcasting for total citizen empowerment and to deliver on our public value, both parties have agreed to constantly engage each other and strive to build a lasting partnership which can assist in developing a comprehensive turn around strategy.

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