

Independent to cut staff?

Independent News & Media SA chair Iqbal Survé has told staff that the company's latest financial statements "make for sober" reading and retrenchments could not be ruled out.



Dr Iqbal Survé (January) - "There will be no large-scale retrenchments. Dr Iqbal Survé (March) - "Retrenchments cannot be ruled out..." (Image courtesy The Media Online)

Dr Survé said this in a letter circulated to staff and dated March 18. Independent News & Media SA (INMSA) is the country's largest publisher of English-language titles such as The Cape Times, The Star and The Mercury.

The Sekunjalo Independent Media consortium led by Dr Survé bought the company from its Irish parent, Independent News & Media in August for R2bn.

The Public Investment Corporation, which also owns 19.5% of Times Media Group, paid R500m for a 25% stake in INMSA, and a consortium of Chinese companies owns 20%.

The tone of the March letter was far less upbeat than Dr Survé's January correspondence to staff that retrenchments were a thing of the past. His March letter stated: "The last quarter results have been sobering and a setback ... I have asked managers to develop solutions to affect a turnaround.

"Retrenchments cannot be ruled out unless we affect dramatic change in the organisation. That said, I shared with all managers and leaders recently that I am averse to this measure and require that we all work together creatively to avoid this."

In his January letter, Dr Survé said: "There will be no large-scale retrenchments. None. Only bad performance will result in

someone being asked to go. The days of cost cutting are behind us. The days of cost efficiencies, growth and development is part of our new lexicon."

Editorial 'a kind of soap opera'

Media analyst Chris Moerdyk said all newspapers were under pressure. "However, INMSA has added pressure from the controversy it has generated since Dr Survé bought it. Along with many other South Africans I celebrated the fact that INMSA was coming back from the control of the Irish robber barons, but the homecoming has descended into a farce," he said.

Moerdyk said the pressure appeared to have filtered through to its editorial "which is becoming a kind of soap opera".

Despite several requests for comment on the letters, none was received from INMSA or Dr Survé.

On Tuesday INMSA announced that Donwald Pressly, Cape Town bureau chief of its Business Report title, [had been dismissed](#) for not disclosing to its editor that he had applied to be a Democratic Alliance MP. Pressly said his application was like anyone's applying for a job and he was not involved at the time in active politics. Pressly is reported to be appealing against his dismissal.

Source: Business Day, via I-Net Bridge

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