

Kagiso Media aims to grow Africa partnerships

Kagiso Media, which is facing increased competition in its core business in SA, is seeking new partnerships in Africa to take advantage of the growing demand for content, both digital and in broadcasting.



Kagiso Media's core assets are in TV production and radio stations, where competition is intensifying with Times Media Group and MSG Africa Investment aggressively moving into that space as they take Kagiso Media head on.

Kagiso Media owns Jacaranda FM, East Coast Radio and other regional stations in the Free State and Western Cape. It also owns Urban Brew, a production company that produces TV shows for pay-TV and free-to-air broadcasters.

Privately owned MSG was recently awarded two regional radio licences in Eastern Cape and the Free State.

Times Media recently announced the acquisition of majority stakes in KwaZulu-Natal-based Vuma FM and Mpumalanga-based MPower FM.

Renewed interest in radio

The renewed interest in radio comes after the Independent Communications Authority of SA (Icasa) opened the market for more competition through issuing regional commercial radio licences.

"We welcome competition. Radio is a good medium that reaches a wider audience," says Kagiso Media's CEO Mark Harris. But he believes brands will go where there is a large audience.

Harris, who has been at the helm for six months, said Kagiso Media would evaluate opportunities in TV, radio, digital through its Howzit MSN platform. MSN was established in a partnership with Microsoft in 2010 to manage and localise the MSN website portal in SA. MSN has now also been launched in Nigeria and Kenya. The key focus will be on providing local content.

Looking at less mature markets

Kagiso Media is already doing production work with partners in some French-speaking countries on the continent. It has some presence in Ghana, through partnerships.

"We will look at markets that are less mature (in our areas of focus), for example Zimbabwe and Angola," he said.

The aim is to understand the market and form partnerships with the locals, Harris said.

Last September, Times Media acquired a 32.26% stake in Ghanaian broadcaster Multimedia.

In SA, Kagiso Media is awaiting the outcome of a pay-TV licence application that it has made to Icasa along with four other companies. It has also requested for a channel on the digital terrestrial TV platform.

"In pay-TV, without having a licence you don't get a place at a table. We can't just be a service provider," he said.

TV environment is changing

The TV environment is changing as there are different platforms competing with traditional broadcasting. Video on demand is expected to make inroads in SA as firms such as Telkom are looking at that service. Video on demand and a 24-hour news channel is on the radar for Kagiso Media.

With regards to the 24-hour news channel, Harris said while a decision had not been made, the company was weighing options and "looking at how it (the channel) fits in with our partners".

Source: Business Day via I-Net Bridge

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