



SA YEARBOOK 2007/08 | COMMUNICATIONS



The aim of the Department of Communications is to develop information communications technology (ICT) policies and legislation that stimulate and improve the sustainable economic development of South Africa.

The department also oversees state-owned entities, such as the South African Broadcasting Corporation (SABC) and the Independent Communications Authority of South Africa (Icasa).

South Africa is committed to the global vision of building an information society, and gathered with the rest of the world in November 2005, in Tunis, Tunisia, to reaffirm its support for the Geneva Declaration of Principles and Plan of Action.

Telecommunications

South Africa is a leader in ICT development in Africa, and the 20th-largest consumer of information technology (IT) products and services in the world.

The country has a network that is 99% digital and includes the latest in fixed-line, wireless and satellite communications. As such, it has the most developed telecommunications network on the continent.

Several international corporates, recognised as leaders in the IT sector, operate subsidiaries from South Africa.

South Africa's ICT and electronics sectors are expected to continue strong growth in the future.

Policy

The Department of Communications' mandate is to create a favourable environment, ensuring that South Africa has the capacity to advance its socio-economic development goals and support the renewal of Africa and the building of a better world. This mandate puts the department at the forefront of government initiatives to bridge the digital divide and provide universal access to ICTs for all South Africans.

The core functions of the department are to:

- evaluate the economic, social and political effects of implementing relevant policies
- exercise oversight of state-owned enterprises (SOEs)
- fulfil South Africa's continental and international responsibilities in the ICT field.

The department's strategic direction is based on five key focus areas:


- achieving higher rates of investment in the economy
- increasing the competitiveness of the South African economy

- broadening participation in the economy
- improving the State's capacity to deliver
- contributing to creating a better world.

In February 2007, Cabinet approved the National Information Society and Development (ISAD) Plan. According to the ISAD Plan, different departments will initiate programmes according to their mandate. The Department of Communications will launch a programme that supports a strategy and plan to bring initiatives that contribute to building an information society in South Africa under one banner - *ICT for All*.

The department has identified the following strategic objectives to achieve its mandate:

- **Broadband Strategy:** Pivotal to achieving the aims of the department is the availability of a reliable, cost-effective and easily accessible ICT broadband infrastructure. To this end, the department participated in the New Partnership for Africa's Development (Nepad) ICT Broadband Infrastructure Network for Africa, which includes the Eastern Africa Submarine Cable System (EASSy) project. The EASSy cable will link South Africa to Sudan, and provide for landing stations in countries along the coast of eastern Africa. The cable will be connected to adjacent landlocked countries through terrestrial fibre optic links. The EASSy cable will be 9 900 km long with an expected lifespan of 25 years. In July 2007, government announced that it would be building a West Coast marine cable to link South Africa to Europe, and another cable to the Americas.
- **Broadcasting Digital Migration Strategy:** South Africa has been actively participating in the radio-communications sector activities of the International Telecommunications Union (ITU), as per the World Summit on Information Society. In particular, it has advanced the process of migrating from analogue to digital broadcasting. The Cabinet announced that the first terrestrial digital signal would be switched on on 1 November 2008, and the analogue signal switched off on the same date in 2011, giving the country a dual illumination period of three years.
- **Universal Service and Access Policy and Strategy:** The Universal Service and Access Agency of South Africa (Usaasa) was established in terms of



Section 58 of the Telecommunications Act 1996 (Act 103 of 1996). The agency promotes universal service and access to ICTs and services for all South Africans. It also facilitates and offers guidance in evaluating, monitoring and implementing schemes, to improve universal access and service. In addition, it is involved in setting up telecentres, which provide ICT services, especially in rural areas, on a cost-recovery basis.

The agency manages the Universal Service Fund. The fund, with monies appropriated by Parliament, is used to provide infrastructure for the universal service-area licensees (USALs). It also provides telecentres and school cyberlabs (computer laboratories) with ICT equipment, which enables access to the Internet and multimedia services.

- Department of Communications 2010 Strategy: In relation to the 2010 FIFA World Cup™, South Africa will be one of the few countries where every game will be shown using DVB-H technology. South Africa, with Finland, Germany, Italy and France, are all in the trial stage of this cutting-edge technology, which has yet to be commercially launched anywhere in the world.
- Stakeholder Management Policy Framework: The strategy facilitates the attainment of the department's vision and its strategic objectives. This strategy has been developed to enhance economic growth and employment creation. It is based on a review of best practices locally and globally and the involvement of stakeholders in the work of the Department of Communications to improve service delivery.
- E-Cadre Strategy: In terms of the E-Cadre Strategy, the South African Post Office (Sapo) launched an e-cadre pilot programme that aims to use IT graduates as volunteers in educating the public, and where necessary, Sapo staff, on the use of these technologies, particularly in Sapo outlets.
- Spectrum Management Policy: According to the Broadband Digital Migration Strategy, government will prioritise the introduction, development and licensing of both digital television and radio in the country. The current Icasa Spectrum Plan provides a commitment to adequate frequency allocations for digital television and radio transmissions. The Electronic Communications Act (ECA), 2005 (Act 36 of 2005), creates a technological neutral-licensing framework, and provides a range of licensable sector services that are related to broadcasting

digital migration. The strategy does not preclude the introduction of new licensed operators to provide novel and enhanced services. Therefore, government will initially focus on establishing two national frequency networks in relation to the ITU Regional Radiocommunication Conference (RRC) 06 Plan.

- ICT Black Economic Empowerment (BEE) Charter: In terms of the charter, several BEE and job-creation initiatives are planned by companies in the sector. These includes empowerment initiatives by Naspers and MultiChoice.
- Additional community radio stations: The department has paid for the signal-distribution cost on behalf of 14 community radio stations for four years. An additional five licensed community radio stations have been included in the four-year subsidy.
- National Emergency Communications Framework: By mid-2007, the department's pilot project on the national emergency number 112 was being implemented in the Western Cape. About 90% of the Western Cape emergency calls were routed via the centre to the relevant authorities. The 112 centre also forms part of the Western Cape disaster-management agenda. The department has completed a public-private partnership (PPP) feasibility study for a private entity to run the centre and establish a second 112 centre in Gauteng. The results of the final outcome of the PPP were expected to be announced in 2007/08.
- Active participation in the World Radio Communication Conference (WRCC): South Africa participates in international organisations such as the ITU, African Telecommunications Union, African Union, Universal Postal Union (UPU) and the Pan-African Postal Union. The WRCC is held every three to four years. One of the main focuses is to ensure the harmonised and effective use of the frequency spectrum. The next conference was to be held in October 2007.
- Nepad projects: The Department of Communications has placed itself as a strategic partner on the continent, taking part in various forums in support of the African Agenda. The department has an engagement model for strengthening relations with countries in the region. The department continues to be involved in various Nepad ICT projects, such as the E-Schools Project, as well as implementing policies aimed at building an Africa that is part of an inclusive global information society.

South Africa is participating in and co-initiating the Nepad-led effort to build an affordable broadband network. As part of this initiative, South Africa is working with 22 countries in southern and eastern Africa to build a terrestrial and submarine broadband network. The E-Africa Commission is leading the project, which involves 30 African companies.

With the Protocol on the Nepad ICT Broadband Infrastructure Network signed, the focus in the coming years will be to ensure that the continent reaps the benefits of an established broadband infrastructure. The purpose of the Nepad ICT programme is to accelerate the development of ICT infrastructure and skills. It is also intended to bridge the digital divide in Africa, and between Africa and the rest of the world.

Public entities and agencies reporting to the Minister of Communications

The following public entities and agencies report to the Minister of Communications. These include the following companies in which government has a major shareholding: Icasa, Sapo, Sentech, the SABC, the National Electronic Media Institute of South Africa (Nemisa), Usaasa, .za Domain Name Authority and Telkom South Africa Ltd.

Independent Communications Authority of South Africa

Icasa is responsible for regulating the telecommunications and broadcasting industries to ensure affordable services of a high quality for all South Africans.

Icasa also issues licences to telecommunications and broadcasting service-providers, enforces compliance with rules and regulations, protects consumers from unfair business practices and poor-quality services, decides on disputes and complaints brought against licensees, and controls and manages the frequency spectrum. In terms of Section 2(bA) of the Icasa Amendment Act, (Act 3 of 2006), Icasa now also regulates postal matters.

In complying with the ECA, 2005, Icasa has had to issue new regulations on commercial, public, community and subscription television and radio to guide licensing.

The Icasa Amendment Act, 2006 requires the authority to do research on all matters relating to

broadcasting and communications in order to perform its functions.

Over the Medium Term Expenditure Framework (MTEF) period, Icasa will focus on licensing new players in the telecommunications and broadcasting industry, including local access telecoms operators and community sound broadcasters in nodal areas, and the conversion of 70% of existing licences into new ECA, 2005-compliant licences by March 2008.

Universal Services and Access Agency of South Africa

Usaasa operates under the regulatory and policy framework enshrined in the Telecommunications Act, 1996, as amended in 2001, and the ministerial policy directions issued in the same year.

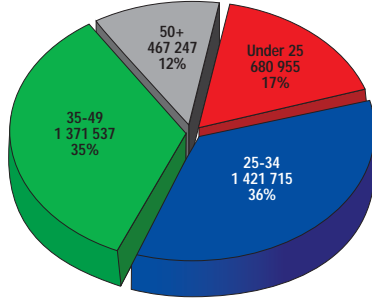
These mandate Usaasa to promote, facilitate and monitor the achievement of universal service and access in underserved areas. In addition, the agency is required to:

- manage the Universal Service and Access Fund and use it to implement the mandates as stipulated in the Act
- survey and evaluate the impact of the various initiatives undertaken by all stakeholders, and the extent to which universal service and access has been achieved
- create an enabling environment by stimulating public awareness of the benefits of ICT services and building capacity to access these services
- encourage, facilitate and offer guidance in respect of any scheme to provide universal access or universal service
- make the necessary interventions to enable underserved communities to access ICT services
- conduct research into and keep abreast of developments in telecommunications services and IT.

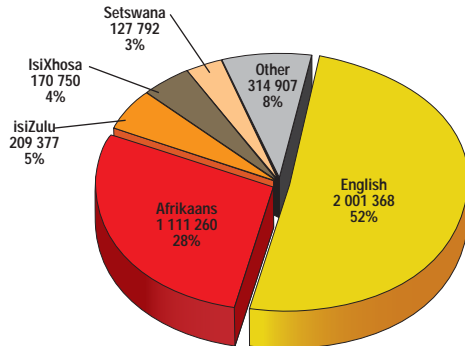
The subsidies to USALs contribute to the development of much-needed telecommunications infrastructure and business activity in the most marginalised parts of South Africa.

By mid-2007, seven USALs were receiving subsidies of R15 million each over three years, payable in annual instalments of R5 million.

Composition of South African Internet population by age and language



Source: Nielsen//NetRatings



Presidential National Commission on Information Society and Development (PNC on ISAD)

In an effort to establish a more systematic and consistent approach across different traditionally disparate areas of policy-making and implementation, the PNC on ISAD was formed in 2001.

The commission comprises government, industry and civil-society leaders. During its deliberations, important recommendations are made regarding the need for planning and foresight, co-ordination and integration, and evaluation and impact assessment in the building of the information society. The ISAD Plan and the institutional mechanisms followed from these recommendations.

A corresponding body is the Presidential International Advisory Council on ISAD.

Internet

South Africa's online audience has grown 121% over the past two years, as high broadband prices have slowly started to decrease. According to Internet market research company Nielsen//NetRatings, this type of growth has been seen across all markets as the Internet has taken hold and started moving away from being a niche activity, to become a mainstream form of media and an integral part of modern life.

In May 2007, some 3,9 million active unique browsers were registered in South Africa, representing a 121% increase on the number in May 2005. Page impressions grew by 129%, from 91 million in May 2005 to 207 million in May 2007.

In 2005, the monthly rental on a 512 kilobit/second fixed-line broadband Asymmetric Digital Subscriber Line cost about R600 per month. By May 2007, the line-rental price had dropped to R362 per month.

Men comprise the majority of Internet users, at 54% (2,15 million people) of the Internet population.

In age terms, the most dominant group is 25- to 34-year-olds. At 1,42 million users, this group accounts for 36% of the online population. This is closely followed by 35- to 49-year-olds who account for a further 35% (1,37 million people) of the Internet population in South Africa.

The majority of the Internet population speaks English and the vast majority of online content is English.

Telkom

Telkom has operated as a commercial company since October 1991 and has become the largest provider of communications services in Africa, based on operating revenue and assets. The Telkom Group comprises the fixed-line company Telkom and a 50% shareholding in mobile telecommunications operator Vodacom. It was listed on the JSE Limited and the New York Stock Exchange in March 2003.

Telkom's listing created meaningful value for BEE shareholders. Over 100 000 South African retail investors subscribed during Telkom's initial public offering, specifically targeted at historically disadvantaged individuals. In its first year as a listed company, the estimated value created for retail shareholders amounted to some R560 million.

In 2006/07, the Telkom Group posted strong financial results. It declared a higher ordinary annual dividend of 600 cents (c) per share and a special dividend of 500 c per share in June 2007. The group's operating revenue increased by 8,4% to R51,619 million.

The fixed-line business remains the major contributor to the group, with this segment contributing 63% (versus 37% from the mobile

sector) towards operating revenue, 68% (versus 32% from mobile) towards operating profit, and 72% (versus mobile 28%) towards profit attributable to equity holders after intersegmental eliminations.

Telkom has until 1 November 2011 to unbundle the local loop that links the national telecommunications network to individual homes and businesses.

Telkom Foundation

The Telkom Foundation, founded in 1998, enables Telkom to play an active role in South Africa's socio-economic development.

It focuses on:

- education and training
- empowering women, children and people with disabilities
- ICT planning and infrastructure roll-out.

Economic empowerment

Telkom demonstrated its commitment to delivering meaningful and real BEE to the majority of South Africa's people, by spending R8,8 billion on empowered or significantly empowered suppliers for the year ended 31 May 2007.

Training and development

Telkom spent R425,9 million on training and developing its employees for the year ended 31 March 2007.

Centres of excellence (CoEs)

This is a collaborative programme between Telkom, the telecommunications industry and the Department of Trade and Industry to promote postgraduate research in ICT and allied social sciences. It also provides facilities that encourage young scientists and engineers to pursue their interests in South Africa.

Launched in 1997, the programme improves local telecommunications and IT skills, yielding substantial benefits for the academic institutions involved. It has helped Telkom and its local technology partners to solve technical problems and cut costs.

Telkom's corporate partners are also reaping rewards, as the work undertaken at the CoEs is relevant to their areas of business.

By May 2007, there were 16 CoEs at tertiary institutions around the country.

Mobile communications

Over the years, South Africa has witnessed tremendous growth in the cellular phone industry. South Africa has four operators, namely Vodacom, MTN, Cell C and Virgin Mobile.

In July 2007, Telkom estimated the Sim card penetration of the cellular industry in South Africa at an estimated 89% of the population.

Cell C (Pty) Limited is wholly owned by 3C Telecommunications (Pty) Limited, which in turn is 60% owned by Oger; Telecom South Africa, a division of Saudi Oger; and 40% by CellSAF. It also brought in Verizon Communications, the biggest cellular operator in the United States of America (USA), as its operating partner.

In 2007, Cell C had six active roaming agreements in Namibia, Mozambique, Spain, the Ivory Coast, Mauritius and Swaziland, and had entered into roaming agreements with an additional 49 international operators.

Vodacom is a Pan-African cellular communications company, providing services to more than 28,2 million customers across its networks operating in South Africa, Tanzania, the Democratic Republic of Congo (DRC), Lesotho and Mozambique. Vodacom's shareholders are Telkom (50%) and the Vodafone Group (50%).

In February 2007, Vodacom deployed more than 90 000 community-service telephones to South Africa's underserved areas. Vodacom's community phone services have become invaluable sources of entrepreneurial activity for hundreds of community phone-shop operators.

Since its launch in 1994, the Community Phone Shop concept has expanded into that of communication centres in which budding entrepreneurs, job seekers and schoolchildren access essential business communication services, such as faxes, e-mails and the Internet, daily.

Vodacom has retained its leadership in a highly competitive South African communications market, with an estimated market share of 57%.

Vodacom increased its total customer base by 7,5% to 32,4 million in the quarter to June 2007. The company's revenue in its financial first quarter



In January 2007, a team of South African students won a silver medal at the annual SIMagine Awards in Barcelona, for developing Mobaraba, an online cellphone version of the traditional African board game, *Morabaraba*.

They were David Vannucci, Teddy Mwakabaga and Rolan Christian from the University of the Witwatersrand's School of Electrical and Information Engineering.

Cellphone users can play *Mobaraba* online by logging on to a game server and choosing between two gaming options. A quick game allows the user to be automatically matched up against another quick game player of a similar skill level, while organised games allow the user to send an invitation to a chosen opponent.

The online server maintains the results of all the players, as well as rankings and a record of each game.

rose 18,6%, while its total customers increased by 28,4% from the same period a year before.

MTN International offers cellular network access and associated services through its subsidiaries and joint ventures in Nigeria, Cameroon, Uganda, Rwanda and Swaziland.

MTN has also recorded a very substantial growth in subscribers across all its operations, achieving a 22% growth in its subscriber base, which translates to a 36% market share.

Virgin Mobile launched in South Africa in June 2006 as a joint venture between Virgin Management and Cell C.

Liberalisation

The creation of an enabling policy and regulatory environment is important for increasing competition in the ICT sector, and reducing the cost of communications.

Following the signing of the Telecommunications Amendment Act, 2001 (Act 64 of 2001), the department has focused on policies that grow the economy, attract foreign direct investment, increase competition, encourage Broad-Based BEE, and develop and sustain small, medium and micro-enterprises.

The department also aims to improve service delivery and expand the provision of telecommunications services. The introduction of the USALS addresses this need.

The cost of communications will be brought down by increased competition in the sector and the removal of constraints to growth.

Section 40 of the Telecommunications Amendment Act, 2001 requires that USALS provide telecommunications services, including voice-over

Internet protocol, fixed mobile services and public pay telephones. Policies have also been implemented to, among other things, allow mobile operators to use fixed lines to provide both voice- and data-transmission services.

The postal sector Policy and legislation

The cornerstone of national policy for the postal sector is the provision of a universal service at an affordable price and an acceptable standard of service for all citizens. To ensure this, a universal service obligation (USO) has been placed on Sapo. To offset the cost of providing a basic service in low-density, rural or unviable areas, it has also been common practice to confer exclusive rights and privileges, i.e. a monopoly, on the provision of the basic letter service.

A USO is an obligation to provide specified services to the whole community, even though these services may not be commercially viable in their own right. The universal postal service implies that all citizens have equal access to a basic letter service:

- that is reasonably accessible to all people
- at a single uniform rate of postage
- at the lowest price consistent with meeting all its obligations, financial and otherwise
- to places outside the country
- at a standard of performance that reasonably meets the needs of the population.

According to the Postal Services Act, 1998 (Act 124 of 1998), Sapo enjoys certain exclusive rights and privileges, including a monopoly on letter mail up to 1 kg.

In addition, Sapo is obliged to operate under a 25-year licence, with explicit universal service targets, and other terms and conditions. The monopoly and compliance with the terms and conditions of the licence will be reviewed and monitored.

South African Post Office

The first post office in South Africa was opened in the Castle in Cape Town in 1792. Today, Sapo delivers almost six million letters per day to 10 million addresses in South Africa. It has 2 550 outlets covering the length and breadth of the country.

The principal function of the Post Office is to provide postal services inside and outside South Africa. As a preferred partner to government, Sapo pays out pension payments on behalf of the Department of Social Development.



The Post Office runs an annual art competition among schools countrywide. The theme is always topical, fosters the arts and promotes social awareness among the youth.

The Post Office also runs an annual letter-writing competition among South African learners with the Universal Postal Union and the United Nations Educational, Scientific and Cultural Organisation.

Motor-vehicle licences can be paid at selected post offices, and the Post Office collects payments on behalf of more than 100 companies. These accounts can be paid at any post office outlet.

Postage stamps

Postage stamps are traditionally associated with the Post Office. Annually, the Post Office prints more than 384 million of these tiny works of art.

Business centres

The Post Office has established 25 business centres that provide a dedicated, specially designed one-stop shop inside existing post offices, in most rural areas.

They provide a bureau service with facilities such as photocopying, faxing and Internet access. South Africans who live in rural areas can now make new technology part of their everyday lives.

Internet facilities

Many isolated villages are already enjoying the benefits of the electronic age. The Post Office and Department of Communications have installed public Internet terminals at almost 700 post offices. Most of them are in settlements without Internet cafés or other access to the Internet.

Specialised products

Securemail

Securemail provides a swift and safe delivery method for high-security items such as shares and credit cards.

It handles more than 2,5 million credit cards a year, has significantly reduced credit-card theft and has won an award from the International Association of Financial Crime Investigators for its performance.

Parcelplus

Parcelplus is the most economical way to send a parcel. Available at any post office outlet, parcels can be delivered to all post office counters countrywide. Parcels are delivered within two to five days.

Insurance is available and the cash-on-delivery option provides for money to be collected for the contents of the parcel on behalf of mail-order businesses. All parcels can be tracked.

Postbank

Postbank services are available at more than 2 000 post office outlets countrywide and at all Saswitch-enabled automated teller machines of other financial institutions. The focus of Postbank is on the many South Africans who do not have access to other banking services.

Postbank is an option for pensioners whose pension money is paid out by the Post Office. Their pensions can be paid into a Postbank account where it can earn interest and be withdrawn at a convenient time.

Service options range from Flexicard, with a required minimum balance of only R10, to Smart Save, which offers interest rates that rise as the balance in the account rises, to Maxi Save, which offers very competitive interest rates.

Postbank has consistently been the leading provider of Mzansi accounts since their introduction in 2004.

A bank account for social pensioners

In the North West, social-grant beneficiaries can open a Postbank account within minutes. They receive a smartcard with a chip containing, in coded form, their photos, fingerprints and signatures.

When a social pension is paid into such an account, the receiver no longer has to queue on pay-out day.

All Postbank accounts function as debit cards and all post offices offer Postbank services.

Courier Freight Group (CFG)

CFG is a subsidiary of the Post Office, made up of the following companies:

- Speed Services Couriers
Speed Services Couriers provides the most extensive domestic overnight express courier



network in southern Africa and has SABS ISO 9002 certification. Options range from the most cost-effective counter-to-counter delivery to door-to-door delivery. Same-day delivery is also available. An international service is available to over 200 international destinations. All items are tracked to their destinations. Insurance and liability cover as well as proof of delivery are available.

- XPS Courier Services
XPS reaches 3 200 destinations daily with parcel tracking at every stage.
Options include:
 - collection and delivery of abnormal or incompatible consignments on the same day
 - a drop-box service for clients in main centres
 - after-hours service with delivery by 8 am
 - optional coverage against loss
 - proof of delivery.
- PX Courier Services
PX focuses on loads of up to three tons between larger centres in southern Africa. It provides courier services for bigger loads in tailor-made containers to destinations in South Africa and cross-border countries. The mini-container can carry loads of 1 400 kg to 3 000 kg. Options include containers for goods of a hazardous nature and insulated containers to distribute frozen goods. PX also offers priority delivery.
- Document Exchange (Docex)
Docex moves mail between Docex members and other relevant points. To become a Docex member, an organisation has to pay an entry fee and annual subscription. This enables free mail movement for the entire year. Docex concentrates on the legal and medical professions as well as the travel industry.

International and regional co-operation

South Africa is a member of the UPU. The country participates in technical-assistance programmes within the UPU, and uses its international accounting facility.

It also participates in other international bodies such as the Pan-African Postal Union, Council of Commonwealth Postal Administrations, and the Southern African Transport and Communications Commission.

South Africa, through the Department of Communications, is a signatory to international treaties, conventions and agreements.

It co-operates and works in partnership with other postal administrations, through either bilateral or multilateral agreements relating to letters, parcels and financial postal services.

The media

Media freedom

According to the Bill of Rights, as contained in the Constitution of the Republic of South Africa, 1996, everyone has the right to freedom of expression, which includes:

- freedom of the press and other media
- freedom to receive or impart information or ideas
- freedom of artistic creativity
- academic freedom and freedom of scientific research.

Several laws, policies and organisations act to protect and promote press freedom in South Africa.

In 2007, South Africa was ranked as the 59th most free country in terms of press freedom in the world, sharing that position with Nauru, and beating Italy (61st) and Brazil (90th).

Regarding press freedom in sub-Saharan Africa, South Africa ranked fourth, with only Mali, Ghana and Mauritius enjoying more press freedom.

Broadcasting

South Africa has an extremely diverse broadcast media sector catering for the unique demands of the local market.

Policy and legislation

The convergence of technologies has led the Department of Communications to pass the ECA, 2005, followed by the Icasa Amendment Act, 2006 to regulate and control all broadcasting and telecommunications activities in the country. The new acts will:

- contribute to democracy, nation-building, the provision of education and the strengthening of the moral fibre of society
 - encourage ownership and control of broadcasting services by people from historically disadvantaged communities
 - ensure fair competition in the sector
 - provide for a three-tier system of public, commercial and community broadcasting services
 - establish a strong and committed public broadcaster to service the needs of all South Africans.
- The Broadcasting Act, 1999 (Act 4 of 1999), defined the objectives of the South African broadcasting system, the structure of the SABC at the time and the role of the various sectors in meeting those objectives.

It also guaranteed the independence of the SABC as a public broadcaster. Within the present Act, the SABC is being corporatised and restructured to better fulfil its mandate of meeting its audience's needs as well as those of the developmental state.



Neotel is South Africa's first national infrastructure-based competitor in the fixed-line telecoms sector.

It was expected to roll out voice and data services by mid-2008, following the allocation of the 800-Mhz spectrum to Neotel by the Independent Communications Authority of South Africa.

Neotel has earmarked access to this key spectrum by rolling out cost-effective voice and Internet services for individual and small, medium and micro-enterprise customers across South Africa.

Service portfolios include basic voice and data services, high-speed Internet, virtual private networks, network management, and hosting services that can be assembled cost-effectively to meet the specific business and technology needs of each user.

These include broadcasting accurate and credible news and current affairs programmes; South African content programming in languages reflecting the country's cultural diversity; educational programming to advance lifelong learning; and programming targeted at children, women and people with disabilities.

The Act deals with the restructuring of the SABC to fit into the changing broadcasting environment. It requires that the SABC Board establishes two management boards to focus on public and commercial services. Under the new dispensation, the public broadcasting wing will execute and meet its public-service mandate free from commercial interests. The commercial wing will be allowed to generate profit to be self-sustainable.

In terms of the new Broadcasting Digital Migration Strategy, the SABC has been awarded five channels to allow for specialised services dedicated to the development needs of the country, in the areas of education, youth, health and enterprise development.

Broadcasting role-players

Radio

The first radio broadcasts in South Africa took place under the auspices of a broadcasting committee of South African Railways. The first experimental broadcast was undertaken in Johannesburg on 18 December 1923 by the Western Electric

Company. During 1924, the Associated Scientific and Technical Association of South Africa began regular broadcasts in Johannesburg.

The Cape Peninsula Publicity Broadcasting Association began a similar service, and the Durban Municipality followed suit with its own regular broadcasts.

The first radio station, JB Calling, went on air in July 1924. By 1926, all radio transmission and reception was placed under the control of the Postmaster-General, under the Radio Act, 1926 (Act 20 of 1926).

Following the contribution made by Sir John Reith, then Director-General of the British Broadcasting Corporation (BBC), the SABC was established on 1 August 1936.

The SABC is the country's public broadcaster. It introduced its own national news service on 17 July 1950, with daily news bulletins on the English service, the Afrikaans service and Springbok Radio. Radio Zulu, Radio Xhosa and Radio Sesotho were established on 1 June 1960.


In 2007, the SABC's national radio network comprised 15 public broadcast-service radio stations, and three commercial radio stations, broadcasting in 11 languages, as well as an external radio service in four languages that reached an average daily adult audience of 19 million.

SABC News provides news and current affairs services to both SABC radio and television. For its domestic coverage, SABC News has 13 editorial offices, while world news is provided by strategically placed news bureaus, foreign correspondents and international news agencies.

Copy supplied to radio news amounts to almost a million words a day, and is compiled around the clock into a weekly total of 1 568 bulletins and 190 current affairs programmes.

Programmes are produced weekly in 11 languages on the SABC's radio services. There is a public broadcasting-service radio station for each language group.

Channel Africa broadcasts live on three platforms: shortwave, satellite and the Internet. Its broadcasts are in Chinyanja, Silozi, Kiswahili, English, French and Portuguese. The shortwave broadcast covers south, east, central and west Africa.



The satellite broadcast covers the sub-Saharan region, although it can be picked up as far as London in the United Kingdom. The Internet broadcast is accessible from anywhere in the world.

Commercial radio stations

Icasa has granted licences to the following private radio stations:

- Radio Algoa (ex-SABC)
- Classic FM (greenfield)
- Kaya FM (greenfield)
- YFM (greenfield)
- Highveld Stereo (ex-SABC)
- Radio 702
- Radio Jacaranda (ex-SABC)
- Radio Oranje (ex-SABC)
- East Coast Radio (ex-SABC)
- P4 (greenfield)
- Cape Talk MW (greenfield)
- Radio KFM (ex-SABC).

Stations such as Radio Jacaranda, Highveld Stereo, Radio Oranje, Radio Algoa and East Coast Radio were initially SABC stations, but were sold to private owners to diversify radio ownership in South Africa as part of the transformation of the public broadcaster.

Satellite Communications Network

The Satellite Communications Network makes it possible for grassroots communities, through their community radio stations, to access parliamentary proceedings, general news, and government information and services.

The Department of Communications is responsible for rolling out infrastructure to these radio stations. Initially, 30 radio stations were linked up to the network. The network will, on completion, link some 90 stations.

Television

SABC

A one-channel television service was introduced on 5 January 1976.

Today, the SABC's national television network comprises three full-spectrum free-to-air channels and one satellite pay-TV channel aimed at audiences in Africa.

Combined, the free-to-air sound broadcasting stations reach a daily adult audience of almost 20 million people via the terrestrial signal distribution network and a satellite signal. South Africa has more than four million licensed television households.

Between 50% and 60% of all programmes transmitted are produced in South Africa. Locally produced television programmes are augmented by programmes purchased abroad, and by co-productions undertaken with other television programming organisations. Television news is fed by SABC news teams reporting from all parts of the country, using modern portable electronic cameras and line-feed equipment via more than 220 television transmitters. Ad hoc satellite feeds are arranged from wherever news events occur. News bulletins are broadcast in all 11 official languages.

The SABC's terrestrial television channels devote between 18% and 20% of their airtime during prime time to news and news-related programmes.

In April 2007, the SABC announced that it planned to set up a bureau in Harare by April 2008, to improve its coverage of events in Zimbabwe.

The SABC already has offices in several other African countries, including Nigeria, the DRC, Senegal and Kenya.

In July 2007, the SABC launched SABC News International, a 24-hour news channel aimed at providing in-depth coverage of African stories. The channel will be structured in a similar way to other international news-providers, such as the BBC.

M-Net

M-Net, South Africa's first private subscription television service, was launched in 1986. Today, M-Net broadcasts its array of general entertainment and niche channels to more than 50 countries across Africa and the adjacent Indian Ocean islands.

M-Net's television channels are delivered to subscribers through analogue terrestrial and digital satellite distribution.

The main M-Net channel, which is available as a terrestrial and satellite service, offers movies, sport, children's programmes, international and local series, and local reality shows.

The second terrestrial channel, CSN (Community Services Network), offers sport and programming aimed at a variety of South African communities. M-Net is also well represented on the DSTv bouquet of satellite TV channels.

Development of the local film and TV industries is a priority for M-Net, and is supported by various projects such as EDiT, which gives final-year film and television students the opportunity to produce programmes for broadcast on M-Net. At the end of March 2007, 20 years of M-Net "open time" came to an end.



Sub-Saharan Africa's first international business news channel, CNBC Africa, started broadcasting from Johannesburg on 1 June 2007, with an hour-long interview with South African President Thabo Mbeki as its first programme.

The channel broadcasts nine hours of local business programming, while cutting across to its international affiliates throughout the day for market updates and breaking news.

The channel uses feeds from bureaus in Abuja, Cape Town, Lagos, London and Nairobi. The channel required about US\$20 million in start-up costs and has state-of-the-art equipment.

The channel's focus is on business and finance, but it also provides interactive debates as well as lifestyle programming looking at real estate, personal finance, business leaders, entertainment and sport.

CNBC Africa is a franchise of NBC Universal.

Satellite broadcasting

MultiChoice Africa (MCA) was formed in 1995 to manage the subscriber services of its sister company, M-Net. It became the first African company on the continent to offer digital satellite broadcasting.

Operations include subscriber-management services and digital satellite television platforms broadcasting more than 50 television and 40 audio channels, 24 hours a day.

MCA is owned by the MIH Group, which is listed on the JSE, the Nasdaq in New York, and AEX in Amsterdam.

By mid-2007, there were more than 1,2 million DStv subscribers in South Africa, compared with some 190 000 M-Net decoders.

Free-to-air television

Launched in 1998, e.tv is South Africa's first private free-to-air television channel, which broadcasts a full-spectrum programming service to 78% of South Africa's population. The station is owned by BEE group, Hosken Consolidated Investments Limited, and Venfin Limited, and employs some 500 people countrywide. E.tv has offices in Johannesburg, Cape Town, Durban, Port Elizabeth and Bloemfontein. Some 74% of e.tv's employees are black, 45% are women and 5% are people with disabilities.

As a free-to-air channel, e.tv's only source of income is advertising revenue. The station's most popular programmes are wrestling, news, movies and South African drama, with South African content comprising 45% of e.tv's daily programming. E.tv broadcasts 4,5 hours of prime-time South African drama each week.

E.tv is South Africa's second-biggest television channel (All Media Products Survey March to September 2005 combined with January to June 2006) with a viewership of 10 665 000. The audience profile is 54,1% male and 45,9% female, and appeals to viewers across all race, income and age groups.

E.tv was the first channel in South Africa to secure the rights to the Union of European Football Association's Champions League Football.

Signal distribution

Sentech Limited was established in terms of the Sentech Act, 1996 (Act 63 of 1996), as a common carrier to provide broadcasting signal distribution for broadcasting licensees. Over the medium term, Sentech will focus on the digitisation of its signal infrastructure and the roll-out of the ICT infrastructure required for the 2010 World Cup.

The Sentech product line is split into five product portfolios:

- signal distribution (regulated and unregulated)
- Very Small Aperture Terminal (VSAT)
- broadband wireless (MyWireless and Biznet)
- international voice
- value-adding networks.

Signal-distribution revenue is derived from both regulated and unregulated broadcast services. In the regulated market, there is very little room for growth, owing to the limited number of frequencies available. The announcement by Icasa to license new radio stations is expected to have a positive impact on the industry.

In March 2007, government approved the establishment of a new state-owned company that will provide long-distance connectivity to the country's telecommunications market on a cost basis. The new company, Infracore, will not be a fully fledged telecommunications company itself, but will act as a provider of broadband capacity through fibre-optic cables to other operators in the country.

Infraco will bring together fibre-optic cable networks, originally built by state companies Eskom and Transnet. The move forms part of South Africa's attempts to bring down the cost of telecommunications and Internet connectivity in the country.

Print

Technical handling of the print media in South Africa rates among the best in the world. This is one reason why newspapers, and especially magazines, have held their own in a volatile information era, identified by the vast development of various new forms of media-delivery platforms via the Internet through modern communications technology. This must be viewed against the general trend in the rest of the developed world that saw dropping circulations and the cutting back on costs or closing down of newspapers.

The roots of the print media in South Africa can be traced back to the 19th century, when the first issue of a government newspaper, the *Cape Town Gazette, African Advertiser/Kaapsche Stads Courant en Afrikaansche Berigter*, was published in 1800.

The first independent publication, *The South African Commercial Advertiser*, was published in 1824 by Thomas Pringle and John Fairbairn. It was banned 18 months later and reappeared only after various representations had been made to the authorities in London.

Official circulation figures issued by the Audit Bureau of Circulations (ABC) show that print media circulation grew from 19 million in 2000 to 26 million in 2005, indicating that South Africa's print media industry is flourishing.

The country's vibrant economy, the introduction of regional tabloid newspapers in recent years and

a glut of new magazine titles have helped feed the popularity of newspapers and magazines in Africa's largest economy.

High consumer spending has coincided with strong circulations in specific newspaper genres, particularly tabloids and free-sheets. The adoption of more efficient delivery and distribution systems has boosted the growth of tabloids, community newspapers and free-sheets, in particular.

Despite intense competition among both newspapers and magazines, circulation figures for July to December 2006 showed readership growth across almost all consumer segments. However, this hike in the market did not prevent the closure of three newspapers over the past few years.

The challenges facing newspapers and magazines have remained much the same in the past decade: improving the quality of journalism in increasingly younger newsrooms, and the threat posed to circulation and market share by the electronic media.

Most South African newspapers and magazines are organised into several major publishing houses: Media 24 (part of Naspers, the largest media group in Africa), the Irish-based Independent News & Media (Pty) Limited group, Caxton Publishers & Printers Limited, and Johnnic Communications and Associated Magazines.

Other important media players include M & G Media Limited; the Natal Witness Printing & Publishing Company (Pty) Limited; Primedia Publishing Limited; Ramsay, Son and Parker (Pty) Limited; and Kagiso Media.

The issue of BEE is being addressed by all companies, some of which have progressed further than others. Larger listed companies have tended to make faster progress with BEE than smaller ones.

Globally competitive IT systems, especially among the large media houses, have helped improve the overall technical quality of print media, and have also positively affected distribution and circulation reach.

Newspapers

Most South African newspapers are based on the British model. Management and editorial departments are controlled separately.

The size of the country – 1 400 km separate the main centres of Cape Town and Johannesburg – still precludes national dailies in the true sense of the word.

In the past few years, three newspapers, *Nova*, *ThisDay* and *Die Wêreld*, failed to break into the higher-income consumer segment. This has been ascribed to overtrading in this segment. Observers



State-owned signal-provider, Sentech, is on course to providing about 80% digital terrestrial transmission coverage by the start of the 2010 FIFA World Cup in South Africa.

Sentech intends to launch at least one high-definition television satellite channel in time for the World Cup.

The company will also build a second teleport to provide additional capacity needed for the satellite uplink.

In line with the Government's technology plan for 2010, the SABC also plans to have six more high-definition units in place by the end of 2009.

The Cabinet approved the move for the country's digital migration process to be switched on by 1 November 2008, with analogue signals set to be switched off on 1 November 2011.

have also suggested that many higher-income readers are now turning to the Internet for news.

Advertising spend on newspaper advertising remained slightly higher than the spend on TV, as was the case the year before. The dramatic success of populist tabloids and the wide distribution of community newspapers and free-sheets have been largely responsible for the recent success of newspapers.

The tabloid market is thriving, while circulation trends in dailies and weeklies remain largely static. By the end of 2006, urban dailies were selling an average of 1 605 million copies a day, which was slightly higher than the 1 501 million a day in 2004. The most dramatic growth in circulation is still the tabloid *Daily Sun*. Circulation figures of the country's oldest Sunday newspapers, *Sunday Times* and *Rapport*, have remained average, with the *Sunday Sun* and *City Press* growing incrementally.

Sunday papers such as *Sunday Times*, *City Press*, *Rapport*, *Sunday World* and *Sunday Tribune* have wide national distribution, because electronic printing presses have enabled the simultaneous publication of these newspapers in several cities.

By mid-2007, there were 22 dailies and nine Sunday papers in South Africa. In 2006, four of the daily newspapers had circulations of over 100 000 and accounted for almost 50% of the total circulation in this category.

They were *Beeld* (104 932), *Daily Sun* (467 681), *Sowetan* (133 195) and *The Star* (168 776) (ABC July to September 2006). The total circulation for these four grew by 3,3%, while the rest of the category only grew by 0,8%.

Almost 150 regional or country newspapers, most of which are weekly tabloids, serve particular towns or districts in the country by covering local affairs and carrying local advertising.

Most are published in English or Afrikaans, with many of them bilingual. The most popular publication day is Thursday, followed by Tuesday, and the bigger publications appear twice weekly.

Newspapers appearing only in certain neighbourhoods are also an important part of the newspaper scene and number in the hundreds. They are known as knock-and-drops, free-sheets or freebies, as they are distributed free of charge.

They have a guaranteed readership, with advertising being their only source of income. More than 4,5 million newspapers in this sector are distributed weekly. Press groups such as Media24, and especially CTP/Caxton, are major players in this field.

Since 1996, local newspapers, freebies and corporate newspapers have ventured into reporting in indigenous languages. In Durban, Independent Newspapers started the isiZulu newspaper *Isolezwe*, which is another success story. Since becoming a daily, the newspaper's circulation grew from 88 456 in 2005 to 96 485 at the end of 2006.

With 11 official languages, it can be expected that more home-language publications will emerge. Separate newspapers for different cultural groups are still preferred, with English being the popular language of choice. Johnnic Communications, the co-publisher of *Business Day*, started publishing the *Sunday Times* as a daily (*The Times*) in 2007.

The lucrative Afrikaans advertising market has led to the launch of another Sunday national, *Sondag*, published from May 2007 by Media24 in competition with their other Sunday publication, *Rapport*.

The establishment of the Media Development and Diversity Agency (MDDA) has stimulated the growth of new community titles, focusing on specific communities in areas where community media have not been established.

The community newspaper industry sector has seen the launch of a number of new titles, with the daily and weekend market remaining static.

More national newspapers are expanding their reach through regional editions, targeting specific communities.

Free newspapers have seen a 38% increase in their total circulation, as opposed to the 3% for its sold equivalent.

Tabloid newspapers have seen an increase in their circulation and readership, mainly attributed to the success of the *Daily Sun*, with 3 679 million readers and an audited circulation of 494 875 copies per day.

A number of national newspapers have expanded their reach into regional editions, contributing to the growth within this sector.

Soccer Laduma, South Africa's popular soccer newspaper, saw a significant increase in circulation, up from 280 933 in 2005 to 303 461 in 2006.

Mail & Guardian, known for top investigative journalism stories, witnessed a similar growth from 41 723 in 2005 to 48 292 in 2006. *Ilanga* saw a decline from 108 858 in 2005 to 100 906 in 2006.

Die Son, an Afrikaans Cape Town-based tabloid, witnessed a major decline in circulation from 172 612 in 2005 to 76 830 in 2006.

Weekend newspapers

In 2006/07, 71% of the larger-than-average weekend newspapers showed growth or were static.

Twenty-nine percent declined, with 54% of the smaller-than-average titles remaining static or showing a slight growth.

In total, weekend newspapers saw a 2% increase in total circulation.

Sunday Times remained South Africa's most read and sold weekly Sunday newspaper, with a circulation of 504 475 in 2006. This was down from 509 160 for the same quarter in 2005.

Rapport, the Afrikaans Sunday newspaper, remained in second position, witnessing a decline from 304 535 in 2005 to 300 338 in 2006.

Sunday Sun, *Sunday World* and *City Press* witnessed significant increases. *Sunday Sun* increased from 188 369 to 200 315, *Sunday World* from 155 997 to 184 772, and *City Press* from 175 125 to 183 101 in 2006.

Saturday-edition newspapers saw a similar trend, with the *Saturday Star* increasing its circulation from 136 557 to 137 196 in 2006.

Die Burger (Saturday-edition) witnessed a slight decline from 112 260 in 2005 to 103 862 in 2006.

Community newspapers

Community newspapers showed a 7% increase in total circulation, despite fierce competition and the fragmentation of this market.

Paid-for and free community newspapers saw either a significant increase or remained static within this market.

Free community newspapers remain the most popular medium, with 171 million copies distributed annually, or on average four million copies per week.

Magazine circulation and readership

The magazine industry in South Africa is a fiercely competitive environment in which new titles appear all the time, despite the worldwide competition

from electronic and interactive media. Considering the proliferation of titles on the shelves in supermarkets and bookstores, it seems that many readers are still attracted to print.

The trend to target certain niche markets with specialised publications is popular in the magazine industry and has led this section to grow by 40% more titles over the last 10 years. However, there is evidence to suggest that the overall reading population in South Africa is shrinking, which is a concern for the industry.

A positive development has been the segmentation of the market into niched publications that provide opportunities for advertisers to reach their target audiences. Another new thriving trend is twinned titles, i.e. titles produced in two languages.

All magazines did better in 2006 because of new titles, with free magazines increasing by 6%, customer magazines by 8% and consumer magazines by 9%, as compared with 2005.

Because of rising printing and paper costs, prices have increased accordingly and magazines have had to offer readers better value for their money to retain their loyalty.

Weeklies Huisgenoot and *You* are the two biggest money-making magazines in South Africa. Among the monthlies, women's magazines are still the most widely distributed, despite declining sales. *Sarie*, *Rooi Rose*, *Cosmopolitan*, *True Love*, *Move* and *Idees/Ideas* are all in the top-10.

Women's magazines

In the women's magazine sector, publications have had to market themselves aggressively to survive.

Overall, there was a decline in circulation in this sector, although certain publications showed growth.

For instance, *Cosmopolitan* increased from 125 427 to 126 317 in the period March 2006 to March 2007. *Glamour's* circulation decreased from 101 877 to 87 011 over the same period, while *Elle's* figures decreased from 39 012 to 35 489.

Essentials decreased from 61 931 to 43 805, and *Fairlady* decreased from 84 631 to 80 950. *Femina* dropped from 50 941 to 40 564, and *Marie Claire* increased slightly from 45 916 to 47 482, while *True Love* decreased from 122 600 to 106 441. *Oprah's* circulation declined from 75 396 to 62 953.

In the Afrikaans market, a similar trend was apparent. *Rooi Rose* decreased from 123 550 to 108 146, and the weekly *Vroue Keur* from 96 887 to 84 848. *Sarie* remains a leader in the sector, but its figures also decreased slightly from 131 968 to 123 396.

There were three new entrants in this category, namely *Mel*, *Real Simple* and *True Love Babe*.

General interest titles

This category showed quite a number of new magazines, namely *African Pilot*, *LIG*, *mense*, *NAG*, *SA Computer Magazine*, *Tribute*, *Garden Route Living*, *Sunshine Coast Living*, *Wishlist*, *Taalgenoot* and *Village Life*.

Even though the circulation of *Bona* decreased from 93 818 to 85 390, it is still one of the top-20 selling magazines. *Reader's Digest* decreased from 75 889 to 66 267. *Catslife* and *Rolling Inspiration* also decreased slightly.

People' and *TV Plus'* circulation also decreased, but still remained in the top-20.

Animaltalk, *Heat* and *HQ's* circulation figures increased. *Top Billing* increased quite significantly from 28 284 to 38 518.

Farmer's Weekly, *Landbouweekblad*, *Noseweek*, *The Big Issue*, *Dog Directory* and *Hype* remained stable. Although *Insig* remained stable, the last issue of the magazine appeared in June 2007.

Sales of the two top-selling weeklies, *You* and *Huisgenoot*, at 216 315 and 340 114 respectively, decreased by about 9 000 and 15 000 respectively.

Drum's figures decreased, and those of *Bona* declined from 103 543 to 98 689. *People's* figures also decreased and *TV Plus'* figures declined by more than 30 000.

Décor

Décor magazines, on the other hand, proved in general to be a growth area. *House* and *Garden*, *Visi*, *Plascon Colour* and *Habitat* remained stable.

House & Leisure' and *Tuis/Home's* figures increased slightly.

Elle Decoration's figures increased from 24 103 to 29 771. *SA Home Owner's* figures decreased from 55 699 to 51 464.

Parenting

In general, this category is also a growing market. The titles *Baba en Kleuter* and *Your Baby* remained fairly stable. *Healthy Pregnancy* gained readership, and *Living and Loving's* figures remained stable, as was *Parents*. This category also produced a new entrant, *Your Child*.

Youth

There has been a proliferation of magazines in the youth sector in the last few years and it clearly remains a significant, though volatile market. *Saltwater Girl* maintained its position as the top-selling female teen magazine in South Africa. Overall best seller was *National Geographic Kids* at 34 596, while *Barbie's* figures remained stable at just over 16 000.

Male interest

GQ's figures dropped from 33 023 to 30 220, as did *FHM*, from 114 494 to 92 361. *Men's Health* also showed a slight decline. Two new magazines were launched in this category, namely *Zoo* and the Afrikaans magazine, *Manwees*.

Motoring

Car's figures declined from 112 627 to 107 902, while *Speed and Sound* remained relatively stable. *Topcar's* figures also grew, while *Wiel's* figures remained stable.

Two new magazines, namely *Drive 2.0* and *Maxpower SA*, joined the category.

Lifestyle

Weg/Go continued to corner the Afrikaans outdoor lifestyle market with an increase from 79 431 to 114 169. *Getaway's* figures showed a steady decline from 76 319 to 68 840, although the Afrikaans version is growing steadily.

Woolworth's *Taste* increased from 27 456 to 38 503. *Country Life* and *Caravan and Outdoor Life* are extremely niched publications that have a consistent readership.

Sport

Amakhosi dropped from 31 142 to 28 020, while the figures of *Bicycling SA* increased slightly. *Bike SA* declined slightly. *Compleat Golfer* remained stable, while *Golf Digest* grew from 27 405 to 31 840.

Kick Off at 60 344 continued to attract loyal readers, while *Soccer Life's* sales figures reflected its popularity.

Runners' World remained steady at around 19 000, while *SA Sports Illustrated's* circulation increased from 38 184 to 42 135.



Over 1 600 delegates from 105 countries got together in Cape Town in June 2007 for Africa's inaugural hosting of the premier global meeting of the world's press: the World Association of Newspapers Congress, World Editors' Forum and Info Services Expo 2007.

The event saw publishers, chief editors, chief executive officers and other senior executives of the world's leading media companies sharing strategies, innovations and ideas for the future of their industry.

President Thabo Mbeki officially opened the congress.

Special interest

Finweek showed a healthy increase from 29 003 to 34 374. *Financial Mail* also increased from 28 538 to 32 114. The readership of *Wine* remained steady, while sales of *Popular Mechanics* increased from 34 374 to 37 367.

Distribution

In cities, newspapers rely heavily on street sales and door-to-door delivery. Cafés, spaza shops and general stores provide additional selling points. In rural areas, newspapers are distributed mainly by special truck deliveries, often covering hundreds of kilometres in a single run. The cost of bulk transport by air is high.

Newspaper Circulation Services and Magazine Circulation Services handle all Johnnic Communications' circulation.

The Afrikaans press group, Media24 (Nasionale Nuusdistribueerders – NND 24), handles most of its distribution in-house.

Allied Publishing handles the distribution for Independent Newspapers, and RNA Distributors handles distribution for Caxton/CTP.

Online media

South African websites attract close to 4,5 million highly educated users. Johannesburg has the largest audience with 30% of users, followed by Cape Town (20%), Pretoria (15%) and Durban (10%). The sites most visited are MWEB, News24, Independent Online, Ananzi en Fin24. (Online Press Association [OPA] 2006).

Media organisations and role-players

Print Media South Africa (PMSA), formed in 1996, administers individual bodies, namely the Newspaper Association of South Africa (the oldest communication organisation, established in 1882), Magazine Publishers Association of South Africa and the Association of Independent Publishers (AIP).

The purpose of the PMSA is to represent, promote, interact with and intervene in all matters concerning the collective industry and of common interest. It represents some 650 newspaper and magazine titles in South Africa.

PMSA is a member of a number of international bodies, such as the World Association of Newspapers (WAN) and the Federation of Periodical Press. It hosted the annual congress of the WAN in Cape Town in June 2007. Allied to PMSA, but not a constituent member, is the ABC, responsible for auditing and verifying print-media circulation figures.

The AIP was formed in September 2004 after the major publishing groups withdrew from the Community Press Association (CPA) to give independent publishers an opportunity to transform the CPA into an association that would serve their own specific needs. The AIP represents the interests of more than 250 independent publishers in southern Africa.

The South African National Editors' Forum (Sanef) was conceived at a meeting of the Black Editors' Forum, the Conference of Editors, and senior journalism educators and trainers, in October 1996.

Sanef membership includes editors and senior journalists from the print, broadcast and online/Internet media, as well as journalism educators from all the major training institutions in South Africa.

Sanef has facilitated the mobilisation of the media in the Partnership Against AIDS Campaign, and in campaigns to end violence against women and children.

Various seminars and debates are held around media freedom and transformation, especially in relation to gender and technology. Sanef is involved in training initiatives and in setting practical standards in journalism education.

Against the backdrop of positive political developments on the African continent, Sanef spearheaded the formation of the All Africa Editor's Conference.

The Southern African Editors' Forum was subsequently formed in 2003. The Central, Eastern, Western and Northern African Forum bodies are in various stages of being established.

The Forum of Black Journalists tackles issues that directly affect its members.

Members of the public who have complaints or concerns about reports in newspapers and magazines, can submit their grievances to the Office of the Press Ombudsman.

Winners of major annual press trophies

	Frewin*	McCall**	Cronwright***	Hultzer****	Joel Mervis*****
2003	Beeld	Business Day	South Coast Herald	Springs and Brakpan Advertiser	Mail & Guardian
2004	Beeld	Witness	Paarl Post	Eikestadnuus	Naweek-Beeld
2005	The Witness	The Witness	The Mirror	Eikestadnuus	Weekend Witness
2006	Die Burger	The Witness	District Mail	Potchefstroom Herald	Mail & Guardian
2007	Beeld	Mercury and Business Day (shared)	Paarl Post	Springs Advertiser	Mail & Guardian
*	Best daily newspaper with a circulation above 50 000				
**	Best daily with a circulation under 50 000				
***	Best community newspaper with a circulation exceeding 15 000				
****	Best community newspaper with a circulation below 15 000				
*****	Best urban weekly.				

Source: Print Media South Africa

Should they not be satisfied with the resultant ruling, they can lodge an appeal with an independent appeal panel. The Office of the Press Ombudsman was set up by the PMSA, Sanef, the Media Workers' Association of South Africa, and the South African Union of Journalists (SAUJ).

As self-regulating mechanisms of the media industry, the Press Ombudsman and the appeal panel act in accordance with the Constitution of the Republic of South Africa, 1996 and embrace the spirit of transformation in South Africa.

The Freedom of Expression Institute (FXI) was established in 1994 to protect and foster the rights to freedom of expression and access to information, and to oppose censorship.

The FXI undertakes a wide range of activities in support of its objectives, including lobbying, educating, monitoring, research, publicity, litigation and the funding of legal cases that advance these rights.

In the process, it networks and collaborates with a wide range of local and international organisations.

Another body that protects freedom of speech is the Freedom of Commercial Speech Trust. Backed

by the marketing communication industry and supported by organised business and consumer organisations, the trust focuses on transparent negotiations with legislators.

In September 2004, the Forum of Community Journalists (FCJ) relaunched the organisation as an independent body, to serve the interests of all community-newspaper journalists in southern Africa. The FCJ was originally set up as a sub-structure of the CPA, and only represented journalists employed at member organisations.

The decision to become an independent body followed the restructuring of the CPA into the AIP.

The FCJ's launch as an independent body allows it to represent all journalists, including independent community-press journalists. It also assists in meeting its objective of becoming a more diverse and representative body for the community-press industry.

The Broadcasting Complaints Commission of South Africa is an independent self-regulatory body that serves as a voluntary watchdog, to adjudicate complaints from the public about programmes flighted by members who subscribe to its code of conduct. Members include, among others, the

SABC, M-Net, Radio 702 and Trinity Broadcasting Network. However, the commission does not deal with X-rated material, the broadcast of which, under criminal law, is prohibited.

The Broadcasting Monitoring Complaints Committee (BMCC) was established under sections 21 and 22 of the Independent Broadcasting Authority Act, 1993 (Act 153 of 1993).

It monitors broadcasting licensees for their compliance with, or adherence to, the terms, conditions and obligations of:

- their broadcasting licences
- the Code of Conduct for Broadcasting Services
- the Code of Advertising Practice.

The BMCC receives and adjudicates complaints from the public regarding licence conditions, and is also entitled to initiate its own investigations into suspected non-compliance by a broadcaster.

If a member of the public is concerned that a broadcaster is not observing its licence conditions, that person may lodge a complaint with Icasa. If a broadcaster is found to be guilty of contravening its licence conditions, then the BMCC makes recommendations to Icasa about action that should be taken.

Material that could be considered X-rated must be submitted to the Film and Publication Board prior to being shown. (See Chapter 4: *Arts and culture*.)

The mission of the National Association of Broadcasters is to protect the interests of broadcasting as a whole, and to liaise with Icasa on matters such as freedom of speech.

Other press organisations operating in the country are the Foreign Correspondents' Association of South Africa, the Printing Industries Federation of South Africa, the South African Typographical Union, the Specialist Press Association, the South African Guild of Motoring Journalists, Professional Photographers of South Africa, the Media Institute of Southern Africa, and press clubs in major centres.

The mission of the OPA is to provide a non-profit forum in which South African online publishers can address issues of common interest, and which can represent these publishers to advertising agencies and the advertising community, the press, government and the public.

The National Community Radio Forum (NCRF), launched in December 1993, lobbies for the airwaves in South Africa to be diversified, and for a dynamic broadcasting environment through the establishment of community radio stations.

The NCRF is a national, member-driven association of community-owned and -run radio stations and support-service organisations. Radio-

station members are independent, non-profit community-based organisations.

News agencies

The South African Press Association (Sapa), a national news agency, is a co-operative, non-profit news-gathering and distribution organisation operating in the interests of its members and the public. Sapa's foreign news is received from Associated Press (AP) and its representatives in London.

The main foreign news agencies operating in South Africa are *Agence France-Presse*, AP, *Deutsche Presse Agentur*, Reuters and United Press International.

Other agencies are the Eastern Cape News Agency and African Eye News Service in Mpumalanga.

Training centres

Over 40 institutions offer media training in South Africa. Tertiary institutions include various universities of technology such as Tshwane, Walter Sisulu, Nelson Mandela, the Cape Peninsula and Durban; and Rhodes, North-West, Stellenbosch and Witwatersrand universities.

Other organisations such as the Cape Town Film and Television School; the SABC's Television Training Centre; the Radio Freedom Institute; the Institute for the Advancement of Journalism; the Cross Media Training Centre; and Nemisa, a government-funded training institute, specialise in broadcasting, news-media and multimedia skills.

Nemisa is a non-profit organisation established in terms of the Companies Act, 1973 (Act 61 of 1973), which provides much-needed advanced skills training for the broadcasting industry. It has Council for Higher Education accreditation and offers diploma courses, short courses and internships in TV and radio production and creative multimedia.



In June 2007, a working session of the South African National Editors' Forum (Sanef) and government was held in Pretoria.

Representatives of government and media met to discuss matters impacting on their working relationships.

The government delegation was led by President Thabo Mbeki and Deputy President Phumzile Mlambo-Ngcuka. The Sanef delegation was led by the Sanef Management Committee and included editors and senior journalists from some 20 titles and analysts.

It was agreed that in future, such meetings should be held annually.

The Media, Advertising, Publishing, Printing and Packaging Sector Education and Training Authority (Mappp-Seta) was gazetted on 15 March 2000. It has six advisory committees, comprising representatives from labour, business and government that advise on:

- print media
- advertising
- publishing
- printing
- packaging
- film and electronic media.

The Mappp-Seta co-ordinates a sector-training plan across the media industry, and assesses the quality of training courses that are run by the industry.

Parallel to this, the South African Qualifications Authority has approved the establishment of several standards-generating bodies for the media industry.

Similar bodies were implemented for journalism training and communication studies. These bodies are substructures of the National Standards Body (language and communication) that co-ordinates standard-setting in the communication and language sectors.

Journalism awards

The most important awards include the:

- Mondi Shanduka Newspaper Awards
- Nat Nakasa Award for Courageous Journalism
- Sappi Magazine Publishers Association of South Africa PICA Awards
- Sanlam Community Press Awards
- Vodacom Awards for Journalism Across All Mediums
- South African Breweries (SAB) Journalism Awards
- Sanlam's Financial Journalist of the Year Award.

The Mondi Shanduka Journalist of the Year 2007 was Bruce Cameron for his investigative work in Independent Newspapers' *Personal Finance*.

Journalist and editor Raymond Louw was chosen as the recipient of the Mondi Shanduka Lifetime Achievement Award. Veteran journalist and executive producer of the investigative journalism programme, *Special Assignment*, on SABC3, Jacques Pauw, was awarded the 2007 Nat Nakasa award.

Trevor Cramer, sports journalist of South Africa's largest independent radio station, Jacaranda 94.2, received a merit award at the SAB Sports Journalist of the Year Awards.

Media diversity

Media diversity in any country is regarded as a measure of the depth of its democracy. Every citizen should have access to a diverse range of media. South Africa is on its way towards achieving this mission.

The Constitution provides for freedom of expression and access to information. To deepen media diversity, government, together with commercial media entities, have partnered to assist the MDDA, which is tasked with providing financial and other support to community and small commercial media projects.

Top 20 magazines based on net sales, October to December 2006

1	Huisgenoot
2	You
3	TV Plus
4	Ideas/Idees
5	Sarie
6	Weg/Go
7	Cosmopolitan
8	People
9	Rooi Rose
10	True Love
11	Woman and Home
12	Move
13	Car
14	FHM
15	Finesse
16	Men's Health
17	Tuis/Home
18	Bona
19	SA Garden and Home
20	Fairlady

Daily and weekly newspapers

Name and website	Publisher	Contact information	Frequency	Language	Total circulation (Oct – Dec 2006)
Beeld (Daily) <i>www.beeld.com</i>	Media 24	PO Box 333, Auckland Park, 2006 T. 011 713-9000 / F. 011 713-9956 E-mail: <i>nuus@beeld.com</i>	MD, M-F	A	99 162
Beeld (Saturday)	Media 24	PO Box 333, Auckland Park, 2006	W, Sat	A	84 305
Burger, Die (Daily)	Media 24	PO Box 692, Cape Town, 8000	MD, M-F	A	91 216
Burger, Die (Saturday) <i>www.dieburger.com</i>	Media 24	PO Box 692, Cape Town, 8000 T. 021 406-2121 / F. 021 406-3965 E-mail: <i>dbnred@dieburger.com</i>	W, Sat	A	103 862
Business Day <i>www.businessday.co.za</i>	BDFM Publishers (Pty) Ltd	PO Box 1746, Saxonwold, 2132 T. 011 280-5548 / F. 011 280-5505 E-mail: <i>busday@bdfm.co.za</i>	MD, M-F	E	41 914
Cape Argus, The <i>www.capeargus.co.za</i>	Independent Newspapers Cape Ltd	PO Box 56, Cape Town, 8000 T. 021 488-4911 / F. 021 488-4156 E-mail: <i>argusnews@ctn.independent.co.za</i>	MD, M-F	E	73 414
Cape Times <i>www.iol.co.za</i>	Independent Newspapers Cape Ltd	PO Box 11, Cape Town, 8000 T. 021 488-4711 / F. 021 488-4717 E-mail: <i>chrishw@independent.co.za</i>	MD, M-F	E	49 647
Citizen, The (Daily) <i>www.citizen.co.za</i>	Caxton Publishers & Printers Ltd	PO Box 43069, Industria, 2042 T. 011 248-6000 / F. 011 248-6213 E-mail: <i>citizen@citizen.co.za</i>	MD, M-F	E	71 432
Citizen, The (Saturday)	Caxton Publishers & Printers Ltd	PO Box 43069, Industria, 2042	W, Sat	E	52 217
City Press <i>www.citypress.co.za</i>	RCP Media Bpk	PO Box 3413, Johannesburg, 2000 T. 011 713-9001/ F. 011 713-9966 E-mail: <i>news@citypress.co.za</i>	W, Sun	E	183 101
Daily Dispatch <i>www.dispatch.co.za</i>	Dispatch Media (Pty) Ltd	PO Box 131, East London, 5200 T. 043 702-2000 / F. 043 743-5155 E-mail: <i>news@dispatch.co.za</i>	MD, M-F	E	31 666
Daily News, The <i>www.dailynews.co.za</i>	Independent Newspapers KZN	PO Box 46915, Greyville, 4023 T. 031 308-2911 / F. 013 308-2111 E-mail: <i>dennis.pather@inl.co.za</i>	MD, M-F	E	50 229
Daily Sun	Media 24	PO Box 121, Auckland Park, 2006 T. 011 877-6000 / F. 011 877-6046 E-mail: <i>news@dailysun.co.za</i>	M-F	E	494 875
Diamond Fields Advertiser	Independent Newspapers Gauteng Ltd	PO Box 610, Kimberley, 8300 T. 053 832-6261 / F. 053 832-8902 E-mail: <i>pbe@independent.co.za</i>	MD, M-F	E	9 364
Herald, The <i>www.theherald.co.za</i>	Johnnic Pub. Eastern Cape	P/Bag x6071, Port Elizabeth, 6000 T. 041 504-7911 / F. 041 585-4966 E-mail: <i>theherald@johnnic.co.za</i>	MD, M-F	E	26 860
Ilanga <i>www.ilanganews.co.za</i>	Mandla Matla Publishing Co (Pty) Ltd	PO Box 2159, Durban, 4000 T. 031 337-4000 / F. 031 337-9785 E-mail: <i>newsroom@ilanganews.co.za</i>	BW, Mo ,Th	Z	100 906
Isolezwe	Independent Newspapers	PO Box 47549, Greyville, 4023 T. 031 308 2878 / F. 031 308 2885	MD, M-F	Z	96 485
Independent on Saturday, The <i>www.iol.co.za</i>	Independent Newspapers KZN	PO Box 4759, Greyville, 4023 T. 031 308-2934 / F. 013 308-2111 E-mail: <i>trevor.bruce@inl.co.za</i>	W, Sat	E	59 905
Mail and Guardian <i>www.mg.co.za</i>	M&G Media (Pty) Ltd	PO Box 91667, Auckland Park, 2006 T. 011 250-7300 / F. 011 250-7502 E-mail: <i>newsdesk@mg.co.za</i>	W, Fr	E	48 292
Mercury, The <i>www.themercury.co.za</i>	Independent Newspapers KZN	PO Box 47549, Greyville, 4023 T. 031 308-2911 / F. 031 308-2333 E-mail: <i>mercnews@inl.co.za</i>	MD, M-F	E	40 683
Post	Independent Newspapers KZN	PO Box 47549, Greyville, 4023 T. 031 308-2529 / F. 031 308-2555 E-mail: <i>khall.aniff@inl.co.za</i>	W, Wed	E	47 151
Pretoria News <i>www.planews.co.za</i>	Independent Newspapers Gauteng Ltd	PO Box 439, Pretoria, 0001 T. 012 300-2000 / F. 012 328-7166 E-mail: <i>pla.news@inl.co.za</i>	MD, M-F	E	29 776

Daily and weekly newspapers

Name and website	Publisher	Contact information	Frequency	Language	Total circulation (Oct – Dec 2006)
Pretoria News (Saturday)	Independent Newspapers Gauteng Ltd	PO Box 439, Pretoria, 0001 T. 012 300-2000 / F. 012 328-7166 E-mail: pta.news@inl.co.za	W, Sat	E	19 761
Rapport www.rapport.co.za	RCP Media	PO Box 8422, Johannesburg, 2000 T. 011 713-9537 / F. 012 713-9977 E-mail: rapport@rapport.co.za	W, Sun	A	300 338
Saturday Dispatch	Dispatch Media (Pty) Ltd	PO Box 131, East London, 5200 T. 043 702-2000 / F. 043 743-2968	W, Sat	E	24 431
Saturday Star, The	Independent Newspapers Gauteng Ltd	PO Box 1014, Johannesburg, 2000 T. 011 633-2792 / F. 011 633-2794 E-mail: star@inl.co.za	W, Sat	E	137 196
Soccer-Laduma www.soccerladuma.co.za	CT Media Proprietor	PO Box 787, Sea Point, 8060 T. 021 425-1200 / F. 021 425-1247	W, Wed	E	303 461
Son, Die www.dieson.co.za	Media 24	PO Box 692, Cape Town, 8000 T. 021 406-2075 / F. 021 406-3221	MD, Mo - Fri	A	72 049
Southern Cross, The www.scross.co.za	Catholic Newspapers & Pub Co Ltd	PO Box 2372, Cape Town, 8000 T. 021 465-5007 / F. 021 465-3850 E-mail: editor@scross.co.za	W, Sun	E	11 171
Sowetan www.sowetan.co.za	New Africa Publications (NAP) Ltd	PO Box 6663, Johannesburg, 2000 T. 011 471-4000 / F. 011 474-8834 E-mail: editor@sowetan.co.za	M-F	E	134 818
Sunday World www.sundayworld.co.za	NAP Ltd	PO Box 6663, Johannesburg, 2000 T. 011 471-4200 / F. 011 471-4164 E-mail: newsed@sundayworld.co.za	W, Sun	E	155 997
Star, The www.iol.co.za	Independent Newspapers Gauteng Ltd	PO Box 1014, Johannesburg, 2000 T. 011 633-9111 / F. 011 836-6186 E-mail: starnews@star.co.za	MD, M-F	E	163 332
Sunday Independent The www.iol.co.za	Independent Newspapers Gauteng, Ltd	PO Box 1014, Johannesburg, 2000 T. 011 633-9111 / F. 011 834-7520 E-mail: jovial.rantao@inl.co.za	W, Sun	E	42 617
Sunday Sun	RCP Media Ltd	PO Box 3413, Johannesburg, 2000 T. 011 713-9001 / F. 011 713-9731	W, Sun	E	200 315
Sunday Times www.sundaytimes.co.za	Johnnic Pub.	P/Bag x57, Saxonwold, 2132 T. 011 280-3000 / F. 011 280-5150 E-mail: suntimes@tml.co.za	W, Sun	E	504 475
Sunday Tribune	Independent Newspapers KZN	PO Box 47549, Greyville, 4023 T. 031 308-2711 / F. 011 308-2357 E-mail: tribunenews@inl.co.za	W, Sun	E	113 681
Volksblad, Die www.volksblad.com	Media24	PO Box 267, Bloemfontein, 9300 T. 051 404-7600 / F. 051 430-6949 E-mail: nuus@volksblad.com	MD, M-F	A	28 476
Volksblad, Die (Saturday)	Media24	PO Box 267, Bloemfontein, 9300 T. 051 404-7600 / F. 051 430-7034	W, Sat	A	23 877
Weekend Argus	Independent Newspapers Cape Ltd	PO Box 56, Cape Town, 8000 T. 021 488-4528 / F. 021 488-4597 E-mail: ryan.cresswell@inl.co.za	W, Sat & Sun	E	104 013
Weekend Post	Johnnic Pub. Eastern Cape	P/Bag x6071, Port Elizabeth, 6000 T. 041 504-7911 / F. 041 585-4966 E-mail: weekend@johnnic.co.za	Sat	E	28 788
Witness www.witness.co.za	Natal Witness Pr & Pub Co (Pty) Ltd	PO Box 362, Pietermaritzburg, 3200 T. 033 355-1111 / F. 033 355-1122 E-mail: newsed@witness.co.za	MD, M-F	E	23 089
Weekend Witness	Natal Witness Pr & Pub Co Pty Ltd	PO Box 362, Pietermaritzburg, 3200 T. 033 355-1111 / F. 033 355-1122 E-mail: johnc@witness.co.za	W, Sat	E	29 521

The abbreviations used are the following: MD (morning daily), BW (biweekly), M-F (Monday to Friday), Mo (Monday), Tu (Tuesday), W (Wednesday), Th (Thursday), Fri (Friday), Sat (Saturday), Sun (Sunday), A (Afrikaans), E (English), Z (isiZulu).

Media Development and Diversity Agency

The MDDA was established in terms of the MDDA Act, 2002 (Act 14 of 2002), which provides for the establishment of an independent, statutory body, jointly funded by government, the media industry and other donors.

The Electronic Communications Act, 2005 provides for a sustainable mechanism for funding the objects of the MDDA Act, 2002 through contributions from broadcasting service licensees.

The MDDA is tasked with creating an enabling environment for media diversity and development by providing support to media projects, and facilitating research into media development and diversity issues. The agency functions independently from and at arm's length of its funders, political-party and commercial interests. This arrangement enables government, the media industry and donors to work together in addressing the legacy of imbalances in access to the media.

The MDDA awarded its first grants to community and small commercial media projects in January 2004.

By the end of March 2007, the MDDA had provided support to some 135 different media and research projects. The MDDA provides support to existing grassroots media projects, and assists in establishing new media projects targeting neglected audiences. Over one third of the projects supported are new projects. The MDDA focuses on the goal to ensure that all citizens can access information in a language of their choice, and contributes to the transformation of media access,

ownership and control patterns in South Africa. The purpose is to strengthen the sector through the provision of resources, knowledge and skills in pursuit of promoting media development and diversity.

In addition, the MDDA has conducted workshops on resource mobilisation for media around the country, a community television summit and advertising and marketing round-table, and has provided bursaries for 41 grassroots media managers to attend media-management training.

The MDDA is also working with a range of media-sector and other related organisations to leverage resources for the sector to create an enabling environment for media development. The agency has established partnerships with advertising and marketing organisations to run workshops and mentoring programmes with small media projects.

In 2007/08, the agency received R12 million from government, R4,1 million from broadcasting partners and R3,6 million from print partners. The transfer from Government Communications was increased by R2,2 million for 2006/07 to expand the MDDA's operational activities, especially for additional personnel to monitor funded projects, and also for the anticipated challenges that the Electronic Communications Act, 2005 is likely to pose for the agency.

Advertising

The Loerie Awards are the best-known South African awards recognising excellence in advertising. The Association of Marketers established these awards in 1978 to coincide with the advent of commercial television in South Africa. The first ceremony took place in 1979.

The Loerie Awards ceremony is a self-liquidating event, with excess monies being ploughed back into the industry in the form of bursaries for underprivileged advertising and marketing students via the Loerie Education Trust Fund, and as a donation to the Advertising Benevolent Fund. The main objective of the Loerie Awards is to encourage creative advertising.

The 2007 Loerie Awards were held in July in Margate, KwaZulu-Natal. TBWA/HuntLascaris took the most loeries (61), including the Grand Prix Award. Ogilvy South Africa received 54 loeries, while Network BBDO took home 51 awards.

Other marketing communication awards

In academic circles, advertising is regarded as one of the core elements of any marketing communication



In June 2007, South Africa's creatives picked up gold, silver and bronze Lions at Cannes in the direct mail, media, outdoor, press, promo and radio categories.

Dean Blumberg of Freshwater Films and Grant de Sousa of Collective Energy shared second prize in the CFP-E/Shots Young Director Awards in the non-European broadcast category.

South Africa's 2007 Cannes Lions winners included:

- Cinevation – Bronze Media Lion
- FCB Johannesburg – Gold Direct Lion
- Grey Worldwide – Gold Radio Lion
- Ireland/Davenport – Bronze Press Lion
- Jupiter Drawing Room – Gold Radio Lion
- Lowe Bull Johannesburg – Gold Press Lions, Gold Radio Lion and Bronze Press Lion
- Network BBDO – Gold Outdoor Lion
- Ogilvy South Africa – Bronze Press Lions, Silver Outdoor Lion and Silver Radio Lion
- Tequila – Bronze Media Lion.

strategy. Marketers are increasingly integrating other core marketing-communication elements, such as direct marketing and sponsorship – two of the fastest-growing areas in marketing communication – into their overall campaigns.

The Assegai Awards were introduced in 1998 to honour excellence in direct marketing, strategic prowess and innovation, with an emphasis on results. These are the only South African marketing communication awards that recognise return on investment – measurable and accountable – talking directly to targeted prospects and existing customers by way of various integrated and actionable media. The awards are recognised as the industry benchmark, with a mandate to

promote growth, and to recognise and reward excellence in the direct marketing arena.

Advertising Standards Authority (ASA)

The ASA is the protector of the ethical standards of advertising in South Africa, and protects consumers against manipulative advertising and unfair claims. The ASA is an independent body established and funded by the marketing-communication industry to regulate advertising in the public interest by means of self-regulation. The ASA co-operates with government, statutory bodies, consumer organisations and industry to ensure that advertising content complies with the Code of Advertising Practice.

Adspend by medium – excluding self-promotion

	2005		2006		Rate inflation %
	Rm	Share %	Rm	Share %	
Print	6 804,1	39,7	8 018,8	39,9	6,9
TV	6 331,1	36,9	7 702,6	38,3	7,8
Radio	2 362,2	13,8	2 645,6	13,2	9,0
Outdoor	788,2	4,6	1 023,3	5,1	9,8
Cinema	591,2	3,4	393,3	2,0	137,3
Internet	140,7	0,9	174,1	0,9	n/a
Direct mail	121,5	0,7	136,3	0,7	n/a
Total	17 139	100	20 093,9	100	9,1

Source: Adex Nielsen Media Research/Media Inflation Watch.

South Africa's top 20 advertising agencies – January to December 2006

Ranking 2006	Ranking 2007	Agency name	Income Rm	% Annual growth	Number of staff	Staff to income R000s	Total number of clients	Equity ownership	Representivity
1	1	FCB SA (Johannesburg)	124,6	22,8	247	504	34	35,0%	40,9%
Five biggest accounts in 2006: Toyota, Vodacom, First National Bank, Uthingo, Tiger Brands									
2	2	Ogilvy Johannesburg	113,2	13,2	238	475	67	50,1%	45,8%
Five biggest accounts in 2006: KF, Multichoice, SAB Miller, Sun International, SAA									
4	3	Ogilvy Cape	108,8	17,0	230	473	33	50,1%	44,8%
Five biggest accounts in 2006: VW/Audi, BP/Castrol, BAT, Old Mutual, SAB Miller/Sun International									
3	4	TBWA/Hunt Lascaris Johannesburg	104,9	7,0	127	825	22	30,0%	44,9%
Five biggest accounts in 2006: Standard Bank, Nissan, MTN Retail, Tiger Brands, Motorola									
5	5	Network BBDO	97,0	25,0	95	102	39	40,0%	44,2%
Five biggest accounts in 2006: Nedbank, Cell C, Frito Lay, SAB/Chicken Licken									

Source: Adex Nielsen Media Research/Media Inflation Watch.

Acknowledgements

Adfocus, Financial Mail

Audit Bureau of Circulation

Department of Communications

e.tv

Estimates of National Expenditure 2007, published by National Treasury

Government Communications

Independent Communications Authority of South Africa

Mr P Diederichs, Department of Journalism, Tshwane University of Technology

Magazine Publishers' Association of South Africa

Media Development and Diversity Agency

M-Net

Print Media SA

South African Broadcasting Corporation

South African National Editors' Forum

www.arivia.co.za

www.bizcommunity.com

www.etv.co.za

www.fx1.org.za

www.gov.za

www.icasa.org.za

www.mtn.co.za

www.mfsa.co.za

www.opa.co.za

www.orbicom.co.za

www.sabc.co.za

www.sapo.co.za

www.sentech.co.za

www.southafrica.info

www.telkom.co.za

www.theworx.biz

www.vodacom.co.za

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