

# Esmaré Weideman on the print-media charter, her papers, and their future in the digital age



By Gill Moodie: @grubstreetSA

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Two weeks ago, media giant Naspers released a good set of annual financial results, driven mostly by digital but [even in the print business](#), Media24, there were bright spots. This week [Media24](#) CEO, Esmaré Weideman, tells Bizcommunity about the process of repairing the long-term circulation damage of Cycad, where *City Press* and the *Daily Sun* are going and why the push for a print-media charter is another attempt by the government to control the print media.

■ **What is your view on the recent [recommendations](#) made by the Press Freedom Commission (PFC)?**



Esmaré Weideman

**Weideman:** I have now read the Commission's recommendations four times and think Judge Pius Langa, his commissioners and Mathatha Tsedu did a good job. The recommendations are acceptable in principle though there are a few issues of detail which have to be interpreted for purposes of implementation. Two issues in particular which need to be thrashed out when the process of redrafting the Press Code begins are the right of reply and the protection of children's rights. Both are defined very narrowly by the PFC, almost to the point of impracticality. But there are no "show-stoppers". Between the editors, Press Council and publishers we should be able to sort it out.

■ ***Given that the press has just made what I view as important symbolic [concessions](#) to the ruling party through the PFC, we now see the ANC is pushing hard for a transformation of ownership through a print-media charter. What is your view on the calls for transformation of ownership - and how will Media24 respond?***

**Weideman:** It would be interesting to hear what important symbolic concessions you think have been made? I don't think so.

But let's talk about the transformation of ownership. Firstly, Media24 has always taken Black Economic Empowerment seriously and as early as 2006 - before the BEE codes were finalised - launched the biggest broad-based empowerment offer in print media in terms of which about 106 000 black shareholders directly own 15% of Media24. Furthermore our BEE scorecard reflects 35.77% black ownership, 16.66% black women ownership and we score full points for ownership on our BEE scorecard. Some of this is through black shareholding in Naspers.

I believe the real battle to be fought right now lies in pressure from the Parliamentary Portfolio Committee on Communications for the print media to adopt a print-media charter. Media24 does not support a charter because it will result in a form of regulation that will give government the means to have control over print media. It will also enable further regulation with potentially dire consequences for press freedom. We accept that the print-media industry is insufficiently transformed and we are happy to agree to transformation targets but not at the expense of putting press freedom in jeopardy. There are alternatives to a charter but Parliament refuses to consider any alternative, which is troublesome in itself.

■ **Can you give me a brief rundown of the broad-based empowerment offer?**

**Weideman:** Welkom Yizani is the investment vehicle which has been set up to facilitate Media24's BEE initiative. The proceeds from subscription by black South Africans for Welkom Yizani ordinary shares will be used to pay for 20% of the purchase price payable by Welkom Yizani to acquire 15% of Media24 Holdings ordinary shares. In addition to Welkom Yizani ordinary shares, Naspers will fund the issue of Welkom Yizani preference shares. This funding will be used to pay for the remaining 80% of the purchase price payable for the Media24 Holdings ordinary shares purchased

by Welkom Yizani.

It is a bit tricky but you can also check out the [Welkom Yizani website](#). In plain English, through Welkom Yizani, ordinary black South Africans have a 15% share in Media24. To see these shareholders at an AGM is incredibly humbling. I once chatted to a policeman who took a day's leave to attend his very first AGM. He was so proud to say he owned a share in a company whose magazines and newspapers he reads.

■ *I've written in a [column](#) previously that the Afrikaans papers - particularly [Rapport](#) - may be losing the power to influence the news agenda. What do you think of this?*

**Weideman:** Yeah, I saw that but I don't necessarily agree, of course. Some of our newspapers have very powerful voices - in their news coverage, their editorials, their columns and on their op-ed pages. As far as *Rapport* in particular is concerned, all I can say is watch this space.

■ *[City Press](#) is an exciting title in your stable - and is now really setting the news agenda and experiencing rising circ. What is your view on how the paper is doing and where it is going?*

**Weideman:** (Editor)Ferial Haffajee and her team are really doing a great job, aren't they? *City Press* has become the paper of choice for so many people on a Sunday. It is a must-read. Their political and socio-political coverage, in particular, is excellent. It has been a slow, steady and exciting transformation and it is an ongoing process. Knowing Ferial, she will never be entirely happy, a trait of good editors! Right now I believe marketing efforts should focus on readers who still regard *City Press* as a "black" newspaper, which it is not. It is *the* agenda-setting newspaper in the country. In the build-up to Mangaung in December, I am convinced many more South Africans interested in the political future of the ANC and the politicking within its ranks will turn to *City Press* for the best news, views and analysis provided by an extremely connected and competent team of journos and editors.

■ *Media24 is the king of the tabloids in SA. Do you feel there is still room to grow with the various tabloids - but particularly with the Daily Sun, where the readership is really squeezed by the high cost of living? Or are you comfortable with where it is at the moment? Obviously increased circulation equals bigger costs.*

**Weideman:** One is never "comfortable" with circ, are you? The high cost of living is affecting most South Africans and this is reflected in circulation across a broad spectrum. The high pass-on rate of many publications is an indication that people do want to read these titles but that they would rather read the neighbour's copy than buy their own. So it's not a content issue; it's an issue of disposable income. I am sure *Daily Sun* will continue to soar, not only in circulation but also in advertising income and influence. It is very encouraging to note that advertisers have started to grasp the power of the tabloid brands.

■ *(Napers CEO) Koos Bekker was very frank in an interview with me last year on the massive [problems](#) with the Cycad system (that governs distribution and subscriptions). What is your assessment of how the various titles are doing in arresting circulation decline and how the company is repairing the long-term damage?*

**Weideman:** Yes, Cycad was not a proud moment in the history of Media24. The damage was massive, particularly on subscriptions, but more importantly because it destroyed a relationship of trust between our newspaper titles and their most loyal readers. This is not something you fix in a year. Cycad has long been stabilised and we are in the process of migrating to a new ERP platform. We have managed to restore more than 80% of our subscription base but it is an ongoing process to win back the trust you lost.

■ *How far away do you think is the day when you guys might switch some of your titles - magazines or newspapers - to digital-only or digital mostly, especially your high-end titles such as [Beeld](#)?*

**Weideman:** It's not on the agenda at all. What is very much on the agenda is making some of our dailies such as *Beeld* available on all platforms - in print, on tablet and on mobile - with enriched content and back-end functionality that is among the best in the world. These editions will be rolled out over the next few months. Exciting stuff!

■ *Some say newspapers are doomed. What is your view on this?*

**Weideman:** I don't think newspapers in South Africa or in Africa are doomed for years to come. At the top end of the market, readers will probably switch to digital editions fairly quickly, which is why we are putting so much effort into

designing some of our titles for these devices. But in a developing economy such as ours many people will read newspapers in printed format for quite a long time, I believe. In any event, even if newspapers are "doomed" it is simply paper editions that might become obsolete, not journalism. Good, solid, proper journalism will never die.

■ **How would you describe your style of management?**

**Weideman:** Consultative would probably describe it best. I like to gather people in a room, talk through issues, encourage debate, and then take a decision. Once I've taken a decision, it's all systems go!

■ **What has been the biggest challenge for you since taking over the job as CEO ([in May 2011](#))?**

**Weideman:** Most definitely getting to know the parts of the businesses I had not been exposed to as an editor. [Weideman was editor-in-chief of *Huisgenoot*, *You* and *Drum* previously.] I still learn something new every day.

■ **What are you most pleased with?**

**Weideman:** The fact that I am really enjoying this job! I have always believed life is far too short to be in a job you don't enjoy so it would have been a bit of a crisis if I didn't love this as much as I loved being an editor and journalist. I am really pleased to have the support of such a strong team, and proud of our results in the past fiscal. It has been a sterling team effort.

■ **Where would you like Media24 to be in five years' time?**

**Weideman:** I am not one to make five-year plans. In fact, I think it is downright stupid to try and predict where media will be in five years' time. It's all simply changing too fast. But I would like Media24 to be renowned for its expertise and excellence in media, in whichever format we will be practising it, hugely profitable and innovative, and a company which attracts the best talent and provides a happy home for its entire staff.

## For more:

- Bizcommunity: [Naspers' Steve Pacak on digital, print and the future](#), June 2012
- Bizcommunity: [Koos Bekker on Media24's future and how it fixed last year's 'bloody mess](#), (on Naspers' 2010/11 annual results ), June 2011
- [Naspers' investor-relations page](#), on which you will find results presentations from the past couple of years

## ABOUT GILL MOODIE: @GRUBSTREETSA

Gill Moodie (@grubstreetSA) is a freelance journalist, media commentator and the publisher of Grubstreet ([www.grubstreet.co.za](http://www.grubstreet.co.za)). She worked in the print industry in South Africa for titles such as the *Sunday Times* and *Business Day*, and in the UK for Guinness Publishing, before striking out on her own. Email Gill at [gill@grubstreet.co.za](mailto:gill@grubstreet.co.za) and follow her on Twitter at @grubstreetSA.

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