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Afromedia Records 56% Rise in Turnover

Afromedia Plc, a leading media advertising company in Nigeria, has recorded a 56 per cent increase in its turnover in the financial year of 2010.

Giving an account of the company's stewardship at the company's 45th Annual General Meeting (AGM), the

Chairman, Dr. Onalapo Soleye, commended the management of the company, who he said, had against all odds made the company profitable in the last financial year despite the harsh business condition caused by the economic meltdown and the turbulence in the capital markets.

According to him, like virtually every sector of the economy, the out-of-Home media advertising industry faced severe business challenges in the past year. This, he added, was largely due to pressures from advertisers who were cutting down their advertising budget and as such asking for

reduced prices; as well as stringent regulations and levy.

All these combined to increase the cost of sales for the year 2010", he noted, while assuring that the company will post an improved performance in the current year.

The company's financial record, which was audited by

Ernst & Young (Chartered Accountants), revealed that Afromedia plc records a 56 per cent increase in its turnover with 86 per cent increase in its pre-tax profits and a 29 per cent increase in its profit after tax.

Speaking further, Soleye said the company has been repositioned for expansion and

growth and assured shareholders that Afromedia will make the best of the Out-of-Home media opportunities available in the landscape. However, the company however did not pay dividends to shareholders.

Managing Director, Mr. Akin Ire Olopade, explained that the decision not to pay dividend was taken in order to grow the business by reinvesting the retained earnings into the growth opportunities being pursued by the company.

Olopade expressed the management's determination to commit to strategic expansion of its business for improved performance in the long run and also to invest in calculated businesses throughout the country and beyond. He also promised to always find creative ways to overcome the challenges being faced by the industry in a bid to remain a leading Out-of-Home media advertising company in Nigeria.

Substandard Goods: Freight Forwarders Bemoan SON's N1.5 Penalty

By Francis Ugwoke

Freight forwarders have cried out over measures introduced by the Standard Organisation of Nigeria (SON) to ensure that goods imported into the country meet the minimum standard requirements.

The new Director-General, Chief Ikem Odumodu, had on assuming office introduced N500,000 and N1million as defaulting fee and deposit to penalize SONCAP defaulters.

But reacting to the situation, the National Association of Government Registered Freight Forwarders (NAGAFF) said that while it does not encourage importation of substandard goods, the penalty was high-handed and an over-kill on importers.

Founder of NAGAFF, Dr. Boniface Aniebonam, while advising importers against the importation of substandard goods, however, said that the penalty introduced by SON was counter-productive.

Aniebonam who told THISDAY that the penalty used to be N200,000 described the N1.5 million as penalty and deposit respectively as outrageous, adding that instead of achieving result, it will force importers to look for alternatives.

He said that the new measure led to high level corruption in the system as importers make desperate moves to clear their goods.

He pointed out that the new measure may force some importers to divert their consignments through the neighbouring ports, and thereafter look for ways of smuggling them into the country as has been the case in some trade goods.

He disclosed that since SON unfolded the new measure, no affected importer has cleared his goods out of the ports, adding that already the policy is beginning to congest the sea-

ports.

He expressed the fear that in a question of time some importers may decide to look for means of clearing their goods in such a way that some may even decide to forge SONCAP certificates.

Aniebonam called on SON to review the penalty and deposit being demanded for the best interest of all.

"As critical stakeholders, NAGAFF participated and played an active role in the early stages of SONCAP establishment and its emergence. The new Director-General should take a second look at the measure being taken to penalize SONCAP defaulters. The price tag of N500,000 and N1,000,000 defaulting fee and deposit therein should be reviewed forthwith. This is to avoid a system that will increase smuggling activities. Let the attitude to it be that of corrective measure than being punitive. We posit this is so to avoid an imminent congestion in the port", Aniebonam said.

The NAGAFF founder said that he expected that the SON boss being new in office and with such measure ought to have visited the seaports to hold a stakeholders meeting where he will announce the new measure and its implications.

"His job entails a lot of enforcement functions and this cannot be effectively discharged without having adequate information of the operational environment", he said.

Aniebonam called on the staff of SON to take advantage of the reform measure at the ports to do the right thing. He said that as far as he was concerned, the new boss of SON needs to change some corrupt officers in the ports if he wants to succeed.

He described some officials of SON in the ports as very corrupt and should be monitored.

The NAGAFF founder however pleaded the support of the association to the new chief executive of SON, adding that his members have been directed to advise their importers to avoid bringing into the country substandard goods.

"Overtime, the introduction of conformity assessment

programme of SON may not have met the desired result of government expectation to check the influx of substandard, fake and adulterated products imported or manufactured in Nigeria.

The havoc of corruption in the economic build up of Nigeria cannot be over-emphasized. It is most appreciated that Chief Ikem Odumodu is now spearheading the anti-corruption war in the Nigeria ports and border sta-

tions. To have a zero tolerance attitude to corruption is rewarding and he should expect the support of patriotic Nigerians.

"It is most unfortunate that Nigerian traders use their hard earned money to buy goods and for such goods to be seized or destroyed in Nigeria. Most times the importers suffer prosecution including additional payment for the destruction of such imports by SON officials"

Cooking Gas: Association Seeks FG Action on High Tariff

By Francis Ugwoke

The Nigerian Liquefied Natural Gas Association expressed concern on the current tariff of 20 percent on liquefied natural gas accessories, saying it has prevented many Nigerians from migrating from kerosene and firewood to the cooking gas.

President of the Association, Alhaji Atuwulu Ilu, said the association was deeply worried about the development, and would want the Federal Government intervention on the issue as a matter of priority under the new administration slated for inauguration May 29.

Ilu told THISDAY that his members have made efforts to get government introduce a lower tariff on LPG accessories to no avail.

He expressed optimism that with the election over, the issue of subsidy on petroleum products will be addressed, adding that he was hopeful its removal will lead to many Nigerians migrating from kerosene to LPG.

He said that already, many Nigerian companies were ready to take advantage of the likely increase in the demand for LPG with many entering into the market. He said that the process of getting DPR approval has remained quite cumbersome, a situation, which according to him, was not the best for the country if it wants many Nigerians to migrate from use of kerosene to

LPG. Ilu however said that despite the high tariff on LPG accessories, many Nigerians have continued to embrace it because of its benefits.

He said that the benefits and the cost effective nature of cooking gas were such that its

mass use should be promoted by government.

"Government should introduce zero duty on gas cylinders so that many Nigerians can begin to use cooking gas. First, it is cheaper to use cooking gas than kerosene and firewood. Then, the issue of environment comes in. LPG is environmental friendly", he said. He had earlier told

THISDAY that his Association is ready to collaborate with government to ensure that a programme is introduced which can make LPG affordable to many.

According to him, many countries have adopted measures which helped in increasing the number of people using LPG, adding that Nigeria should not be an exception.

AFROMEDIA PLC RC 2027



AFROMEDIA PLC

UNAUDITED TRADING RESULTS FOR THE FIRST QUARTER ENDED 31ST DECEMBER, 2010

The Directors of Afromedia Plc are pleased to announce the unaudited trading results for the first quarter ended 31st December, 2010 with comparative figures for the previous year:

	31st Dec. 2010 =N='000	31st Dec. 2009 =N='000
Turnover	969,414	661,665
Profit Before Taxation	154,788	185,882
Taxation	(20,122)	(24,795)
Profit After Taxation	134,666	161,087

Turnover increased and Profits decline when compared with the same period in the previous year. The rising cost of securing strategic advertising sites in the highly regulated regime in Lagos significantly impacted on the Cost of Sales during the period.

The Directors are confident that the level of performance will improve at the end of the half year barring any unforeseen circumstances.

BY ORDER OF THE BOARD

ADEBISI ERIOLUWA
Company Secretary

Dated this 31st day of March 2011

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Children's Day: BiCourtney Counsels Youths on Career Choice

By Chinedu Eze

Secondary school students were at the weekend given career talk on the aviation industry by seasoned aviators at the domestic terminal, IMA2, Lagos airport, to mark this year's Children Day celebration.

The event was organised by BiCourtney Aviation Services Limited (BASL) and was aimed at educating the students on how they could choose and study aviation related courses as the industry suffers from paucity of professionals like pilots, engineers, others.

One of the resource persons, Engr Tania Subi, aircraft maintenance engineer and technical

manager, Aero Contractors, told the students that it is good to educate children so that they would choose a career for the future and become what they wished to be.

He said that although there are lots of courses in aeronautical engineering, he regretted that many of such courses were not available in Nigeria, but added that aircraft maintenance could be done in Nigeria.

Subi said that every child has a talent inside him and could manifest if a children chooses to study a course that suits his

him; rather than have his parents choose a course they wished that their child should study.

"In aviation arts and science come together to make the industry thick. In Africa we don't actually practise aeronautical engineering and system engineering because we don't have aircraft factory. We however have certain areas we can work like aircraft maintenance engineering."

He said that besides training as engineers, a student could train as pilot, air traffic controller, cabin crew and others.

"In Nigeria there are training institutions like the Nigeria College of Aviation Technology,