

Zim: Michael Hogg buys CM&A Ogilvy

By <u>Dumisani Ndlela</u> 3 Dec 2010

Zimbabwean marketing guru Michael Hogg, who sold his advertising agency in 2005, has staged a phenomenal come back after a surprise acquisition of CM&A Ogilvy from Barker McCormac Ogilvy & Mather. Bizcommunity has learnt that the transaction was completed last week and Hogg had already assumed the position of CEO and was re-organising CM&A.

Hogg was the owner and major shareholder of the Michael Hogg Young & Rubicam (MHY&R) advertising group before selling it to Imago Communications owned by Sharon Mugabe in what was one of the biggest empowerment transactions in the sector.

MHY&R, which consisted of an advertising unit, Imago Y&R, Network Public Relations, Wunderman Action Marketing, Ducks in a Row and Brand Value, provided the most comprehensive corporate communications offering in Zimbabwe.

It rebranded to Imago Young & Rubicam (IY&R) following the disposal.

Company reeled in crisis

Arguably one of Zimbabwe's biggest advertising agencies, IY&R reeled into a crisis after global marketing and advertising agency Young & Rubicam (Y&R) sold its 25% stake in the Zimbabwean associate over its involvement in advertisements for President Robert Mugabe's re-election campaign in 2008.

Sharon Mugabe, who held 75% of the company, bought the Young & Rubicam shares for a mere US\$1 and agreed to drop the Y&R reference on Imago's name.

Key clients then deserted the agency, precipitating a sharp fall in revenue. The agency lost its accreditation after failing to settle huge debts incurred from President Mugabe's the re-election campaign.

Possible rebranding of CM&A

Industry sources said Hogg might rebrand CM&A to Michael Hogg and could re-engage global agency Young & Rubicam to bring back the MHY&R brand. But this was doubtful as CM&A already has a partnership with Ogilvy & Mather. Hogg could not be reached for comment.

An associate at CM&A, Tendai Chamba, declined to comment insisting that this reporter talk to Hogg first before he could offer "clarification".

But an official at Barker McCormac Ogilvy & Mather confirmed the transaction but declined to give details, again referring this reporter to Alistair Carlisle, the CEO. He was also unavailable for comment at the time of writing.

But advertising industry sources said a deal had indeed occurred giving Hogg control of CM&A.

"Do you think Hogg would join CM&A as a worker?" one ad agency executive familiar with the transaction asked. "Maybe they are waiting to formally inform clients before making an announcement. They have to manage the transfer."

ABOUT DUMISANI NDLELA

Durnsani Ndlela is a Zimbabwean journalist specialising in business and financial reporting, with experience reporting on commodities, stock and financial markets, advertising, marketing and the media. He has previously reported from a number of regional countries as well as from the UK and Germany on commodities and regional integration. He can be contacted on dndlela@yahoo.co.uk.

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