

SABC executives suspended over undisclosed profit-share deal with Discover Digital

Following their failure to disclose a 7.5% profit-share deal with Discover Digital, the SABC's COO Ian Plaatjes and head of video entertainment Merlin Naicker have both been suspended.



Source: © Daily Investor [Daily Investor](#) 3 SABC executives have been suspended following their failure to disclose a 7.5% profit-share deal with Discover Digital

SABC's ad sales boss Peginald Nxumalo resigned when he heard about his impending suspension, according to [TV with Thinus](#) while a report in [The Citizen](#) says he was suspended.

TV with Thinus reports that “in an internal memo on 7 February the SABC told staffers that COO Ian Plaatjes and head of video entertainment Merlin Naicker have been suspended this week in news first reported by *City Press* on Sunday.”

Discover Digital runs the broadcaster's SABC+ video streaming service and the broadcaster has an R35 million contract with it, renewable for five years, to run SABC+ as its over-the-top (OTT) video streaming service.

The SABC is projected to initially make between R100 and R200 million with SABC+.



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Legal advice

The three are reported to allegedly have concealed the additional 7.5% profit-share agreement from the SABC executive committee in the deal that the SABC agreed to with Discovery Digital for SABC+.

Their suspensions came after legal advice from the Werkmans law firm, which follows the SABC's internal audit, and found the three deliberately concealed the crucial information of the profit-sharing agreement.

It found a prima facie case for gross dishonesty by Ian Plaatjes, Merli Naicker and Reggie Nxumalo in the SABC+ deal with Discover Digital.

Lungile Binza is now acting SABC COO and Lala Tuku, SABC head of local content, is now acting head of video entertainment. The SABC failed to make any public announcement about the high-level suspensions to the public.

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