



## KENYA APA – ELIGIBILITY FOR FULL MEMBERSHIP

Eligibility is confined to organizations which represent the kind of Agency most likely to develop and execute advertising that succeeds for advertisers. This is based on the premise that the Agency should be independent, unbiased and objective; should offer adequate staff and experience; should be ethically operated and should be soundly financed.

Specific criteria which will be applied by the Member Sub-Committee are as follows:-

- **Type of business** - The Agency applicant shall be in the Following businesses
  1. Advertising Agency,
  2. Media agency,
  3. Digital agency.

A minimum of 75% of the Agency's gross income must be from payment for services usually rendered by Advertising Agencies (as defined in the Service Standards section below).

- **Size of Agency** - An Agency inadequately sized to service its business shall be ineligible. The Agency applicant should be earning at least Kshs 75 million (pa) gross billings with a minimum of 5 key clients and managed by at least 10 full time staff (experience defined in Service Standards below). If the applicant is a digital agency, the minimum billings should be 12 million per year.

(This billing figure will be subject to periodic review by the council to adjust for inflation and other pertinent market factors)

- **Age of Agency** - The Agency applicant must have been doing continuous business for at least Two years ( 24 months)

Ownership, control and bias.

- (a) Persons exercising operating control must be employees of the Agency.
- (b) Agency must not be operated by, or on behalf of, any advertiser.
- (c) Where an Agency or one or more of its employees owns an interest in a medium or supplier, or where a medium or supplier owns an Agency, such interest must be disclosed to the Association, to the Agency's Clients and, in the case of media ownership, to other media as well.

- (d) The Agency applicant must disclose all facts necessary to determine its eligibility in the terms of points (a) (b) and (c) above, and must notify the Association promptly of any changes that might affect its continued eligibility.
- (e) Service Standards - Only Agencies that are qualified by experience to offer an adequate and quality of Agency service in the businesses identified above, defined as interpreting to the public, or to desired segments of the public, information regarding a legally marketed product or service, will be eligible. Typically their skill set and structure will include:
- Account Management – client service handling – including the study of the product/service to determine its inherent advantages/disadvantages in relationship to the competition; knowledge of all factors of distribution, sales and methods of operation
  - Account planning/marketing/research – strategic planners – such as analysis of potential markets and target audiences from research data,
  - Creative – developing ideas, conceptualizing, copywriting and design
  - Media – a knowledge of all available media and means to carry the message to the target audience including planning, buying, research and negotiating
  - Production – advertising scripts and production for TV, film, radio and print outdoor,
    - Creation of digital advertising formats including but not limited to Internet, mobile and in game.

Of the minimum staffing of 10, 5 must be communications professionals employed in roles which use the above skills and disciplines on a daily basis (For example Creative Director, Media Director and Client Service/Planning Director).

- (f) Character – An Agency applicant will be evaluated on their business record; communications offering; policies and principles; ethical practices; reputation for honesty, integrity and sincerity of purpose. Only Agencies which give reasonable assurance of their readiness to uphold the highest ethical standards of the business will be admitted.
- (g) Ability – A study will be made of the agency staff and facilities, and its past work. The applicant is required to furnish a representative list of its current Clients indicating the nature of the work done, how long the account has been held, and a representative list of media and suppliers with which it has done business
- (h) Financial Responsibility – the Sub-Committee shall require:-
1. Evidence of financial stability, indicated by satisfactory Balance Sheet for two full financial years, verified by a Certified Public Accountant. In case of audited accounts, we recommend that the audit firm of the applying Agency furnish a financial statement confirming:
    - a) That the core business of the Agency is advertising
    - b) That in the last financial year the Agency had a minimum gross billing of Kshs 75 million
    - c) A current Kenya Revenue Authority tax compliance certificate

2. Financial references required from:

- (a) Its bank
- (b) Three major media owners (definition of major media owners to be reviewed by the Council from time to time to adjust for changes in the market place – currently includes but not exclusive to Nation Media Group, Baraza Limited, Royal Media, KBC, and Radio Africa),
- (c) Where applicable three suppliers from production areas (such as audio visual, printing and merchandising) with whom it has done business.
- (d) Three clients for whom it has done business

**Membership Vetting Procedure**

1. The APA Secretary/Administrator provides the applicant with the conditions for eligibility and the information requirements needed to support an application.
2. The prospective member furnishes a complete and properly supported application to the Secretary, who tables it for the attention of the Membership Sub-Committee.
3. The Sub-Committee considers the application and checks the references required.
4. If the application satisfies all basic criteria, the Sub-Committee may conduct an inspection visit (no less than two Members to attend).
5. The Sub-Committee makes its recommendation to the council, and the decision is taken.
6. The APA commits to decide on an application within 30 days from the date of the inspection visit.