

# ADVERTISING AGENTS AND THEIR RULES

## ATTEMPTS TO PREVENT REBATING

### Does Payment of Newspaper Commissions Lead to Abuse?

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A confused and confusing position exists among the advertising service agents of Sydney. One powerful section is trying to persuade another influential section to agree to a certain scheme of organisation, and some strong feelings have been aroused. Mutual suspicions and antagonisms, the natural children of a highly competitive profession, are taking advantage of the occasion to give themselves an airing.

**TWO EVENTS**, during the past few weeks have stirred up this devil's broth.

The first was the formal registration, as a Company, of the Advertising Agents' Association of New South Wales. Particulars of this registration are in another column. The net effect of it is to give the Association's "Affirmation of Principles" and "Standards of Practice" a force of law, inasmuch that they now become the newly-registered Company's Articles of Association. They may not be lightly disregarded by any member. Further than that, the Association has provided that each of its members must put up a bond of £100 as security against the breaking of the rules.

The second event was the adoption by the Executive of the Country Press

ive always retaining to itself the right to exercise final discretion in the matter."

Some service agents say that this resolution means that they must, willy-nilly, become members of the A.A.A. if they desire to secure C.P.A. accreditation and place advertising business with country newspapers. The C.P.A. denies this. It argues that the final decision on accreditation rests with the C.P.A. Executive, and that it will not necessarily adopt the A.A.A. recommendation.

As advertising agents are really the middlemen between the advertisers and publishers both classes have a right to know what all the trouble is about. What is the substance of the dispute between agents? Why did the N.S.W. Association adopt the unusual course of securing registration under the Com-

is going to be. Some are quite sure they do not wish to go aboard at all. The majority are aboard; but if they do not all sail together, there is no purpose in the voyage. And the only way to get the suspicious minority aboard is to shanghai them! The majority are not helping matters any by standing along the rail and cursing the reluctant gentlemen ashore.

It looks as if the A.A.A., being unable to compel all practitioners to join and observe its rules of practice, has reached an impasse. It has only one hope left—to persuade the publishers to refuse business from all except members of the A.A.A.

#### WHERE THE PUBLISHER STANDS

At first glance, it seems a proper and reasonable thing for the publishers to do. Evidently, the C.P.A. Executive took this view. The A.A.A. wants to kill rebating. So do the publishers. The A.A.A. demands higher standards of ethics, greater efficiency in advertising practice. So do the publishers.

But when an examination is made of the rules of the Association which, it is proposed, all agents should be compelled to join, it becomes plain that the publishers must walk warily. Certain big firms, who are as anxious as anyone to prevent rebating and support good ethical standards, will not join the Association. Why?

It is not necessary to examine their reasons. The fact that they are practitioners of good standing, and that they do honestly object to membership, shows how wrong it would be for the publishers to force them into the Association.

The publishers, also, must ask themselves whether, by taking this method of killing certain malpractices, they might not bring worse evils into being. The Association's rules (on another page) suggest that, with all practitioners inside the organisation,

it would be a very "close" corporation. The executive council could do virtually as it pleased. Three votes of Association could give orders to publishers and advertisers.

The A.A.A. cannot get much further with its plans unless it has the assistance of the publishers in compelling agents to join the Association. It seems certain, therefore, that the publishers, sooner or later, will have to decide what they are going to do. They must ask themselves whether, a matter of principle, they can do with service agents collectively in a manner suggested. They should study the A.A.A. rules more closely than is done by the C.P.A.

For when the C.P.A. executive decided to take suggestions from the Advertising Agents' Association regard to accreditation, and not deal with agents individually—for that what its decision means—and, abandoning the old simple procedure, introduced a dangerous principle, which may react seriously upon publishers.

Among advertising agencies which are not accredited, although they have applied, are firms handling some of the biggest allocations in Australia—Price-Berry Pty. Ltd., Paton Advertising Ltd., Samson Clark & Co. Ltd., T. B. Browne Ltd., Goldberg Advertising Ltd., Walter Burke. It seems a ridiculous thing—as well as poor business from the country proprietor's point of view—not to give these well-known firms all available facilities introducing new business.

#### CRUX OF THE PROBLEM

The advertising service agent usually a keen, energetic, high skilled man—has become indispensable to the merchandiser. Because, in le

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