

P3 claims anger TV producers

MELBOURNE: An aggressive play for new business by consultancy firm P3 has angered ad agencies after it accused them of ripping off clients.

In a newsletter titled "Putting procurement and purchasing into TV production" sent to potential clients late last month, Clive Duncan, "the new face of P3TV", claimed ad agencies are failing to provide a fair tender process.

Duncan was a TV producer at JWT Melbourne before switching sides. He said agencies typically ask their favoured production

house to quote on a budget slightly lower than non-favoured suppliers, thereby ensuring the favourite director comes in with the most competitive quote. He said this practice of "steering" a client towards a particular director happens in at least 75% of cases.

Justine Kubale, head of TV at Duncan's old employer, JWT Melbourne, said in her many years in the industry she has never seen the practices he described. "We always present three estimates that have been fairly bid," she said. As to Duncan's contention that film companies occasionally give

agencies 5% rebates, she said: "I've never heard of that in my whole life."

Duncan said in the newsletter that the present tender process is an "insult" to the local film production industry but one production house executive said the agencies he works with do not conduct tenders in the way Duncan describes.

Ad agencies are angry P3 has painted the sector in such a bad light and have accused the company of grossly exaggerating the situation to drum up business.

Duncan claimed P3 tries to avoid controversy – but never-

theless explained his newsletter comment that creative teams work with certain directors because "the agency's art director's sister is married to one of the film company's producers" as "a bit of puffery".

He called agencies naive and defensive for reacting to his claims and said the practices he described are "common knowledge". In his last five audits of agency production processes, two gained perfect "AA" ratings from P3 and while Duncan claimed to have made savings for the client in the remaining audits, he said these were "not significant".

Dave Clutterbuck