

To: Sam

From: Kathleen

Date: 27 July 1992

Thank you for your fax dated 29-7-92. Glad to hear things went well with Peng. Re her requests for additional info:

1. I will copy and send you a report which provides statistics on the 5 Khmer-language newspapers and radio stations. Their claimed Khmer audience is quite high but difficult to verify. There is also one national television station. Some, if not all of the newspapers provide advertising and the TV station does, as well. Cost is very cheap, maybe us\$4-6 per column inch. Television is less than \$10 per minute and I believe is limited to roughly 45minutes per day within a block of time in the evening. I will need some time to get rates for you.
2. Other media sources include the Bangkok Post and the Nation which sell for US\$1 each and have been available on a daily basis for several months now. However, their circulation is very limited and many of the foreigners don't read either because they have to go out of their way to purchase them at one of four locations they are available in the city. Also, a Chinese daily, I believe from Hongkong, is available. The Cambodiana (most fancy hotel in PP) recently began to carry the Herald Tribune and a few places are beginning to carry Time, Newsweek, Far Eastern Economic Review (FEER) and other magazines. The availability of these publications is also very limited.
3. Billboards now line the road from the airport and can be seen more and more throughout the city. I believe they are cheap but will have to check on the price.
4. The population in Phnom Penh is approximately 800,000 and growing fast. The total population in Cambodia is about 8,000,000.
5. I can send photos but you have to see this place to believe it.

One important fact to keep in mind as you begin to market the Post. People here want to read our paper as it gives the only balanced in-depth coverage of Cambodia. We've been told this already many times. There really is nothing else available that provides this kind of quality reporting. We have, after only two issues, already secured over 250 subscriptions, mostly from the U.N. which wants to send copies to their people throughout the country. We expect many more will be coming in on a regular basis. The bottom line is that with our paper circulating throughout the country it is likely that practically every foreigner in the country, around 35,000 now, will be reading the Post.

Also keep in mind that with the U.N. presence there is an enormous amount of disposable income in the pockets of those foreigners involved in this process. It has been estimated that the salaries alone of the UN personnel currently in Cambodia, including their per diems, amounts to over U.S.\$400,000,000 for one year.

Also, for your own edification you should do some reading on Cambodia to begin to understand the complexities of the situation here. This is an absolute must - one we insist on. If you begin to sell ads for the Post and run into many old Asia hands who know the region well, as you no doubt will, you may find yourself quite embarrassed, and our prospects hindered, by a lack of basic knowledge of what's been going on here. The best book to start with is "Brother Enemy" written by Nayan Chanda, available at Asia Books in Bangkok. Read it quickly. When you get through this one, we'll give you some other titles. You also need to read the articles on Cambodia in the Bangkok Post and Nation every day to keep abreast of current events.

Will send newspapers and additional info with Michael who is coming to

Bangkok next Wednesday, 5 August. If you are planning to come, perhaps you could return 7 August with Michael.

Today, I faxed Poramate Sethasuwan, Marketing Director, International Marketing Consultants LTD, our former Advertising Representative in Thailand, terminating our agreement effective today. I indicated that he would be entitled to our agreed-upon commission for any accounts he may have secured by this date (of which I believe there are none). These accounts would be exclusions in terms of our agreement with you. I indicated to him that given our critical needs at the time, we have identified another Thai firm which is able to provide more comprehensive promotional services. This means that we can draw up a formal agreement with you.

The general terms of the agreement are as follows:

1. The agreement is effective immediately and will be reviewed every four months.
2. You will be our sole Advertising Agent/Representative in Thailand. You will be paid 20% commission of net revenue earned by us for advertising sold by you. Should any staff member of the Phnom Penh Post assist in securing an advertising booking, then the commission will be split equally between both parties. This decision will be made by the Publisher. Commission will not be paid against those insertions payable by barter.

This commission is exclusive of agreements which have already been initiated by this office including the barter agreement with JVK International and NAGA Shipping Lines Co., Ltd., Bangkok Airways, Diethelm Travel, and Eastern Printing.

On occasions when we must give special discounts or packages to clients to secure business it may be necessary to negotiate a lower commission rate to secure the business. Such agreements will be discussed with the Publisher in advance to ensure mutual satisfaction.

In the case that a barter arrangement is agreed upon by the Publisher, the Publisher will use his discretion in allowing the representative to utilize a portion of the barter based upon availability.

3. No administrative expenses will be borne by the Publisher's office except for remuneration of shipping/courier charges incurred when dispatching advertising materials (see paragraph 5).

4. Advertising Bookings/Contracts:

- a) All advertising insertions must be accompanied by an official contract or insertion order. The official insertion order must reach Phnom Penh 7 (seven) days before printing. In the case of color advertisers, 14 (fourteen) days notice is required. And with regard to color, you need to wait until we work out the logistical details with our printer for doing this before we tell advertisers we can do color.
- b) Verbal insertion orders must be supported by fax or insertion order within 7 days of booking being made.
- c) No discounted insertions are to be given without clearance by the Publisher.
- d) Advertising rates are to be quoted in US Dollars or Baht and must be paid in these currencies unless prior clearance for payments in other currency is given by the Publisher.

5. Courier Charges Reimbursements:

- a) Representative is responsible for shipping/couriering advertising materials to Phnom Penh. The Publisher's office will re-imburse the cost of shipping material and all claims must be accompanied by an invoice and receipt.
- b) Advertising material must be complete and camera-ready.
- c) Advertising materials must arrive in Phnom Penh at the latest 7 (seven) days before printing is to commence.

6. Invoices/Payments:

- a) You are responsible for securing remittances in a timely fashion. Copies of all invoices for each issue will be forwarded to you for each issue in which you have advertising booked.
- b) Payments must be collected by the representative. (we will work out the proper mechanisms to enable you to deposit checks in our account in Bangkok as soon as possible.)
- c) Payment in full is required prior to the publishing of the advertisement unless otherwise agreed upon by the publisher. If the publisher agrees upon terms of half payment in advance and half payment at the time of publication, you must assume financial responsibility for such payment.

7. Commission Claims:

- a) Representative is to forward to the Publisher's office a copy of a standard commission claim form. This must indicate name of client and agency, gross revenue, net revenue, commission owing to representative and invoice number (as per invoice sent to you).

- b) Commissions will be paid within 30 days of the advertisers settling payments with the Publisher.

8. Barter Agreement:

- a) Barter advertising cannot be accepted without prior clearance from the Publisher or the Marketing Director.
- b) In the event that barter advertising is accepted the validity and expiry date must be indicated on the contract/insertion order. Insertion orders must indicate clearly all services that the barter agreement covers.
- c) Advertisers booking barter advertising must forward a statement of account balance each month.
- d) In the event you utilize barter, you must advise the Publisher by receipt.

9. Representative is responsible for insuring that advertisers have authority to market products or services in Cambodia.

10. The contract may be cancelled by either party at any time, with suitable arrangements to be made for existing or continuing client relationships.

11. VAT if applicable must be added on top of existing fees.

Please review the above terms and fax your response.

For your reference and followup, following are some notes on Thai contacts which I have already initiated:

Paranee Punjanun
Account Director
McCann-Erickson Thailand
11th Floor, Kian Gwan Bldg.
140 Wireless Road
Bangkok 10500
251-9263 fax: 253-7388

*represents Singapore Airlines/ will talk to client beginning of May/
*khun Teerapan represents Siam Commercial Bank which is affiliated with Cambodian Commercial Bank. I have contacted the latter here and they do not feel they 'need' advertising now. (The consumer's perspective on this National bank is that it is terribly bureaucratic. Complaints abound regarding long queues and poor service.) Teerapan may have additional clients for Cambodia market including one of the Japanese motorcycle manufacturers.

*received a letter fm ME requesting statistical data on markets in Cambodia. Haven't had time to respond. **As soon as I can, I will compile some statistics which, as we already discussed are critical for general inquiries.

Mr. Luzi Matzig

General Manager
Diethelm Travel
Kian Gwan, Bldg. 2
140/1 Wireless Road
Bangkok 10330
255-9150

**letter sent w/advertising data DTD 12APR

*will be opening office in PP in September/ just purchased property

*He has already taken a small advert: 3"x1.5"advert for 3 months and will continue for the year if it is effective. (Note the ad in the 2nd edition.)

He should be contacted in September to follow up and see if he would like to upgrade to larger ad. You can take a 10% cut on any upgrades.

Mr. Rudie Crawford
Director of Sales
Indochina Division
East West Tours
135 Soi Sanam Khli (Soi Polo), Lumpini
Wireless Rd, Phatum 1
Bangkok 10330
fax: 253-6178, tlx: 829-71EWTEX

THAILAND

*inbound operator: SKAir

*Mr. Crawford was out of town but spoke with Jim Hastin who said to send info. Forwarded advertising materials to Crawford late April and followed up with phonecall. The story is that he is potentially interested in the future but for now wants to maintain a low profile in Cambodia. You should follow up and introduce yourself with an easy sell on the paper. Get an update on what his plans might be in the future and give him a copy of the paper. (Between you and I, there appear to be some sensitivities necessitating his desire to maintain a low profile.)

SK Air, Khun Kovit, 253-0077/9

*Kevin Witcraft said to call

**I am working them from this end but have had a hard time reaching Kovit whom I've never met on his various trips to Cambodia. I've spoken in depth with Prichet, his local representative. We might be interested in some barter for airline tickets and/or freight if the agreement is good. If you can contact Kovit, you can take 10%. The airline doesn't have a great image. (They operate old Russian planes.) But they did make notable strides in the airline price war last week when they dropped their prices to the lowest of all Cambodian-bound carriers, at US\$250.

Bangkok Air, Dr. Prasert, Mng Dir, 253-8942/5

* Michael is handling this contract, trying to arrange a good barter deal. No need for you to contact. We maintain exclusive rights to this account.

Absolute Travel, Daniel Afrit, 213-1277

*spoke on phone but could not see. Should be interested in advertising. call and send information.

VN airlines Mr. Tuan, 984 Ploenchit, gr fl, nr Imperial Hotel

*haven't contacted yet. Don't think they have much money for advertising.

Coke: Eugene Spollen, in charge of CB; Tony Banes, External Affairs; Keith Martin, President. on Rajadamri 254-9913

**haven't contacted yet. call Spollen

Pepsi: Barry Shay, on Asoke 258-9058-60, 258-8011-3

**haven't contacted yet. Michael said you mentioned that you already know him.

Kodak: Pat O'Gorman 279-9570, 4751

**haven't contacted yet.

Novotel: Roy Olsson VP of Development 237-1305-6 Reggie Shiu, Gen Mgr

*haven't contacted yet. you may have better contacts. I understand that they are opening a hotel.

Thai Chambers of Commerce

*sent all presidents info and asked for list of businessmen from their countries with interests in Cambodia. will forward any leads to you.

Mr. Esko Pajasalmi, Chairman

Presko (Public Relations Counsel)

Tel. 273-8800; Fax. 273-8880

**Michael knows him and he should have some clients interested.

Mr. Johnnie Jones

Marketing Director

Royal Cliff Beach Resort

Tel: (038) 4211421/30, FAX (038) 428511. BKK#: 2820999, 2801737/40.

Johnnie Jones came to see Michael here in Phnom Penh. He said all he needs to do is get permission for a budget and then he would be advertising in the Post. Feel free to handle this one and get a regular commission. We told him that we would consider a partial barter agreement. (not more than 50%). This one should be pursued as the Royal Cliff knows Cambodia well. Prince Sihanouk has stayed there, as did all the other Cambodian leaders during the three "Pattaya Conferences" held as part of the Peace process leading up to the Paris Accords last year.

9 August 1992

FAX to: Soco International, 66-2-238-3322

FR: Phnom Penh Post, 855-23-26568

Dear Sam:

More than a couple of items:

- 1) I left instructions with our printer to deliver several boxes to you. One box contains about 400 copies of the latest edition of PPPost. Feel free to use these as you need. By the way, if you haven't received these boxes yet please call up the printer (Geoff Bolt, 551-0541/44, Eastern Printing Co.) and tell him to get his butt in gear. Bolt said he would have these delivered to you asap. (just learned from Kathleen of Zak's tel. message. At least the printer can do something right.)
- 2) One box contains about 200 papers wrapped in manila envelopes to be sent to the members of the Australian Chamber of Commerce members in Thailand. All these need are stamps and then they are ready to go. Because the envelopes aren't sealed they should be able to go out for less than the regular rate. Please check.
- 3) There are also about 500 papers wrapped in plastic see-thru wrappers. These are the ones that the printer said he could process for us, but hasn't been able to do so because the post office says they can't take them as the stamps won't stick to the plastic. We need to mail these to the addresses on each package. This has been a serious screw-up on the part of the printer; they should have been posted two weeks ago. Rather than have him try to figure out a way to get them in the mail, which might never happen, I would like to have Soco take care of it. I think the best way to expedite this is to take off the plastic and put them in regular envelopes, re-applying each mailing label. It's labor intensive and tedious, but we need to get these out as soon as possible. Bill us as we discussed for services. Also, now that we have had time to think about this mailing it would be better to add a short cover announcement telling people that these are complementary copies and if they want to subscribe follow the information as listed. I will fax you copy for this insert this afternoon. Just xerox the one I will send you and enclose it with the papers. It won't be the best copy but at this stage it will have to do.
- 4) As far as a regular process for mailings from Thailand, as I said to you, I would like to have Soco handle it. You'll have to have someone in your office look into how the Thai postal system works and whether or not we can get a bulk mail registration number (or whatever the Thais call it), which would mean the post office bills us (you) accordingly or we have to put money into a post office account or what. The printer's secretary was looking into it and gave me the guidelines in Thai (attached) but her explanation of how the system worked was half-assed. Alternatively, if we can't get some kind of reg. number from the post office, I would appreciate your advice on other means of packaging and mailing the papers. If you know of how we can produce envelopes cheaply with our return address upper left then lets go with it in bulk. We would need to approve final copy on this before printing. We will also need to work out details for regular mailings to subscribers: how we get labels to you, can you produce them yourself, and/or how we update lists, etc.
- 5) At some point soon we also need to discuss how Soco can help us with getting the copy to the printer and then getting the papers back to Cambodia after they are printed. This would entail having someone pick up camera ready copy either at the airport or some other location in Bangkok and then getting these materials to the printer. Whether or not we need someone to

go to the printers to check the plates before printing is another issue we need to resolve, mostly among ourselves first because its unlikely that anyone save Kathleen, Sara or me would know if something was out of place, especially on the photos. We also need to have someone then get the papers, once printed, on some airline as freight. I don't know if you want to do this or not; you need to let us know. If no one from Phnom Penh goes to Bangkok with each issue of the paper, then we definitely need someone in BKK do this for us. I'd rather it be you. (Are you set up with a motorcycle delivery system - one guy dedicated to Soco, even if only part-time?)

6) We'll be faxing you a copy of our contract shortly. Please approve, suggest amendments and/or sign and return to us. A hard copy will be mailed to you by regular post.

7) The printer will fax us the rates for color printing. We need to look at these closely and come up with appropriate rates which you can use with potential advertisers. We will get these to you as soon as possible.

8) Please call Royal Cliff Hotel as soon as possible. They are ready to go with an add. Use the barter % that we discussed.

9) Some advice for now. it probably would be good not to advertise "our" capabilities vis-a-vis billboards, t.v. and/or radio until we actually feel that, from this end, we can or want to produce. The latter is especially important because we need to think a bit before we decide to take on this additional, what could be, burden(?). In case it isn't clear yet, this office is incredibly strapped for staff/time every day, all day. Simply put, we're flat out all the time and need to assess additional responsibilities closely before we take them on.

That's it for now. Good seeing you in Bangkok. I'll get back to you on the commission % breakdown when I have a chance to talk to Kathleen.

Regards,

FAX TO: Soco International, 66-2-238-3322

FR: Phnom Penh Post, 855-23-26568

Zach:

For starters, please note that the name of Cambodia's capital and the one we have taken for our paper is spelled "Phnom Penh" not "Pnohm Phen," and then find a blackboard and write 100 times "I will never spell Phnom Penh wrong again."

On the mailings, do you need the Baht10,000 in order to mail the papers you have already or can you go ahead and mail these and then we can set up the account (and give you the Baht10,000) when we next come to Bangkok, which will be on August 23 or 24?

For the envelopes, as I said we need to see a proof before these get printed. Make sure our international mailing address is used (Phnom Penh Post, c/o Indoswiss, G.P.O. 2420, Bangkok 10120, Thailand) as the return address.

For the papers you have already to be mailed, that is those wrapped in plastic, attached is a flyer that we would like inserted with each mailing. I trust you can get a fairly decent copy of what we are faxing to you. Also, its not necessary to use anything fancy for the envelope, i.e. one with our logo and return address. We just need to get these in the mail as fast as possible.

As far as an add in the Bangkok Post, I agree that this is a good idea. I will fax Nigel Oakins, the Post's managing director to see if he can help us out.

That's it for now, Cheers,

TO: Soco International, 66-2-238-3322 14 August 1992

FR: Phnom Penh Post, 855-23-23108

RE: Mailing comp. issues

1) for the labels, why can't you cut off the old ones and just tape them to new envelopes, using 2 inch wide tape so that one short strip would cover the whole label and also stick it adequately to the new envelope. Sure it's labor intensive, but labor is cheap in thailand. You should be able to get someone who could do the whole job in one day for 200 baht.

2) Also, can you give me an idea why the postage is so high. Can you check to see if unsealed envelopes can be mailed for less, or is there a rate for printed materials?

3) Kathleen urgently the price for inserts that the Bangkok Post or nation use. We have an advertiser here who wants to give us one and need to get back to them by the end of today?

Thanks,

TO: Soco International, 66-2-238-3322 9 September 1992

FR: Phnom Penh Post 855-23-26568

Dear Zack:

On Bangkok Airways I already gave you guys the copy of the fax with the name of the contact. My original approach was through John Everingham, a photographer for Fah Thai magazine, Bangkok Airways inflight publication. I met him by chance in Bangkok and he encouraged me to send him a letter with the details of my request, which I did. I got a fax back from a colleague of his with

I sent U.S.\$1,000(cash) today to Bangkok with Andrew Drummond, a friend of mine. I told Andrew that you could have someone contact him to see what time would be good to go to his house and pick up the cash. His phone #s are 435-6816, 233-5587 (not sure which is office/home?), FAX: 236-7242 or 435-6656. His house is located at 1875/115 Jaran Sanitwong 71, Bangplad, Bangkok 10700. It's across the river; whoever picks up the money should call first to get directions. Please credit this money to our "account" and use for the mailings. Also, please check closely on the price for the mailings. Baht 20,000-30,000 sounds a bit high for the envelopes we left with you. Mailings to addressees in thailand should go out for around 5 baht each or less. I believe we had at least 250 Thai addresses. That's it for now. Regards,