

Media houses have been experiencing difficulties in collecting sums owed to them for the placing of advertising from agencies despite the best efforts of the Advertising Agencies Association of Jamaica (AAAJ) and the Media Association Jamaica Limited (MAJ) who have been working together to improve the situation for some time now.

With severe economic pressure, suppliers reducing or removing credit, the decline in the value of the dollar and margins for media houses already very thin, payment issues can have calamitous implications on its members. The MAJ has therefore been left with no option but to insist on full compliance with the established credit terms.

As per the longstanding Agreement for Accreditation of Advertising Agencies, invoices are due and payable within twenty-five (25) days of the tenth day of the month after the MAJ members' services are performed, or twenty-five (25) days after delivery of invoices, whichever is later. Further, as per the Agreement, MAJ has reminded Agencies that their bills must be paid on time whether or not they have been paid by their clients.

Advertising Agencies have been given up until May 15, 2014 to start regularizing payments. As at August 5, 2014 sanctions will be applied to Agencies whose arrears are not settled in full. Further to meetings held, the AAAJ has agreed to work towards this deadline for the benefit of the advertising industry. The MAJ stressed that it would work within reason with those Agencies which are affected by late paying clients.