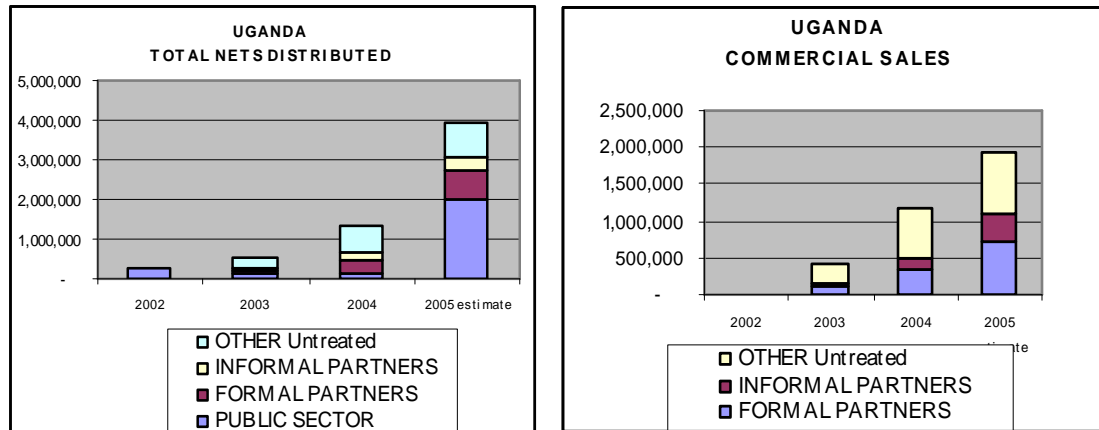


Market communication to date has been skewed towards theme support (above-the-line). This has enabled the partners' brands to achieve very high levels of awareness. The communication focus and message for FY 06 will be directly to the consumer and channelled through the retail trade via in-store product and consumer demonstrations, implemented by EXP.Momentum.

Full Market Impact



Uganda has a thriving commercial ITN market and continues to grow at about 20% volume per annum.

Cheap untreated Chinese nets have found their way into the market and have capitalized on the current high demand.

Our formal partner sales have generally increased well above last years sales and some of the partners have performed very well in a very competitive environment. The MOH free net distribution plans may or may not affect the commercial market. NetMarks view is that the free nets will stimulate demand and interest and everyone will benefit.

For 2006, NetMark expect their formal partners to sell 550 000 nets. Informal partners including Chinese nets are expected to sell about 2, 5 million nets. Therefore, total nets sales estimate for 2006 through the commercial sector is about 3 million.

FY 2006 WORK PLAN

Challenges

- Free nets distribution in Uganda will have some sort of impact on our commercial partners and the ITN market. The challenge for NetMark is to

work closely with MOH and insure that the nets are targeted and leakage is minimal

- The “onslaught” of cheap Chinese is a blessing and a curse and we need to manage our messages to consumers in regards to these nets. We do not want to see the entire ITN market “debased” and possibly undermined.
- Some of our commercial partners still experience cash flow issues and this constraints the sales and distribution efforts.
- Our commercial partners still need to get to the more rural areas of Uganda, and not just focus on the big easy urban areas.
- Our commercial partners still view the cheap Chinese nets as their main competitive threat, and want NetMark to assist them to fight the cheap nets. Obviously, NetMark cannot do this.
- We need to find ways to treat the huge amount of untreated nets in Uganda. This is major challenge as a lot of these nets are made from Nylon, which cannot be treated.
- We need to find one major FMCG brand and distributor.

Opportunities

- We need to find a way of either bundling or treating the huge amount of untreated nets
- Work closely with the government and MOH in the distribution of free nets and help ensure that free nets go to the targeted people and that there is minimum leakage into the commercial sector.
- Use the free net activity as a marketing priming exercise to stimulate demand and ensure that the partners have product in the right outlets to take advantage of this.
- Encourage our partners to expand their distribution and get nets into more rural areas.
- Uganda is an ITN success story where demand still outstrips supply. Partners still continue to experience stock outs and are not taking full advantage of the situation
- We need to convince and educate consumers, through our mass media campaigns , that sleeping under an insecticide treated net is the best protection they can get, and that they must either treat their currently untreated net or buy an ITN with the NetMark logo.

NetMark Strategic Objectives for FY06

SO FY O6	Activity	Deadline	Person Responsible
Ensure that the large amounts of non-treated nets are “replaced” with treated nets.	Our communication plan via radio, primarily address this, by urging consumers to ensure that their net is treated as this offers “double” the protection of an untreated net and they last	Ongoing	NetMark and FCB

	longer. Our ads are currently being flighted and will remain on air until Sept 06		
We should test bundling and re treatment tactics.	We will approach the traders this year and see if we can bundle the untreated net at the source	December 2005	NetMark
We must participate in Government led re treatment campaigns	NetMark will participate in suitable MOH re-treatment campaigns, with either materials or treatment kits. Our commercial partners will be encouraged to have their nets ready for sale at these treatment centres	Ongoing	NetMark
Continue supporting micro credit efforts such as FINCA and document ours and our partners success	FINCA has proved to be a major success, in terms of getting ITNs to consumers in a very affordable manor. Basically, FINCA is a micro credit company that offers its “customers” products at very favourable repayment terms. NetMark needs to continue supporting this program, and assist other micro credit companies in Uganda, to have ITNs as a product option to their customer base	Ongoing	NetMark
Monitor the GFTAM “tender” and subsequent free net distribution.	Through all its partners, NetMark will monitor the free net tender and follow the developments closely. NetMark will continue to encourage MOH to include the private sector in the distribution effort	Ongoing	NetMark and partners
SO FY 06	Activity	Deadline	Person Responsible
Seek additional funding from the mission via the Presidents Malaria Initiative (PMI) program and implement a targeted subsidy program in Uganda	NetMark has indicated to the mission that they would want to implement a TS program in Uganda. It has been very successful in Zambia and Ghana.	End November 05	NetMark
Frequent information dissemination, from NetMark to all partners	NetMark will be disseminating information on a more frequent basis to all partners, covering all topics of interest, NetMark and partner activities and successes , research results etc.	Oct 05 to April 06	NetMark regional and country office.
Technology Transfer This is the “future” and the basis for real sustainability.	<ol style="list-style-type: none"> 1. Identify candidates for receiving countries and organizations 2. Establish budgets 3. Determine funding sources 	End Nov 05	NetMark Washington and regional office
Improved distribution to achieve sales objectives	<ol style="list-style-type: none"> 1. Eliminate exclusivities where possible 2. Promote and support “distribution explosion” 	Sept 06	NetMark Countries
Partners must have adequate stock at all times	<ol style="list-style-type: none"> 1. Create East Africa regional warehouse 2. Use funding to increase stock levels with distributors 	Sept 06	NetMark regional office

