



Board Report

File #: 2023-0165, File Type: Policy

Agenda Number: 16.

EXECUTIVE MANAGEMENT COMMITTEE APRIL 20, 2023

SUBJECT: SYSTEM ADVERTISING POLICY

ACTION: ADOPT REVISED POLICY

RECOMMENDATION

ADOPT the System Advertising Policy 2023 (Attachment A) that includes revisions made in response to a recent ruling by the U.S District Court in First Amendment litigation brought by People for the Ethical Treatment of Animals (PETA) against Metro.

ISSUE

Pursuant to Metro's current advertising policy, Metro accepts only advertising of commercial content, subject to two exceptions: ads by government agencies (Exception 1 in Attachment B) and ads from non-profits containing non-commercial content that are co-sponsored by a government agency (Exception 2 in Attachment B). In 2021, PETA filed a lawsuit against Metro, alleging that Metro's prohibition against non-commercial advertising and its exception for ads co-sponsored by a government agency violate the First Amendment. The U.S. District Court granted summary judgment in favor of PETA, and entered its final judgment and permanent injunction in January 2023. The injunction prohibits Metro from enforcing its prohibition against non-commercial advertising and its exception for ads from non-profits who are co-sponsored by a government agency. Metro conducted a global review of its advertising policy in response to the District Court's ruling.

BACKGROUND

Metro's System Advertising Policy addresses both agency assets and advertising content. The scope of assets covered by Metro's advertising policy has grown over the years. Metro's initial advertising policy was adopted in 2000, and at that time its scope was limited to Metro's bus fleet. The policy was revised several times thereafter to increase its scope: in 2005 to include rapid transit bus vehicles; in 2008 to include trains and stations, and in 2017 to include Orange Line bus vehicles. As a result of those revisions, Metro's advertising policy covers all Metro systemwide assets.

Regarding content, the policy was revised multiple times in 2013. The first 2013 revision prohibited

messages injurious to Metro's interests. This revision followed the blanketing of the system with ads from personal injury law firms, many of which targeted Metro passengers involved in bus accidents. The second revision included the exception for non-profit organizations to partner with a governmental agency in submitting advertising that advances the joint purpose of the non-profit organization and the governmental agency (Exception 2 in Attachment B). In 2017, the policy language was expanded to address new products and advertising technologies. E-cigarettes and vaping were added to the list of prohibited advertising content, while digital platforms (web, mobile, and social media) were added as channels where Metro may display digital advertising. Metro's current advertising policy allows only commercial advertising content, with exceptions for advertising by government entities and advertising by non-profits that are co-sponsored by a government entity.

In 2021, PETA filed a lawsuit against Metro, alleging that Metro's non-commercial advertising prohibition and the exception to that prohibition for ads co-sponsored by a government agency (i.e., "Exception 2") violated the First Amendment. On December 19, 2022, the court granted summary judgment in favor of PETA. The court found that: (1) Metro's non-commercial advertising prohibition was reasonable but not sufficiently definite and objective to prevent arbitrary or discriminatory enforcement; and (2) Metro's Exception 2 to its non-commercial advertising prohibition for ads co-sponsored by a government agency was unreasonable and viewpoint discriminatory. A final judgment and permanent injunction was entered on January 4, 2023. The injunction prohibits Metro from both enforcing its non-commercial advertising prohibition and Exception 2.

Metro appealed on February 2, 2023. On February 10, 2023, Metro moved to stay the injunction pending appeal or, in the alternative, for a three-month period to allow Metro to complete its review of its advertising policy. On March 17, 2023, the District Court granted a three-month stay of its injunction to allow Metro time to modify its advertising policy to address the issues identified in the Court's order on summary judgment. During the three-month stay, Metro may continue enforcement of the current non-commercial advertising prohibition and Exception 2. In response to the ruling by the U.S. District Court, staff has revised Metro's advertising policy to address the issues raised by the Court and implement other updates and improvements. Staff recommends that the Board consider and adopt the revised advertising policy discussed herein.

DISCUSSION

Metro's display of advertising carries with it a responsibility to protect the agency from potential litigation and to be cognizant of the association that can potentially be drawn by the public between advertising images posted on Metro assets and Metro services, while also complying with the rights of advertisers under the First Amendment. Metro's acceptance of transit advertising does not provide or create a general public forum for expressive activities, and Metro does not intend its acceptance of transit advertising to convert its buses, trains, and facilities into public forums for public discourse and debate. The purpose and intent are to accept advertising as an additional means of generating revenue to support Metro's transit operations.

When adopted in 2000, the Policy's Advertising Content Guidelines included a prohibition on non-commercial advertising. The prohibition against noncommercial advertising serves several policy purposes, including but not limited to: (1) maximizing advertising revenue and preserving the value of

the advertising space; (2) maintaining a position of neutrality and preventing the appearance of favoritism or endorsement by Metro; (3) preventing harm or abuse that may result from imposing views on a captive audience; (4) avoiding vandalism and preserving aesthetics; (5) maximizing ridership and maintaining a safe environment for riders and the public; (6) avoiding claims of discrimination and maintaining a non-discriminatory environment for riders; (7) reducing administrative burden and the diversion of resources from transit operations; and (8) preserving Metro's business reputation as a professional, effective and efficient provider of public transit services. The prohibition against noncommercial advertising is also intended to minimize the risk that Metro buses, trains, and facilities will be designated a "public forum." If Metro advertising space were designated a public forum, Metro could be required to accept and display any type of message from any source. Furthermore, Metro has always reserved the right to reject any advertising content submitted for display on its properties and/or to order the removal of any advertising posted on its properties. Metro also monitors First Amendment litigation against public transit authorities to mitigate risk and identify best practices, which informs its policy revisions.

The proposed policy changes will address the issues raised in the District Court's ruling and relevant First Amendment jurisprudence, and allow staff to continue to operate and generate revenue from commercial advertising with an objective, neutral policy that is capable of reasoned application. The revised language refines the definition of commercial advertising and mitigates risks of running afoul of First Amendment protections by clarifying that its policy applies regardless of whether the proponent is a commercial or nonprofit organization, and by providing objective guidelines to determine whether an ad qualifies as commercial. The revised procedure clarifies the roles and responsibilities of those involved in the content review process. The policy also eliminates subject matter restrictions and further refines definitions for prohibited categories in order to minimize Metro's potential exposure to First Amendment litigation. A redline copy has been provided to compare the current and proposed policy changes (Attachment C).

Commercial advertising revenues are an important supplemental revenue source supporting Metro's transportation operations. Metro's purpose in allowing advertising to be displayed in and on Metro property is to maximize supplemental revenues by monetizing Metro-owned assets. The System Advertising Policy provides programmatic structure for multiple revenue programs at Metro, consisting of:

- Commercial advertising on bus and rail, generating over \$300 million into 2030;
- Transportation Communications Network (TCN), estimated to earn \$300 million to \$500 million over 20 years;
- Commercial Sponsorship and Adoption, estimated to earn \$150 million over 25 years.

Policy Language: Key Proposed Changes

The key proposed changes to Metro's System Advertising Policy, include the following:

1. Elimination of government sponsored ad exception for non-commercial ads.

2. Clarification that Commercial Advertising is the only permitted form of advertising, unless advertiser is a federal, state, LA County governmental entity, or Metro.
3. Inclusion of:
 - a. Revised Policy Purpose statement and objectives
 - b. Disclaimer of Endorsement
4. Excludes advertising that “expresses or advocates an opinion, position or viewpoint on a matter of public debate.”
5. General reorganization and clarification.

Policy Application: Key Proposed Changes

The Procedures have been revised to clarify the role and responsibilities of stakeholders in the advertising content review process:

- A. Advertising Vendors** sell, post and maintain all commercial advertising on Metro properties. All proposed transit advertising must be submitted to the Advertising Vendor for initial compliance review. The Advertising Vendor will perform a preliminary evaluation of the submission to assess its compliance with this policy. If, during its preliminary review of a proposed advertisement, the Advertising Vendor is unable to make a compliance determination, it will forward the submission to the Metro’s advertising panel for further evaluation. The Advertising Vendor may at any time discuss with the entity proposing the advertisement one or more revisions to an advertisement, which, if undertaken, would bring the advertisement into conformity with this Advertising Policy. The Advertising Vendor will immediately remove any advertisement that Metro directs it to remove.
- B. Metro’s Advertising Panel** will review the proposed advertisement for compliance with the guidelines set forth in this policy and will direct the Advertising Vendor as to whether the proposed advertisement will be accepted. In the discretion of the advertising panel, any proposed transit advertising may be submitted to Metro’s Marketing Executive for review.
- C. Metro’s Marketing Executive or Designee** shall conduct a final review of proposed advertising at the request of Metro’s advertising panel. The decision of the Marketing Executive to approve or reject any proposed advertising shall be final.
- D. Metro’s Advertising Panel or the Marketing Executive** may consult with other appropriate Metro employees, including Metro’s legal counsel, at any time during the review process.

DETERMINATION OF SAFETY IMPACT

There is no safety impact by adopting this policy.

Staff will manage the advertising program and ensure contractors work in compliance with Metro Safety policies and certifications.

FINANCIAL IMPACT

There is no financial or budgetary impact by adopting this policy.

...Equity_Platform

EQUITY PLATFORM

Advertising revenues are an important supplemental revenue source supporting Metro's transportation operations, including providing service in Equity Focus Communities to serve customers who rely on our system. The advertising program accepts multi-cultural and multi-language advertisements that provide alignment and inclusion of Metro's diverse communities. The proposed changes are necessary to address issues found by the U.S. District Court in Metro's current advertising policy.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This board action supports Strategic Goal 5: Provide responsive, accountable, and trustworthy governance within the LA Metro organization. A current Policy provides structure to responsibly manage a commercial advertising program and generate revenue that provide long-term supplemental revenue to support Metro's transportation operations.

ALTERNATIVES CONSIDERED

If the recommended revisions are not adopted, Metro will remain subject to the permanent injunction issued by the U.S. District Court's ruling in PETA vs. LACMTA., and required to accept non-commercial advertisement, potentially including advertisements regarding controversial political and social issues. Not having a compliant policy will delay advertising business decisions and content approvals, and result in loss of revenue. Furthermore, delayed business action may bring on further litigation against Metro.

NEXT STEPS

Upon Board approval, staff will update internal processes and procedures to meet U.S. District Court compliance requirements. The revised Policy will be distributed to advertising vendors and made publicly available for advertisers on Metro's website.

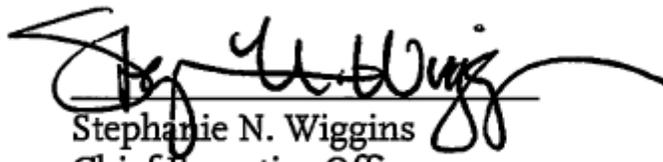
ATTACHMENTS

Attachment A - Proposed Metro System Advertising Policy 2023
Attachment B - Current Metro System Advertising (COM6)-2017

Attachment C - Redline Version of Metro System Advertising Policy

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Stephanie N. Wiggins
Chief Executive Officer



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POLICY STATEMENT

The Los Angeles County Metropolitan Transportation Authority (Metro) has determined that allowing commercial advertising to be placed in designated areas on its properties, which includes the Metro bus and rail systems, is a responsible means of generating revenue by maximizing the use of Metro’s capital investments. Further, informational advertising on Metro properties is a valuable means for Metro and other governmental entities to communicate with the public and advance specific governmental purposes.

POLICY PURPOSE

To clearly define the use of Metro’s advertising space by fulfilling the following important goals:

- Maximize advertising revenue and preserving the value of the advertising space;
- Maintain a position of neutrality and preventing the appearance of favoritism or endorsement by Metro;
- Prevent the risk of imposing objectionable, inappropriate or harmful views on a captive audience;
- Preserve aesthetics and avoiding vandalism;
- Maximize ridership and maintaining a safe environment for riders and the public;
- Avoid claims of discrimination and maintaining a non-discriminatory environment for riders;
- Prevent any harm or abuse that may result from running objectionable, inappropriate or harmful advertisements;
- Reduce the diversion of resources from transit operations that is caused by objectionable, inappropriate or harmful advertisements;
- Preserve Metro’s business reputation as a professional, effective, and efficient provider of public transit services.

Disclaimer of Endorsement: Metro's acceptance of an advertisement does not constitute express or implied endorsement of the content or message of the advertisement, including any person, organization, products, services, information or viewpoints contained therein, or of the advertisement sponsor itself.

APPROVED: County Counsel or N/A

Department Head

ADOPTED: CEO

Effective Date: _____

Date of Last Review: _____



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1.0 GENERAL

The display of commercial advertising to generate revenue carries with it a responsibility to protect Metro from potential litigation, preserve its nonpublic forum status, and to recognize the potential association of advertising images with Metro services. The agency addresses these issues through the responsible, consistent, and viewpoint neutral application of its advertising policy.

Governmental entities may advance specific governmental purposes through advertising under this policy.

Los Angeles County contains significant tourism destinations accessible through public transportation, which may be promoted under this policy.

Metro uses designated areas on its properties to directly provide transit and agency information to the public.

2.0 POLICY

2.1 Permitted Advertising Content

2.1.1 Commercial Advertising

Metro will only accept paid commercial advertising that proposes, promotes, or solicits the sale, rent, lease, license, distribution or availability of goods, property, products, services, or events that anticipate an exchange of monetary consideration for the advertiser's commercial or proprietary interest, including advertising from tourism bureaus, chambers of commerce or similar organizations that promote the commercial interests of its members, and museums that offer admission to the public.

- A. Metro's policy that it will accept only commercial advertising applies regardless of whether the proponent is a commercial or nonprofit organization. To determine whether an ad qualifies as commercial, Metro considers the following nonexclusive factors: (a) whether a commercial product or service is apparent from the face of the ad; (b) whether the commercial product or service is incidental to the public interest content of the ad; (c) whether the sale of commercial products or services is the primary source of the advertiser's total annual revenue; and (d) whether the advertiser is a for-profit entity.
- B. This exclusion does not apply to Government Advertising under 2.1.2.



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2.1.2 Government Advertising

Metro will accept advertising that advances specific government purposes from a federal, State of California, or Los Angeles County local governmental entity. The governmental entity must be clearly identified on the face of the advertising.

2.2 Prohibited Content and Subject Matter

Metro retains content control of advertising on the transit system by restricting content; content described below may not be displayed on the Metro transit system and/or agency assets:

- Alcohol and Spirits – Imagery of open or closed alcoholic containers, consumption of any alcohol and spirits, or alcohol product brands is prohibited and may not be shown. Services and events for food and beverage, including alcohol and wine events may be shown if the image is compliant with the restrictions stated herein.
- Tobacco and Cannabis – Imagery that portrays, simulates, or encourages recreational smoking, vaping, or ingesting of tobacco or cannabis products is prohibited. Services and events for cannabis products, services, and events are prohibited and may not be shown.
- Illegal Activity – Content that promotes or relates to an illegal activity.
- Violence – Images, copy or concepts that promote guns/firearms or gun violence, or that depict weapons or other devices in an act of violence or harm on a person or animal, or contain any material that incites or encourages, or appears to incite or encourage, violence or violent behavior.
- Obscene Matter – Obscene matter as defined in the Los Angeles County Code, Chapter 13.17, Section 13.17.010, or sexually explicit material as defined in the Los Angeles County Code, Chapter 8.28, Section 8.28.010D.
- Indecency – Images, copy or concepts that describe, depict, suggest or represent sexual or excretory organs or activities in a manner that a reasonably prudent person, knowledgeable of Metro’s ridership and using prevailing community standards, would find inappropriate for the public transit environment, including persons under the age of 18.
- Adult Entertainment and Content – Content that promotes or displays images associated with adult bookstores, video stores, dance clubs, or other adult entertainment or sexually-oriented establishments, telephone services, internet sites, films, video games or escort services.



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(COM 6)

- Adult Rated Media – Adult/mature rated films, television, video games, or theatrical presentations, such as adult films rated "X" or "NC-17" or video games rated "AO."
- Profanity – Contains any profane language.
- Political Speech – Advertising that promotes or opposes (a) a political party; (b) any person or group of persons holding federal, state or local government elected office; (c) the election of any candidate or group of candidates for federal, state or local government offices; or (d) initiatives, referendums or other ballot measures.
- Public Issue Speech – Advertising that primarily expresses or advocates an opinion, position or viewpoint on a matter of public debate about economic, political, public safety, religious or social issues. This exclusion does not apply to Government Advertising under 2.1.2.
- Religion – Promotes or opposes any identifiable or specific religion, religious viewpoint, belief, message or practice.
- Unsafe Transit Behavior – Contains images, copy or concepts that depict unsafe behaviors aboard buses or trains, or in or around transit stations or railroad tracks.
- Injurious to Metro's interests – Promotes products, services or other concepts that are adverse to Metro's commercial or administrative interests. Prohibited content includes but is not limited to images, copy or concepts that actively denigrate public transportation.
- Metro's Endorsement – Contains images, copy or concepts that inaccurately state or imply Metro's endorsement of the subject of the advertisement.
- Harmful or Disruptive to Transit System – Contains material that is so objectionable as to be reasonably foreseeable that it will result in harm to, disruption of, or interference with the transportation system.
- Symbols - Miscellaneous characters, images or symbols used as a substitute for prohibited content.

2.3 Metro's Government Speech

The provisions of this policy do not apply to Metro's government speech, which includes advertising sponsored solely by Metro or by Metro jointly with another entity to communicate any message deemed appropriate by Metro.

2.4 Metro's Right of Rejection



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(COM 6)

Metro, and its advertising vendors, will screen and review all advertising content on the transit system, and in all contracts Metro reserves the right to:

- Reject any advertising content submitted for display on its properties, and/or
- To order the removal of any advertising posted on its properties.

Decisions regarding the rejection or removal of advertising are made by the Marketing Executive or their designee based upon the criteria in this policy statement.

2.5 Informational Advertising

Metro has several unique distribution channels at its disposal for disseminating transit information for which it incurs no “space” cost (the fee charged for advertising space). Informational advertising space is limited and reserved exclusively for Metro transit information. All messages and materials distributed by this means are prepared, approved and/or authorized by the Marketing Executive or their designee.

Acceptable information for these distribution channels is categorized as follows:

2.5.1 Transit Information

Transit information includes, but is not limited to: campaigns promoting ridership, service features and changes, fare information and changes, safety and security messages, maps and explanations of related transportation services.

2.5.2 Cross-Promotional Information

On an occasional basis and only when space is available, Metro’s Marketing Department may use Metro’s distribution channels to participate in cross-promotional opportunities (a cooperative partnership in which Metro and one or more entities work together with the goal of jointly promoting their respective services) that offer a direct opportunity to promote use of transit. Any materials distributed for this purpose must prominently include promotion of Metro services (e.g., Metro Ridership Promotion such as, “Go Metro to CicLAvia”). Metro is prohibited by law from donating advertising space to any entity for purposes that are not directly transit-related.

The outside organization involved must either bear the cost of producing such materials or, if approved by Metro’s Marketing Department, provide an equivalent or greater value in cross-promotional benefits (i.e. advertising space, editorial space, etc.).



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COMMUNICATIONS

Metro System Advertising

(COM 6)

2.5.3 “Added Value” Materials

On an occasional basis and only when space is available, Metro’s Marketing Department may use Metro’s distribution channels to provide “added value” materials to its riders. Such materials must present a specific and time-dated offer uniquely provided for Metro bus and Metro Rail riders (generally a money-saving discount) in which transit can be used to access the redemption point. Any materials distributed for this purpose must prominently include the Metro logo and other wording approved by Metro’s Marketing Department to indicate that the offer is specifically designed for Metro bus and Metro Rail riders. Metro is prohibited by law from simply donating advertising space to any entity for purposes that are not directly transit-related.

The outside organization involved must either bear the cost of producing such materials or, if approved by Metro’s Marketing Department, provide an equivalent or greater value in cross-promotional benefits (e.g., advertising space, editorial space, etc.). Any added value programs must be approved by the Marketing Executive, or their designee based upon the criteria in this policy statement.

2.6 Advertising Vendors

Metro may contract with outside vendors to sell and display advertising on its transit system and related properties for the sole purpose of generating revenue. Vendors for such contracts are solicited through competitive bids, which must conform to Metro’s procurement procedures and be approved by Metro’s Board of Directors.

Such agreements may dedicate up to, but no more than 90% of the available space covered by the contract for commercial advertising, reserving the remaining available space for Metro’s own transit-related information. This percentage of available space, and the remaining percentage of space held for Metro’s information, will be negotiated as part of any contract with an outside advertising space vendor.

2.7 Placement of Advertising

Locations for commercial advertising may include, but are not limited to: the exterior and interior of all Metro’s transit fleet (buses, trains, rideshare cars, and non-revenue cars); the exterior and interior of all Metro’s stations and hubs (rail and bus stations, bus stops, and mobility hubs); digital channels (agency websites, mobile apps, and social media channels); printed materials (brochures, timetables); Metro property (buildings, facilities and parking structures); and any other location approved by Metro’s Marketing Executive. Metro and its advertising contractors will obtain necessary permits as required to comply with local jurisdiction. Specific locations and properties may be exempt and excluded, in which case Marketing will coordinate with the agency project manager as advertising inquiry arises.



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Metro System Advertising**

(COM 6)

2.7.1 Graphics on Window and Glass

To ensure the safety and security of passengers, operators and law enforcement officers, advertising displays which employ window graphics are restricted from fully obscuring the window surfaces on any Metro vehicles (trains, buses, ride share, and non-revenue vehicles). The front window, however, may not be covered in any manner.

If an advertising employs window graphics, the materials must be perforated with a 50/50 coverage-to-visibility ratio. The perforated material applies to all glass surfaces such as vehicle windows, buildings windows, and glass elevators. Metro may provide materials and technical specifications to each vendor.

3.0 PROCEDURES

Action By:

Advertising Vendors

Action:

A. Sell, post and maintain all commercial advertising on Metro properties. All proposed transit advertising must be submitted to the Advertising Vendor for initial compliance review. The Advertising Vendor will perform a preliminary evaluation of the submission to assess its compliance with this policy. If, during its preliminary review of a proposed advertisement, the Advertising Vendor is unable to make a compliance determination, it will forward the submission to the Metro’s advertising panel for further evaluation. The Advertising Vendor may at any time discuss with the entity proposing the advertisement one or more revisions to an advertisement, which, if undertaken, would bring the advertisement into conformity with this Advertising Policy. The Advertising Vendor will immediately



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COMMUNICATIONS Metro System Advertising

(COM 6)

remove any advertisement that Metro directs it to remove.

Metro Advertising Panel

B. Metro’s advertising panel will review the proposed advertisement for compliance with the guidelines set forth in this policy and will direct the Advertising Vendor as to whether the proposed advertisement will be accepted. In the discretion of the advertising panel, any proposed transit advertising may be submitted to Metro’s Marketing Executive for review.

Metro’s Marketing Executive

C. Metro’s Marketing Executive or designee shall conduct a final review of proposed advertising at the request of Metro’s advertising panel. The decision of the Marketing Executive to approve or reject any proposed advertising shall be final.

Metro Advertising Panel and Marketing Executive

D. Metro’s advertising panel or the Marketing Executive may consult with other appropriate Metro employees, including Metro’s legal counsel, at any time during the review process.

4.0 PROCEDURE HISTORY

- 03/23/00 Original policy adopted by Metro’s Board of Directors.
- 01/27/05 Policy amended by Board of Directors to permit advertising on Metro Rapid vehicles.
- 09/26/08 Biennial review and update. Policy updated to include Board of Directors amendment to permit all forms of non-traditional advertising displays as well as advertising on rail car exteriors and other types of transit service with the exception of Orange Line vehicle exteriors.
- 6/27/13 Content Guidelines amended by Metro’s Board of Directors to add an exception for non-profit organizations pertaining to the non-commercial advertising prohibition, and to expand language regarding various other types of prohibited content.



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COMMUNICATIONS
Metro System Advertising

(COM 6)

- 12/5/13 Content guidelines amended by Metro’s Board of Directors to prohibit messages that are injurious to Metro’s interests and to clarify restrictions regarding vulgarity.
- 02/23/17 Review and update: Board approved, Feb. 23, 2017 (Item 40). Streamlined policy for an easier read; removed defined vinyl window graphics prohibitions: now just may not fully wrap a bus; added definitions; clarified outreach channels; may advertise on Orange Line vehicles; added items to advertising ban; removed “wine festival” advertising allowance; advertising may not engage in public debate.

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**COMMUNICATIONS
Metro System Advertising**

(COM 6)

1. GENERAL

The display of paid (revenue-generating) advertising carries with it a responsibility to protect Metro from potential litigation and to recognize the potential association of advertising images with Metro services, while simultaneously respecting First Amendment principles. The agency addresses these issues through the responsible and consistent application of written criteria for advertising acceptability. It is not Metro's intent to create a public forum through the acceptance of advertising.

Metro's ability to directly reach customers is crucial in order to provide transit and agency information. Any use of the unique distribution channels at its command (such as allotments of interior and exterior bus advertising space; on-board "take-one" boxes; and in-station Variable Message Signs) for purposes unrelated to customer information or retention is to be avoided, as it effectively "pre-empts" the availability of transit information to the public. Metro's Communications Department administers the use of these unique distribution channels as part of its overall responsibility for customer communication.

2. PROCEDURES

2.1. Revenue-Generating Advertising

Metro contracts with outside vendors to sell and display short-term advertising on its transit-related properties for the sole purpose of generating revenue. Metro does not sell or post advertising directly. Vendors for such contracts are solicited through competitive bids, which must conform to Metro's procurement procedures and be approved by Metro's Board of Directors.

Such agreements may dedicate up to, but no more than, 90% of the available space covered by the contract for revenue-generating advertising, reserving the remaining available space for Metro's own transit-related information. This percentage of available space, and the remaining percentage of space held for Metro's information, will be negotiated as part of any contract with an outside advertising space vendor.

Locations for revenue-generating advertising may include, but are not limited to: exterior surface areas of buses and rail cars (see restrictions in section 2.1.1 below); interior display frames in bus and rail vehicles; back-lit map cases, at stations and transit hubs; automated public toilets and other fixed outdoor displays on Metro property; electronic Variable Message Signs (VMS) on station platforms; banner ads



Metro

COMMUNICATIONS

Metro System Advertising

(COM 6)

on Metro's website; Metro-owned/run social media channels, Metro-sponsored computer/phone apps; space in Metro's printed brochures, timetables and other publications and printed materials, interior and exterior of Metro buildings, facilities and parking structures; and any other location approved by Metro's Board of Directors. Metro and its advertising contractors will obtain necessary permits as required to comply with local jurisdiction.

Content restrictions for advertising displayed through these arrangements are as follows:

2.1.1 Alcohol, Tobacco, and Cannabis Advertising

Advertising of all alcohol, tobacco, and cannabis products, services, and events is prohibited. Advertisements that simulate or encourage drinking, smoking, vaping, or ingesting of alcohol, tobacco and cannabis are prohibited.

2.1.2 Non-Commercial Advertising

Metro does not accept advertising from non-governmental entities if the subject matter and intent of said advertising is non-commercial. Specifically, acceptable advertising must promote a for-sale, lease or other form of financial benefit for a product, service, event or other property interest in primarily a commercial manner and purpose.

Exception 1: Governmental Agencies, meaning public agencies specifically created by government action located in Los Angeles County or a Federal or State of California Governmental Agency, may purchase advertising space for messages that advance specific government purposes. The advertising must clearly, on the face of the advertising, identify the Governmental Agency. It is Metro's intent that government advertising will not be used for comment on issues of public debate.

Exception 2: Metro will accept paid advertising from non-profit organizations that partner with a Governmental Agency (as defined in Exception 1 above) and submit advertising that advances the joint purpose of the non-profit organization and the Governmental Agency, as determined by each of them. In order for advertising to qualify under this exception, the advertising must clearly, on the face of the advertising, identify the Governmental Agency and indicate that the Governmental Agency approves, sponsors, or otherwise authorizes the advertising. The non-profit organization must also provide a Statement of Approval (attached) from the Governmental Agency describing the joint purpose



Metro

COMMUNICATIONS Metro System Advertising

(COM 6)

to be advanced and setting forth a statement acknowledging support and approval for the submitted advertising. Any message displayed under this exception must adhere to all other content restrictions stated in this policy, including that this advertising will not be used for comment on issues of public debate.

2.1.3. Other Subject Matter Restrictions

Advertising may not be displayed if its content involves:

- Illegal activity - Promotes or relates to an illegal activity.
- Violence - Contains images, copy or concepts that promote guns/firearms or gun violence, or that depict weapons or other devices in an act of violence or harm on a person or animal, or contain any material that incites or encourages, or appears to incite or encourage, violence or violent behavior.
- Demeaning or disparaging matter - Contains images, copy or concepts that actively denigrate, demean or disparage any individual or group.
- Vulgarity - Contains images, copy or concepts that are obscene, vulgar, crude, sexually suggestive, indecent, profane or scatological.
- Obscene matter - Contains obscene matter as defined in the Los Angeles County Code, Chapter 13.17, Section 13.17.010, or sexually explicit material as defined in the Los Angeles County Code, Chapter 8.28, Section 8.28.010D.
- Adult entertainment and content – Promotes or displays images associated with adult book stores, video stores, dance clubs or other adult entertainment or sexually-oriented establishments, telephone services, internet sites, films, video games or escort services.
- Political endorsements – Contains messages that are political in nature, including messages of political advocacy, that support or oppose any candidate or referendum, or that feature any current political office holder or candidate for public office, or take positions on issues of public debate.
- Religion - Contains images, content or copy related to religion or religious ideas or viewpoints.
- Negative connotations of public transit - Contains images, copy or concepts that actively denigrate public transportation.
- Unsafe transit behavior – Contains images, copy or concepts that depict unsafe behaviors aboard buses or trains, or in or around transit stations or railroad tracks.
- Injurious to Metro's interests – Promotes products, services or other concepts that are adverse to Metro's commercial or administrative interests. Metro's



Metro

COMMUNICATIONS

Metro System Advertising

(COM 6)

- endorsement – Contains images, copy or concepts that inaccurately state or imply Metro’s endorsement of the subject of the advertisement.
- Harmful or disruptive to transit system – Contains material that is so objectionable as to be reasonably foreseeable that it will result in harm to, disruption of, or interference with the transportation system.

2.1.4. Metro’s Right of Rejection

Beyond the above, Metro’s vendors may review advertising content according to their own guidelines of acceptability. Metro will screen and in all contracts Metro reserves the right to reject any advertising content submitted for display on its properties and/or to order the removal of any advertising posted on its properties. Decisions regarding the rejection or removal of advertising are made by the Chief Communications Officer or their designee based upon the criteria in this policy statement.

2.1.5. Vinyl Window Graphics

To ensure the safety and security of passengers, operators and law enforcement officers, advertising displays which employ vinyl window graphics are restricted from fully obscuring window surfaces on Metro vehicles as follows. (Note: this excludes the front window surface, which may not be covered in any manner.)

2.2 Informational Advertising

Metro has several unique distribution channels at its disposal for disseminating transit information for which it incurs no “space” cost (the fee charged for advertising space). These distribution channels include, but are not limited to: “take-one” boxes onboard Metro buses and Metro Rail trains; “take-one” racks at Metro Customer Centers; back-lit and non-lit map cases inside Metro Rail stations and on Metro bus stop poles; advertising kiosks at select Metro Rail stations; electronic Variable Message Signs (VMS) on station platforms digital advertising kiosks; interior rail posters on board Metro Rail trains; Metro’s website; Metro-owned/run social media channels; and Metro-sponsored computer/phone apps.

As specified in section 2.1, Metro has the use of an allotment of exterior and interior bus advertising space at no charge by agreement with the vendor that sells all remaining interior and exterior bus advertising space under a revenue-generating agreement.



Metro

COMMUNICATIONS

Metro System Advertising

(COM 6)

Informational advertising space is limited, and reserved exclusively for Metro transit information. All messages and materials distributed by this means are prepared, approved and/or authorized by the Chief Communications Officer or their designee.

Acceptable information for these distribution channels is categorized as follows:

2.2.1 Regular Transit Information

Regular transit information is prepared by Metro's Communications Department in accordance with its annual strategic planning process, as well as upon request from other internal departments. Regular transit information includes, but is not limited to: campaigns promoting ridership, service features and changes, fare information and changes, safety and security messages, maps and explanations of related transportation services.

2.2.2 Cross-Promotional Information

On an occasional basis and only when space is available, Metro's Communications Department may use Metro's distribution channels to participate in cross-promotional opportunities that offer a direct opportunity to promote use of transit. Any materials distributed for this purpose must prominently include promotion of Metro services (e.g., Metro Ridership Promotion such as, "Go Metro to Fiesta Broadway"). Metro is prohibited by law from donating advertising space to any entity for purposes that are not directly transit-related.

The outside organization involved must either bear the cost of producing such materials or, if approved by Metro's Communications Department, provide an equivalent or greater value in cross-promotional benefits (i.e. advertising space, editorial space, etc.). Any cross-promotional arrangement must be approved by the Chief Communications Officer or their designee based upon the criteria in this policy statement.

2.2.3 "Added Value" Materials

On an occasional basis and only when space is available, Metro's Communications Department may use Metro's distribution channels to provide "added value" materials to its customers. Such materials must present a specific and time-dated offer uniquely provided for Metro bus and Metro Rail customers (generally a money-saving discount) in which transit can be used to access the redemption point. Any materials distributed for this purpose must prominently include the Metro logo and other wording approved by Metro's Communications



Metro

COMMUNICATIONS Metro System Advertising

(COM 6)

Department to indicate that the offer is specifically designed for Metro bus and Metro Rail customers. Metro is prohibited by law from simply donating advertising space to any entity for purposes that are not directly transit-related.

The outside organization involved must either bear the cost of producing such materials or, if approved by Metro's Communications Department, provide an equivalent or greater value in cross-promotional benefits (e.g., advertising space, editorial space, etc.). Any added value programs must be approved by the Chief Communications Officer or their designee based upon the criteria in this policy statement.

3.0 DEFINITION OF TERMS

Added Value Materials – Informational advertising which offers a tangible benefit to patrons as a means of rewarding and retaining customers (i.e., a money-saving discount).

Cross-Promotion – A cooperative partnership in which two or more entities work together with the goal of jointly promoting their respective services.

Digital Advertising Kiosks - A small physical structure (often including a computer and a display screen) that displays information for people walking by. Kiosks are common near the entrances of shopping malls in North America where they provide shoppers with directions.

Exterior King Ad – Large ad measuring 144" x 30" displayed on the sides of Metro buses. King ads are directly applied to the bus with adhesive vinyl.

Exterior Tail Light or "Tail" Ad – Smaller ad measuring 48" x 15 ½" or 72" x 21" displayed on the rear of Metro buses. Tail ads are directly applied to the bus with adhesive vinyl.

Governmental Entities – Public entities specifically created by government action.

Interior Bus Car Card – A 28" x 11" poster that mounts above the seats in Metro buses to provide information on fares, routes, safety, pass & token sales locations, service changes and other matters relevant to the use of the Metro System.

Interior Rail Poster – A 21" x 22 ¼" poster that mounts in frames on the walls of Metro Rail cars, used to display Metro Rail System Maps and provide information on fares,



Los Angeles County
Metropolitan Transportation Authority

Metro

COMMUNICATIONS

Metro System Advertising

(COM 6)

routes, safety, pass & token sales locations, service changes and other matters relevant to the use of the Metro System.

Map Cases – Fixed cases in Metro Rail stations that hold a 46¾” x 46¾” display, usually back-lit. Used to display Metro Rail System Maps and provide information on fares, routes, safety, pass & token sales locations, service changes and other matters relevant to the use of the Metro System.

Metro Transit-Related Properties – Metro Bus and Rail systems; Metro facilities; Metro electronic outreach channels (websites, social media, computer/phone apps, etc.).

Non-Commercial Advertising – A public service announcement, event notification, political statement or other message which does not have as its primary purpose to propose a commercial transaction.

Social Media Channels – Online/digital communications channels dedicated to community-based input, interaction, content-sharing collaboration.

Take-One – A printed brochure measuring 3½” x 8½” placed inside Metro buses or Metro Rail trains, used to provide information on fares, routes, safety, pass & token sales locations, service changes and other matters relevant to the use of the Metro System.

Take-One Box – A metal rack or plastic holder installed on the interior of Metro buses and Metro Rail trains designed to hold approximately 40 take-ones. Many Metro buses have a multi-pocket rack in addition to 2 plastic take-one boxes; most Metro Rail cars have from 2 to 6 plastic take-one boxes.

Variable Message Signs (VMS) – Electronic sign boards in Metro Rail stations controlled from the Rail Operations Control Center that scroll through a series of written messages. Used to provide information on safety, pass & token sales locations, service changes, emergency announcements and other matters relevant to the use of the Metro System.

Vinyl Window Graphics – An adhesive vinyl super-graphic which covers a portion of the window surface of a bus or rail vehicle. Such graphics are manufactured to be largely transparent to those inside the vehicle, permitting passengers to see outside through the graphics.



Metro

COMMUNICATIONS

Metro System Advertising

(COM 6)

4.0 RESPONSIBILITIES

Communications Department prepares all messages and materials for dissemination on board Metro buses and Metro Rail trains; administers the distribution/display of transit information; tracks/coordinates the availability and use of Metro's unique information distribution channels.

Mailroom distributes quantities of take-ones to Metro Operating Divisions and Customer Centers according to distribution list prepared by project managers in Communications.

Operators and Service Attendants physically place take-ones on buses/trains for distribution to the public.

Advertising Vendors sell, post and maintain all revenue-generating advertising on Metro properties; implement Metro's policies on revenue-generating advertising; post all Metro informational advertising according to instructions from the Metro Marketing Department.

Chief Communications Officer (or designee) reviews and approves/rejects all cross-promotions and added value programs using Metro's unique distribution channels based upon the criteria in this policy statement; enforces Metro's right to reject and/or order removal of revenue-generating advertising based upon the criteria in this policy statement.



Metro

COMMUNICATIONS Metro System Advertising

(COM 6)

POLICY STATEMENT

The Los Angeles County Metropolitan Transportation Authority (Metro) has determined that allowing revenue-generating-commercial advertising which does not compromise public or employee safety to be placed in designated areas on its transit properties ~~(, which includes~~ the Metro Busbus and Railrail systems; ~~Metro facilities; and Metro-owned electronic outreach channels (websites, social media, computer/phone apps, etc.),~~ is a responsible means of generating revenue by maximizing the use of the authority's Metro's capital investments. ~~Informational~~ Further, informational advertising on ~~its own~~ Metro properties is a valuable means of communicating for Metro and other governmental entities to communicate with ~~its riders, wherein Metro disseminates information that explains the public and promotes its transit services.~~ advance specific governmental purposes.

POLICY PURPOSE

To clearly define the use of ~~both~~ Metro's revenue-generating advertising space by fulfilling the following important goals:

- Maximize advertising revenue and informational preserving the value of the advertising space ~~on its transit-related properties.;~~

APPLICATION

~~This policy applies to all employees, consultants, vendors, and Board Members.~~

- Maintain a position of neutrality and preventing the appearance of favoritism or endorsement by Metro;
- Prevent the risk of imposing objectionable, inappropriate or harmful views on a captive audience;
- Preserve aesthetics and avoiding vandalism;
- Maximize ridership and maintaining a safe environment for riders and the public;
- Avoid claims of discrimination and maintaining a non-discriminatory environment for riders;
- Prevent any harm or abuse that may result from running objectionable, inappropriate or harmful advertisements;



Metro

**COMMUNICATIONS
Metro System Advertising**

(COM 6)

- Reduce the diversion of resources from transit operations that is caused by objectionable, inappropriate or harmful advertisements;
- Preserve Metro’s business reputation as a professional, effective, and efficient provider of public transit services.

Disclaimer of Endorsement: Metro's acceptance of an advertisement does not constitute express or implied endorsement of the content or message of the advertisement, including any person, organization, products, services, information or viewpoints contained therein, or of the advertisement sponsor itself.

APPROVED: County Counsel or N/A

Department Head

ADOPTED: CEO

Effective Date: _____

Date of Last Review: _____



Metro

COMMUNICATIONS Metro System Advertising

(COM 6)

1.0 GENERAL

The display of ~~paid (revenue-generating) commercial~~ advertising to generate revenue carries with it a responsibility to protect Metro from potential litigation, preserve its nonpublic forum status, and to recognize the potential association of advertising images with Metro services, ~~while simultaneously respecting First Amendment principles.~~ The agency addresses these issues through the responsible ~~and~~, consistent, and viewpoint neutral application of ~~written criteria for its~~ advertising acceptability. ~~It is not Metro's intent to create a public forum through the acceptance of policy.~~

Governmental entities may advance specific governmental purposes through advertising— under this policy.

~~Metro's ability to directly reach riders is crucial in order to provide transit and agency information. Any use of the unique distribution channels at its command (such as allotments of interior and exterior bus advertising space; on-board brochures; and in-station static and digital signs) for purposes unrelated to rider information or retention is to be avoided, as it effectively "pre-empts" the availability of transit information to the public. Metro's Communications Department administers the use of these unique distribution channels as part of its overall responsibility for customer communication.~~

2.0 PROCEDURES

~~Revenue-Generating~~ Los Angeles County contains significant tourism destinations accessible through public transportation, which may be promoted under this policy.

Metro uses designated areas on its properties to directly provide transit and agency information to the public.

2.0 POLICY

2.1.2.1 Permitted Advertising Content

~~Metro may contract with outside vendors to sell and display advertising on its transit-related properties for the sole purpose of generating revenue. Vendors for such contracts are solicited through competitive bids, which must conform to Metro's procurement procedures and be approved by Metro's Board of Directors.~~

~~Such agreements may dedicate up to, but no more than 90% of the available space covered by the contract for revenue-generating advertising, reserving the remaining available space for Metro's own transit-related information. This percentage of available space, and the remaining percentage of space held for Metro's information, will be negotiated as part of any contract with an outside advertising space vendor.~~



Metro

COMMUNICATIONS Metro System Advertising

(COM 6)

~~Locations for revenue-generating advertising may include, but are not limited to: the exterior and interior of all Metro's transit fleet (buses, trains, rideshare cars, and non-revenue cars); the exterior and interior of all Metro's stations and hubs (rail and bus stations, bus stops, and mobility hubs); digital channels (agency websites, mobile apps, and social media channels); printed materials (brochures, timetables); Metro property (buildings, facilities and parking structures); and any other location approved by Metro's Board of Directors. Metro and its advertising contractors will obtain necessary permits as required to comply with local jurisdiction.~~

2.1.1 Commercial Advertising

Metro will only accept paid commercial advertising that proposes, promotes, or solicits the sale, rent, lease, license, distribution or availability of goods, property, products, services, or events that anticipate an exchange of monetary consideration for the advertiser's commercial or proprietary interest, including advertising from tourism bureaus, chambers of commerce or similar organizations that promote the commercial interests of its members, and museums that offer admission to the public.

A. Metro's policy that it will accept only commercial advertising applies regardless of whether the proponent is a commercial or nonprofit organization. To determine whether an ad qualifies as commercial, Metro considers the following nonexclusive factors: (a) whether a commercial product or service is apparent from the face of the ad; (b) whether the commercial product or service is incidental to the public interest content of the ad; (c) whether the sale of commercial products or services is the primary source of the advertiser's total annual revenue; and (d) whether the advertiser is a for-profit entity.

B. This exclusion does not apply to Government Advertising under 2.1.2.

2.1.2 Government Advertising

Metro will accept advertising that advances specific government purposes from a federal, State of California, or Los Angeles County local governmental entity. The governmental entity must be clearly identified on the face of the advertising.

2.2

~~Specific locations and properties may be exempt and excluded, in which case Communications will coordinate with the agency project manager as advertising inquiry arises.~~

Prohibited Content restrictions for and Subject Matter



Metro

COMMUNICATIONS Metro System Advertising

(COM 6)

Metro retains content control of advertising on the transit system by restricting content; content described below may not be displayed through these arrangements as follows on the Metro transit system and/or agency assets:

2.1.1 Alcohol, Tobacco, and Cannabis

- Alcohol and Spirits – Imagery of open or closed alcoholic containers, consumption of any alcohol and spirits, or alcohol product branding brands is prohibited and may not be shown. Services and events for food and beverage, including alcohol and wine events may be shown if the image is compliant with the restrictions stated herein.
- Tobacco and Cannabis – Imagery that portray, simulate portrays, simulates, or encourage encourages recreational smoking, vaping, or ingesting of tobacco and/or cannabis products are is prohibited. Services and events for medical marijuana cannabis products, services, and events are prohibited and may not be shown.

2.1.2 Non-Commercial

Metro does not accept advertising from non-governmental entities if the subject matter and intent of said advertising is non-commercial. Specifically, acceptable advertising must promote a for-sale, lease or other form of financial benefit for a product, service, event or other property interest in primarily a commercial manner and purpose.

Exception 1: Governmental Agencies, meaning public agencies specifically created by government action located in Los Angeles County or a Federal or State of California Governmental Agency, may purchase advertising space for messages that advance specific government purposes. The advertising must clearly, on the face of the advertising, identify the Governmental Agency. It is Metro's intent that government advertising will not be used for comment on issues of public debate.

Exception 2: Metro will accept paid advertising from non-profit organizations that partner with a Governmental Agency (as defined in Exception 1 above) and submit advertising that advances the joint purpose of the non-profit organization and the Governmental Agency, as determined by each of them. In order for advertising to qualify under this exception, the advertising must clearly, on the face of the advertising, identify the Governmental Agency and indicate that the Governmental Agency approves, sponsors, or otherwise authorizes the advertising. The non-profit organization must also provide a Statement of Approval (attached) from the Governmental Agency describing the joint purpose to be advanced and setting forth a statement acknowledging support and approval for the submitted advertising. Any message



Metro

COMMUNICATIONS Metro System Advertising

(COM 6)

~~displayed under this exception must adhere to all other content restrictions stated in this policy, including that this advertising will not be used for comment on issues of public debate.~~

~~2.1.3 Other Subject Matter Restrictions~~

~~Advertising may not be displayed if its content involves:~~

- ~~Illegal activity~~ Promotes Activity – Content that promotes or relates to an illegal activity.
- ~~Violence~~ Contains images – Images, copy or concepts that promote guns/firearms or gun violence, or that depict weapons or other devices in an act of violence or harm on a person or animal, or contain any material that incites or encourages, or appears to incite or encourage, violence or violent behavior.
- ~~Demeaning or disparaging matter~~ Contains images, copy or concepts that actively denigrate, demean or disparage any individual or group.
- ~~Vulgarity~~ Contains images, copy or concepts that are obscene, vulgar, crude, sexually suggestive, indecent, profane or scatological.
- ~~Obscene matter~~ Contains obscene Matter – Obscene matter as defined in the Los Angeles County Code, Chapter 13.17, Section 13.17.010, or sexually explicit material as defined in the Los Angeles County Code, Chapter 8.28, Section 8.28.010D.
- Indecency – Images, copy or concepts that describe, depict, suggest or represent sexual or excretory organs or activities in a manner that a reasonably prudent person, knowledgeable of Metro’s ridership and using prevailing community standards, would find inappropriate for the public transit environment, including persons under the age of 18.
- ~~Adult entertainment and content~~ Promotes Entertainment and Content – Content that promotes or displays images associated with adult ~~book stores~~ bookstores, video stores, dance clubs, or other adult entertainment or sexually-oriented establishments, telephone services, internet sites, films, video games or escort services.
- ~~Political endorsements~~ Adult Rated Media – Adult/mature rated films, television, video games, or theatrical presentations, such as adult films rated "X" or "NC-17" or video games rated "AO."
- Profanity – Contains ~~messages~~ any profane language.



Metro

COMMUNICATIONS Metro System Advertising

(COM 6)

- Political Speech – Advertising that promotes or opposes (a) a political party; (b) any person or group of political advocacy, that support or oppose persons holding federal, state or local government elected office; (c) the election of any candidate or referendum, or that feature any current political office holder or candidate for public office, or take positions group of candidates for federal, state or local government offices; or (d) initiatives, referendums or other ballot measures.
- Public Issue Speech – Advertising that primarily expresses or advocates an opinion, position or viewpoint on a matter of public debate, about economic, political, public safety, religious or social issues. This exclusion does not apply to Government Advertising under 2.1.2.
- Religion – Promotes or copy related to opposes any identifiable or specific religion or, religious ideas viewpoint, belief, message or viewpoints.practice.
- ~~Negative connotations of public transit - Contains images, copy or concepts that actively denigrate public transportation.~~
- Unsafe transit behavior Transit Behavior – Contains images, copy or concepts that depict unsafe behaviors aboard buses or trains, or in or around transit stations or railroad tracks.
- Injurious to Metro’s interests – Promotes products, services or other concepts that are adverse to Metro’s commercial or administrative interests. Prohibited content includes but is not limited to images, copy or concepts that actively denigrate public transportation.
- Metro’s endorsement Endorsement – Contains images, copy or concepts that inaccurately state or imply Metro’s endorsement of the subject of the advertisement.
- Harmful or disruptive Disruptive to transit system Transit System – Contains material that is so objectionable as to be reasonably foreseeable that it will result in harm to, disruption of, or interference with the transportation system.
- Symbols - Miscellaneous characters, images or symbols used as a substitute for prohibited content.

2.3 Metro’s Government Speech



Metro

COMMUNICATIONS Metro System Advertising

(COM 6)

The provisions of this policy do not apply to Metro's government speech, which includes advertising sponsored solely by Metro or by Metro jointly with another entity to communicate any message deemed appropriate by Metro.

2.4 Metro's Right of Rejection

Metro, and its advertising vendors, will screen and review all advertising content on the transit system, and in all contracts Metro reserves the right to:

- Reject any advertising content submitted for display on its properties, and/or
- To order the removal of any advertising posted on its properties.

Decisions regarding the rejection or removal of advertising are made by the Executive Marketing Officer or their designee based upon the criteria in this policy statement.

2.5

2.2 Informational Advertising

Metro has several unique distribution channels at its disposal for disseminating transit information for which it incurs no "space" cost (the fee charged for advertising space). ~~As specified in section 2.1, Metro has the use of an allotment at no charge by agreement with the vendor that sells all remaining advertising space under a revenue-generating agreement.~~ Informational advertising space is limited, and reserved exclusively for Metro transit information. All messages and materials distributed by this means are prepared, approved and/or authorized by the ~~Chief Communications~~ Executive Marketing Officer or their designee.

Acceptable information for these distribution channels is categorized as follows:

2.25.1 ~~Regular~~ Transit Information

~~Regular transit information is prepared by Metro's Communications Department in accordance with its annual strategic planning process, as well as upon request from other internal departments.~~ Regular transit ~~Transit~~ information includes, but is not limited to: campaigns promoting ridership, service features and changes, fare information and changes, safety and security messages, maps and explanations of related transportation services.

2.25.2 Cross-Promotional Information



Metro

COMMUNICATIONS Metro System Advertising

(COM 6)

On an occasional basis and only when space is available, Metro's CommunicationsMarketing Department may use Metro's distribution channels to participate in cross-promotional opportunities (a cooperative partnership in which Metro and one or more entities work together with the goal of jointly promoting their respective services) that offer a direct opportunity to promote use of transit. Any materials distributed for this purpose must prominently include promotion of Metro services (e.g., Metro Ridership Promotion such as, "Go Metro to CicLAvia"). Metro is prohibited by law from donating advertising space to any entity for purposes that are not directly transit-related.

The outside organization involved must either bear the cost of producing such materials or, if approved by Metro's CommunicationsMarketing Department, provide an equivalent or greater value in cross-promotional benefits (i.e. advertising space, editorial space, etc.). ~~Any cross-promotional arrangement must be approved by the Chief Communications Officer or their designee based upon the criteria in this policy statement.~~

2.25.3 "Added Value" Materials

On an occasional basis and only when space is available, Metro's CommunicationsMarketing Department may use Metro's distribution channels to provide "added value" materials to its riders. Such materials must present a specific and time-dated offer uniquely provided for Metro bus and Metro Rail riders (generally a money-saving discount) in which transit can be used to access the redemption point. Any materials distributed for this purpose must prominently include the Metro logo and other wording approved by Metro's CommunicationsMarketing Department to indicate that the offer is specifically designed for Metro bus and Metro Rail riders. Metro is prohibited by law from simply donating advertising space to any entity for purposes that are not directly transit-related.

The outside organization involved must either bear the cost of producing such materials or, if approved by Metro's CommunicationsMarketing Department, provide an equivalent or greater value in cross-promotional benefits (e.g., advertising space, editorial space, etc.). Any added value programs must be approved by the Chief CommunicationsExecutive Marketing Officer or their designee based upon the criteria in this policy statement.

2.6 Advertising Vendors

Metro may contract with outside vendors to sell and display advertising on its transit system and related properties for the sole purpose of generating revenue. Vendors for such contracts are solicited through competitive bids, which must conform to Metro's procurement procedures and be approved by Metro's Board of Directors.



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COMMUNICATIONS

Metro System Advertising

(COM 6)

Such agreements may dedicate up to, but no more than 90% of the available space covered by the contract for commercial advertising, reserving the remaining available space for Metro's own transit-related information. This percentage of available space, and the remaining percentage of space held for Metro's information, will be negotiated as part of any contract with an outside advertising space vendor.

2.3 — Metro's Right Placement of Rejection Advertising

Locations for commercial advertising may include, but are not limited to: the exterior and interior of all Metro's transit fleet (buses, trains, rideshare cars, and non-revenue cars); the exterior and interior of all Metro's stations and hubs (rail and bus stations, bus stops, and mobility hubs); digital channels (agency websites, mobile apps, and social media channels); printed materials (brochures, timetables); Metro property (buildings, facilities and parking structures); and any other location approved by Metro's Board of Directors. Metro and its advertising contractors will obtain necessary permits as required to comply with local jurisdiction. Beyond the above, Metro's vendors may review advertising content according to their own guidelines of acceptability. Metro will screen and in all contracts Metro reserves the right to reject any advertising content submitted for display on its properties and/or to order the removal of any advertising posted on its properties. Decisions regarding the rejection or removal of advertising are made by the Chief Communications Officer or their designee based upon the criteria in this policy statement.

Specific locations and properties may be exempt and excluded, in which case Marketing will coordinate with the agency project manager as advertising inquiry arises.

2.4 — 7.1 Graphics on Window and Glass

To ensure the safety and security of passengers, operators and law enforcement officers, advertising displays which employ window graphics are restricted from fully obscuring the window surfaces on any Metro vehicles (trains, buses, ride share, and non-revenue vehicles). The front window, however, may not be covered in any manner.

If an advertising employs window graphics, the materials must be perforated with a 50/50 coverage-to-visibility ratio. The perforated material applies to all glass surfaces such as vehicle windows, buildings windows, and glass elevators. Metro may provide materials and technical specifications to each vendor.

3.0 — DEFINITION OF TERMS



Metro

COMMUNICATIONS Metro System Advertising

(COM 6)

~~**Added Value Materials** — Informational advertising which offers a tangible benefit to patrons as a means of rewarding and retaining riders (i.e., a money-saving discount).~~

~~**Cross-Promotion** — A cooperative partnership in which two or more entities work together with the goal of jointly promoting their respective services.~~

~~**Governmental Entities** — Public entities specifically created by government action.~~

~~**Map Cases** — Fixed cases in Metro Rail stations that hold a 46³/₄" x 46³/₄" display, usually back-lit. Used to display Metro Rail System Maps and provide information on fares, routes, safety, pass & token sales locations, service changes and other matters relevant to the use of the Metro System.~~

~~**Metro Transit-Related Properties** — Metro Bus and Rail systems; Metro facilities; Metro electronic outreach channels (websites, social media, computer/phone apps, etc.).~~

~~**Non-Commercial Advertising** — A public service announcement, event notification, political statement or other message which does not have as its primary purpose to propose a commercial transaction.~~

~~**Social Media Channels** — Online/digital communications channels dedicated to community-based input, interaction, content-sharing collaboration.~~

~~**Take-One** — A printed brochure measuring 3¹/₂" x 8¹/₂" placed inside Metro vehicles or rail stations, used to provide information on fares, routes, safety, pass & token sales locations, service changes and other matters relevant to the use of the Metro System.~~

~~**Glass and Window Graphics** — An super-graphic which covers a portion of the window surface of a bus or rail vehicle, building window, or glass elevator. Such graphics are manufactured to be largely transparent to those inside the vehicle, permitting passengers to see outside through the graphics.~~

4.0 RESPONSIBILITIES

~~**Chief Communications Officer (or designee)** reviews and approves/rejects all cross-promotions and added value programs using Metro's unique distribution channels based upon the criteria in this policy statement; enforces Metro's right to reject and/or order removal of revenue-generating advertising based upon the criteria in this policy statement.~~

~~**Communications Department** prepares all messages and materials for dissemination on board Metro buses and trains; administers the distribution/display of transit~~



Metro™

COMMUNICATIONS Metro System Advertising

(COM 6)

~~information; tracks/coordinates the availability and use of Metro's unique information distribution channels.~~

~~Advertising Vendors sell, post and maintain all revenue-generating advertising on Metro properties; implement Metro's policies on revenue-generating advertising; post all Metro informational advertising according to instructions from the Metro Marketing Department.~~

~~5.0 FLOWCHART~~

~~Not Applicable~~

~~6.0 REFERENCES~~

~~Not Applicable~~

~~7.0 ATTACHMENTS~~

~~Statement of Approval form pertaining to advertising from Non-Profit organizations partnered with a Governmental Agency.~~

3.0 PROCEDURES

Action By:

Advertising Vendors

Action:

A. Sell, post and maintain all commercial advertising on Metro properties. All proposed transit advertising must be submitted to the Advertising Vendor for initial compliance review. The Advertising Vendor will perform a preliminary evaluation of the submission to assess its compliance with this policy. If, during its preliminary review of a proposed advertisement, the Advertising Vendor is unable to make a compliance determination, it will forward the submission to the Metro's advertising panel for further evaluation. The Advertising Vendor may at



Metro

COMMUNICATIONS

Metro System Advertising

(COM 6)

any time discuss with the entity proposing the advertisement one or more revisions to an advertisement, which, if undertaken, would bring the advertisement into conformity with this Advertising Policy. The Advertising Vendor will immediately remove any advertisement that Metro directs it to remove.

Metro Advertising Panel

B. Metro’s advertising panel will review the proposed advertisement for compliance with the guidelines set forth in this policy and will direct the Advertising Vendor as to whether the proposed advertisement will be accepted. In the discretion of the advertising panel, any proposed transit advertising may be submitted to Metro’s ~~Executive Officer of Marketing~~ Marketing Executive Officer for review.

Metro’s ~~Executive Officer of Marketing~~ Marketing Executive Officer

C. Metro’s ~~Executive Officer of Marketing~~ Marketing Executive Officers shall conduct a final review of proposed advertising at the request of Metro’s advertising panel. The decision of the ~~Executive Officer of Marketing~~ Marketing Executive Officer to approve or reject any proposed advertising shall be final.

Metro Advertising Panel and ~~Executive Officer of Marketing~~ Marketing Executive Officer

D. Metro’s advertising panel or the ~~Executive Officer of Marketing~~ Marketing Executive Officer may consult with other appropriate Metro employees, including Metro’s legal counsel, at any time during the review process.

8.04.0 PROCEDURE HISTORY

- 03/23/00 Original policy adopted by Metro’s Board of Directors.
- 01/27/05 Policy amended by Board of Directors to permit advertising on Metro Rapid vehicles.
- 09/26/08 Biennial review and update. Policy updated to include Board of Directors amendment to permit all forms of non-traditional advertising displays as well as advertising on rail car exteriors and other types of transit service with the exception of Orange Line vehicle exteriors.



Metro

COMMUNICATIONS
Metro System Advertising

(COM 6)

- 6/27/13 Content Guidelines amended by Metro's Board of Directors to add an exception for non-profit organizations pertaining to the non-commercial advertising prohibition, and to expand language regarding various other types of prohibited content.
- 12/5/13 Content guidelines amended by Metro's Board of Directors to prohibit messages that are injurious to Metro's interests and to clarify restrictions regarding vulgarity.
- 02/23/17 Review and update: Board approved, Feb. 23, 2017 (Item 40). Streamlined policy for an easier read; removed defined vinyl window graphics prohibitions: now just may not fully wrap a bus; added definitions; clarified outreach channels; may advertise on Orange Line vehicles; added items to advertising ban; removed "wine festival" advertising allowance; advertising may not engage in public debate.