

Board Report

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2023-0650, File Type: Contract

Agenda Number: 17.

EXECUTIVE MANAGEMENT COMMITTEE NOVEMBER 16, 2023

SUBJECT: LONG-TERM ADVERTISING - MARIACHI PLAZA STATION

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

APPROVE a long-term advertising purchase agreement with Adventist Health White Memorial Hospital (Adventist Health), of up to 12 months, for advertising at Mariachi Plaza Station generating \$97,500 estimated gross sale for Metro. This agreement is not a title sponsorship and will not affect Mariachi Plaza Station's title/name.

<u>ISSUE</u>

In compliance with the Commercial Sponsorship and Adoption Policy (Attachment A), staff is requesting Board approval for a long-term advertising with Adventist Health White Memorial Hospital (Adventist Health) at Mariachi Plaza Station on the Metro A Line. Any proposed advertising purchase agreement in excess of 90 days requires Board approval.

BACKGROUND

In the spring of 2021, Metro adopted the Commercial Sponsorship and Adoption Policy. The policy plays a crucial role in providing Metro with a structured framework to engage in commercial sponsorships as an extension of revenue advertising. It provides a well-defined process and guidance for conducting business in this context. This encompasses the definition of sponsorship models, terms and durations, the identification of eligible agency assets, sponsor eligibility and responsibilities, the proposal process, and the criteria used for evaluation.

In January 2022, the Metro Board approved the first sale of long-term advertising campaigns (lasting beyond 90 consecutive days) with Home Box Office (HBO) for 12-month station takeover of the Culver City Station on the E Line for \$750,000. A station takeover is defined as a campaign/technique in which an advertiser displays messages on 100% of the media space within a single station; thus creating a full brand environment. Feedback on the station takeover has been positive from the business community. Following their initial purchase, HBO chose to extend their station takeover for an additional year (also approved by the Board in January 2023) and increased the value to \$880,000, highlighting the continued success and effectiveness of their long-term advertising

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strategy. These long-term advertising commitments provide a reliable stream of income for Metro and yield substantial revenue benefits owing to their extended duration. Furthermore, they transform a station into a dynamic media space representing a single brand.

Adventist Health is 0.2 miles away, a brief 5-minute walk from Mariachi Plaza Station. Throughout its storied journey, White Memorial has maintained its steadfast commitment as a cornerstone community hospital for the Boyle Heights and East Los Angeles neighborhoods. White Memorial's legacy extends beyond medical practice. It has a rich history of collaborating closely with community-based organizations, working in unison to deliver essential health, safety, and wellness initiatives. These efforts have significantly impacted individuals and families who otherwise would have limited access to such vital care and support.

DISCUSSION

Station Advertising

The long-term advertising agreement includes a diverse range of large-format media placements on various station elements, including wallscapes, floor graphics, and 2-sheet advertisements directly applied as decals to station surfaces. Additionally, a station audio advertisement is part of this comprehensive campaign package. It's important to note that all campaign activities will take place within the underground sections of the station.

Throughout the 12-month campaign duration, updates to creative content will be made at the discretion of Adventist Health, ensuring that the advertising remains fresh and engaging. All creative content will fully adhere to Metro's System Advertising Policy and undergo approval by the Content Advertising Committee, as detailed in Attachment B - System Advertising Policy. Acknowledging the predominantly Latino-Hispanic population within Boyle Heights and East Los Angeles and transit riders at Mariachi Plaza Station, a significant portion of this campaign will be delivered in Spanish, encompassing both printed and audio media components.

LIFE Limited Agency Partner

Adventist Health is a recently approved LIFE Limited agency partner - this status allows them to provide transportation subsidies, such as taxi vouchers to individuals with short-term and immediate need for transit services who are otherwise unable to use fixed route transit. Participating in Metro's LIFE program further helps low-income patients overcome mobility barriers to receiving essential health, safety, and wellness initiatives provided by Adventist Health. In alignment with Adventist Health's role as a community hospital, Metro will collaborate closely with the hospital to orchestrate station pop-ups and activations during the campaign. These activations may manifest as on-site healthcare services, checkups, or registration opportunities, further emphasizing the hospital's commitment to serving the local community.

DETERMINATION OF SAFETY IMPACT

The contractor will install advertising following the Rail Safety Policy and Guidelines to ensure the safety of Metro's riders and employees.

FINANCIAL IMPACT

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There is no negative financial impact with the approval of this item. Commercial Advertising is a revenue-generating program. Metro will receive 60% revenue share, approximately \$58,500, and the contractor will receive 40% revenue share, approximately \$39,000, from the total gross sale of \$97,500. The contractor is responsible for material costs and maintenance of Adventist Health advertising for the duration of the sale. No operating or capital costs will be incurred by Metro.

The Customer Experience Office and the accounting department will be responsible for monitoring performance, compliance, and payments in support of this task over two fiscal years into FY25.

EQUITY PLATFORM

The revenue generated from advertising is distributed across bus and rail operations, including those in Equity Focus Communities (EFC), ensuring Metro can continue to provide essential services to customers who depend on our system.

The acquisition of media space at a station located within an Equity Focus Community (EFC) underscores advertisers' keen interest in the diverse communities that Metro serves. Moreover, this campaign will serve to highlight a local healthcare facility and a community resource conveniently accessible from the station. Notably, a significant portion of this advertising campaign will prominently feature Spanish-language advertisements. This commitment to inclusivity aligns with Metro's diverse customers and takes into account the linguistic needs of the Mariachi Plaza station community. s

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The revenue advertising program supports the Strategic Plan by fulfilling Goal 5 in providing responsive, accountable, and trustworthy governance within the LA Metro organization, exercising good public policy judgment and fiscal stewardship by monetizing Metro's capital assets to generate non-tax revenues.

ALTERNATIVES CONSIDERED

The Board may choose not to approve this long-term advertising request; however, this is not recommended - Metro would be declining revenue earnings from a single buyer.

NEXT STEPS

Upon Board approval, staff will authorize the advertising broker to complete the advertising sale and begin executing the long-term media placement with Adventist Health at Mariachi Plaza Station on the A Line.

ATTACHMENTS

Attachment A - Commercial Sponsorship and Adoption Policy

Attachment B - System Advertising Policy

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Commercial Sponsorship and Adoption Policy

POLICY STATEMENT

Commercial Sponsorship and Adoption is a form of advertising in which entities will compensate Metro in order to be associated with certain Metro facilities, services, programs, or events. Compensation to Metro can include, but is not limited to: monetary payments; resources and finance; payment-in-kind; value-in-kind to develop new facilities, services, programs, or events; or, funding to operate and enhance existing facilities, services, programs, or events.

Through implementation of the Commercial Sponsorship and Adoption Policy ("Policy"), Metro seeks to establish guidelines to execute a responsible and consistent process regarding Sponsorship and Adoption business activities. Metro's Communications department administers the Commercial Sponsorship and Adoption Program ("Program") as part of its overall responsibility of revenue-generating advertising and Metro's overarching goal of partnering with businesses on activities that can increase mobility and brand awareness for customers in the Los Angeles region.

As sponsorship is a form of advertising, the Program will adhere to Metro's System Advertising Policy (COM 6) and apply the same content restrictions in considering sponsors' core business, brand, and services. Commercial Sponsorship and Adoption may impact Metro facilities, services, programs, amenities, or events. As Metro facilities, services, programs, and events have already been named, the program will also adhere to Metro's Property Naming Policy (COM 11) and apply the same public outreach processes and principles pertaining to area location, neighborhood identity and system legibility in considering sponsors' core business, brand, and services.

PURPOSE

Through implementation of this Policy, Metro seeks to establish guidelines regarding Commercial Sponsorship and Adoption of Metro services, facilities, amenities, programs, and events.

Goals and Principles

This Policy will set direction for how Metro plans and implements Commercial Sponsorship and Adoptions on the Metro system. Specific Program goals include, but are not limited to:

- Generate long-term revenues to support agency programs and initiatives
 Metro has the fiscal responsibility to maximize the utilization of available resources
 effectively and efficiently to create long-term, agency-generated revenues.
 Furthermore, diversifying Metro's revenue sources prepares the agency for future
 economic shortfalls and unexpected agency impacts.
- Enhance service and/or amenities that improve customer experience
 Partnerships with local businesses and entities may offset costs of desired
 customer amenities, such as technology (Wi-Fi, mobile charging stations),
 commerce (vending kiosks, retail), and convenience (food trucks, parcel pickup).
 These partnerships allow Metro to focus on operating a world-class transit system
 while specialist(s) provide amenities enhancing the customer experience.
- Position corporate social responsibilities towards equity-focused communities

Metro can create more opportunities to promote small, disadvantaged, and disabled veteran business enterprises through commercial programs by allowing them involvement in the system. Concurrently, corporate entities may provide equity opportunities to communities through Metro's program.

PROCESS AND PROCEDURE

Eligible Agency Assets

Metro is the transportation planner and coordinator, designer, builder, and operator of a large and expanding transit system. The infrastructure capital investment and other assets are significant within Metro's county-wide system of bus, rail, and other services; property portfolio; numerous facilities; programs and events. The various facilities, programs, and services that may be eligible for sponsorships and adoption are:

- Facilities Any rail station or bus stop, parking lots and parking structures, regional facilities, maintenance buildings and other structures, Metro headquarters building, and any other property owned, leased, managed, or operated by Metro. Example facilities include Pico Station, Sierra Madre Villa parking structure, and El Monte bus station.
- Transit Services Any light & heavy rail lines, bus service lines & routes, transitway service lines & routes, and any mode of transit service owned, leased, managed, or operated by Metro. Example transit services include A Line, E Line, and Dodgers Stadium Express.

- Programs Selected established Metro-operated effort/initiative for the benefit of customers and communities that Metro serves, generally in the form of customer service actions and functions. Example programs include Freeway Service Patrol and Metro Micro.
- **Events** Selected one-time, seasonal, or annual event initiated, partnered with, coordinated by, or conducted by Metro. Example events include Older Adult Expo and Faith Leaders Roundtable.

Program Models

Metro will engage in two types of program models, Adoptions and Sponsorships. Within these two models, proposals may include customized packages of varying marketing techniques and tactics; combine financial payments and value-in-kind amenities; or only provide financial payments or value-in-kind amenities. Metro defines amenities as selected resources, features, or utility that may provide additional enhancement to an established Metro facility, station, or stop. Examples amenities may include technologies such as mobile data and Wi-Fi services, commerce such as retail and vending machines, and convenience such as restrooms.

- Adoption A partnership between Metro and a third party, which provides benefit
 to Metro riders in the form of sponsored amenities, services, equity opportunities,
 and customer experience improvements. In an Adoption, third parties may provide
 resources and/or financing, payment-in-kind, or value-in-kind to develop operating
 or new facilities, services, programs, or events. Examples: providing free Wi-Fi to a
 particular station, funding additional maintenance to a particular station.
- Sponsorship A partnership between Metro and a third party, which provides benefit to Metro in the form of financial payments - revenues from sponsorships may be directed towards Metro programs and initiatives. In a Sponsorship, a third party may provide resources and funding, payment-in-kind, or value-in-kind to develop operating or new facilities, services, programs, or events. Examples: temporary station name take-over, long-term media buyouts of a particular station or facility.

Terms and Durations

Sponsorships and Adoptions can take on various forms of advertising in which companies contract with Metro to associate their name, identity and branding with facilities, services, programs or events. Metro may engage in Temporary and Long-Term Sponsorships/Adoptions that provide value and benefit both parties.

• **Temporary** – Sponsorship/Adoption/Advertising activity lasting up to ninety consecutive days — temporary commercial activity is within CEO's approval

authority. Contractor shall not allow or authorize any single advertiser to engage in Station Domination of a single station for a period of more than 90 consecutive days. Immediately following the period of Station Domination by an advertiser, said advertiser shall not be permitted to engage in Station Domination of that same station for at least 90 consecutive days.

Long-term – Sponsorship/Adoption/Advertising activity lasting greater than ninety consecutive days with a maximum length of 10 years — all long-term commercial activity require Board reviewed and approval. The renaming of a facility or station requires a minimum five year commitment. Additionally, any activity affecting facility/station/service names requires Board notification: short-term renaming/conaming requires Board notification while long-term renaming/conaming requires Board approval.

Eligibility and Criteria

In line with Metro's System Advertising Policy (COM 6), business entities selling products or services in the prohibited categories will not be considered for participation in the Program including Alcohol, Tobacco and Electronic Cigarettes, Adult Entertainment and Content, Arms/Guns and Weapons, Political Parties, Political Groups, Political Organizations, and Political Candidates or Campaigns, causes (including Religious Groups and Religious Associations, social advocacy groups, lobbyist, etc), or any other category prohibited by COM 6.

Metro shall consider Sponsorships and Adoptions with qualified entities meeting these criteria:

- Businesses already established in the U.S. or have fulfilled all legal requirements and compliance to establish a business within the United States;
- Businesses must establish current financial stability as well as financial stability for the five years prior to proposal submission;
- Businesses with current responsible practices and positive business history within the last five years prior to proposal submission;
- Businesses with satisfactory record of contractual performance within the last five years prior to proposal submission;
- Businesses must not have been awarded a Metro contract as a prime contractor six months prior to proposal submittal. Businesses will also not be considered for Metro contract as a prime contractor six months following proposal submittal.

Proposal Review Committee

A Proposal Review Committee will be established to review and vet each proposal submitted to the agency. The Proposal Review Committee will be managed by

Marketing with concurrence from the Chief Communications Officer and will be composed of stakeholder departments to provide feedback and advisory recommendations for Board review and approval. Committee members may include, but are not limited to the following:

- Compliance Panel The Compliance Panel ensures interested sponsors are in compliance with Metro policies and neither discriminate nor pose a conflict of interest. The Compliance Panel does not score the proposal, instead providing review and comment on the sponsoree, the Compliance Panel may include:
 - Civil Rights
 - o Ethics
 - Legal Counsel
 - Office of Inspector General
 - Vendor/Contract Management
- Evaluation Panel The Evaluation Panel reviews and scores each proposal based on the Evaluation Criteria. The Evaluation Panel may be composed of scoring members, and non-scoring members that provide comments but do not participate in scoring; comments and recommendations are submitted to the CEO and Board for final review and approval, the Evaluation Panel may include:
 - Communications (Arts & Design, Community Relations, Marketing, Public Relations)
 - Countywide Planning (Real Estate, Systemwide Design)
 - Customer Experience
 - Equity & Race
 - Respective Asset or Program Owner

Evaluation and Criteria

If a business meets all Eligibility and Criteria, Metro will take into consideration the financial offers and implementation proposals. The Proposal Review Committee will score proposals based on the following evaluation criteria:

- Alignment with Metro's existing brand and agency mission, themes, and priorities
- Innovative sponsorship and business plan(s) that address value-transfers and potential customer experience enhancements
- Reach of cross promotion between Metro and Sponsor/Adoptee, providing Equity Opportunity activities for Metro communities and riders
- Financial offer, including total value and duration, payment options, and package offerings
- Determination of conflicts of interest based on other business activities with Metro

Corporate Responsibilities

All costs related to Sponsorship/Adoption activities of an existing facility, service, or program – including, but not limited to, the costs of replacing affected signage and customer information collateral, Metro materials, media materials, and Metro staff labor – shall be borne by the Adoptee/Sponsor.

Metro expects Sponsorship and Adoption partners to remain in good financial stability and to conduct responsible business practices for the duration of granted Sponsorship/Adoption. Metro may terminate granted Sponsorship/Adoption with partners who fails to maintain these financial and business requirements.

All granted Sponsorship/Adoption must respect and adhere to Metro's System Advertising Policy and Metro's Property Naming Policy.

Equity Opportunity and Community

Metro's mission is to provide a world-class transportation system that enhances quality of life for all who live, work and play within LA County. Under its Equity Platform, Metro recognizes that access to opportunities – including housing, jobs, education, mobility, and healthy communities – is critical for enhanced quality of life. Metro also recognizes that vast disparities exist in access to opportunities and strives to identify and implement projects or programs that reduce and ultimately eliminate those disparities.

Sponsors must include Equity Opportunity in each proposal - which will be scored in the Evaluation Criteria; however, sponsors should consider the qualitative engagement rather than the quantitative engagement within their proposal. While Metro sponsorships will vary, all sponsorships must advance Metro's mission by supporting Equity Opportunity to:

- Increased access to opportunities
- · Removal of barriers to access
- Partnership with local communities

Acceptable partnerships will vary. Examples include, but are not limited to:

- Connecting communities to healthy food especially when they lack such options
 via the provision of gift cards to grocery stores or health snacks at a community
 event
- Promoting safety in high injury areas via bike helmet or bike safety light giveaways
- 3. Supporting community events via hosting a Wi-Fi hot spots or cooling station

Process and Implementation

Metro may negotiate Sponsorships and Adoptions directly or contract with outside specialist(s) to liaise, negotiate and manage Sponsorships.

Metro's Right of Rejection

Metro and its authorized sponsorship specialist(s) will screen all proposals, Metro reserves the right to reject any Sponsorships submitted for consideration. Decisions regarding the rejection or termination of Sponsorships are made by Metro's Chief Communications Officer or their designee based upon the criteria in this Policy.

System Integration

Metro has an established transit system with known nomenclature, customer information, and service names, thus, coordination with stakeholder departments will be critical to:

- Conclude acceptable enhancements to system facilities affecting customer experience - such as station identity and signage wayfinding.
- Establish reasonable implementation schedules and deliverables such as those
 affecting operational logistics in stations, trains, and buses; fabrication logistics
 such as signage; and customer information materials.

Public Information

All granted Sponsorship/Adoption are subject to the provisions of the California Public Records Act (California Code Government Code §6250 et seq.), including monies paid to Metro.



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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.

The policy's purpose is to clearly define the use of Metro's advertising space 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.

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

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,



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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 free 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 below.

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, Vaping and Cannabis** Imagery that portrays, simulates, or encourages recreational smoking, vaping, or ingesting of tobacco, cannabis, or similar 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



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- 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, escort services, etc.
- 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.
- Religion Promotes or opposes any identifiable or specific religion, religious viewpoint, belief, message, or practice.



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- 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

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 Metro Marketing Executive or their designee based upon the criteria in this policy.

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,



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services, information or viewpoints contained therein, or of the advertisement sponsor itself.

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.).

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



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"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,



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in which case Marketing will coordinate with the agency project manager as advertising inquiry arises.

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 <u>fully obscuring</u> the window surfaces on any Metro vehicles (trains, buses, ride share, and non-revenue vehicles). The front window, however, <u>may not</u> be covered in any manner.

If an advertising display 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:	Action:
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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.

Metro Advertising Panel Metro's advertising panel will review the proposed

advertisement for compliance with the guidelines set forth in this policy and will direct the Advertising



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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 Metro's Marketing Executive or designee will

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

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

Original policy adopted by Metro's Board of Directors.

Policy amended by Board of Directors to permit advertising on Metro Rapid vehicles.

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.

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;



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added items to advertising ban; removed "wine festival" advertising allowance; advertising may not engage in public debate.

04/27/2023

Significant Policy changes and edits including Elimination of government sponsored ad exception for non-commercial ads (Exception 2); clarification that Commercial Advertising is the only permitted form of advertising, unless advertiser is a federal, state, LA County governmental entity, or Metro; inclusion of: Revised Policy Purpose statement and objectives and Disclaimer of Endorsement; excludes advertising that "expresses or advocates an opinion, position or viewpoint on a matter of public debate"; and general reorganization and clarification.



Mariachi Plaza Station

We propose new static media at Mariachi Plaza Station including two-sheets, a floor graphic, and wallscapes throughout this station.

Proposed

(2) Wallscapes

(7) Two-Sheets

(1) Floor Graphic







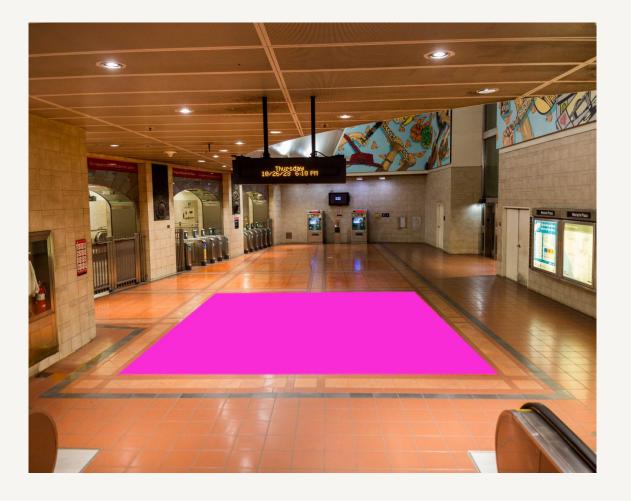


Wallscape

Proposed length: 84" x 456"

Floor Graphic

Proposed Size: 234" x 239"





Two-Sheets

Wallscape

Proposed length: 84" x 804"





Two-Sheets

Surface: Ceramic tile and Stainless Steel (elevator)

Two-Sheets





Thank You

Intersection

750 N. San Vicente Blvd West Hollywood, CA 90069 intersection.com