

# Greater Cleveland Regional Transit Authority

## SUMMARY OF PROPOSED AWARD On-Board Audio Public Information and Advertising Services

Presented to: Operations Committee

May 10, 2016



# Project Overview - Justification

**Mission:** To provide safe, reliable, clean and courteous public transportation

**Vision:** Be the transportation mode of choice  
Utilize technology to better serve customers

**VFO's:** Enhance our customers' riding experience  
Maximize operating revenues

# Project Overview – Pilot Program Recap

- Time frame: 12/01/2015 – 6/01/2016
- Announcements on all revenue vehicles
- Complaint activity – Initially received “handful” of complaints - volume – too loud.
- Volume adjusted – Recording setting lowered
- Complaint activity – substantially dropped off
- Sales Activity – Gross sales: \$88,000

# Project Overview-Scope of Work

- Produce , record, format and deliver RTA public service announcements
- Sell audio advertising on RTA revenue vehicles
- Produce, record, format, test and deliver all advertising files to the Authority



# Project Overview-Scope of Work

- Pay Authority for audio advertising rights as well as reimburse the Authority any expenses related to advertising program
- Comply with the Authority's advertising guidelines as well as all Local, State and Federal laws
- Coordinate sales efforts with other contractors

# Scope of Work – Projected Revenue

- Revenue Split
  - Year 1 – 37% of gross sales
  - Year 2 – 38.5% of gross sales
  - Year 3, (and option years) – 40% of gross sales
- Annual Revenue
  - Guarantee or revenue split of actual sales, whichever is the greater. (Guarantee for the contract term - \$255,000)

# Procurement Overview- On-Board Audio Public Information and Advertising Services

- RFP issued July 20, 2015
- Accessed on the GCRTA website by 8 interested parties
- One firm proposed



# Procurement Overview- On-Board Audio Public information and Advertising Services

## Evaluation Panel Members:

- Marketing
- Office of Management & Budget
- Electronic Repair
- Information Technology Systems
- Procurement



# Procurement Overview- On-Board Audio Public Information and Advertising Services

## Evaluation Criteria:

- Product Offering – Viable Marketing Plan
- Experience with Transit Agencies
- Ability to service accounts in a timely manner
- Revenue Plan
- Ability to properly maintain & administer advertising inventory

# Procurement Overview- On-Board Audio Public Information and Advertising Services

Recommended Firm:

- Commuter Advertising, Inc.
- DBE Goal of 0%

# Procurement Overview- On-Board Audio Public information and Advertising Services

## Experience:

- Nations leading expert in onboard digital transit media
- Been in business since 2009
- Responsive to GCRTA's needs
- Favorable References

# Procurement Overview- On-Board Audio Public Information and Advertising Services

- Extensive transit experience
  - Greater Dayton Regional Transit Authority
  - Southwest Ohio Regional Transit Authority (Cincinnati)
  - Kansas City Area Transit Authority
  - Jacksonville Transportation Authority
  - Transit Authority of Lexington (Ky.)

# Procurement Overview- On-Board Audio Public Information and Advertising Services

- Staff requests that the Operations Committee recommend to the Board of Trustees the award of a revenue generating contract to Commuter Advertising, Inc. for a period of three years with two, one-year options.