

SMART Board of Directors Meeting

Agenda Item 8: Transit Advertising Services



Background

- SMART contracts with a third-party firm to sell advertising and manage advertising program
- Ad placements include:
 - Onboard trains (18 cars)
 - Platform shelters (25 shelters)
- Goals:
 - Increase advertising revenue
 - Maximize ad occupancy
 - Ensure brand alignment



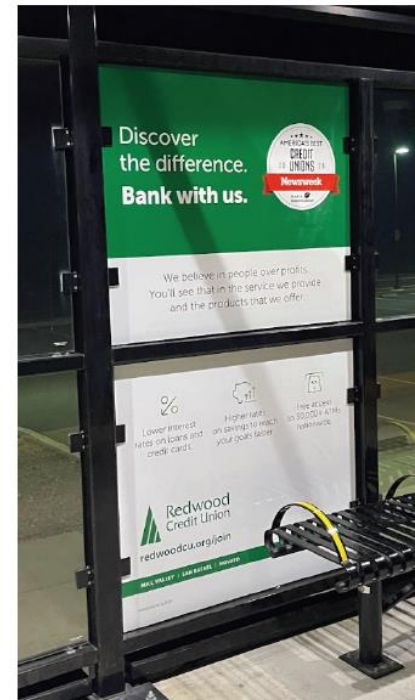
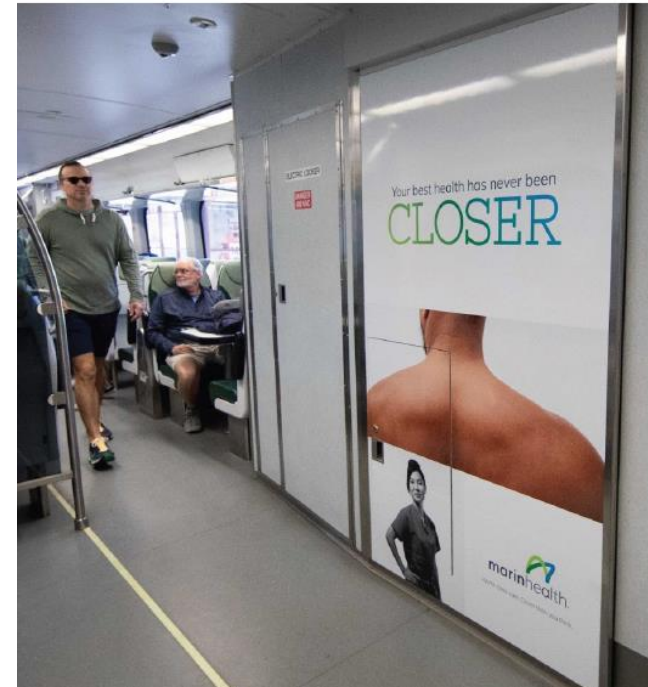


Current Advertisers

- Financial
 - Bank of Marin, RCU
- Entertainment/Travel
 - River Rock, Graton
 - Discover Kalispell, Visit Novato
 - STS Airport
 - Festivals and fairs
- Healthcare
 - Marin Health, Kaiser
- Government/Non-Profit
 - BAAQMD, F2F, Sonoma Health
- Education
 - Dominican University
- Real Estate
 - Corcoran
- Beverage
 - E&J Gallo
- Tech
 - Host Poppy

Procurement Process Overview

- SMART's existing contract with Vector Media expires April 25, 2025
- RFP was issued – 2 proposals were received
 - Lamar Transit, LLC
 - TopDog Media, LLC
- Evaluation criteria
 - Service understanding and approach
 - Prior experience
 - Demonstrated history of performing similar work
 - Key personnel qualifications
 - Pricing
 - Knowledge of national and local (Bay Area) markets





Selection Process

- Evaluation committee identified Lamar Transit, LLC as the best value for SMART
- 40 years experience in transit advertising
 - 50 US markets
 - 19 California markets
- Competitive revenue sharing model
- Over a decade of experience locally:
 - Golden Gate Bridge Transportation District
 - Alameda County Contra Costa Transit District
 - Napa Valley Transportation Authority
 - County Connection (Concord)
 - SamTrans (San Mateo)
- Local, Regional, National market sales mix



Fiscal Impact and Contract Terms

- Gross ad sales are paid on a percentage split on a quarterly basis
 - SMART: 47.5%
 - Lamar Transit: 52.5%
- No cost to SMART
- Estimated annual advertising revenue share to SMART: \$180,000 - \$280,000
- Initial term of three years – through April 25, 2028
 - Two, one-year options to extend at SMART's discretion

Ad Content Guidelines

- Permitted advertising:
 - Commercial and promotional advertising
 - Governmental advertising
 - Public service announcements
- Prohibited advertising:
 - Political campaign speech
 - Tobacco, firearms, adult films/facilities
 - Illegal activity
 - Unsafe transit behavior
- SMART approves final ad placements





Next Steps

- Board authorization
- Transition from current vendor
- Ongoing monitoring and revenue reporting

Questions?





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