



Date of Memo: December 07, 2022
Current Meeting: December 08, 2022
Board Meeting: December 15, 2022

BOARD MEMORANDUM

TO: Indianapolis Public Transportation Corporation (IPTC) Board of Directors
THROUGH: President/CEO Inez P. Evans
FROM: Chief Public Affairs Officer Lesley Gordon
SUBJECT: Consideration and approval of transit advertising contract

ACTION ITEM A – 16

RECOMMENDATION:

In a manner consistent with IPTC procurement and contract award standards, it is requested that the Board authorize IPTC’s President/CEO to approve entering into contract negotiations with Adsplosure as the new transit advertising vendor responsible for selling, installing and removing all transit advertising for IPTC fixed route buses, shelters, paratransit buses, CTC signage, BRT buses and BRT stations for a three year contract with two one-year options.

BACKGROUND:

For the last 16 years IPTC has had the same vendor to execute all transit advertising. IPTC continues to grow and expand and requires more innovation from our advertising partner. Adsplosure is based in Cincinnati and is focused on transit only advertising which allows them to minimize competition and prioritize our sales. Key changes in this partnership include the technology enhancements and increased added value opportunities. With Adsplosure IPTC has access to their Global Unification System, or GUS: the custom inventory management system, ERP and CRM. GUS not only provides IPTC with comprehensive monthly reports regarding every aspect of your transit advertising, but also gives IPTC immediate access to private account information anytime, creating transparency in sales, accounting and available inventory. Adsplosure also presented increased added value opportunities to increase revenue. This includes underutilized advertising space on our shelters, the CTC and the maximizing our naming rights and sponsorship opportunities. This RFP was released on September 26, 2022, and the pre-bid meeting was October 5, 2022. IPTC received eight bids including the current vendor and six were deemed responsible, responsive, and evaluated.

DISCUSSION:

IPTC will be transitioning away from our current vendor and will have to work through a transition of advertisements sold in 2023. This may cause some delay in sales but should not make any significant impact to the total revenue for the year.

ALTERNATIVES:

The Board could reject this contract, but the current contract expires, December 31, 2022 so IPTC would be without an advertising vendor or need to evaluate the other vendors.

FISCAL IMPACT:

This is a revenue generating contract. In 2021 IPTC received approximately \$610,000 in advertising revenue. The minimum annual guarantee in the proposal from Adsplosure is an anticipated 30 percent increase.

DBE/XBE DECLARATION:

Only two of the six bids met our DBE/XBE qualifications but neither of those bids overall score was among the top two vendors at the end of the evaluation. Adspore did submit a letter of commitment with Diversity Press, a reputable local minority owned business.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

This action will be reviewed by the Finance Committee December 08, 2022.