



Los Angeles County
Metropolitan Transportation Authority

Metro

News

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FOR IMMEDIATE RELEASE

Metro Board Approves New Advertising Contracts to Enhance Customer Experience, Generate Additional Agency Revenues

The Los Angeles County Metropolitan Transportation Authority (Metro) today approved two new advertising contracts for the Metro Bus and Rail System, allowing the agency to benefit from the experience and positive performance of Metro's current ad contractor and the innovation and technology proposed by another contractor.

The new rail contract will leverage digital technology to enhance the rail rider's experience, while both contracts will reduce costs and generate new agency revenues.

Metro has awarded OUTFRONT Media a 10-year license to sell and display advertising on the agency's more than 2,000 buses that include ads in Los Angeles County. Metro also awarded Intersection with a 10-year license to sell and display advertising on the Metro rail system, which now comprises six rail lines providing 105 miles of service countywide. Metro's current bus and rail advertising contract with OUTFRONT Media expires Jan. 31, 2018.

The new rail advertising contract with Intersection will usher in Metro's transition from static map case displays to digital customer information panels capable of delivering customized information to rail customers in real-time as well as revenue-generating ads. Interactive information panels will provide the latest service alerts and time-sensitive information customers need when riding the Metro system. Additional new digital kiosks, dubbed LinkLA, will provide Metro customers with free Wi-Fi, phone calls to anywhere in the U.S., emergency 911 calls, USB charging, and an interactive tablet that offers access to wayfinding, city services and local information.

Approximately 500 new customer information panels will display real-time arrivals and service alerts at every rail station. The flexibility of digital content and interactivity will also allow the display of various maps such as neighborhood maps, connections maps, rail maps and system maps.

"Metro is always looking for ways to utilize technology to enhance the customer experience, and meet the evolving needs of our riders," said Metro CEO Phil Washington. "Our new advertising

program demonstrates how the agency pivots with technology and digital information to better serve our customers and make it easier and more convenient for them to hop on board.”

The new contracts will reduce Metro’s costs by securing free and guaranteed advertising space without the need for Metro to incur printing, production or installation costs for the agency’s own ads. This will save Metro \$3 million per year. The new contracts will also generate increased ad revenues to help sustain Metro’s current and future operations and transit system expansions. Over the next 10 years, Metro’s contract with OUTFRONT Media is expected to generate \$262 million in revenues. The agency’s contract with Intersection is expected to generate \$43 million, and Intersection has committed to investing nearly \$20 million in digital equipment at no cost to Metro. With all revenues, capital investments and agency cost savings combined, the value over the 10-year contract is expected to exceed \$350 million.

In the first year of the new rail advertising contract, Intersection will audit the rail system for readiness and logistical needs. The agency will work with the contractors to roll out digital assets thereafter.

About Metro

The Los Angeles County Metropolitan Transportation Authority (Metro) is unique among the nation’s transportation agencies. Created in 1993, Metro is a multimodal transportation agency that transports about 1.3 million passengers daily on a fleet of 2,200 clean air buses and six rail lines. The agency also oversees bus, rail, highway and other mobility-related building projects and leads transportation planning and programming for Los Angeles County.

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