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

File #: 2023-0576, **File Type:** Contract **Agenda Number:** 26.

EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 19, 2023

SUBJECT: MULTICULTURAL MARKETING AGENCY SUPPORT SERVICES

ACTION: AWARD CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award and execute a four-year firm fixed unit rate Contract No. PS93705000 to Acento Advertising, Inc. for Multicultural Marketing Agency Support Services, for a not-to-exceed amount (NTE) of $4,295,160 for the two-year base term and $4,504,680 for the two-year option term, for a total combined NTE amount of $8,799,840, effective November 1, 2023, subject to the resolution of any properly submitted protest(s).

ISSUE

The Customer Experience team requires a multicultural marketing agency to ensure that we are effectively communicating our services, programs, projects, and initiatives to all the diverse populations Metro serves in culturally-relevant ways.

BACKGROUND

According to the 2022 Metro Customer Experience survey, Metro riders are ethnically diverse: 58% are Latino or Hispanic, 14% are Black/African American 12% are White/Caucasian and 8% are Asian/Pacific Islander.

Metro's Customer Experience (CX) Department includes Marketing, Public Relations, Community Relations, Arts and Community Enrichment, Customer Care, and Customer Experience Strategy & Insights. Over the last year, the team began evaluating ways to improve our communications, outreach, and marketing with diverse customers, and last month, we started a cross-functional Latino/Hispanic team that is generating ideas and making recommendations about ways to improve our approaches to reaching those audiences. As the Customer Experience department continues its work to put customers at the center, it's imperative that we improve our ability to communicate with diverse audiences in a variety of languages and in ways that are culturally relevant.

DISCUSSION

As Metro works to grow ridership, Metro must proactively reach out to LA's communities in an

authentic way, taking into consideration the nuances of each segment's heritage, profile, and life experiences. To help more quickly inform and develop Metro's strategy to better reach our diverse audiences, the Metro Customer Experience department will partner with a multicultural marketing agency.

Staff recommends awarding this contract to Acento Advertising, Inc. (Acento), a full-service marketing communications firm specializing in multicultural marketing. The agency will assist Metro's efforts to increase brand awareness and favorability for Metro with the goals of growing and retaining customers across Metro's portfolio of mobility options, generating awareness and excitement for Metro's transportation vision and projects, engaging existing Metro customers in shaping the future of Metro's network and service and growing our workforce by exposing career and contracting opportunities to diverse audiences. The firm will support Metro's Customer Experience (CX) department and work directly with existing skill areas, including:

- Marketing and communications strategy
- Marketing research and insights
- Media planning and buying
- UX/UI and digital product development
- Public relations
- Messaging and copywriting
- Creative and graphic design
- Event production, event support, and experiential activations
- Partnership outreach and activation
- Influencer engagement

Metro needs a skilled agency at creating genuine relationships with the diverse communities Metro serves and recognizes the nuances of marketing and communications for which Metro is responsible, including legal requirements, cultural competency, and transcreation of existing creative work. This contract will also help in reaching underdeveloped specialty markets, such as low-income and hard-to-reach targets.

The contractor will trans create assets into languages, as prioritized in audience exploration. Depending on the campaign, this could include Spanish, Chinese, Korean, Armenian, Japanese, Russian, Khmer and Vietnamese.

These and all other services in the scope will be performed on an "as-needed" basis.

DETERMINATION OF SAFETY IMPACT

The consultant may be required to conduct tasks on Metro property where customers and operations may be active. All safety requirements will be met with requisite training and clearance as established by Metro Safety and Operations protocols.

FINANCIAL IMPACT

The FY24 Budget includes $1,100,000 in cost center 7140, Marketing, under projects: 300022 - Rail Operations - A Line; 300033 - Rail Operations - C Line; 300044 - Rail Operations - B Line; 300066 - Rail Operations - E Line; and 306005 - Public Affairs to support this contract.

Since this is a multi-year contract, the cost center manager and the Chief Customer Experience Officer will be accountable for budgeting the cost in future years, including any option exercised.

Impact to Budget
The funding sources for this action include Enterprise Funds, sales tax revenues, and federal and state grants eligible for bus and rail operating expenses.

EQUITY PLATFORM

The Multicultural Marketing Agency contract award advances Metro's commitment to equity and inclusion by ensuring marketing and communications activities provide targeted approaches to engage all customers and stakeholders, with a specific focus on reaching communities of color and underserved populations across the various disciplines: strategic marketing and communications, messaging, creative design, content development, partnerships, and public relations. Community-Based Organization (CBO) engagement in strategic marketing plans under this contract will be requested on a plan-by-plan basis. Understanding how our marginalized or vulnerable groups navigate the city and our system will help us define how to communicate with them, thus improving equitable outcomes and enhancing the customer experience.

The selected firm is committed to advancing diversity, equity, and inclusion. Their unique cross-cultural, multidisciplinary approach to developing insight-driven strategies demonstrates their commitment to reaching women, low-income individuals, people of color, and other marginalized populations. The firm utilizes its proprietary tools to engage diverse and multicultural communities: the Acento Culture Lab and the NAYA toolkit. The lab serves as an exploration and testing space that drives understanding of societal trends, current culture, and diverse groups' experience and expression of those things. This deepens the understanding of shared and divergent experiences and their impact on consumer decision-making. The toolkit includes proprietary consumer research, syndicated consumer data, social listening, channel usage/impact, and related tools - all are processed through their proprietary cross-cultural model.

To ensure maximum opportunity for participation in this contract, this solicitation was advertised through periodicals of general circulation, posted on Metro's Vendor Portal, and an e-mail notice to DBE firms with applicable NAICS codes. A 20% Disadvantaged Business Enterprise (DBE) goal was established for the solicitation. Acento Advertising, Inc. exceeded the goal with a 27.21% DBE commitment. The Proposal Evaluation Team was diverse and comprised of different department personnel with various backgrounds to comprehensively evaluate proposers and determine the most qualified firm.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended actions support the following goals:

Goal 1: Provide high-quality mobility options that enable people to spend less time traveling.

Goal 2: Deliver outstanding trip experiences for all users of the transportation system.

Goal 3: Enhance communities and lives through mobility and access to opportunity.

Goal 5: Provide responsive, accountable, and trustworthy governance within the Metro organization.

A new Multicultural Marketing Agency contract will allow the agency to effectively reach and communicate to diverse ethnic audiences authentically, meaningfully and responsively on all the agency's projects, programs and initiatives.

ALTERNATIVES CONSIDERED

1. Utilize existing Marketing and/or Customer Experience staff to provide the required support services. If this alternative were exercised, Metro would need to hire dozens of additional staff with expertise in multicultural marketing to perform the desired work. Based on the magnitude of projects, programs and initiatives that require ethnic audience-specific marketing and communications campaigns, it is unlikely the agency can support this effort in-house.

2. Direct CX departments to procure services for their own needs. This option burdens the CX and Vendor/Contract Management departments, requiring them to expend significant and costly resources to develop and respond to multiple procurement processes each year. It also is counter to Metro's External Communications Policy, which is designed to consolidate, optimize, and strategically coordinate marketing and communications services across the agency.

NEXT STEPS

Upon Board approval, staff will execute Contract No. PS93705000 with Acento Advertising, Inc. for Multicultural Marketing Agency services effective November 1, 2023. Once the contract is executed, staff will onboard the new agency to commence work.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

Prepared by: Bernadette Mindiola, DEO, Marketing, (213) 922-5646
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Reviewed by:

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Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY
MULTICULTURAL MARKETING AGENCY/PS93705000

1.	**Contract Numbers:** PS93705000	
2.	**Recommended Vendors**: Acento Advertising, Inc.	
3.	**Type of Procurement : (check one) :** ☒ **RFP** ☐ **IFB** ☐ **IFB–A&E** ☐ **Non-Competitive** ☐ **Modification** ☐ **Task Order**	
4.	**Procurement Dates**:	
	A. Issued: February 27, 2023	
	B. Advertised/Publicized: February 27, 2023	
	C. Pre-Proposal Conference: March 13, 2023	
	D. Proposals Due: April 10, 2023	
	E. Pre-Qualification Completed: September 20, 2023	
	F. Ethics Declaration Forms submitted to Ethics: May 18, 2023	
	G. Protest Period End Date: October 23, 2023	
5.	**Solicitations Picked up/Downloaded**: 42	**Proposals Received**: 7
6.	**Contract Administrator**: Antwaun Boykin	**Telephone Number**: (213) 922 -1056
7.	**Project Manager**: Bernadette Mindiola	**Telephone Number**: (213) 922 - 5646

A. Procurement Background

This Board Action is to approve Contract No. PS93705000 issued in support of a Multicultural Marketing Agency to increase brand awareness and favorability for Metro with the goals of growing and retaining customers, generating awareness and excitement for Metro's transportation vision and projects, engaging existing Metro customers, and growing our workforce by exposing career and contracting opportunities to diverse audiences. Board approval of contract awards are subject to resolution of any properly submitted protest(s).

The Request for Proposals (RFP) was issued in accordance with Metro's Acquisition Policy and the contract type is firm fixed unit rate. The RFP was issued with a Disadvantaged Business Enterprise (DBE) goal of 20%.

One amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on March 29, 2023, extended the proposal due date.

A total of 42 firms downloaded the RFP and were included in the planholders list. A virtual pre-proposal conference was held on March 13, 2023, that was attended by 13 participants representing 8 firms. There were 85 questions asked and responses were released prior to the proposal due date.

Seven (7) proposals were received by the due date of April 10, 2023, from the following firms listed below in alphabetical order:

1. Acento Advertising, Inc.
2. Axis Agency
3. Del Richardson & Associates
4. Lee Andrews Group, Inc.
5. ORCI and Associates
6. Sensis Agency
7. The Salon

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from the Metro Customer Experience and Transit Security Departments was convened and conducted a comprehensive technical evaluation of the proposals received.

Proposals were evaluated based on the following evaluation criteria stated in the RFP:

- Teaming Effort and Key Personnel Experience and Capabilities on the Contracting Team — 25 Percent
- Experience in Transportation, LA County and Working with Diverse Communities — 30 Percent
- Understanding of Work Scope and Approach for Implementation — 30 Percent
- Cost — 15 Percent

Several factors were considered when developing these weights, giving the greatest importance to Experience in Transportation, LA County and Working with Diverse Communities, and Understanding of Work Scope and Approach for Implementation.

During the period of May 23, 2023, to August 2, 2023, the PET independently evaluated and scored the technical proposals. The PET finalized and submitted their technical scores based on the written proposal. On August 2, 2023, the PET completed its evaluation of the proposals and determined Acento Advertising, Inc. was the highest-ranked firm to perform the required services.

Qualifications Summary of Firms:

Acento Advertising, Inc.

Acento Advertising, Inc. is located in Los Angeles and has been in business for 40 years. Acento Advertising, Inc. demonstrated relevant experience and expertise in providing multicultural marketing services. Acento Advertising, Inc.'s proposal displayed knowledge

of multicultural marketing and a passion for social impact. Their proposal included a well-thought-out detailed plan for providing the services.

The Axis Agency

The Axis Agency (Axis) is a full-service multicultural marketing agency operating out of West Hollywood. Axis has helped organizations and brands of all sizes and categories with customer engagement. Axis has performed marketing services for Metrolink, USC and General Motors.

Del Richardson & Associates

Del Richardson & Associates is headquartered in Inglewood and has 30 years of experience. Del Richardson & Associates is a certified Disadvantaged Business Enterprise (DBE) and has provided consulting services for Los Angeles County, Hollywood Park, and Toyota.

Lee Andrews Group, Inc.

Lee Andrews Group is a Los Angeles-based communications firm with over 20 years of experience. Lee Andrews Group has experience managing multiple community outreach projects and providing support and guidance to local government agencies and private entities. Lee Andrews Group has provided community and public outreach for Alameda Corridor-East Construction Authority and the City of Bakersfield.

ORCI and Associates

Operating out of Los Angeles, ORCI and Associates has over 35 years of experience providing multicultural marketing support throughout the County of Los Angeles. The firm has provided services for Honda, Chevron, and Dole.

Sensis Agency

Sensis, Inc. is a Los Angeles-based certified Disadvantaged Business Enterprise (DBE) marketing agency with more than 21 years of experience. Sensis has experience providing advertising, digital communications, and multicultural marketing services, across a variety of industries. Sensis has provided similar services for clients including Metrolink, Foothill Transit and Auto Club Speedway.

The Salon

Founded in 2020, The Salon is a full service, fully integrated advertising and marketing communications agency operating out of Los Angeles. The Salon provides diverse strategies for multicultural marketing and advertising campaigns. The Salon has partnered with Kaiser Permanente, Unilever, and Forever 21.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	**Acento Advertising, Inc.**				
3	Teaming Effort and Key Personnel Experience and Capabilities on the Contracting Team	88.40	25.00%	22.10	
4	Experience in Transportation, LA County and Working with Diverse Communities	81.66	30.00%	24.50	
5	Understanding of Work Scope and Approach for Implementation	88.00	30.00%	26.40	
6	Cost	76.66	15.00%	11.50	
7	**Total**		**100.00%**	**84.50**	**1**
8	**Sensis Agency**				
9	Teaming Effort and Key Personnel Experience and Capabilities on the Contracting Team	80.10	25.00%	20.03	
10	Experience in Transportation, LA County and Working with Diverse Communities	81.66	30.00%	24.50	
11	Understanding of Work Scope and Approach for Implementation	74.50	30.00%	22.35	
12	Cost	100.00	15.00%	15.00	
13	**Total**		**100.00%**	**81.88**	**2**
14	**The Axis Agency**				
15	Teaming Effort and Key Personnel Experience and Capabilities on the Contracting Team	84.60	25.00%	21.15	
16	Experience in Transportation, LA County and Working with Diverse Communities	82.50	30.00%	24.75	
17	Understanding of Work Scope and Approach for Implementation	82.00	30.00%	24.60	
18	Cost	72.00	15.00%	10.80	
19	**Total**		**100.00%**	**81.30**	**3**
20	**Lee Andrews Group, Inc.**				
21	Teaming Effort and Key Personnel Experience and Capabilities on the Contracting Team	70.00	25.00%	17.50	

22	Experience in Transportation, LA County and Working with Diverse Communities	70.00	30.00%	21.00	
23	Understanding of Work Scope and Approach for Implementation	70.50	30.00%	21.15	
24	Cost	73.33	15.00%	11.00	
25	**Total**		**100.00%**	**70.65**	**4**
26	**ORCI and Associates**				
27	Teaming Effort and Key Personnel Experience and Capabilities on the Contracting Team	73.80	25.00%	18.45	
28	Experience in Transportation, LA County and Working with Diverse Communities	66.25	30.00%	19.88	
29	Understanding of Work Scope and Approach for Implementation	73.50	30.00%	22.05	
30	Cost	64.00	15.00%	9.60	
31	**Total**		**100.00%**	**69.98**	**5**
32	**Del Richardson & Associates**				
33	Teaming Effort and Key Personnel Experience and Capabilities on the Contracting Team	73.00	25.00%	18.25	
34	Experience in Transportation, LA County and Working with Diverse Communities	72.50	30.00%	21.75	
35	Understanding of Work Scope and Approach for Implementation	69.00	30.00%	20.70	
36	Cost	55.33	15.00%	8.30	
37	**Total**		**100.00%**	**69.00**	**6**
38	**The Salon**				
39	Teaming Effort and Key Personnel Experience and Capabilities on the Contracting Team	68.40	25.00%	17.10	
40	Experience in Transportation, LA County and Working with Diverse Communities	57.50	30.00%	17.25	
41	Understanding of Work Scope and Approach for Implementation	59.50	30.00%	17.85	
42	Cost	83.33	15.00%	12.50	
43	**Total**		**100.00%**	**64.70**	**7**

C. Price Analysis

The recommended price of $8,799,840 has been determined to be fair and reasonable based upon price analysis, historical rates, and technical analysis. Staff successfully negotiated a cost savings of $274,998.

Proposer Name	Proposal Amount	Metro ICE	Recommended Amount
Acento Advertising, Inc.	$9,074,838	$3,349,960	$8,799,840
Sensis Agency	$6,960,970		
The Axis Agency	$9,663,713		
Lee Andrews Group, Inc.	$9,469,614		
ORCI and Associates	$10,813,554		
Del Richardson & Associates	$12,559,124		
The Salon	$8,325,000		

The variance between the independent cost estimate (ICE) and the recommended amount is attributed to the ICE using lower labor rates, which were not fully burdened and did not include escalation for the option term.

D. Background on Recommended Contractor

Acento Advertising, Inc.

The recommended firm, Acento Advertising, Inc., is a full-spectrum marketing and multicultural agency based in Los Angeles. Acento Advertising, Inc. has served agencies and organizations such as American Lung Association, City of Hope and Wells Fargo among many others.

DEOD SUMMARY

MULTICULTURAL MARKETING AGENCY SUPPORT SERVICES / PS93705000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 20% Disadvantaged Business Enterprise (DBE) goal for this solicitation. Acento Advertising, Inc. exceeded the goal by making a 27.21% DBE commitment.

Small Business Goal	20% DBE	Small Business Commitment	27.21% DBE

	DBE Subcontractors	Ethnicity	% Committed
1.	The Glue, LLC	Hispanic American	16.42%
2.	VPE Public Relations	Hispanic American	10.79%
		Total Commitment	**27.21%**

B. Local Small Business Enterprise (LSBE) Preference

LSBE preference is not applicable to federally funded procurements. Federal law (49 CFR § 661.21) prohibits the use of local procurement preferences on FTA-funded projects.

C. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

D. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

E. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of $2.5 million.

Multicultural Marketing Agency Contract

Approve Recommendation

- AUTHORIZE the Chief Executive Officer to award and execute a four-year, firm fixed unit rate Contract No. PS93705000 to Acento Advertising, Inc. for Multicultural Marketing Agency Support Services, for a not-to-exceed amount (NTE) of $4,295,160 for the two-year base term and $4,504,680 for the two-year option term, for a total combined NTE amount of $8,799,840, effective November 1, 2023, subject to the resolution of any properly submitted protest(s).

Metro

Background

- According to the 2022 Metro Customer Experience survey, Metro riders are ethnically diverse: 58% are Latino or Hispanic, 14% are Black/African American 12% are White/Caucasian and 8% are Asian/Pacific Islander.
- As the Customer Experience department continues its work to put customers at the center, it's imperative that we improve our ability to communicate with diverse audiences in a variety of languages, and in ways that are culturally relevant.
- Metro must proactively reach out to LA's communities in an authentic way, taking into consideration the nuances of each segment's heritage, profile and life experiences.

Metro

Action Meets Agency Goals

- **Deliver desirable transportation services for LA's key journeys**
  - *Refresh brand and update brand strategy and communications approach*

To help develop content and messaging that will resonate with our diverse audiences in culturally relevant ways, it is vital for Metro to partner with a multicultural marketing agency with expertise in understanding how current or potential customers relate to Metro as a brand, as well as understanding where communities overlap and influence each other.

Metro

Recommended Firm

- Staff recommends awarding this contract to Acento Advertising, Inc. (Acento), a full-service marketing communications firm specializing in multicultural marketing. Acento has a track record of developing and executing creative brand campaigns that deliver on their clients' business goals.
- Acento is skilled at creating genuine relationships with the diverse communities Metro serves, and is also experienced in reaching underdeveloped specialty markets, such as low-income and hard-to-reach targets. With their long-standing, minority-owned subcontractors, APartnership, The Glue and VPE Communications, and their collective experiences in working with diverse media targets, Acento can increase the effectiveness of a broader mix of vehicles to reach our culturally diverse audiences.
- Acento exceeded the goal with a 27.21% DBE commitment.

Metro

Metro