



Board Report

File #: 2024-1099, File Type: Contract

Agenda Number: 20.

EXECUTIVE MANAGEMENT COMMITTEE JANUARY 16, 2025

SUBJECT: ADVERTISING AND COMMUNICATIONS SERVICES

ACTION: AWARD CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. AWARD a firm fixed unit rate Contract No. PS123964000 to GP Generate, LLC to provide advertising and communications services in the Not-to-Exceed (NTE) amount of \$1,435,875 for the three-year base term, and \$957,250 for the two-year option term, for a total NTE amount of \$2,393,125, effective February 15, 2025, subject to resolution of any properly submitted protest (s), if any; and
- B. PASS-THROUGH the award of individual media purchases associated with the advertising and media services to be provided by GP Generate, LLC for a total NTE amount of \$9,000,000 for the first three-year period and additional pass-through costs of \$6,000,000 for the option term under Contract No. PS123964000, for a total combined NTE contract value of \$17,393,125.

ISSUE

Metro's current media buying agency expires on February 28, 2025 and the new media buying agency will start on February 15, 2025 which ensures a smooth transition, avoids disruptions, and allows the new agency time to onboard. Media buying is essential for Metro to effectively communicate with its riders, the communities it serves and potential new riders.

Media buying, often referred to as advertising, enables strategic placement of communication materials including ads across a multitude of media channels and environments with custom messaging to address riders' specific needs. Strategic media buying ensures Metro's transit information and recommendations reach the right audiences, empowering riders to navigate the city efficiently and encouraging non-transit riders to try using Metro. Metro does not have the staff internally to implement media buys. To ensure no disruption in communications outreach efforts, Metro must use a media agency with advanced digital marketing expertise, local insights, and the ability to maximize impact across all platforms.

BACKGROUND

A media buying agency is vital for Metro to maximize its ability to reach key audiences, particularly in Equity Focus Communities (EFCs). Strategic ad placements across media channels require a team to research and secure premium exposure at optimal rates, ensuring cost-effective outreach. With a dedicated advertising agency, Metro can deliver tailored transit messaging to underserved areas, and maximize investments by ensuring campaigns are effective, affordable, and efficient wherever they are placed.

Additionally, Metro does not have the same purchasing power as specialized media agencies, which can secure more favorable rates due to their leverage and buying power across multiple clients. Partnering with a media agency will ensure Metro maximizes the value of the media investments while benefiting from industry expertise and cost efficiencies.

The increase in Metro's media placements to retain and attract new riders demands more data analysis, media buying on newer platforms, and creative development, all requiring specialized staff and accounting support. To meet Metro's growing needs, the goal of this procurement was to contract a full-service media buying agency with capabilities to support transit ridership growth, announcing rail openings, service changes, safety improvements, community outreach events and more. This new agency will work closely with Metro's marketing team to assess the advertising budget and develop integrated plans for campaigns that advance Metro's products, services, and brand. The contract will enhance Metro's strategy across all advertising channels, including print, outdoor, broadcast, experiential, digital, programmatic, native, paid and organic search, social, mobile, and emerging media.

DISCUSSION

The recommended advertising agency possesses the necessary competencies to plan, purchase, and execute media advertising campaigns to support the department in achieving the agency's business and communications goals, as outlined above. The project scope consists of the following four services:

- Advertising Strategy Services
- Media Planning and Buying Services
- Analytics and Insight Services
- Creative Development Services
- Administration and Billings Services

These services include developing integrated media strategies and executing media buys across paid, earned, and owned channels. This involves identifying emerging media opportunities, supporting social media campaigns, negotiating competitive advertising rates, and fostering relationships with multiethnic media outlets to target local communities. Services also include researching the effectiveness of individual advertising outlets in delivering Metro's message. The focus is on digital channels and social media platforms, using content such as display, native ads, rich media, and mobile executions. Additionally, the contract covers end-to-end billing management,

coordinating with vendors/media partners, and submitting consolidated monthly invoices to Metro Accounts Payable department. Payments for media buys will be treated as pass-through expenses per campaign or project.

DETERMINATION OF SAFETY IMPACT

There are no safety issues or impacts associated with this procurement.

FINANCIAL IMPACT

In assessing Metro's potential budget for the life of the Contract, Metro's Marketing department will be responsible for overseeing \$2,393,125 in advertising and communications services along with the estimated \$15,000,000 pass-through costs over the five years that the contract will be in place. The pass-through costs, inclusive of a two-year option, are for both traditional marketing channels (broadcast & cable TV, terrestrial radio, print, outdoor, experiential) and digital channels (websites, social media, native, paid & organic search, connected TV, streaming TV & radio, programmatic and emerging media).

The FY25 Budget includes \$104,523 in Cost Center 7140, Marketing, under Projects 306001 Operations Transportation and 300033 Rail Operations - C Line, for this contract.

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

Impact to Budget

The sources of funding are operating eligible federal, state, and local resources, which are eligible for bus and/or rail operating expenses.

EQUITY PLATFORM

The recommended media agency contract reinforces Metro's dedication to equity and inclusion by implementing targeted strategies to effectively engage all customers and stakeholders. This initiative prioritizes outreach to communities of color and underserved populations through various disciplines, including strategic marketing and communications, messaging, creative design, content development, partnerships, and public relations. Engagement with Community-Based Organizations (CBOs) will be incorporated into strategic marketing plans as needed. By understanding how marginalized or vulnerable communities interact with the city and the transit system, Metro aims to enhance communication, drive equitable outcomes, and improve the customer experience.

The recommended agency demonstrates a strong commitment to advancing diversity, equity, and inclusion. Its innovative and precise approach to media planning and buying reflects its dedication to connecting with low-income groups, people of color, and other marginalized populations. The agency utilizes industry research and analytics tools to deepen media buying strategy and engagement with diverse and multicultural communities.

The Diversity and Economic Opportunity Department (DEOD) established a 3% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. GP

Generate LLC, a SBE prime, exceeded the goal by making a 42.96% SBE and 6.53% DVBE commitment.

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

A new media buying agency contract will allow the agency to effectively reach and communicate to diverse ethnic and socio-economic audiences authentically, meaningfully and responsively on all the agency's projects, programs and initiatives.

ALTERNATIVES CONSIDERED

The Board could consider directing Metro to build the media buying team in house, but that alternative is not recommended. To meet Metro's high-volume advertising needs, Metro would require a media buying team with strong digital expertise and local connections. Establishing an in-house media buying and advertising team would require hiring at least six additional full-time employees with expertise in media planning and buying with a focus on digital marketing. In addition, staff would need to invest in new tools and software. Staff has determined that hiring an agency is not cost effective for Metro. This alternative would also require procurement and periodic upgrades of software and tools for campaign and tag management, ad serving, insights and analytics and market research to keep pace with the ever-evolving advertising and media landscape.

NEXT STEPS

Upon Board approval, staff will execute Contract No. PS123964000 with GP Generate, LLC to provide advertising and communications services, effective February 15, 2025.

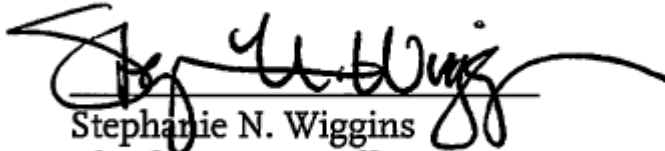
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Tiffany Srisook, Senior Director, Marketing, Marketing Strategy, (213) 922-5285
John Gordon, Deputy Executive Officer, Marketing Strategy, (213) 922-2290
Monica Bouldin, Chief Deputy Customer Experience Officer, (213) 922-4081
Carolina Coppolo, Deputy Chief Vendor/Contract Management Officer (Interim),
(213) 922-4471

Reviewed by: Jennifer Vides, Chief Customer Experience Officer, (213) 922-4060



Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

ADVERTISING AND MEDIA SERVICES/PS123964000

1.	Contract Number: PS123964000	
2.	Recommended Vendor: GP Generate, LLC	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: September 10, 2024	
	B. Advertised/Publicized: September 10, 2024	
	C. Pre-Proposal Conference: September 17, 2024	
	D. Proposals Due: October 14, 2024	
	E. Pre-Qualification Completed: November 26, 2024	
	F. Ethics Declaration Forms Submitted to Ethics: October 14, 2024	
	G. Protest Period End Date: January 21, 2025	
5.	Solicitations Downloaded: 81	Bids/Proposals Received: 7
6.	Contract Administrator: Britney Kirkwood Shedrick	Telephone Number: (213) 418-3313
7.	Project Manager: Tiffany Srisook	Telephone Number: (213) 922-5285

A. Procurement Background

This Board Action is to approve Contract No. PS123964000 to provide advertising and communications services to meet Metro’s diverse communication needs and align its messaging with the expectations and interests of its wide-ranging audience in Los Angeles County. Board approval of contract award is subject to resolution of any properly submitted protest(s), if any.

On September 10, 2024, Request for Proposals (RFP) No. PS123964 was issued as a competitive procurement in accordance with Metro’s Acquisition Policy and the contract type is a firm fixed unit rate. The Diversity & Economic Opportunity Department recommended a Small Business Enterprise (SBE) goal of 3% and a Disabled Veteran Business Enterprise (DVBE) goal of 3%. Further, the solicitation was subject to the Local Small Business Enterprise (LSBE) Preference which gives eligible proposers 5% preference bonus points added to their overall evaluation score for utilizing local small business firms.

No amendments were issued during the solicitation phase of this RFP.

A total of 81 downloads of the RFP were recorded in the planholders list. A virtual pre-proposal conference was held on September 17, 2024, and was attended by 28 participants representing 13 firms. There were 21 questions received, and responses were provided prior to the proposal due date.

A total of seven proposals were received by the proposal due date of October 14, 2024, from the following firms listed below in alphabetical order:

1. Acento Advertising, Inc.
2. Braven Agency, Inc.
3. GP Generate, LLC
4. Pastilla, Inc.
5. Pulsar Advertising, Inc.
6. Sensis, Inc.
7. Swell Creative Group, LLC

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of Metro staff from TAP- Systems Projects, Marketing- Special Projects, and Operations- Stations Experience Departments was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria:

Phase I: Minimum Qualifications Requirements (Pass/Fail): Proposers must meet the following minimum qualifications requirements at the time of proposal submittal:

- Prime Contractor must have an office within the County of Los Angeles.
- Prime Contractor must have at least five years of experience providing advertising and media services similar to those required in the scope of services within Los Angeles County or other counties within the United States with similar geographic location and demographics to that of Los Angeles County.
- Prime Contractor must have existing or established relationships with multiethnic, multilanguage media channels, including Spanish, Korean, Chinese, Japanese, Armenian, Russian, Vietnamese, Khmer, Thai and more, with a particular emphasis on the Hispanic media market.

All seven proposals met the RFP minimum requirements and were further evaluated based on the following weighted evaluation criteria:

Phase II: Technical Evaluation

- Degree of the Team's Skills and Experience 35%
- Experience and Qualification of Proposed Personnel 25%
- Understanding of Work and Appropriateness of Approach for Implementation of Required Services 20%
- Price Proposal 20%
- Local Small Business Enterprise (LSBE) Preference Program (Bonus Points) 5%

Several factors were considered when developing these weights, giving the greatest importance to the degree of the team's skills and experience.

From October 18, 2024, through November 12, 2024, the PET independently evaluated and scored the technical proposals. At the conclusion of the evaluation, the PET determined GP Generate, LLC to be the top-ranked firm.

Qualifications Summary of Firms:

GP Generate, LLC

GP Generate, LLC (GP Generate), headquartered in Los Angeles, CA, was established in March 2009. With 15 years of experience providing advertising and media services, GP Generate demonstrated in detail its capability to deliver strategic media buying rich digital content and targeted communications. The firm worked on targeted campaigns in Los Angeles County and other Southern California regions and has executed multilingual and multicultural media strategies across diverse client sectors. Clients to whom it delivered multilingual and multicultural media strategies include Southern California Edison, Los Angeles County Registrar, Metropolitan Water District of Southern California, Molina Healthcare, CalFresh, Lexus Dealers Association, and Rising Sea Levels.

GP Generate's proposed staff are comprised of seasoned professionals with relevant expertise in media strategy, buying, campaign analytics, and content strategy and production. They are familiar with a broad range of media, design, and market research tools, including Kantar, Nielsen, and Google Analytics, which supports data-driven audience insights. GP Generate committed to dedicating key personnel to Metro assignments on a full-time basis, with flexibility to scale resources as needed.

As part of the understanding of work and appropriateness of approach for implementation of required services, GP Generate's proposal demonstrated a transparent billing process with regular updates and vendor invoice visibility, ensuring accountability throughout campaign management. In addition, GP Generate is an LSBE prime contractor and earned the LSBE preference bonus points.

Swell Creative Group, LLC

Swell Creative Group (Swell), a Metro-certified SBE firm, was established in 2012. Located in Los Angeles, the firm has experience executing complex, large-scale campaigns for public agencies, nonprofits, and mission-driven organizations. It has experience with multicultural campaigns, including transit-adjacent projects like the LeaseUp campaign, targeting underserved Los Angeles communities. Clients that it delivered campaigns for include the California Department of Cannabis Control, Lyft and United Way of Greater Los Angeles.

Swell's key personnel are experienced in public sector campaigns and targeted media strategies for hard-to-reach audiences. However, their familiarity with media, design, and market research tools appeared to be limited. Swell's proposal did not sufficiently demonstrate its billing process and provided limited discussion on reconciliation process or discrepancy management which is essential in maintaining financial oversight in large-scale media buys.

Swell is an LSBE prime contractor and earned the LSBE preference bonus points.

Pulsar Advertising, Inc.

Pulsar Advertising, Inc. (Pulsar), founded in 1992, is headquartered in Los Angeles and is a full-service, customer-centric advertising and marketing agency. Pulsar has experience in transit branding, advertising, marketing and communications and media planning. Transit clients in California include Metrolink, Orange County Bus, Caltrain, AC Transit, and Bay Area Rapid Transit.

Pulsar's proposal demonstrated its key personnel's skills and qualifications in media planning and transit campaigns but did not sufficiently discuss their experience in media buying. Pulsar's proposal relied heavily on its exclusive partnership with a subcontractor to handle media planning, media recommendations and media buying.

Pulsar subcontracted 30% of the work to an LSBE subcontractor and earned the LSBE preference bonus points.

Sensis, Inc.

Sensis, Inc. (Sensis), an integrated cross-cultural marketing agency was established in 2005 and is headquartered in Glendale. Its experience spans marketing, public awareness, and behavior change initiatives for both public transit and safety campaigns. Transit clients include Metrolink, California Department of Transportation (Caltrans), Metro, CapMetro, MARTA, Capital Metro and Foothill Transit.

Sensis's key personnel are experienced in media strategy, creative development, data analytics and are well-versed in targeting diverse demographics. Sensis's proposal relies heavily on third-party data software plug-ins for media buys and lacks discussion on content and social influencer strategies.

Sensis is an LSBE prime contractor and earned the LSBE preference bonus points. It currently provides marketing research services to Metro and performance has been satisfactory.

Acento Advertising, Inc.

Acento Advertising, Inc. (Acento), located in Los Angeles, is a full-spectrum marketing and culture agency. It was established in 1983 to reach Hispanic consumers and has since expanded to all ethnic and linguistic segments. Acento has handled public sector campaigns for Metro, SoCalGas, and the California Department of Public Health.

While Acento's proposal provided a comprehensive media plan with audience segmentation, timeline and budget allocation, it did not sufficiently demonstrate its accounting and media buying billing process. In addition, Acento did not earn the LSBE preference bonus points.

Acento currently provides multicultural marketing agency support services to Metro and performance has been satisfactory.

Braven Agency, Inc.

Braven Agency, Inc. (Braven), located in Long Beach was established in 2016 and offers a range of marketing services, including advertising strategy, media planning and buying, analytics and insights, and creative development.

Braven's key personnel are familiar with digital marketing tools; however, the Braven proposal did not demonstrate in detail, key personnel's familiarity with advanced industry-standard media, design and market research tools. Furthermore, the proposal lacked a detailed end-to-end breakdown of its media buying process, including reconciliation and handling discrepancies. Braven did not earn the LSBE preference bonus points.

Pastilla, Inc.

Pastilla, Inc. (Pastilla), founded in 2004, is located in Pasadena and is a full-service creative agency, providing branding and marketing services in both the public and private sectors. Clients include Metrolink, Orange County Transportation Authority, City of Pasadena and Clean Power Alliance.

Pastilla's key personnel have experience in market research, leading branding initiatives, and managing marketing campaigns for transit agencies and other public sector clients. Pastilla's proposal did not sufficiently demonstrate its accounting and media billing process. In addition, Pastilla did not earn the LSBE preference bonus points.

A summary of the PET scores is provided below:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	GP Generate, LLC				
3	Degree of the Team's Skills and Experience	93.34	35.00%	32.67	
4	Experience and Qualification of Proposed Personnel	95.32	25.00%	23.83	
5	Understanding of Work and Appropriateness of Approach for Implementation of Required Services	82.50	20.00%	16.50	
6	Price Proposal	44.85	20.00%	8.97	
7	Local Small Business Enterprise (LSBE) Preference Program (Bonus Points)	100.00	5.00%	5.00	
8	Total		105.00%	86.97	1
9	Swell Creative Group, LLC				
10	Degree of the Team's Skills and Experience	81.71	35.00%	28.60	
11	Experience and Qualification of Proposed Personnel	72.24	25.00%	18.06	
12	Understanding of Work and Appropriateness of Approach for Implementation of Required Services	73.35	20.00%	14.67	
13	Price Proposal	33.65	20.00%	6.73	
14	Local Small Business Enterprise (LSBE) Preference Program (Bonus Points)	100.00	5.00%	5.00	
15	Total		105.00%	73.06	2
16	Pulsar Advertising, Inc.				
17	Degree of the Team's Skills and Experience	80.09	35.00%	28.03	
18	Experience and Qualification of Proposed Personnel	74.68	25.00%	18.67	
19	Understanding of Work and Appropriateness of Approach for Implementation of Required Services	65.85	20.00%	13.17	
20	Price Proposal	29.45	20.00%	5.89	
21	Local Small Business Enterprise (LSBE) Preference Program (Bonus Points)	100.00	5.00%	5.00	
22	Total		105.00%	70.76	3
23	Sensis, Inc.				
24	Degree of the Team's Skills and Experience	70.09	35.00%	24.53	
25	Experience and Qualification of Proposed Personnel	71.24	25.00%	17.81	
26	Understanding of Work and Appropriateness of Approach for Implementation of Required Services	80.00	20.00%	16.00	

27	Price Proposal	27.50	20.00%	5.50	
28	Local Small Business Enterprise (LSBE) Preference Program (Bonus Points)	100.00	5.00%	5.00	
29	Total		105.00%	68.84	4
30	Acento Advertising, Inc.				
31	Degree of the Team's Skills and Experience	80.09	35.00%	28.03	
32	Experience and Qualification of Proposed Personnel	79.12	25.00%	19.78	
33	Understanding of Work and Appropriateness of Approach for Implementation of Required Services	78.35	20.00%	15.67	
34	Price Proposal	23.05	20.00%	4.61	
35	Local Small Business Enterprise (LSBE) Preference Program (Bonus Points)	0.00	5.00%	0.00	
36	Total		105.00%	68.09	5
37	Braven Agency, Inc.				
38	Degree of the Team's Skills and Experience	55.14	35.00%	19.30	
39	Experience and Qualification of Proposed Personnel	57.88	25.00%	14.47	
40	Understanding of Work and Appropriateness of Approach for Implementation of Required Services	64.15	20.00%	12.83	
41	Price Proposal	100.00	20.00%	20.00	
42	Local Small Business Enterprise (LSBE) Preference Program (Bonus Points)	0.00	5.00%	0.00	
43	Total		105.00%	66.60	6
44	Pastilla, Inc.				
45	Degree of the Team's Skills and Experience	75.06	35.00%	26.27	
46	Experience and Qualification of Proposed Personnel	65.64	25.00%	16.41	
47	Understanding of Work and Appropriateness of Approach for Implementation of Required Services	67.50	20.00%	13.50	
48	Price Proposal	28.95	20.00%	5.79	
49	Local Small Business Enterprise (LSBE) Preference Program (Bonus Points)	0.00	5.00%	0.00	
50	Total		105.00%	61.97	7

C. Price Analysis

The recommended amount has been determined to be fair and reasonable based upon price analysis, Independent Cost Estimate (ICE), fact finding, and technical analysis.

	Proposer Name	Proposal Amount	Metro ICE	Recommended Amount
1.	GP Generate, LLC	\$2,393,125	\$5,888,580	\$2,393,125
2.	Swell Creative Group, LLC	\$3,190,725		
3.	Pulsar Advertising, Inc.	\$3,645,839		
4.	Sensis, Inc.	\$3,905,550		
5.	Acento Advertising, Inc.	\$4,663,460		
6.	Braven Agency, Inc.	\$1,073,880		
7.	Pastilla Inc.	\$3,712,616		

The variance between the recommended amount and the ICE is due to key differences in cost structure and strategic approaches. The ICE was based on conservative fully burdened hourly market rates for similar contracts that included broader scope of work and premium for media buying tools (e.g. iHeart Media’s platform, which commands premium pricing etc.). The recommended amount on the other hand is based on lower hourly rates and streamlined resource allocation due to GP Generate’s tailored data-driven approach which leverages existing relationships with diverse local and multicultural media channels, focuses on digital content creation, real-time campaign optimization, cost-efficient media placements and avoids unnecessary overhead and reliance on high-cost tools or extraneous services.

D. Background on Recommended Contractor

GP Generate, LLC is a Metro-certified small business, Los Angeles-based firm founded in 2009. It is a full-service advertising agency with expertise in media strategy and execution.

The GP Generate team includes a DVBE subcontractor that will handle video production and editing.

DEOD SUMMARY

ADVERTISING AND MEDIA SERVICES / PS123964000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 3% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. GP Generate, LLC, an SBE prime, exceeded the goal by making a 42.96% SBE and 6.53% DVBE commitment.

Small Business Goal	3% SBE 3% DVBE	Small Business Commitment	42.96% SBE 6.53% DVBE
----------------------------	---------------------------	----------------------------------	----------------------------------

	SBE Subcontractor	% Committed	LSBE	Non-LSBE
1.	GP Generate, LLC (SBE Prime)	42.96%	X	
	Total Commitment	42.96%		

	DVBE Subcontractor	% Committed	LSBE	Non-LSBE
1.	VideoVets	6.53%		X
	Total Commitment	6.53%		

B. Local Small Business Preference Program (LSBE)

GP Generate, LLC, an LSBE prime, is eligible to receive the LSBE Preference.

C. Living Wage and Service Contract Worker Retention Policy Applicability

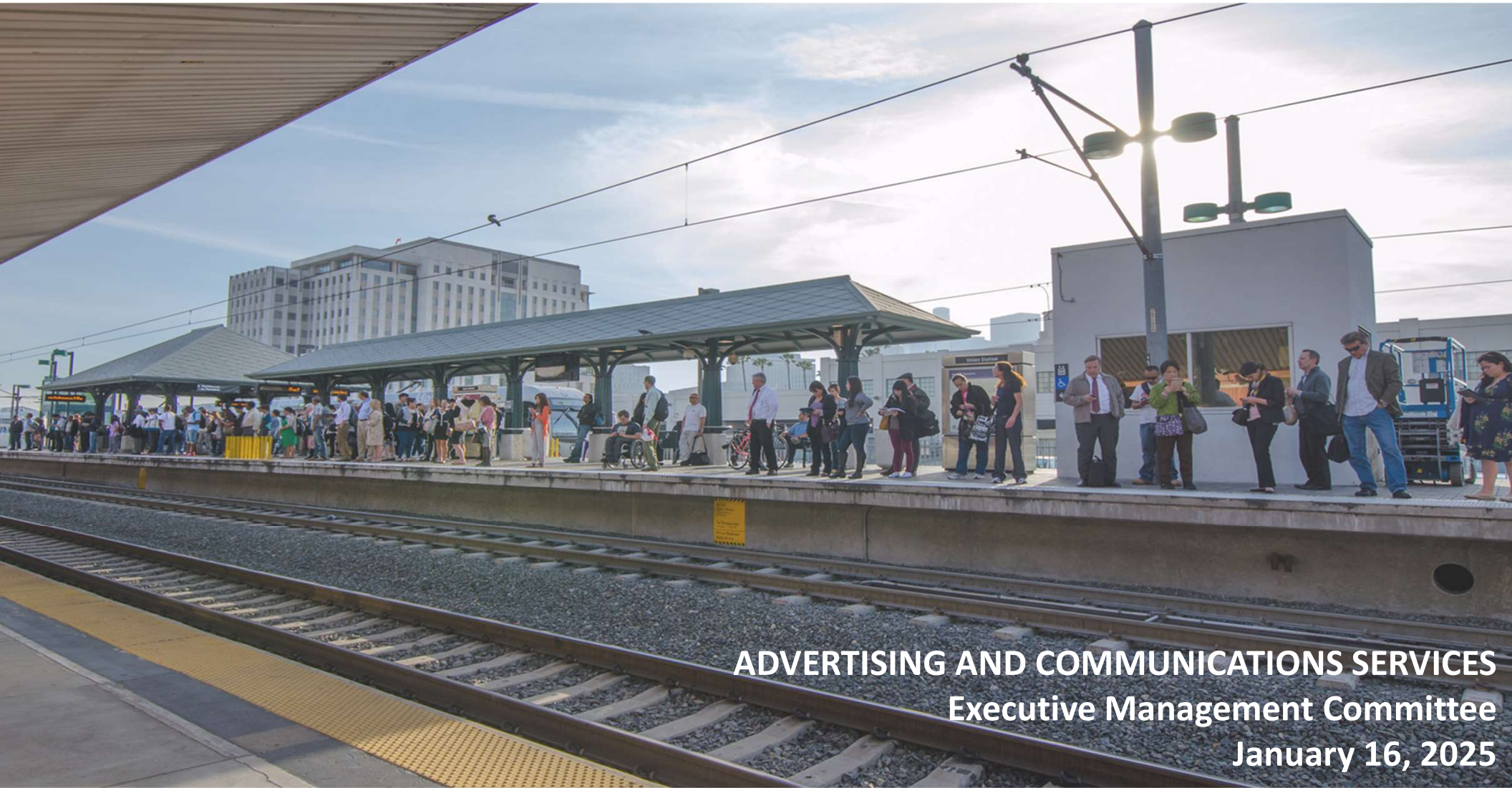
The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

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. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.



ADVERTISING AND COMMUNICATIONS SERVICES
Executive Management Committee
January 16, 2025



Metro®

Background

Metro's media buying agency contract ends on February 28, 2025. Media buying is essential for reaching riders, communities, and potential new users. It ensures targeted messaging through strategic ad placements across various channels.

A media buying agency is essential for Metro to reach key audiences, particularly in Equity Focus Communities (EFCs). Agencies provide expertise in securing strategic ad placements, optimizing cost-efficiency, and tailoring messaging for underserved areas.

This procurement aims to secure a full-service media agency to support ridership growth, rail openings, service changes, safety campaigns, and community outreach. The agency will collaborate with Metro's marketing team to develop integrated campaigns across print, digital, social, and emerging media, enhancing Metro's advertising and communications strategy and impact.

Media Contract Enables Reaching Customers

Media investment is crucial for increasing public transit ridership and program adoption. The new media agency will strategically place ads across TV, radio, print, outdoor, social media, streaming, and paid search to maximize awareness and engagement. Previous campaigns effectively promoted initiatives like GoPass, LIFE, and Leisure.

GoPass



GoPass wild postings (out-of-home billboards) with bold, guerrilla-style QR codes, capturing the attention of students walking to and from school.

LIFE



Engage Spanish-speaking riders on mobile apps with eye-catching ads that encourage exploration.

Leisure



Target users on mobile apps like gaming and lifestyle to reach Leisure users via eye-catching ads to promote Metro.



Alternatives Considered

While the Board could consider building an in-house media buying team, we do not recommend this approach. We would face the challenge of incomplete work, which means marketing efforts would need to be limited and carefully prioritized. To meet Metro's advertising needs, hiring at least six full-time experts in digital marketing and media planning would be necessary.

Additionally, new tools and software would need to be purchased, with ongoing upgrades for campaign management, analytics, and market research to keep pace with evolving trends.

After careful evaluation, we believe hiring an agency is more cost-effective and better aligned with Metro's needs.

Recommendation

Reward the media buying contract (No. PS123964000) to GP Generate, LLC for advertising and communications services in a total Not-to-Exceed (NTE) amount of **\$2,393,125**.

This includes **\$1,435,875 for the three-year base term** and **\$957,250 for the two-year option term**, effective February 15, 2025, pending the resolution of any properly submitted protests.

Additionally, authorize the allocation of funds (or pass through costs) for securing media inventory purchases made by the media agency as part of the advertising and media services under the contract. Pass-through the award of individual media purchases associated with the advertising and media services to be provided by GP Generate, LLC for a total NTE amount of \$9,000,000 for the first three-year period. If we exercise the option of adding the two-year option, we will have additional pass-through costs of \$6,000,000 under Contract No. PS123964000, for a total combined NTE contract value of \$17,393,125.