



More Ads May Power MTA

Villaraigosa calls for increased advertising on buses, light rail and stations to ease debt.

By Jean Guccione, Times Staff Writer
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People who use public transit in Los Angeles may soon be exposed to many more ads for lawyers, insurance, movies and fast food if the Metropolitan Transportation Authority adopts Mayor Antonio Villaraigosa's proposal to help offset its budget gap with ad revenue.

Villaraigosa, chairman of the MTA, said Thursday that it "just boggles the mind" that board policy has banned advertising from its rail lines, subway stations and some buses - especially as the agency tries to close a \$131-million shortfall without increasing fares. He and other board members asked the MTA to raise an additional \$14 million from advertisements.

Last year, the MTA collected a total of \$17 million in advertising revenue from a fixed-price deal with CBS Outdoor for display advertisements inside and outside of Metro buses. Many MTA buses also are now equipped with television screens that run Transit Television Network, an informational show with paid ads that generate at least \$100,000 annually for the agency.

Nearly \$3 million of the MTA's ad revenue from CBS Outdoor was generated from the "wrapped" advertising that completely covered 100 buses in slogans this year - the maximum number allowed by existing MTA board policy.

Richard Katz, an MTA board member, proposed wrapping as many as one-quarter of the agency's 2,500 buses in advertisements. The mayor said rail cars should be wrapped too.

"Everyone is looking for new ways to get through" to potential customers, Katz said. "We should not sell ourselves short."



MTA officials agreed, however, to continue to ban advertising for alcohol and tobacco products.

At Union Station in downtown Los Angeles, banners advertising Dos Equis beer recently went up in the main tunnel. Transit officials took pains to point out that the MTA does not control the station, which is owned by ProLogis, a real-estate investment trust.

Katz suggested the agency try to bring in at least \$4 million in new revenue from advertisements in six Red Line stations, in transit tunnels, and on train and bus exteriors on the Green, Gold and Orange lines. Katz also raised the idea of placing ads on parking stripes in the agency's park-and-ride lots.

Villaraigosa called the staff's effort to date "a good start in the right direction" but urged them to be more aggressive.

He directed staff to negotiate deals that would give the agency at least 65% of all revenue in new contracts with outside advertising companies.

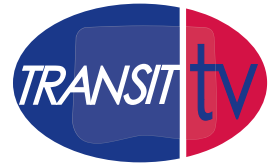
The mayor's motion calls for pilot projects to provide fee-based wireless Internet service to commuters, lease out space on its properties for vending machines and start selling ads immediately on the agency's website, <http://www.mta.net>. The site got an estimated 42 million hits last month.

The proposal even suggests trying to lure corporate sponsorship for rail stations, much like the branding in big-city sports arenas.

Villaraigosa predicted that, given the financial realities facing the transit agency, commuters would not complain.

"Those same riders would prefer that we generate revenue instead of raise fares or cut service," the mayor said. "And that is what we are going to do."

The proposal, adopted by the agency's Executive Management and Audit Committee, is set for consideration by the full MTA board next Thursday.



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Asked his thoughts on a possible increase in advertising as he waited for a Red Line train at Union Station on Thursday afternoon, Jason McGuinness, 25, said, "It's everywhere anyway."

But Lawanna Walters, 44, said she was against the idea.

"It's basically graffiti," she said. "Leave us alone. We don't need more junk. We get enough advertisements everywhere we go."