

**Southern California Regional Rail Authority
Revenue Advertising Policy**

TITLE: *Revenue Advertising Policy***NO.** MC 1.3**ORIGINATING UNIT:** Customer Engagement**EFFECTIVE DATE:** April 13, 2012**REVISION:** 2**PURPOSE**

The purpose of this Revenue Advertising Policy ("Policy") is to clearly define the use of the Southern California Regional Rail Authority's ("SCRRA's") revenue-generating advertising and promotion space throughout SCRRA's rolling stock equipment, publications, website, and other SCRRA-owned facilities.

APPLICATION

This Policy and its procedures apply to all SCRRA employees, consultants, Board members and alternates.

POLICY STATEMENT

SCRRA has determined that allowing advertising to be placed on the interior and exterior of its rolling stock equipment and property is a responsible means of generating additional revenue, and promoting the Metrolink rail service. Such advertising must not compromise the safety of the public or of SCRRA employees. By allowing limited types of advertising as set forth in this Policy, SCRRA does not intend to create a public forum for public discourse or expressive activity, or to provide a forum for all types of advertisements. All advertising shall be subject to this uniform, viewpoint-neutral Policy.

SCRRA recognizes that members of the public may associate advertising messages displayed on SCRRA property with SCRRA services. The acceptance of advertisements that are potentially offensive, controversial, disrespectful or harmful could discourage people from riding SCRRA's trains and could compromise the safety and comfort of SCRRA's passengers, employees and contractors. Moreover, the acceptance of such advertisements could undermine SCRRA's goal of generating revenue by making it more difficult for SCRRA to attract and retain passengers. SCRRA also recognizes that, as a public agency, SCRRA must balance its interests with free speech rights under the First Amendment.

SCRRA may enter into contracts with outside vendors to sell and display advertising on and inside trains, publications, website and other SCRRA facilities for the sole purpose of generating revenue. The issuance of such contracts must be in accordance with SCRRA's procurement policies. SCRRA may also enter into promotion and partnership agreements subject to the restrictions of this Policy. SCRRA reserves the right to reject any advertising based upon the guidelines for acceptable advertising content contained in this Policy.

1.0 PROCEDURE

1.1 Advertising Arrangements

1.1.1 Revenue- Generating Advertising

SCRRA may contract with outside vendors to sell and display advertising on and within trains for the sole purpose of generating revenue. SCRRA staff is allowed to sell advertising space and must conform with this policy. Vendors for such contracts are solicited through competitive proposals, which must conform to SCRRA's procurement procedures and be approved by SCRRA's Board of Directors. Vendors' contracts with SCRRA must specify that all advertising must comply with SCRRA's advertising policies as set forth herein. Revenue-generating materials are otherwise subject to all of the content restrictions in Section 1.2 of this Policy.

Locations for revenue-generating advertising may include, but are not limited to: (1) exterior surface areas of rail cars; (2) interior advertising spaces on Metrolink trains; (3) other fixed outdoor displays on property owned or leased by SCRRA ; (4) electronic Changeable Message Signs (CMS) on SCRRA rail platforms; (5) banner advertisements on SCRRA's website; (6) designated space in SCRRA's printed brochures, timetables and other publications and printed materials; and, (7) any other location approved by the Chief Executive Officer or his/her designee.

1.1.2 Promotions and Partnerships

SCRRA has several distribution channels ("Distribution Channels") at its disposal for disseminating transit information. These Distribution Channels may include, but are not limited to: (1) "take-one" boxes on board trains; (2) "take-one" racks at Metrolink Customer Centers; (3) back-lit and non-lit map cases inside SCRRA vehicles; (4) stations poster kiosks; (5) electronic Changeable Message Signs ("CMS") on rail platforms; and, (6) interior advertising spaces on Metrolink trains.

SCRRA may use its Distribution Channels to provide "Added Value" materials to its passengers through promotions and partnerships with an outside organization. Such materials must present a specific offer provided to SCRRA's passengers (generally a money-saving discount). Any materials distributed for this purpose must prominently include the Metrolink logo and other wording approved by SCRRA to indicate that the offer is specifically designed for Metrolink passengers. "Added Value" materials are otherwise subject to all of the content restrictions set forth in Section 1.2 of this Policy.

The outside organization must bear all costs of producing "Added Value" materials and must provide a benefit to SCRRA in exchange for the use of SCRRA's Distribution Channels. The benefit may be in the form of advertising space, editorial space or direct compensation for the promotion. Any "Added Value" program must be approved by the Chief Executive Officer, Chief Administrative Officer or his/her designee based upon the criteria in this Policy.

1.1.3 Cross Promotional Advertising

On an occasional basis and only when space is available, SCRRA may use its locations for revenue-generating advertisements set forth in Section 1.1.1 to participate in cross-promotional opportunities that offer a direct reciprocal opportunity to promote use of SCRRA service. Any materials distributed for this purpose must prominently include promotion of Metrolink service.

The outside organization must, if approved by SCRRA's Marketing Department, provide an equivalent or greater value in cross-promotional benefits in the form of advertising space or editorial space. Any cross-promotional arrangement must be approved by the Chief Executive Officer or his/her designee based upon the criteria in this Policy. Cross-promotional materials are otherwise subject to all of the content restrictions set forth in Section 1.2 of this Policy.

1.2 CONTENT RESTRICTIONS

Content restrictions for advertising on SCRRA property are as follows:

1.2.1 Non-Commercial Advertising

It is the policy of SCRRA to accept only (1) commercial advertising and (2) advertising that promotes SCRRA's transit service. Commercial advertising means advertising the sole purpose of which is to sell products, goods, or services. Commercial advertising does not include advertising that both offers to sell products, goods, or services and also conveys a political or religious message, expresses issue advocacy, and/or expresses or advocates positions related to any of the foregoing. Advertising that promotes SCRRA's transit service means advertising prepared by SCRRA or a member agency that advances SCRRA's public transportation and public transit purposes.

1.2.2 Subject Matter Restrictions

Advertising may not be displayed if its content:

- a) Displays any alcohol or tobacco product
- b) Promotes or depicts an illegal activity
- c) Contains language which is obscene, vulgar, profane or scatological
- d) Contains images, copy or concepts that are defamatory and/or actively denigrate or disparage any person, entity or group
- e) Contains images, copy or concepts that actively denigrate public transportation or the services provided by Metrolink
- f) Contains Political Advertising. For purposes of this Policy, "Political Advertising" is defined as advertisements that contain political speech referring to a particular ballot question, initiative, petition, referendum, candidate, political party or viewpoint or expresses or advocates opinions or positions upon any of the foregoing. This prohibition includes any advertisement referring to or depicting a candidate for public office in any context.
- g) Contains Religious Advertising images, copy or concepts. For purposes of this Policy, "Religious Advertising" is defined as any direct or indirect reference to any religion, any deity or deities, or to any religious creed, denomination, belief, tenet, cause or issue relating to (including opposing or questioning) any religion.
- h) Contains Unauthorized Endorsement advertising. For purposes of this Policy, "Unauthorized Endorsement Advertising" is defined as advertising that implies or declares that SCRRA endorses a product, service, point-of-view, event or program. The prohibition against endorsements does not apply to advertising for a service, event or program for which SCRRA is an official sponsor, cosponsor or participant.

- i) Depicts nudity or sexual activity or advertises a sexually oriented business as that term is defined in California Government Code Section 65850.4(b)
- j) Infringes copyrights, trade dress, service marks, titles or slogans
- k) Contains false, misleading or deceptive copy, concepts or images
- l) Contains images, copy or concepts that advocate imminent lawlessness, violent action or firearms

1.2.3 Threats to Security

SCRRA reserves the right to reject any advertisement which, in the determination of the Los Angeles County Sheriff's Metrolink Bureau, the agency charged with providing law enforcement services to SCRRA, poses an identifiable threat to the security of SCRRA's passengers, employees, or members of the public.

1.3 ADVERTISING CONTRACTS

1.3.1 Review by Staff or Contractor

SCRRA shall incorporate this Policy into its advertising contracts. SCRRA shall accept only advertisements that comply with the standards set forth in this Policy. If the Contractor is in doubt whether an advertisement complies with the standards set forth in this Policy, then the Contractor shall notify SCRRA's Chief Executive Officer, or designee, of the specific standard or standards of this Policy with which the Contractor believes the advertisement may not comply.

1.3.2 Review by Executive Officer, Customer Service and Marketing

If Staff or Contractor determines that an advertisement may not comply with the Policy, the Contractor shall send the advertisement and supporting information (the name of the advertiser, the size and number of the proposed advertisements, the dates and locations of proposed display, and notation of standards of concern) to the Chief Executive Officer, or designee, for review. The Chief Executive Officer shall review the advertisement and supporting information to determine whether or not the advertisement complies with this Policy. If the Chief Executive Officer determines that the advertisement does not

comply with this Policy, he/she shall, in writing, specify the standard or standards with which the advertisement does not comply, and shall so notify Staff or Contractor. The Chief Executive Officer's decision shall be final.

1.3.3 Notification to Advertiser

Staff or Contractor will send prompt, written notification to the advertiser of the rejection of the advertisement and will include in that notification a copy of this Policy and written specification of which standard or standards the advertisement fails to comply with.

2.0 DEFINITION OF TERMS

Not Applicable

3.0 RESPONSIBILITIES

Board of Directors approves Revenue Advertising Policy and changes to the policy document at the recommendation of the Chief Executive Officer.

Chief Executive Officer (or designee) reviews and approves the advertisements in accordance with the policy and procedure document, and recommends policies to the Board of Directors for approval.

4.0 REFERENCES

Not Applicable

5.0 ATTACHMENTS

Not Applicable

6.0 PROCEDURAL HISTORY

October 14, 2005: New Revenue Advertising Policy and Procedures document approved

April 13, 2012: Revised Revenue Advertising Policy was approved