

Responses to Questions from Respondents to the Street Level Digital Initiative

3/12/13

1. Please confirm how much of the digital screens will be permitted to be used for public information (non-revenue generating) and how much for paid advertising. Please in your answer distinguish between time on the screen and physical space on the screen.

A: These are questions that interested respondents should provide their thoughts on. It is important that the use of the public way serve public interests. We welcome your proposed ideas on these matters.

2. How will this paid advertising relate to, or be distinguished from, the existing street furniture franchises?

A: Respondents should review the terms of the existing marketing agreements between the City and vendors. These can be found on the City's website. We will review your ideas and proposals as independent projects. The City will comply with all existing municipal marketing agreements. If you see the opportunity to leverage existing contracts or programs, you should explain how you would propose to do that.

3. Will the city provide for electricity for the digital screens? Who is responsible for capital costs incurred? Can a proposer recoup all its hard costs?

A: The purpose of the municipal marketing initiative is to generate sustainable revenues for the City's corporate fund to fund essential City services. The City has limited ability to fund capital costs or ongoing operating expenses. We will therefore give greater attention to ideas that do not involve City financing. We would work with interested parties on facilitating sites that have adequate infrastructure but are looking for proposed terms from interested parties.

4. Please confirm if it is necessary for a proposer to have a product available now, or whether it is sufficient to express interest in developing such a product in the future? If the latter, when would the product need to be developed by?

A: The City is seeking sustainable revenues in the near term. As with the Chicago Digital Network initiative, we recognize that innovation may require some development time. We remain open to new ideas but may prioritize initiatives that generate sustainable revenues for calendar 2013. Proposals related to any product that is not already in existence should be sufficiently detailed that the City can make an informed decision on its merits.

5. How many outdoor locations do you anticipate allowing, and do you see a distribution citywide?

A. We are looking for interested parties to present their ideas on how to maximize the financial value of the initiative. We have no pre-conceived notions of the size of the program. Respondents are asked to consider the City's goals for equity in bringing benefits to all areas of the City and limiting any negative impact as much as possible.

6. Revenue generation appears to be an important driver for this project. Please can you confirm how much revenue the City hopes to generate from these screens?

A. The City's Municipal Marketing Advisory Council has recommended that the City seek to optimize value from marketing initiatives and avoid unnecessary proliferation of small-revenue initiatives and visual clutter. We will therefore prioritize initiatives that can generate the most revenue with the smallest impact on the City's brand and visual integrity.

7. Please confirm how you envisage the revenue will be generated. What type of exposure and opportunity will the advertisers be paying for?

A. These are questions that interested respondents should provide their thoughts their proposal. The City does not have preconceived notions on this.

8. Is there a pilot program in place for this product at this time? If so where are the locations, how have they been used, what are the results?

A. The City does not have a pilot program in place for street-level digital marketing. We look forward to reviewing ideas from the industry and determining which initiatives optimize value for the City.

9. Will the City own the displays and technology at the end of the term?

A. These are questions that interested respondents should provide their thoughts in their proposal. The City does not have preconceived notions on this.

10. What length of term does the city propose?

A. The City does not have preconceived notions on this. Our goal is for a sustainable revenue stream to fund essential services.

11. We had one question regarding the Municipal Marketing Initiatives – Street Level Digital Media program. Question 2 of the document that you sent us states ".as well as indoors at public buildings...". Can you please elaborate on this point and perhaps provide a list of specific public buildings available to this project?

A. The City does not have preconceived notions on this. The question was just pointing out that we would consider both indoor and outdoor street level digital initiatives, if it was deemed appropriate. Our goal is for a sustainable revenue stream to fund essential services.

12. We are working on our response to the questions that you sent us. I tried finding the Vector Media contract (question #6) on the City's website but couldn't find it. Can you please provide the link?

- A. The Vector Contract will be available on the Municipal Marketing website as soon as possible.
13. Can a firm develop opportunities for street level digital for other agency assets, such as Water Reclamation, Chicago Public Schools, Chicago Park District, etc?
- A. The sister agencies are separate units of government. However, the Municipal Marketing Committee of the City includes representatives from sister organizations. Like the City, these agencies are also in need of sustainable revenues for funding essential services.
14. Are there any geographic boundaries or limitation, such or limitations, such as Loop Area only, etc. that a firm needs to adhere to when developing its street level digital media strategy for municipal assets owned by the City of Chicago?
- A. No. See above.
15. Can the Metropolitan Pier and Exposition Authority (MPEA) of Chicago properties be included in the development of street level digital media?
- A. No.
16. What are the liability issues that a firm should consider when developing a strategy for street level digital media for the City of Chicago?
- A. We recommend you consult your attorneys when developing a strategy for street level digital media and list concerns in your response as you deem appropriate.
17. Are there any limitations on product categories (e.g. Financial Services, Clothing, Mobile) that a firm can solicit for participation?
- A. We remain open to new ideas and innovative strategies. Proposals related to any product that is not already in existence should be sufficiently detailed that the City can make an informed decision on its merits. Additional information on advertising regulations and policies may be found in the City of Chicago Municipal Code, the City's Municipal Marketing website, and the Municipal Marketing Framework located on the Municipal Marketing website.
- http://www.cityofchicago.org/content/dam/city/depts/fin/supp_info/Municipal%20Marketing/MunicipalMarketingFramework092712.pdf
18. If a firm makes financial projections for sales and profitability of street level digital media for City of Chicago Assets with every intention of fulfillment, but projections are not met, what is the firm's liability and responsibility to the City of Chicago?
- A. The City seeks a sustainable revenue stream to fund essential City services. For other contracts, the City has negotiated guaranteed annual minimum payments.

Please present your ideas for how you would structure the financial terms between your firm and the City.

19. JC Decaux erected CTA bus shelters for the City of Chicago, citywide. Will the selected agency for the current RFP have the option to build structures for street level media as well?

A. Yes. If you present an idea that requires new structures, the City would evaluate that idea and whether the project is feasible. Other initiatives of the City did require construction at numerous City locations.

20. Will the selected agency/firm(s) have exclusive rights to sell the street level digital assets to potential clients? If Yes, how long will the City grant the vendor(s) exclusivity to sell street level digital media for City assets?

A. Respondents are asked to submit a framework and terms for any proposed initiative. We have no preconceived notion on term or exclusivity.

21. Does the City of Chicago have a time frame for implementation and then development of street level digital media? If yes, what is the projected time frame?

A. The City prefers initiatives that generate revenue in 2013.