



COUNCIL AGENDA: 06-14-05

ITEM: 8.1

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** William F. Sherry, A.A.E.

**SUBJECT:** CONCEPT APPROVAL FOR  
AIRPORT ADVERTISING RFP

**DATE:** May 23, 2005

Approved

Date

6/1/05

Council District: Citywide

## RECOMMENDATION

Approval of the four advertising concepts for the advertising concession at Norman Y. Mineta San José International Airport.

## BACKGROUND

The City of San José is in the process of developing an Request For Proposal (RFP) for the advertising concession at the Norman Y. Mineta San José International Airport. The following Vision Statement and Objectives have been developed for the advertising concession program.

### Vision Statement

“Create an Airport Advertising Concession Program that supports the City of San José’s public policy objectives, enhances Airport user satisfaction, and increases revenue performance for its advertisers, concessionaires and the Airport.”

### Objectives

Economic Development- Promote the City of San José and the Silicon Valley area; local participation; mix of local, state and national advertisers; and increased revenue performance.

Customer Satisfaction - Present an attractive environment for the traveling public, with minimal visual clutter and minimal distractions from way-finding signage; and provide excellent customer service.

City Public Policy - Insure compliance with the City’s Sign Ordinance and City policies regarding sponsorship and naming rights, and to insure all construction related to fixture and exhibit installation is consistent with City policies.

## ANALYSIS

Traditionally, there are only three or four companies that specialize in airport advertising. Most airport advertising has been predominantly standard backlit billboard-type advertising. While this method has proven to be successful in some respects, staff believes there are other ways to excite interest and to enhance revenues through various types of displays and techniques.

Staff, with the assistance of the Airport concession consulting firm, the Center for Airport Management, developed the four concepts that would become the basis of the advertising RFP using historical data and experience from other successful/contemporary airport advertising programs currently in place around the country.

Staff proposes that the advertising concession be divided into four individual concepts/packages. By segmenting the advertising concession program into four categories, as opposed to one general package for the entire Airport, local and regional companies will have more of an opportunity to bid on the concession. The four packages will provide to local advertising companies that specialize in these concepts, the ability to compete on a level playing field in their areas of specialty.

The four advertising concept/packages consist of the following:

- Option 1      **Fixed Display in-terminal** – Types could include:
- Interior of Terminals A and C and the North Concourse including but not limited to wall and floor displays; hotel/motel telephone reservation boards; column wraps; floor wraps; directories and banners
  - Interior displays in parking garages and walkway connectors
- Option 2      **Outdoor** – Types could include:
- Exterior wrap of the Terminal A garage; “Welcome to SJC” sign located at the entrance of the airport roadway system; light poles for banner displays
- Option 3      **Transit/Bus shelters** – Types could include:
- Display types that are commonly found on buses and other ground transportation such as trams and light rail systems. Included in this category would be exterior king size posters; tail light displays; wraps and interior cards as an example
  - The airport currently has 26 exterior bus shelters which would have their own unique display fixtures
- Option 4      **Marketing income** – Types could include:
- Official and exclusive San José Airport product rights sponsorships
  - Special events sponsorships and promotions
  - Supplier sponsorships

- Naming rights
- Airport brand 'licensing rights'

Upon approval of the proposed concept, staff will continue with the development of the Advertising RFP. It is anticipated that staff will return to Council for approval of the final RFP document in August, prior to issuance of the RFP.

### **OUTCOMES**

Council approval of the four advertising concept/packages will allow staff to proceed with the completion of the RFP document.

### **PUBLIC OUTREACH**

N/A

### **COORDINATION**

Preparation of this memo has been coordinated with the City Attorney's Office.

### **COST IMPLICATIONS**

This recommendation has no specific cost implications. The current Airport Advertising Program produces over \$2.2 million annually in Airport revenues.

### **CEQA**

Resolution Nos. 67380 and 71451, PP 05-112

*Frank Kirkbride*  
for WILLIAM F. SHERRY, A.A.E.  
Director of Aviation