

5 August 2016

Megan Darrow
fyi-request-4210-003c8f33@requests.fyi.org.nz

Dear Megan

Local Government Official Information and Meetings Act 1987

CAS-336727-S0V6W0

Thank you for your correspondence dated 4 July 2016. During your brief telephone conversation with Ian Robertshaw, our Business Development Manager, you clarified that the information you require is focused on the specific policies and commercial information relating to the agreement for flags and banners. This request is refused in accordance with section 17(e) of the LGOIMA - that the document alleged to contain the information requested does not exist.

In response to your request for information under the Local Government Official Information and Meetings Act 1987 (LGOIMA), specifically a copy of the contract between Auckland Transport and QMS NZ Limited, this request is refused in accordance with section 7(2)(b)(ii) of the LGOIMA – where withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

It is important to note that pole flags and cross street banners are but one element of the commercial contract between Auckland Transport and QMS NZ Limited. The guidelines for management of these assets are an operational matter. These guidelines are evolving through ongoing engagement with a range of stakeholders, including local boards, business associations and suppliers. The following information is provided to clarify how the broader contract was developed:

During 2012, an expression of interest (EOI) process was undertaken by Auckland Transport to evaluate organisations who might be interested in making an offer for the supply of commercial advertising (an advertising concession) with the express purpose of producing revenue for Auckland Transport. This request for expressions of interest included all necessary equipment, personnel, hardware, software, networks, transmission and sales and marketing systems and capabilities to support this undertaking. The locations specified for these advertising products and services included but were not restricted to Auckland Transport operated or controlled facilities, bus terminals, rail platforms and stations, ferry wharves, trains, pay and display machines, car parks and park and ride sites. The intention of this exercise was to consolidate advertising assets over time into a more cohesive and integrated media offering.

The EOI was documented using standard Auckland Transport procurement formats and evaluation criteria using a non-price single envelope method. Auckland Transport Procurement chaired the evaluation team. The EOI process yielded eleven formal responses from a broad cross section of

domestic and international suppliers and included both niche providers and those with a broader market offer and capabilities. This process concluded with six short listed respondents; JC Decaux, Torch Media, Adshel, Ambient Advertising, Hypermedia and APN Outdoor. These six respondents were then invited to respond to a closed request for proposal (RFP) process.

The RFP process provided for Auckland Transport and advertising partner/s to enter into an agreement to build and manage Auckland Transport's future advertising portfolio, systems, processes and procedures. The primary deliverables of this process were to determine an agreed strategy for advertising across Auckland Transport assets and secure a range of sustainable revenue streams in accordance with that strategy. Achieving this outcome required the selected partner/s to work collaboratively with Auckland Transport and incumbent suppliers to develop and/or execute:

- A comprehensive audit of available and potential advertising inventory.
- Agreement on accepted formats and sites for advertising.
- Standard operating procedures to coordinate and interface between Auckland Transport and our various partners in this process.
- Business development relationships with current and future advertising suppliers, partners, agencies and clients.
- A business plan and strategy to achieve the agreed deliverables.

The RFP evaluation used the Quality based method (QBM) where quality attributes of suppliers' who met the requirements of the tender were graded and the preferred supplier selected solely on that basis. Commercial fees and/or revenue projections were then negotiated with the preferred supplier, based on the commercial elements of the proposal.

In summary:

1. Auckland Transport has undertaken two competitive procurement processes to select an advertising partner for media assets
2. The basis of evaluation for the expression of interest included:
 - Preferred formats
 - Relevant experience
 - Track record
 - Resources
 - Methodology
 - Management
 - Commercial terms

Table A – Evaluation criteria, weighting and summary scores (short listed respondents highlighted in yellow)

	Preferred Formats 15%		Relevant Experience 20%		Track Record 20%		Resources 5%		Methodology 15%		Management 15%		Commercial Terms 10%		Total score Rank	
	Score	Weighted score	Score	Weighted score	Score	Weighted score	Score	Weighted score	Score	Weighted score	Score	Weighted score	Score	Weighted score	Total score	Rank
TorchMedia	75	11.25	70	14	68	13.6	70	3.5	70	10.5	75	11.25	100	10	74.1	2
Adshel	65	9.75	70	14	75	15	70	3.5	65	9.75	65	9.75	100	10	71.75	3
Ambient Advertising	72	10.8	72	14.4	70	14	60	3	60	9	65	9.75	100	10	70.95	4
APN Outdoor	50	7.5	55	11	55	11	60	3	55	8.25	65	9.75	100	10	60.5	6
Downer	55	8.25	40	8	40	8	55	2.75	50	7.5	55	8.25	0	0	42.75	10
HyperMedia	75	11.25	60	12	65	13	60	3	65	9.75	65	9.75	100	10	68.75	5
JCDecaux	70	10.5	75	15	80	16	70	3.5	65	9.75	70	10.5	100	10	75.25	1
MTM	50	7.5	55	11	60	12	50	2.5	52	7.8	50	7.5	100	10	58.3	7
Flagmakers	40	6	50	10	60	12	50	2.5	40	6	40	6	100	10	52.5	9
Phantom Bill Stickers	40	6	50	10	60	12	55	2.75	45	6.75	45	6.75	100	10	54.25	8
Polycomp Electric	40	6	30	6	30	6	35	1.75	35	5.25	30	4.5	0	0	29.5	11

A summary of the scope of responses is provided below. The respondents' submissions included required information under each of the criteria evaluated as shown in Table A.

	Adshel	Ambient	Torch	JC Decaux	Hypermedia	MTM	APNO	Polycomp	Phantom	Downer	Flagmakers
Hop Card integrated		X									
Retail		X		X	X						
Pole Flags		X		X							X
Banners		X		X							X
Interactive/Mobile	X						X			X	
Content						X				X	
Digital Signage	X	X	X	X	X	X	X	X		X	
Billboards		X	X	X		X	X			X	
Apps										X	
Pay and Display		X		X	X						
Vending Machine											
Advertising									X		
Car Parks and equipment		X		X					X		
Park and Ride		X		X							
Posters	X	X	X	X		X			X		
Free standing units				X							
Escalators		X		X							
Doors		X		X							
Lifts		X		X							
Trains		X	X	X							
Ferry		X	X	X							
Bus		X		X	X						
Cars					X						
Wifi		X	X		X	X					
Experiential		X	X	X		X					
Sampling		X		X		X					
Facilities		X	X	X	X				X		
Decals		X	X	X							
Online			X								
Phone charging											
Rental Bikes				X							
Bus shelters	X	X		X							
public toilets				X							
Seats				X							
Bins				X							
Way finding					X						
Visitor information					X						
Barrier gates		X									
In step media		X									
Bespoke signs			X								
Passenger information displays			X								

We trust the above information has addressed the matters raised however, should you believe that we have not responded appropriately to your request, you have the right in accordance with section 27(3) of the LGOIMA to make a complaint to the Office of the Ombudsman to seek an investigation and review in regard to this matter.

If you have any further queries, please contact me on (09) 355 3553 during business hours, quoting Local Government Official Information request number CAS-336727-S0V6W0.

Yours sincerely

Colin Homan

Group Manager AT Metro Development