

Board Request: **Impact on bus or rail car maintenance when installing advertising related devices. Analyze cost vs. revenue for wrapping the rail cars**

Date Requested: 3/9/2006

Tracking Number: 37

Assigned to Dept/Office: OPER

Contact Person: Jim Hughes/Leona Agouridis

**Executive Summary Reply:**

Advertising wraps on buses and rail cars are applied over weekends or at other times when the vehicles are not required for service, such as when they are in the shop for maintenance. Vehicles are never withheld from service to install ads. The same would hold true when we install monitors on the vehicles. With regard to the tunnel ads, they would be changed after the end of the service day.

Production costs for bus wraps, including installation, range from \$6,000 to \$8,000 per bus. Monthly cost to advertiser per bus is: \$6,800 1 to 5 months, \$5,100 6 to 11 months and \$4,250 for 12 months or more. Production costs for rail car wraps range from \$11,000 to \$12,000 per car. Monthly cost to advertiser per rail car is: \$11,000 1 to 5 months, \$10,000 6 to 11 months and \$9,000 for 12 months or more. All of these costs are borne by the advertiser. NOTE: CBS Outdoor is free to negotiate quantity discounts at their discretion.