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Transit Advertising Group AA

Fax

To:	Michael Ford, CEO	From:	Ann-Mary Petroskey
Fax:	(734) 973-6338	Pages:	29 (Incl. cover)
Phone:		Date:	27 Aug 2012
Re:	Bus Advertising Services RFP	cc:	

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle



Via Facsimile, Electronic Mail and USPS Express Mail

August 24, 2012

MICHAEL FORD
CHIEF EXECUTIVE OFFICER
ANN ARBOR TRANSPORTATION AUTHORITY
2700 SOUTH INDUSTRIAL HIGHWAY
ANN ARBOR, MI 48104

Re: AATA RFP #2012-11 BUS ADVERTISING SERVICES
PROTEST AFTER AWARD BY PROPOSER TRANSIT ADVERTISING GROUP AA, LLC

Dear Mr. Ford:

Pursuant to Section 4.4 Protest Procedures of AATA RFP #2012 Bus Advertising Services, Transit Advertising Group AA, LLC wishes to the protest the award of the contract for Bus Advertising Services as authorized by the AATA Board of Directors on August 16, 2012.

Enclosed is our formal Protest with supporting documents.

It is our understanding that, pursuant to Section 4.4 C.2 of the RFP, the bus advertising contract cannot be executed until Transit Advertising Group AA, LLC is mailed a written response stating the grounds for either allowing or denying this protest. In the event that this protest is denied we formally request an appeal to the Board of Directors of this decision.

Respectfully Submitted,

Latif Z. "Randy" Oram
President, Transit Advertising Group AA, LLC

Encl.

Cc: Jesse Bernstein, Chair, AATA Board of Directors
David Nacht, Treasurer, AATA Board of Directors
Charles Griffith, Board Secretary, AATA Board of Directors



August 24, 2012

MICHAEL FORD, CHIEF EXECUTIVE OFFICER
ANN ARBOR TRANSPORTATION AUTHORITY
2700 SOUTH INDUSTRIAL HIGHWAY
ANN ARBOR, MI 48104

Re: AATA RFP #2012-11 BUS ADVERTISING SERVICES
PROTEST AFTER AWARD BY PROPOSER TRANSIT ADVERTISING GROUP AA, LLC

Dear Mr. Ford:

Transit Advertising Group AA, LLC has considered it an honor and a privilege to serve as the AATA's exclusive bus advertising services partner since 2005. This has been a long and mutually beneficial relationship and we are obviously disappointed that the AATA awarded the new Bus Advertising Services contract to another proposer. While we remain ready to serve the AATA in any capacity and will faithfully render the residual services of the past contract, we feel that the reality of the contract issues and concerns need to be explained further so that the AATA can make a truly informed decision as to who is the best contractor to serve AATA's best interests. TAG AA continues to pursue this opportunity to offer our services to the AATA. Our reasons for this position are set forth in the following formal protest.

Pursuant to Section 4.4 Protest Procedures of AATA RFP #2012 Bus Advertising Services, Transit Advertising Group AA, LLC ("TAG AA") wishes to protest the award of the contract for Bus Advertising Services as authorized by the AATA Board of Directors on August 16, 2012.

On August 22, 2012, notice of the intent to award the contract as provided in Section 3.10 of the RFP, was provided to Latif "Randy" Oram, President of Transit Advertising Group AA, LLC. (Exhibit A) As provided in RFP Section 3.10 Response To Proposals, AATA will provide Notice to Unsuccessful Proposers promptly after contract award. Per Section 4.4 Protest Procedures, this Protest is submitted within five (5) calendar days of the Notice and is submitted timely.

I. THE NAME, ADDRESS AND TELEPHONE NUMBER OF THE PROTESTER ARE:

Transit Advertising Group AA, LLC
28423 Orchard Lake Road, Suite 210
Farmington Hills, MI 48334
Telephone: (248) 489-8989

II. THE GROUNDS FOR THIS PROTEST ARE:

- A) The successful Proposer submitted a nonresponsive proposal, and
- B) The stated Evaluation Criteria as set forth in Section 3.9 C of the RFP were not observed.

TAG AA believes that, overall, the RFP specifications and requirements were not realistic in terms of actual operation of the Bus Advertising Services contract. Any proposer bidding the contract should be aware of this prior to accurately proposing how they would service the contract. Because of a long period of actual performance and operation of the prior/current contract, TAG AA was aware of, and acknowledged, realistic capabilities of the vendor/contractor in performing and operating the contract. TAG AA affirmatively stated their realistic expectations in operating the contract as exceptions and deviations (Exhibit B). Any other proposer of this contract should have the same exceptions and deviations. Other proposers not operating a very similar Bus Advertising Services contract, should be able to accurately predict the realistic difficulties and specific details that were not explicitly set out in the RFP. TAG AA had an advantage in the possession of this knowledge and by explaining/clarifying it as it should have been explained by any proposer in the Exceptions/Deviations portion of the response to the RFP. However, the AATA evaluated TAG AA's proposal as if these deviations and exceptions were a negative factor in the evaluation process. TAG AA does not feel that AATA evaluated their Proposal on a level playing field. The AATA should be aware that the Awardee's Proposal, if it results in a contract, will have to be modified to operate in a realistic setting. If this is the case, the contract should either be awarded to a contractor that can fulfill the contract obligations which are then stated and reflected in the RFP response as it is in TAG AA's proposal or in their existing proposal or a new request for proposal should be completely modified to reflect actual circumstances and operations and then re-bid so that all bidders have a knowledge and complete understanding of all facts, issues and operations and can bid accordingly without exceptions and deviations.

Specifically, TAG AA states in support of this Protest as follows:

A. The Successful Proposer Submitted a Nonresponsive Proposal

1. Non-response to "Proposed Staffing Requirements"

The Requirements for the RFP Response were set forth in Section 3.6 of the RFP. Section 3.6 C pertained to Proposed Staffing. All proposers were directed to provide information on the firm's proposed staffing for the project and staff time allocations. In Subparagraph 1, proposers were required to certify to the AATA "that the listed key personnel will be employed by the vendor or contracted by the vendor and will be assigned to the project in the manner prescribed. The key personnel identified as being essential to the project will not be removed from (sic) the project without written approval from AATA." (RFP Section 3.6 C)

The Awardee's proposal did not contain the required certification.

The RFP requires that all proposers shall show the availability of professional and technical staff, together with the anticipated work load during the project, taking into account any resources otherwise involved with existing proposals and active projects. (RFP Section 3.6 C) In TAG AA's opinion, the Awardee's proposal did not respond to this requirement.

In the proposal as submitted by the Awardee, the section on Staffing and Project Commitment discusses the biographies of corporate personnel located in their New York City corporate headquarters. The Awardee's Proposal does not indicate that these New York City personnel will have any direct involvement with the project.

The Awardee's proposal does not indicate the named individuals' availability for the AATA project, nor does it indicate their anticipated work load, as required by the RFP specifications. There was no certification that listed key personnel would be employed by the Awardee in the manner prescribed.

Further on in this section of the Awardees' proposal, they provide one to two paragraphs each on four individuals described as "key members CBS Outdoors Southeastern Michigan Team." Robert Hawkins is identified as "Display Sales Manager." (See Ex. C)

It has been brought to TAG AA's attention that Robert Hawkins, identified as the "Display Sales Manager," was released from the company effective July 23, 2012. (See Ex. D) Was AATA made aware of this personnel change prior to the award? If not, this is a deficiency from the start. If AATA was not aware of this change in advance of the evaluation of the submitted proposals then an accurate evaluation of the proposals would have been compromised. Further this was a violation of the required certification that key personnel would not be removed without the permission of AATA as required by the RFP.

2. Nonresponse to Requirement to State Exceptions and Deviations

Section 3.6 F of the RFP requires that "Proposers shall state any exceptions to or deviations from the requirements of the RFP. Where Offeror wishes to propose alternative approaches to meeting AATA's requirements, these should be thoroughly explained."

This requirement is of significant importance because it not only demonstrates the proposer's knowledge and understanding of the requirements of operating the contract, but it places all proposers on a level playing field. In evaluating the proposals the AATA should be provided with knowledge in the evaluation period of any significant issue that can reasonably be expected to arise in operation of the contract. It is not sound business practice, nor is it fair to all proposers, to enter into an agreement that must, by its very nature, be subject to continual modification in order to continue. By requiring proposers to state and thoroughly explain their particular exceptions and deviations, the AATA benefits by knowing up-front what the difficulties will be in operating the contract as proposed by the RFP. It also creates a level playing field for the proposers by forcing

them to state and explain the expected difficulties with the RFP project requirements before excluding bidders because of their detail, thoroughness and professionalism. We believe this to be the case of the TAG AA situation. If this was not a requirement any proposer could submit a proposal that it knew would need to be modified, emphasizing only the strengths of its particular organization and then count on handcuffing itself to the AATA for the term of the contract. The AATA would have to consent to modifications whether or not it was in its ultimate best interest (due to the lost opportunity in time and revenue to cancel, re-bid and re-award the contract) and other proposers would not have the benefit of a fair playing field.

As an example, the RFP contains the following requirement in the Scope of Services:

Section 2.11 REVIEW OF ADVERTISING CONTENT provides that "[b]efore displaying any advertising, the Contractor shall first submit the material to AATA for review. AATA's review will be for content only, but shall reserve the right, in its sole discretion, to remove any advertisement it deems objectionable. Reasonable proof or clarification of statement contained in any advertisement may be required by AATA as a condition of use or continued use of advertising space." (RFP Section 2.11)

The Awardee's proposal concludes that the Awardee "has no exceptions or deviations to the requirements of the Ann Arbor Transportation Authority Request for Proposals." (See Exhibit E)

The Awardee's proposal describes in great detail its "Advertising Standards" which description includes their procedures for review of advertiser copy. It indicates that in many cases they have the opportunity to review advertiser copy and content in advance. However, Awardee acknowledges that in other cases their first opportunity to examine the content is when it arrives at their warehouse for posting. As stated in the Awardee's proposal, they rely on their receiving staff to implement the transit authority's ad policies. The Awardee's proposal states that when those personnel determine that the ad content is questionable, it is referred to their operations liaison. If the ad is problematic, a liaison will work with the account executive work with the ad client to correct the problem prior to posting. In cases where a client is insistent or local staff is unsure, the ad copy is referred to Awardee's in-house content review committee, comprised of the Awardee's General Counsel, VP Human Resources and EVP Marketing, and based on this committee's position the Awardee either accepts, reject or refers the ad. (See Exhibit F) There is no reference to or acknowledgment of the AATA's specific requirement that all advertising copy be submitted to the AATA prior to posting.

This procedure does not apparently comply with AATA's requirement that the contractor first submit the advertising material to AATA for review. TAG AA believes that its described proposed procedure as set forth in its section on Exceptions and Deviations is an accurate and realistic presentation of efficient operation of the contract and stated so in its proposal. However, TAG AA completely disclosed its concerns with the RFP specifications, placing it at a disadvantage to other proposals that did not consider realistic operation of the contract.

The RFP indicates that unacceptable deviations or exceptions may be grounds for rejection of a proposal in RFP Section 3.10 C.3. A proposer is obviously placed at a disadvantage by specifically stating deviations or exceptions in advance, therefore any proposer would not want to call

attention to the fact that they did have exceptions or deviations. TAG AA feels differently and believes in accurately and professionally representing the facts and details in their Proposal to the RFP. TAG AA feels that realistic operation of the contract will require a modification of this required specification. While TAG AA clearly stated and explained this deviation from the specifications of the RFP, the Awardee did not, thereby creating an unfair disadvantage for TAG AA. It appeared from the Awardee's proposal that they could operate the contract in complete compliance with specifications that are actually exceptionally difficult to execute in real practice. There would be no problems for AATA and the only thing that the AATA would have to do is wait for guaranteed payments and additional revenue, without any further thought. The actual operation of the contract is far from easy, which TAG AA understands, having operated this contract since 2005. TAG AA knows what the difficulties are and is able to predict what issues there would be without the specified exceptions. In a word, the Awardee may look like a better prospect on first glance strictly because they don't explain that the real world might not work the way the RFP wants it to. TAG AA knows that they have to operate in the real world, and stated as much, honestly and fairly.

B. Stated Evaluation Criteria as Set Forth in Section 3.9 C of the RFP Was Not Observed

Section 3.9 of the RFP sets forth the procedures for proposal evaluation, negotiation and selection. Subparagraph C sets forth the evaluation criteria:

The following factors will be used as a guideline to evaluate the proposal:

- 1. Qualifications, Related Experience, Proposed Staffing and References**
- 2. Project Understanding**
- 3. Cost Proposal**
- 4. Conformance to Requirements and Specifications (RFP Section 3.9)**

1. Proposed Staffing Evaluation

As stated above, TAG AA feels that the Awardee's proposal was nonresponsive in accurately identifying the component related to proposed staffing.

2. Project Understanding Evaluation

Additionally, RFP Section 3.6 D Project Understanding required that the proposers:

Provide information demonstrating the firm's capabilities to perform all aspects of the contract including:

- a. Material application, removal and maintenance**
- b. Design and production services**
- c. Sales office location and access to local and national markets**

(RFP Section 3.6 D)

The Awardee's proposal indicated nothing about material application, removal or maintenance other than that the actual application will be sub-contracted out to another firm. The only discussion about design or production services was identification of the Creative Director and his qualifications. There is an implication that the local sales office will be located in their existing Detroit offices, and there is a discussion about their overall capability to access national markets, but nothing specific to the local Ann Arbor/Washtenaw County areas. This was not fair to the proposers who realistically explained their complete and accurate capabilities. By not stating their capabilities, the Awardee left the question unanswerable as to whether they are the best candidate to serve the AATA's needs.

4. Conformance to Requirements and Specifications Evaluation

The Awardee's proposal does not adhere to numerous requirements and specifications of the RFP or that are a reality to operating the Bus Advertising Services contract. TAG AA believes that these omissions will have to be addressed throughout the term of the contract if they are not dealt with before the execution of a contract. If they must be dealt with before the execution or throughout the contract, proposers that conformed to the requirements to fully explain all exceptions and deviations were not provided a fair and level playing field in the evaluation phase of the RFP. The specific instances related to the Awardee's response to the RFP include:

- A) The proposal does not respond accurately or completely to proposed staffing information requirements
- B) The proposal does not certify proposed staff would remain on the project
- C) An identified key project member was dismissed prior to contract award
- D) The proposal does not state exceptions and deviations that are mandatory to operating the contract
- E) The proposal does not provide complete information as required in the Project Understanding

III. STEPS TAKEN

As per the requirements for Protests in the RFP procedures, under Section 4.4 C 2.c, TAG AA is unaware of any steps that have been taken to date in an attempt to correct the alleged problem or concern.

CONCLUSION

Transit Advertising Group AA, LLC believes that the Awardee's proposal and the evaluation of the submitted proposals must be fully presented to the AATA Board of Directors for approval and that the evaluation process should be revisited to determine if the evaluations were made in strict accordance with all of the evaluation criteria and procedures as set forth in the RFP. All submitted proposals should be judged to determine which would be most advantageous to AATA based on consideration of the Evaluation Criteria and realistic expectations of operation of the

contract. The Issue Analysis dated August 1, 2012 by Michelle Sanders as provided to the Board of Directors does not provide any information that allowed the Board of Directors to make an independent decision based on facts, but is merely a conclusory statement of recommendation to award the contract to CBS Outdoor.

TAG AA would like to have the opportunity for a fair and equal evaluation of its experience in operating the current/prior contract. In the AATA Board of Directors meeting conducted on August 16, 2012, Board Chair Jesse Bernstein remarked that he had recently been made aware of the incredible complexity in managing and operating the AATA advertising services. TAG AA is and always has been aware of the demands of providing this service and was upfront about its concerns in the actual operation of the contract due to its past experience with AATA buses. These concerns were fully explained in TAG AA's exceptions and deviation in its Proposal. This experience gave it insight and its proposal was presented with that knowledge and insight. Unfortunately, this realistic presentation as outlined in TAG AA's proposal worked to our disadvantage in the evaluation process when compared to proposals from firms that had no knowledge or experience of the AATA system. Any awardee of this contract will and must consider and change accordingly many of TAG AA's explanations and deviations if they attempt to operate the contract. If this is the case then the bidders were not given a fair playing field.

Per the Protest procedures in the RFP, "[a] written decision by the AATA Chief Executive Officer stating the grounds for allowing or denying the protest will be mailed to the protestor prior to execution of the Contract. Such decision shall be final unless the Board of Directors accepts an appeal of the Chief Executive Officer's decision.

TAG AA respectfully requests that the AATA follow the stated procedures and that execution of the contract be delayed until this matter can be addressed. In the event of a denial of this Protest, please consider this Protest as a submission of an appeal to the Board of Directors and TAG AA respectfully requests that this issue be placed on the agenda for the next Board of Directors meeting. Additionally, TAG AA intends to reach out to the AATA Board and executive officers to ensure that they have all the information to make the best and an informed decision about this matter. TAG AA feels that the AATA deserves to have all the information necessary to make a sound business decision that will benefit both the AATA and its constituency.

Respectfully Submitted,

Latif Z. "Randy" Oram
President, Transit Advertising Group AA, LLC

Attachments:
Exhibits A-F

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Respectfully Submitted,



Latif Z. "Randy" Oram

President, Transit Advertising Group AA, LLC

Attachments:
Exhibits A-F



Ann Arbor Transportation Authority
2700 South Industrial Highway
Ann Arbor, Michigan 48104
734.973.6500 734.973.6338 F
theride.org

EXHIBIT A

August 22, 2012

Transit Advertising Group AA, LLC
Latif "Randy" Oram
28423 Orchard Lake Road, Suite 210
Farmington Hills, MI 48334

RE: AATA RFP# 2012-11 Bus Advertising Services

Dear Mr. Oram:

Ann Arbor Transportation Authority (AATA) would like to thank you for submitting a bid in response to AATA's RFP #2012-11. After a comprehensive evaluation of the submissions, a Notice of Award has been issued to CBS Outdoor.

We thank you for participating in this process and look forward to your participation in future opportunities. You may contact me at 734-794-1813 if you would like to discuss your proposal.

Sincerely,

A handwritten signature in cursive script that reads 'Michelle Sanders'.

Michelle Sanders, CPPO, CPPB
Purchasing Contracts Coordinator

EXHIBIT B

Section F

Exceptions/Deviations

1.3 SOLICITATION SCHEDULE

Proposal Due Date Tuesday, June 5, 2012 at 2:30 p.m.

2.1 PURPOSE

- C. In return for such exclusive agency, the Contractor will pay to AATA a percentage of its net revenue, including a minimum guaranteed fee.

TAG AA Response: Should AATA require a minimum guaranteed fee, this minimum guaranteed fee would be paid on a monthly basis with an annual reconciliation on the anniversary date on revenue collected. TAG AA suggests maintaining the current relationship as defined in the addendum dated August 13, 2012 and attached as Exhibit J-3. This will ensure accurate, easy and prompt reporting of all revenue and prompt payment within the guidelines received by TAG AA. We at TAG AA have been administering this reporting and payment process since September 2009 and we believe that it is the best and most professional reporting and payment schedule to implement should we be awarded the contract.

We would ask that AATA consider this exception/deviation as the standard operating, reporting and payment process as is set forth in the Amendment to the current contract, Section J-3, Appendices.

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2.3 DESCRIPTION OF AATA OPERATIONS

- B. The number and description of buses currently available for advertising are listed in the below table. All buses are low floor models. AATA may change the number and type of buses during the term of the contract.

BUS #	MODEL	YEAR	QTY.	SIZE
461-470	Gillig Hybrid	2011	10	40'
457-460	Gillig Hybrid	2010	4	35'
450-456	Gillig Hybrid	2009	7	40'
445-449	Gillig Hybrid	2008	5	40'
430-444	Gillig Hybrid	2007	15	40'
425-429	Gillig	2003	5	35'
411-424	Gillig	2003	14	40'
398-404	Gillig	2000	7	35'
391-396	Gillig	1999	6	35'
387-390	Gillig	1999	4	40'

TAG AA Response: TAG AA is suggesting that with a guaranteed minimum fee, this would change with quantity and ad formats allowed on the current 57 buses out of 77 total buses in the fleet. With what we are proposing on a flat 50% of net revenue received, reported and turned in to AATA on the 15th of every month, the change in quantity (positive or negative) would create a mutual impact and no minimum guarantee penalty to adjust to changes in ad formats or quantity of buses allowed at any time. See Section J-9, Appendices, Amendment.

TAG AA Response: TAG AA would like to continue the understanding and relationship that is currently in place with AATA. TAG AA is currently allowed to advertise on 57 buses total, including 50% (about 21 buses) of the total hybrid fleet at this time.

2.5 VEHICLE AVAILABILITY

- A. It is understood that participating buses will be out of service for routine maintenance from time to time and that no adjustments will be made. If for any reason a participating bus is out of service for longer than two consecutive weeks, the Contractor may add the time lost to the end of the advertising contract. The AATA may also remove ads to repair damage due to collisions. Recreation of ad material is the responsibility of the contractor.

TAG AA Response:

In the case that AATA removes ads in order to repair damage not due to TAG AA or subcontractor error or neglect that is not the responsibility of TAG AA or the advertiser, TAG AA proposes that AATA must give notice to contractor within forty-eight hours and

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TAG AA will credit the client's contract, at the client's choice and discretion, to either add time lost to the end of the advertising contract for time bus is out of service, or a prorata dollar credit. In the case that the advertisement consists of date or time sensitive material, the client will usually want a dollar credit as opposed to an extension of contract. TAG AA will use its best discretion to find the best solution for all parties which may lead to a full credit to client including printing costs. Any credits, costs or charges received will be deducted from revenue portions as credited or applied from both TAG AA and AATA revenue equally. Any contractor stating differently than the TAG AA position is not being realistic in such proposal.

- C. A bus will not be taken out of service to facilitate the Contractor in the performance of the Contract. The Contractor shall submit in writing, at least 48 hours in advance the bus number(s) that will be needed to apply advertising.

TAG AA Response:

This is not always feasible since all AATA buses may not be in the facility ready for install depending on AATA installation scheduling. However, every effort will be made to comply. At current TAG AA schedules certain buses and gives installers alternate buses should the designated buses not be in the facility at time of installation or are in service at the time. Any contractor stating differently than the TAG AA position is not being realistic in such proposal.

2.7 OPERATING REQUIREMENTS

- A. AATA reserves the right to add to or reduce the number of vehicles from its inventory without the permission from the Contractor and without any penalty to AATA. AATA also reserves the right to change or modify the physical appearance of its vehicles for safety and/or other reasons without permission or remuneration to the Contractor for either reduction in the saleable space or the reduction in time of bus availability when the vehicles are removed from service for repairs.

TAG AA Response:

Should AATA keep the minimum guarantee payment concept, a reduction in the number of vehicles would seriously impact the overall expectations of potential revenue forming the basis for initial calculation of the proposed minimum guarantee payment. Potentially, a dramatic reduction could make performance of the contract impossible for the contractor. TAG AA is suggesting on 50% of net revenue collected, as is explained in the Amendment to the current contract. See Section J-3, Appendices, Amendment. This would not affect the contract percentages and adjustments throughout the contract term should AATA decide to modify, adjust, add or reduce the quantity of buses or ad formats being offered. Any contractor stating differently than the TAG AA position is not being realistic in such proposal.

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- B. AATA may make changes in its routes which may affect the level or scope of advertising.

TAG AA Response:

This cannot be accomplished without adjusting minimum guarantee offerings by AATA and such adjustment will be based on how it will impact Contractor either positively or negatively. This can easily be adjusted with what we are proposing with a "net revenue received" 50% split. Any contractor stating differently than the TAG AA position is not being realistic in such proposal.

2.9 ALLOCATION OF ADVERTISING SPACE

- A. AATA reserves 10% of all interior advertising space and at least twenty (20) motor coaches (currently eighteen (18) hybrids and two (2) non-hybrids for exterior advertising, and is subject to change as the fleet changes) for its own use. Proposer may include the cost of printing and installing AATA advertising in this space as an option. The 10% reservation will be measured by space, not time.

TAG AA Response:

In reference to the fleet being subject to changes, TAG AA believes it would be best to steer away from a minimum guarantee fee because this creates issues and changes must be reflected in the guarantee fee. Since the quantity and bus ad format is subject to change, any changes must be reflected in the minimum guarantee fee. With the 50% of net revenue collected as we have been operating the contract since September 2009, this would impact both TAG AA and AATA evenly from a revenue and opportunity basis and without the adjustments necessary in the minimum guarantee. The printing and labor are bid on an RFP basis for AATA's own use. Any contractor stating differently than the TAG AA position is not being realistic in such proposal.

- B. Media trade advertising will be permitted.

TAG AA Response:

TAG AA suggests in the case of a trade contract, Contractor will pay 25% of AATA revenue sharing in cash, when the trade benefits the Contractor only, and 100% in trade value for trade when the outside trade value will benefit both AATA and TAG AA interests together (i.e. magazine ads, self promos, radio spots, etc.) Pre-approval would be required in writing from AATA on a case by case basis.

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C. Full wraps are not permitted.

TAG AA Response:

We propose the limited formats which are considered partial wraps that maximizes exposure amongst local businesses, maximizes opportunity and revenue and are already approved by AATA for contractor to sell. These limited offerings which TAG AA has been offering since September 2009 (See Section J-3, Appendices) allow TAG AA an opportunity to be in discussions with clients interested in using the wrap format which has become standard in the industry with ad agencies. Should the formats ever change, any changes must be reflected in the minimum guarantee fee. With the 50% of net revenue collected as we have been operating the contract since September 2009, this would impact both TAG AA and AATA evenly from a revenue opportunity basis and without the adjustments necessary in the minimum guarantee. The printing and labor are bid on an RFP basis for AATA's own use. Any contractor stating differently than the TAG AA position is not being realistic in such proposal.

D. The Contractor shall not install any advertising which covers vehicle windows, including two back windows, access doors, and lights or in any way interferes with the safe operation and general maintenance of the bus. All body joints must be open for drainage.

TAG AA Response:

TAG AA suggests using the formats in our product offerings that we are currently establishing as a valid ad medium in Ann Arbor. (See Section J-3, Appendices) We propose the limited formats which are considered partial wraps that maximizes exposure amongst local businesses, maximizes opportunity and revenue. These limited offerings which TAG AA has been offering since September 2009 allow TAG AA an opportunity to be in discussions with clients interested in using the wrap format which has become industry standard with ad agencies.

E. The AATA reserves the right to define the size and placement of the advertising material. The size and placement of ads can be modified by the AATA at any time during the contract.

TAG AA Response:

With a minimum guarantee fee, all these variables will need to be considered in the minimum guarantee fee and adjusted accordingly in participation with contractor. If the "50% of received net revenue" method applied, one could adjust accordingly without need for change of impact issues and percentage adjustments.

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2.10 AATA ADVERTISING POLICY

A. The AATA, by permitting commercial advertising in or on its vehicles, shelters, informational material, buildings, and benches, does not thereby intend to create a public forum. Further, AATA requires that such advertising comply with specified standards to further the purposes of providing revenue for AATA, increasing ridership, and assuring that AATA riders will be afforded a safe and pleasant environment. AATA reserves the right to approve all advertising, exhibit material, announcements, or any other display and their manner of presentation. All advertising must be in considered in good taste and shall uphold the aesthetic standards as determined by AATA.

TAG AA Response:

We are ready, experienced in all facets of the approval process, willing and able to put together the same revenue sharing relationship for additional revenue on bus shelters. One has to take into consideration the costs of building and lighting such shelters as well. We could discuss and advise such as the appropriate time after approvals from local authorities on location, design, lighting, etc. We are here to help and assist at no-charge as added value as best we can to further promote AATA's bus shelter with ad placement agenda.

2.11 REVIEW OF ADVERTISING CONTENT

Before displaying any advertising, the Contractor shall first submit the material to AATA for review. AATA's review will be for content only, but shall reserve the right, in its sole discretion, to remove any advertisement it deems objectionable. Reasonable proof or clarification of statement contained in any advertisement may be required by AATA as a condition of use or continued use of advertising space.

TAG AA Response:

This is not always feasible, nor realistic for most national advertisers. Most national ad agencies plan and purchase the advertising space well in advance of and without knowing anything about the eventual creative design. TAG AA suggests that any ad posted can be removed within forty-eight hours written notice to the Contractor. When dealing with national accounts and in most cases and situations, creative is not accessible prior to budgeting and committing to the ad buy and, in a lot of situations, the actual posting. National accounts will usually budget and plan well in advance and then book the ad format and market and do the creative last. Usually they have a quick turn-around time from the time they get the creative approved by the national client, which usually has lots of people, approvals and other markets involved and goes directly to print and ships directly from the printer to our door. In most national client cases, we know the company we are dealing with but do not know of the creative copy. We use our best judgment to check as best as possible and even to the point where should

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material come to TAG AA and should we have concern that the ad not be approved, per the TAG AA standards and/or AATA advertising guidelines, then we would not post the advertisement and would contact the client. In 7 years, this has not happened yet. We suggest the current operating process and procedures which maximize opportunity and revenue for both AATA and TAG AA. Should there ever present an issue of distasteful advertising, TAG AA assumes all risk and liability for print and with the client. Any contractor stating differently than the TAG AA position is not being realistic in such proposal.

2.12 ADVERTISING POSTING AND REMOVAL

The Contractor will be responsible for posting and removing all interior and exterior bus advertising in a timely fashion in accordance with the terms of each advertising sales contract. Any dated materials, internal and external, must be removed at the end of the contract period. The Contractor will submit specifications on the material that will be used to apply the ads. The material used shall be able to be applied and removed within the normal temperature ranges in the AATA bus storage area. The material must be able to be removed without damaging the AATA decals. Upon ad removal all old adhesive residue needs to be removed.

TAG AA Response:

As previously stated, when dealing with national accounts, creative or material that they are using to print is not always easily accessible prior to posting. National accounts do not adhere to this policy and it would dramatically hurt opportunity and revenue if such policy was instituted without exceptions as TAG AA has explained in this Section. Note, there is a five day grace period for posting and removal as a part of our standard contract. It is not realistic to implement and remain consistent with all clients. Any contractor stating differently than the TAG AA position is not being realistic in such proposal.

On many buses, the adhesive applies differently to a previously repaired or painted panel, therefore the AATA decals may come off more easily. There are many reasons for damage to decals, not all due to adhesive or ad removal. On many occasions the adhesive is partially or completely damaged in the wash rack or by other means. TAG AA will work with and cooperate with AATA to rectify and place or replace decals where appropriate and in the best interest of AATA and then TAG AA clients. We have pre and post installation photos and a checklist for each install which will note any damage to AATA logos or decals, repair costs will be deducted equally from the revenue share of both parties should damage to decals be due to advertising copy posting and removal.

2.15 UNSOLD ADVERTISING SPACE

A. Any advertising space that is not sold for commercial purposes shall be filled with public, educational or charitable advertising (supplied by Contractor or AATA), or

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AATA promotions, or both. AATA shall not be required to pay a commission or fee to the Contractor for such advertising.

TAG AA Response:

With respect to unsold space, TAG AA suggests that this should be on a case-by-case basis with pre-approval by AATA in writing in advance. This should be the AATA policy. It is hard to determine who, and what the criteria are for what is considered public, charitable and educational. In such instances of approval by AATA for such organizations, then advertiser shall pay the labor rate as presented in this proposal for such ad format.

- C. The Contractor may, with AATA approval use at the Contractor's sole expense, up to half of the available unsold advertising space for its own advertisement and promotion designed to increase the sale of advertising space.

TAG AA Response:

TAG AA suggests this expense to be deducted from the total revenue sharing, with a maximum limit of \$2,000 annually at the print and posting schedule provided. Any expenses in excess of \$2,000 annually will be absorbed by TAG AA.

2.16 SALES ORGANIZATION

- B. The Contractor shall maintain a local sales office. Personnel assigned to the local sales office must have a working knowledge of the Ann Arbor business community and prepare an effective marketing plan to attract businesses. The Contractor will also be responsible for producing and distributing a sufficient quantity of promotional materials including published rate cards to advance the sales and advertising in the market.

TAG AA Response:

TAG AA currently maintains their office in Farmington Hills, only 20-30 min away from the AATA office. We have been and can continue to be successful as we have been marketing to all types of future, current and past advertisers.

2.18 ACCIDENT DAMAGE

AATA will not be responsible for accidental damage caused to advertising during operation or maintenance of the buses. The AATA may remove ads to repair damage due to collisions. Recreation of ad material is the responsibility of the contractor.

TAG AA Response:

TAG AA suggests the re-creation of ad material to be on a case-by-case basis. The Contractor (TAG AA) shall act in the best interest of all parties. Also, any expenses toward a re-creation of ad material, and re-posting labor shall be deducted from

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percentage of revenue sharing along with advertising space either credited to the client or time extended.

2.20 RECORDS, AUDITS, AND REPORTS

- B. Copies of all executed agreements shall be furnished by the Contractor to AATA on or before the tenth (10th) of the following calendar month.
- C. The Contractor shall also provide AATA with a monthly report of sales, collections, and net receivables on or before the tenth (10th) of each calendar month. A current inventory showing advertising installed on or before the tenth (10th) of each calendar month will also need to be provided by the Contractor. The report should also include space available for advertising by bus number.

TAG AA Response:

Both reports to coincide in one report with revenue as we are currently operating. At this time, we provide in one report with copies of contracts on the 15th of the month following the calendar month. See Section J-10, Appendices. This report has been effective in the past. It is simple, detailed and professional. It also eliminates repetitive reporting which creates more room for error and requires more human resources to implement for all parties to the contract.

2.21 PAYMENTS

- A. The Contractor shall send payments to AATA for its share of the advertising profits within fifteen (15) days after the end of each month in which advertising collections are received. The payment shall be supported by documentation as to the computation of profits, including gross revenue and expense data. Additional information related to these payments and their computation shall be furnished by the Contractor upon request by AATA. At the end of each twelve (12) month period, the Contractor shall provide an annual financial summary statement to AATA.

TAG AA Response:

TAG AA's financial summary will consist of:

- A. Business on books.
- B. Revenue collected.
- C. Account Receivables outstanding.
- D. Business booked but not performed in future after anniversary date.

See copy of actual report submitted in Section J-10, Appendices.

- B. It is understood that in the event that AATA's operation is suspended by employee strike, work stoppage, or lockout, war, or any other circumstance out of AATA's control, it is agreed that in such an event, payment required by the Contract shall be suspended for the duration of such event.

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TAG AA Response:

Contracts and notices will have to be prepared in advance of the event, if possible. Contractor may be responsible for cost of print material if not able to re-post, of which will be credited to the client or deducted from shared revenue. This is the fair and proper way to do good business. Otherwise, such a policy would deter reasonable and fair advertisers and portray a one-sided policy which will/can hurt advertisers or the contractor. Advance communication and preparation between AATA and TAG AA will help avoid or minimize any issues or concerns. Contractor will act in best interests of all parties and keep AATA informed of discussions.

2.22 CONTRACT CLOSEOUT**A. Removal of Material**

At the end of the contract term, or termination of contract, AATA may elect to have all advertising materials removed by the Contractor at the sole cost of the Contractor.

TAG AA Response:

This will create the following issues in both situations;

- A. A problem for revenue.
- B. Violation of contract which allows for posting/removal cost to be deducted from showing.
- C. Under contracts with advertisers, it would be easier/better to let contract run out and allow the Contractor to complete servicing the client contract until the scheduled close, which is what we suggest to implement.

B. Extended Term for Advertising Contracts

The Contractor shall be permitted to enter into advertising contracts which extend up to one year beyond the term of the Contract. All advertising contracts shall be deemed to be assigned to AATA if the Contract is terminated or upon the expiration of the term of the Contract without any further action required and all such assigned contracts shall become the property of AATA. The Contractor shall provide AATA with all advertising materials related to the assigned contracts. The Contractor hereby acknowledges and agrees that any such assignment shall be valid and enforceable against the Contractor and shall not be construed as interfering with the advertiser's contract or relationship with the Contractor, and that the Contractor shall not challenge any such assignment. Every advertising contract shall include a statement that the advertiser agrees to the assignment of the advertising to AATA if this Contract is terminated or upon the expiration of the Contract term.

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TAG AA Response:

Per Section 1.1, the contract will expire in 5 years max. AATA will pay Contractor their portion of showing costs should Contractor not perform posting/removal duties, and if so, AATA to be responsible for posting/removal costs as well.

3.6 REQUIREMENTS FOR RFP RESPONSE**G. Guaranteed Minimum and Net Revenue Share Percentage**

Proposers shall identify, for each of the five years of the contract, the guaranteed minimum monthly payment that will be made to AATA and the percentage of sales that exceed the minimum. Describe what expenses would be deducted from the gross revenues to determine the net revenue and the formula used to determine payment and percentages.

TAG AA Response:

TAG AA would like to propose a shared revenue split as opposed to a minimum monthly guarantee. The net revenue would consist of the net showing costs portion (excludes labor from total per schedule) of the contract per the advertiser's contract less 15% agency costs, then split 50/50 between contractor and AATA. See Section J-3, Appendices, Contract Amendment, which states:

" . . . Contractor will pay to AATA monthly 50% of its "Net Revenue" collected during the term of this contract. . . . each month's payment shall be made on or before the fifteenth day of the succeeding month. Time is of the essence in the making of any payments by Contractor to AATA. "Net Revenue" is equal to the gross revenue collected by Contractor for advertising sales during the Contract term, less the advertising agency discount of 15% on all counts (whether given to client or sold in house), less Contractor's posting and removal costs in accordance with the Contract's pricing schedule."

5.1 TERMINATION**A. Termination for Convenience**

AATA may terminate this Contract, in whole or in part, at any time by written notice to the Contractor when it is in AATA's best interest. The Contractor shall be paid its costs, including contract closeout costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to AATA to be paid. If the Contractor has any property in its possession belonging to AATA, the Contractor will account for the same, and dispose of it in the manner AATA directs.

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TAG AA Response:

If TAG AA has any property in its possession belonging to AATA, the Contractor will account for the same, and dispose of it in the manner AATA directs in writing.

TAG AA ADDITIONAL EXPLANATIONS REGARDING POTENTIAL ADDITIONAL SOURCES OF REVENUE:

Any additional sources of revenue to stay at 50/50 split of profit/net revenue less a deduction of 15% agency commission on all products and less the designated labor/posting/removal costs or other pre-approved or written understanding between AATA and TAG AA. Payment for additional revenue sources (non-bus) will be made in the same manner as bus advertising revenue on the 15th of the month following month end.

Besides this, TRANSIT ADVERTISING GROUP AA has no exceptions to or deviations from the requirements of the RFP.

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EXHIBIT C

The Company's involvement in the regional ad community and the efforts of the CBS Outdoor Southeastern Michigan sales organization has also resulted in the establishment of long term, mutually beneficial relationships with virtually every local, regional and national advertiser interested in targeting the area.

Short resumes of the key members of CBS Outdoor's Southeastern Michigan team are included below.

Thomas Carroll
Vice President Michigan Region
Project Manager

Mr. Carroll began his career in outdoor advertising when he joined CBS Outdoor as an Account executive in 1977. He has held various sales and management positions in Grand Rapids, Chicago and has been based in Detroit since 1992. He is responsible for the management of all CBS Outdoor properties in Michigan. Mr. Carroll serves as the President of the Outdoor Advertising Association of Michigan (OAAM), served on the Board of Directors for the Michigan Chamber of Commerce and is a member of the Ad-craft Club of Detroit.

Mr. Carroll is a graduate of Grand Valley State University and holds

Robert Hawkins
Displays Sales Manager

Mr. Hawkins serves as the company's liaison with the local Detroit Transit Agencies and area malls. He is also responsible for selling, coordinating and servicing local and national business. His duties also focus on marketing the Displays Division products and assisting others with the pertinent details to also be effective in selling them. He has been employed in outdoor advertising for the past seventeen years. Prior to joining the CBS Outdoor, Mr. Hawkins conducted sales seminars, training sessions and various marketing

related duties for the Bristol Myers Squibb Corporation and the Kimberly Clark Corporation. Mr. Hawkins is an active member with several local and national non-profit organizations where he holds positions of varying degrees.

Mr. Hawkins is a graduate from Eastern Michigan University and holds a BS in Industrial Distribution with a minor in Marketing.

Cathy Karl
Midwest Marketing Manager

Ms. Karl's responsibilities include, on a local and national basis, to manage, maintain, support, assist the Detroit Market and the Midwest Region (Detroit to the St. Louis), in marketing, mapping & research. She provides account executives, charters, managers and clients a clear view of the Midwest Markets psychographics & demographics, mapping data/inventory of specialty maps, reach & frequency, CPM's, audience deliveries and statistical information. She is responsible for the distribution of up-to-date information to the Midwest Markets for all marketing purposes, as well as the upkeep of CBS Outdoor's marketing programs with the latest information. Ms. Karl provides presentations to clients and advertisers whenever needed. She also answers and explains any research/demographic inquiries they may have. She is well versed in various research programs (Scarborough, Claritas, Imark, MapInfo, MRI (Telmar), Consumer Point & Business Point.

David A. Lamberti
Creative Director

Mr. Lamberti serves as a creative consultant to Ad Agencies and clients alike. He and his in-house team of Art Directors and Designers provide clients with hundreds of effective advertising solutions on an annual basis. His expertise in the field of out-of-home has taken him around the country lecturing before



large agencies, colleges and outdoor industry gatherings.

Before beginning his thirteen-year career with CBS Outdoor Mr. Lamberti served as Director of Advertising for two prominent retail chains and has been an adjunct faculty member at the College for Creative Studies in Detroit since 1993.

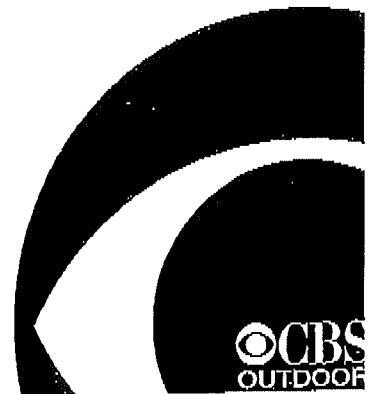
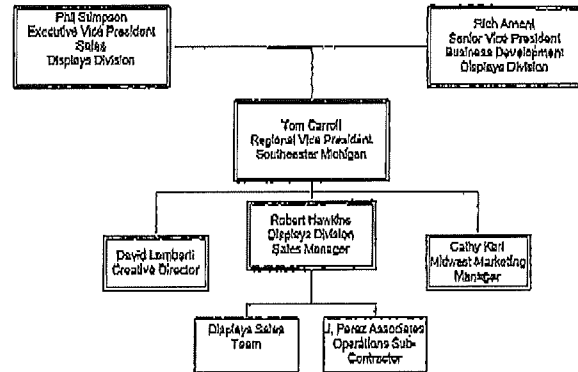


EXHIBIT D

Amanda Elias

From: Frohriep, Donnie <donnie.frohriep@cbsoutdoor.com>
Sent: Monday, July 23, 2012 12:26 PM
To: Amanda Elias; Jared Valade
Subject: FW: Announcement

FYI

Donnie Frohriep Jr.
CBS Outdoor Detroit
313-556-7103

From: Carroll, Tom F
Sent: Monday, July 23, 2012 11:46 AM
To: @CBS Outdoor - Detroit
Cc: Stimpson, Phil E; Duff, Kelly D; Brozo, Adam J
Subject: Announcement

Due to a consolidation of the management function in Detroit's transit operation, the position of Display Manager in Detroit has been eliminated, effective immediately. We wish Robert Hawkins well in his future endeavors.

If you have any questions regarding transit sales or customer service, please direct them to Bob Brown or me.

Thank you.

Tom Carroll
VP Central Region
Tom.carroll@cbsoutdoor.com

Phone 313-556-7120 Fax 313-872-8066
88 Custer Ave. • Detroit • MI 48202



EXHIBIT E

Exceptions and Deviations

OCBS Outdoor has no exceptions or deviations related to the requirements of the Ann Arbor Transportation Authority Request for Proposals.



EXHIBIT F

Enterprise as our operations sub-contractor. J. Perez specializes in transit advertising services and has been managing bus operations on our behalf since 1992. Perez currently provides these services for us in Washington, DC, Atlanta, Miami, Los Angeles and Detroit and will add the Ann Arbor fleet if we are fortunate enough to be selected. The J. Perez team is fully invested in the CBS way and is held to the very same standards we would hold any of our directly employed operations teams.

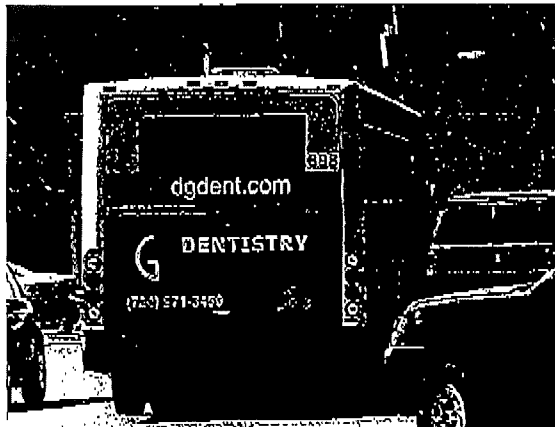
Quality Control

Under the heading of "Everyone Sells," comes the realization that everyone is responsible for the finished product. At CBS Outdoor we have implemented tools that provide us with great visibility into our entire business, these tools allow us to efficiently manage our inventory, give us insight into rate trends and demand, allow us to understand the exact circumstance of every poster we install and to track dated copy and deliver credible "proof of performance" to our clients. But these tools alone cannot ensure that our displays look good 100% of the time. Part of the beauty of the fact that transit advertising is "Always On" is the fact that it is always visible to the people who are responsible for it and those people take their responsibility very seriously.

Advertising Standards

At CBS Outdoor we continuously work with our clients to ensure compliance with the advertising policies of the transit agencies we work for. Our goal is to never embarrass and to only reflect positively on our transit authority senior partners.

In many cases, we have the opportunity to review advertiser copy and content in advance and this provides us with the ability to work directly with our clients to ensure compliance. If modifications to the advertising



content or images are necessary we can address those in advance before the client goes to production. In other cases our first opportunity to examine the content is when the creative arrives at our warehouse for posting. In this case, our first line of defense is with the receiving people and all of these employees are well briefed on transit authority and CBS Outdoor's ad policies. If there is any reason to believe that the content or creative approach to any particular ad is questionable, it is immediately referred to our operations liaison for review. If the ad is problematic, our liaison will work with the account executive on the program to have the client correct the problem prior to posting.

In the rare instance where a client is insistent or local staff is unsure, the advertising copy is referred to our in-house content review committee which is comprised of our General Counsel, VP Human Resources and EVP Marketing and based on their position we either accept, reject or refer the ad. No ad that is questionable is installed without going through the appropriate vetting process.

Billing, Collections, Payables and Accounting

CBS Outdoor maintains its Shared Services Group, at our Fairfield, NJ facility. This group manages all aspects of the company's day to day financial operation including billing and accounts receivable, accounts payable and all phases of our financial reporting and audit requirements. As a division of a publicly held company, compliance is always top of mind and under the enhanced reporting requirements of the Sarbanes-Oxley Act the company takes accurate accounting and timely reporting very seriously. All CBS Outdoor billing and reporting begins in our own proprietary Contract Management System (CMS) which insures that all appropriate internal controls related to contract and billing management are strictly adhered



August 31, 2012

Mr. Randy Oram
President
Transit Advertising Group AA, LLC
28423 Orchard Lake Road, Suite 210
Farmington Hills, MI 48334

Dear Mr. Oram:

I am in receipt of your Protest after Award for AATA Request for Proposal (RFP) 2012-11 for Bus Advertising Services.

I have reviewed the procurement files and spoken with Michelle Sanders of our Purchasing Department about each concern detailed in your Protest. My finding to each point is presented below by order in which they appeared in your Protest. For organizational purposes, text from your Protest appears in bold; text quoted from the RFP or AATA Procurement Manual appears in italics.

THE GROUNDS FOR THIS PROTEST ARE:

- A) The successful Proposer submitted a nonresponsive proposal, and**
- B) The state Evaluation Criteria as set forth in Section 3.9.C of the RFP were not observed.**

TAG AA believes that, overall, the RFP specification and requirements were not realistic in terms of actual operation of the Bus Advertising Serviced contract.

Section 3.2 of the RFP states:

B. At any time during this procurement up to the time specified, Offeror's may request in writing, a clarification or interpretation of any aspect, or a change to any requirement of the RFP or any addenda to the RFP. Requests may include suggested substitutes for specified items and for any brand names. Such written requests shall be made to the Contracting Officer. The Offeror making the request shall be responsible for its proper delivery to AATA. AATA will not respond to oral. Any request for a change to any requirement of the contract documents must be fully supported with technical data, test results, or other pertinent information evidencing that the exception will result in a condition equal to or better than that required by the RFP, without substantial increase in cost or time requirements. Any responses to such written requests shall be provided by the AATA in the form of addenda

only. Only written responses provided as addenda shall be official and no other forms of communication with any officer, employee or agent of the AATA shall be binding on AATA.

C. The Offeror's Request for Clarifications must be received by Tuesday, May 1, 2012 at 12:00 p.m.

D. If it should appear to a prospective Offeror that the Scope of Services, is not sufficiently described or explained in the RFP or Contract documents, or that any conflict or discrepancy exists between different parts thereof or with any federal, state, local law, ordinance, rule, regulation, or other standard or requirement, the Offeror shall submit a written request for clarification to the AATA within the time period specified.

In accordance with the RFP which was issued April 23, 2012, TAG AA (and all potential Proposers) had until May 1, 2012 at 12:00 p.m. to submit concerns, questions, requests for clarifications including as stated in the sections above any request for a change in RFP specifications. TAG AA did not submit any communication within this time period nor any time prior to the June 5, 2012 proposal deadline.

TAG AA did include numerous deviations and exceptions with its proposal. In its' protest, TAG AA states: **"TAG AA was aware of, and acknowledged, realistic capabilities of the vendor/contractor in performing and operating the contract. TAG AA affirmatively stated their realistic expectation in operating the contract as exceptions and deviations (Exhibit B). Any other proposer of the contract should have the same exception and deviations."**

TAG AA did not submit any communication, let alone a request to edit or change the RFP specifications at any time during the RFP process. This includes any questions or requests for clarifications by the May 1, 2012 at 12:00 p.m. or prior to the RFP proposal deadline of June 5, 2012 at 2:00 p.m. TAG AA first communicated any disagreement it had with the RFP specifications within their submitted proposal. Had TAG AA communicated its objections of the RFP specifications to AATA, those objections and AATA's response would have been shared with all potential proposers prior to the RFP proposal deadline. All potential proposers would then have the same information TAG AA felt all potential proposers needed to bid on the same specifications.

TAG AA had ample opportunity to share questions, requests for clarifications and requests for changes to the RFP prior to RFP proposal deadline and failed to make any communication to AATA during this time. Therefore, AATA did not have the opportunity to entertain any changes TAG AA would propose, to make decisions on changes requested and to share any changes to all potential proposers. While AATA remains satisfied with the RFP specifications and may not have necessarily made the changes TAG AA would have suggested, AATA would have shared TAG AA's suggestions with all potential proposers making them aware of the issues as TAG AA identified them.

TAG AA made their inability to meet the specifications of the RFP known in its proposal. That other proposers do not suffer from the same limitations as TAG AA, does not mean that these other proposers are unrealistic in their ability to meet the specifications as included in the RFP.

Not all proposers have identical sets of skills, talent, experience and influence. The fact that one proposer is unable to meet the requirements of the specifications does not mean that all proposers are unable to meet the same requirements.

A. The Successful Proposer Submitted a Nonresponsive Proposal

Non-Response to “Proposed Staffing Requirements

That the listed key personnel will be employed by the vendor or contracted by the vendor and will be assigned to the project in the manner prescribed. The key personnel identified as being essential to the project will not be removed from the project without written approval from AATA.

AATA approves the removal of Mr. Hawkins from the project team and will provide appropriate written communication.

The Awardee’s proposal did not contain the required certification.

The RFP did not require any particular professional certification whether by the firm or personnel.

The Awardee’s proposal does not indicate the name individual’s availability for the AATA project, nor does it indicate their anticipated work load, as required by the RFP specifications. There was no certification that listed key personnel would be employed by the Awardee in the manner prescribed.

The Awardee did address to AATA’s satisfaction the personnel that would be working on any contract resulting from the RFP. Resumes for key personnel were included with the Awardees’ proposal. Though the RFP did not specify a preference for local personnel, the Awardee included information regarding its national as well as local personnel in its proposal. The Awardee has more than 60 CBS Outdoor employees working in Southeast Michigan. AATA finds this level of staffing to be more than adequate.

The Awardee’s proposal does not state that New York based employees would not have role in the contract resulting from the RFP. AATA finds that locally-based employees are qualified to work on the contract resulting from the RFP.

Non-response to Requirement to State Exceptions and Deviations

Section 3.6.F of the RFP requires that “Proposers shall state any exceptions to or deviations from the requirements of the RFP. Where Offeror wishes to propose alternative approaches to meeting AATA’s requirements, these should be thoroughly explained.

Not all proposers had exceptions or deviations to their proposals. Without including exceptions and deviations, these proposers are proposing to meet the requirements of the RFP and enter into a contract resulting from the RFP.

TAG AA did have exceptions and deviations that were stated in its proposal. This is an indication that TAG AA is therefore unable or unwilling to meet the stated requirements of the RFP and any contract resulting from it.

Section 2.11 REVIEW OF ADVERTISING CONTENT provides that “before displaying any advertising, the Contractor shall first submit the material to AATA for review. AATA’s review will be for content only, but shall reserve the right, in its sole discretion, to remove any advertisement it deems objectionable. Reasonable proof or clarification of statement contained in any advertisement may be required by AATA as a condition of use or continued use of advertising space.

AATA does not agree with TAG AA’s assessment that the Awardee will disregard or fail to include AATA in development of advertisement content. Indeed, the Awardee states in its proposal “At CBS Outdoor we continuously work with our clients to ensure compliance with the advertising policies of the transit agencies we work for.” In addition, the Awardee has signed their proposal without exception or deviation to demonstrate their willingness and ability to meet the requirements of the RFP and resulting contract.

B. Stated Evaluation Criteria as set Forth in Section 3.9.C of the RFP was not Observed.

The Awardee’s proposal indicated nothing about material application, removal or maintenance other than that the actual application will be sub-contracted out to another firm.

The Awardee has indicated in their RFP that it will subcontract with J Perez Associates for “all aspects of our transit advertising operations”. This has been confirmed by the Awardee during subsequent conversation.

There is an implication that the local sales office will be located in their existing Detroit offices...but nothing specific to the local Ann Arbor/Washtenaw County areas.

The RFP did require proposers to have a local sales office. The Awardee does have an office in Detroit which meets AATA’s requirement. Likewise, TAG AA’s office is located in Farmington Hills, a location that has met AATA’s requirements.

In reviewing each concern outlined in TAG AA’s Protest, I find the following:

- AATA’s policies and procurement procedures have been adhered to
- the RFP specifications are realistic and reflective of the services for which AATA is contracting
- the requirements of the RFP have been met by the Awardee
- the Awardee is willing and able to meet the requirements of the RFP and resulting award
- TAG AA, by virtue of its proposal, is either unwilling or unable to meet the requirements stated in the RFP and resulting award

In addition, Section 4.4.C of the RFP states *"Proposals will be evaluated, negotiated, selected and any award made in accordance with the criteria and procedures described in this section. Subject to AATA's right to reject any or all proposals, the Offeror will be selected whose proposal is found to be most advantageous to AATA, based on consideration of the criteria."*

AATA has selected the proposer that offers the most advantageous value to AATA.

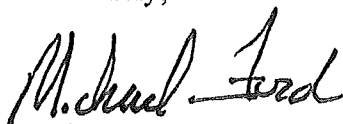
Further, as indicated in the same section of the RFP *"Any individual or entity may file a protest with AATA alleging a violation of applicable federal, state law and/or AATA policy or procedure relative to seeking, evaluating and/or intent to award a procurement contract."*

AATA has not violated any applicable federal, state law and/or AATA policy or procedure by awarding this contract to CBS.

I appreciate that TAG AA is disappointed to have its contracting relationship with AATA come to a close and I sincerely hope that this communication dispels any concern that TAG AA may have regarding the validity of AATA's procurement process and choice of Awardee.

I wish you the best in your future endeavors.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Ford". The signature is fluid and cursive, with the first name "Michael" and last name "Ford" clearly distinguishable.

Michael Ford
Chief Executive Officer