

CITY COUNCIL STAFF REPORT

DATE:

MAY 7, 2014

CONSENT CALENDAR

SUBJECT:

APPROVE AN ADVERTISING CONTRACT WITH THE DESERT SUN FOR

DISPLAY AND LEGAL ADVERTISING FROM APRIL 15, 2014, THROUGH

MAY 15, 2015.

FROM:

David H. Ready, City Manager

BY:

Chief of Staff/City Clerk

SUMMARY

The City Council will consider the approval of a contract for advertising with *The Desert Sun* for the period ending May 15, 2015, at per unit prices with a minimum of \$65,000 for display and on-line advertising.

RECOMMENDATION:

- 1. Approve an Advertising Agreement with *The Desert Sun* for legal and display advertising for one-year ending May 15, 2015.
- 2. Authorize the City Manager to execute the Advertising Agreement. A5109.

STAFF ANALYSIS:

Various City Departments use the *The Desert Sun* for advertising. The bulk of the advertising is legal advertising required by law, as such the City has no other legal advertising choice, as *The Desert Sun* is the only adjudicated publication that qualifies for legal advertising in the City.

While advertising costs are not entirely predictable, staff estimates \$65,000 annual revenue commitment for this contact year, is well within the City's reach.

FISCAL IMPACT:

The advertising requires an annual revenue commitment of the City in the amount of \$65,000 (for display and on-line advertising) for April 15, 2014 through May 15, 2015.

Item No. 2.D.

Funds are budgeted in various Departments that utilize display advertising, classified advertising, and legal advertising.

JAMES THOMPSON Chief of Staff/City clerk DAVID H. READY City Manager

Attachment:

Advertising Contract The Desert Sun Publishing Co.

ADVERTISING AGREEMENT

(THE DESERT SUN PUBLISHING CO.)

This Advertising Agreement is made between The Desert Sun Publishing Co. and **City of Palm Springs** on this 10th day of **April, 2014** and sets forth the terms and conditions upon which the Company shall display the advertising material provided by the Advertiser on Company's properties.

WHEREAS Company is the publisher of The Desert Sun and its affiliates and Advertiser wishes to purchase print or online advertising space in said Company or website, Company and Advertiser agree as follows:



- 1. <u>Advertising Commitment.</u> Advertiser shall purchase a minimum of **\$65,000**_during the Agreement term, of which no less than **\$0**_will be in digital format, at the rates indicated in the Company's rate schedule (Schedule 1), which is incorporated herein by reference and made part of this Agreement, subject to the rate revision provisions of Paragraph four (4) below.
- 2. <u>Term of Agreement</u>. The Agreement shall commence on the **15**th day of <u>April, 2014</u> (the "Effective Date") and end on the <u>15th</u> day of <u>April, 2015</u>.
- 3. If, after the agreement period is completed the Advertiser shall have used less space than agreed to in Paragraph (1) above, Advertiser's rate for all space used during the agreement term shall be adjusted to the appropriate rate indicated on the Company's current rate schedule, and Advertiser shall pay the difference.
- 4. The terms and conditions of the Company's rate card, a copy of which has been provided to the Advertiser, are incorporated herein by reference. If any terms or conditions of the rate card conflict with the terms of this Agreement, the terms of this Agreement shall govern. The Company may revise its advertising rate schedule at any time upon 30 days' written notice to Advertiser, and Advertiser may, without penalty, cancel this Agreement at any time prior to the time the new rates become effective upon prior written notice to the Company.
- 5. Company may, in its sole discretion, edit, classify, or reject at any time any advertising copy submitted by Advertiser for either print or online.
- 6. Advertiser shall make payment within 15 days of the billing date indicated on Company's statement, and, in the event that it fails to make payment within such time, Company may reject advertising copy and/or immediately cancel this Agreement and Advertiser agrees to indemnify Company for all expenses incurred in connection with the collection of amounts payable under this agreement, including court costs, collection fees, attorney's fees and applicable interest. If this agreement is cancelled due to advertiser's failure to make timely payment, Company may re-bill Advertiser for the outstanding balance due at the open or earned agreement (contract) rate, whichever is applicable. Advertiser agrees to pay a service charge of 1.5% per billing cycle (18% per annum) or the legally allowable rate (whichever is lower) if account is not paid according to the terms outlined in this paragraph.
- 7. If Advertiser utilizes an agency ("Agency"), Advertiser and Agency shall be jointly and severally liable for complying with all the terms of this Agreement, including payment for all advertising. Agency commissions, if any, shall apply to all space charges and adjustments under this Agreement.
- 8. This Agreement renders void any statements concerning liability which appear on correspondence from Agency or Advertiser and is irrevocable without the written consent of the Company's Credit Department. It is further agreed that the Company does not accept advertising orders or space reservations claiming sequential liability.
- 9. When orders are forwarded by Advertiser or its Agency which contain incorrect rates or conditions, the advertising called for will be inserted and charged at the correct rate in force governing such advertising as provided for in the Company's rate schedule, as may be revised pursuant to Paragraph (4) above, and in accordance with the conditions contained herein.

Desert Sun Media Group

750 North Gene Autry Train

Palm Springs CA 92262

MyDesert.com

760.322.8889

DS Acct: 212271
Departments: 1114, 1150, 1231, 1270, 1400, 2510, 2550, 2710, 3010, 6003

ADVERTISING AGREEMENT (cont)

- 10. The Advertiser or its Agency warrant and represent that any material submitted to the Company is original, does not violate any law or regulations or infringe the copyrights, trademarks, trade names or patents of any other person, entity or corporation, and contains no matter which is libelous, an invasion of privacy, an unlawful appropriations of the name or likeness, or is otherwise injurious to the rights of any other person, and that Advertiser or its Agency has obtained all necessary consents prior to submission to the Company. Advertiser further agrees that all desired corrections and modifications to the advertisement in progress shall be submitted to the Company for modification. The Advertiser will not have access to perform HTML code modifications itself, either directly or through the use of any HTML editing software program, nor will Advertiser allow any other individual to make such modifications on any of our sites.
- 11. This Agreement cannot be invalidated for typographical errors, incorrect insertions or omissions in advertising published. The Company agrees to run a corrective advertisement for that portion of the first insertion which may have been rendered valueless by such typographical error, wrong insertion or omission, if not the fault of the advertiser. Advertiser shall notify the Company of such errors in time for correction before the second insertion. The Company shall not be liable to Advertiser for any loss that results from the incorrect publication (including, without limitation, typographical errors), incorrect insertion or omission of Advertiser's advertisements.
- 12. Whenever in the judgment of the Company any advertisement bears resemblance to news matter, or is of such a character as to convey to the reader that it is news, or advertisements in cartoon technique or comic strip form, classification head "PAID ADVERTISEMENT" will be placed over the column.
- 13. A composition charge in addition to contract or transient rates shall be paid by advertiser for intricate layout, copy calling for type to be set on the bias, circles and other difficult composition and revisions of original copy.
- 14. Advertisements in excess of 19 inches in depth shall be billed at a full column.
- 15. The Company shall not be responsible for any drawings, art work, photographs, engraving plates, or mechanicals furnished by the Advertiser to be used in advertisements unless written instructions to return at Advertiser's expense are furnished with order.
- 16. The Advertiser agrees to pay for all special art work and materials furnished by the Company at the request of the Advertiser, and for composition if advertising ordered is not published.
- 17. The Advertiser understands that every effort will be made to accommodate placement requests, however placement is not guaranteed in a specific section or on a specific page. To guarantee ad placement, ad size must be a minimum of 31.5 column inches and a 25% surcharge will be added to the total cost of the ad schedule. Guaranteed positions are based on availability.
- 18. Specifications on orders for the use of any page or barring the placing of advertising on any page or relating to the kind of news or advertising on the page shall not be guaranteed and shall be treated as requests only.
- 19. Advertiser agrees to indemnify, defend and hold harmless the Company from all claims (whether valid or invalid), suits, judgments, proceedings, losses, damages, costs and expenses, of any nature whatsoever (including reasonable attorneys' fees) for which the Company or any of its affiliates may become liable by reason of the content of the advertising or Company's publication of Advertiser's advertising.
- 20. All advertising copy which represents the creative effort of the Company and/or the utilization of creativity, illustrations, labor, composition or material furnished by it, is and remains the property of the Company, including all rights of copyright therein. Advertiser understands and agrees that it cannot authorize photographic or other reproduction, in whole or in part, of any such advertising copy for use in any other medium without the Company's prior written consent.
- 21. If any federal, state or local taxes are imposed on the printing of advertising material or on the sale of advertising space, such taxes shall be assumed and paid by Advertiser.
- 22. This Agreement may not be assigned or transferred by Advertiser or Agency.
- 23. The effectiveness of this Agreement is subject to a satisfactory credit check on Advertiser and/or Agency. Company requires a completed credit application on all new Advertisers and Agencies. Advertiser and Agency agree to prepay for advertising if credit application is not approved. If credit application is not submitted, Advertiser or Agency agrees to prepay for all advertising until credit application is received and approved. Advertiser or Agency agrees to provide an updated credit application if Company requests one. Advertiser and/or Agency give Company permission to request a credit bureau report on Advertiser and/or personal guarantor of this Agreement.
- 24. Any claim by Advertiser for a credit related to rates incorrectly invoiced or paid must be submitted in writing to the Company within twenty-five (25) days of the invoice date or the claim will be waived.
- 25. Advertiser consents to receive facsimile communications from Company regarding its goods and services at the following facsimile number(s):_______.

ADVERTISING AGREEMENT (cont)

- 26. Advertiser agrees to accept electronic tearsheets from Company. If Advertiser requests paper tearsheets, Advertiser agrees to pay \$25 per tearsheet.
- 27. The parties agree that a signature transmitted by any electronic means shall be deemed original for all purposes hereunder.
- 28. This Agreement is conditional on strikes, fires, acts of God or the public enemy, war, acts of terrorism, or any cause not subject to the control of the Company, excluding the Advertiser's failure and/or inability to perform. Further, the Company makes no representation or warranties that online service on which advertisement will be transmitted hereunder uninterrupted or error-free and the Company will bear no liability related to such interruptions or errors.
- 29. The Company does not guarantee any given level of audiences. The Company will verify areas of adjudication upon request, and agrees to notify advertiser of any change of adjudication status within 30 days of such change.
- 30. This Agreement constitutes the complete understanding of the parties and supersedes all prior agreements, understandings, negotiations and/or arrangements between the parties and cannot be amended except in writing and signed by an authorized representative of each party. The Company's advertising sales or customer representatives are not authorized to amend or modify the terms of this Agreement and/or the Company's Rate Card terms, either orally or in writing.
- 31. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

The parties represent, by the signatures below, that this Advertising Agreement has been executed by their duly authorized representatives as of the Effective Date.

The Desert Sun Publishing Co.	City of Palm Springs	
Lisa Shore / Date	Amy Blaisdell / Date	
Sara Weaver, Advertising Manager / Date		

SCHEDULE 1

ADVERTISING & MARKETING SERVICES RATES

THIS SCHEDULE 1 to the Advertising Agreement (the "Agreement") dated the 15th day of April, 2014 (the "Effective Date"), is executed by City of Palm Sorings ("Advertiser"), and The Desert Sun Publishing Co., ("Company"), in order to describe the ADVERTISING & MARKETING SERVICES RATES for the Advertiser during the Agreement term. This Schedule 1 is hereby incorporated into the Agreement and shall be governed by its terms. In the event of a conflict between the terms and conditions of this Schedule 1 and the Agreement, the terms of the Agreement shall prevail unless the Agreement expressly contemplates that the inconsistent term may be varied in this Schedule.

- 1. <u>Digital Display Rates</u>. The rates for digital display advertising on the Company's local and national network shall adhere to the Company's Digital Rate Card, published and effective March, 2013 (see Exhibit A attached). The Advertiser has hereby agreed to meet the <u>Open Rate</u> digital spending level during the contract term, and will earn a <u>0% Discount</u> on all Digital Display Rates during the contract term, outlined in Exhibit A (attached).
- 2. <u>Digital Marketing Services Rates</u>. The Digital Marketing Services Rates outlined herein are based upon the Company's Digital Marketing Services Rate Card, published and effective <u>March</u>, 2013 (see Exhibit B attached).
- 3. <u>Desert Magazine Rates</u>. The Desert Magazine Rates outlined herein are based upon the Company's Desert Magazine Rate Card, published and effective <u>January</u>, 2013 (see Exhibit E attached). The Advertiser will earn the 10X rate during the contract term.
- 4. <u>Desert Outlook Rates</u>. The Desert Outlook Rates outlined herein are based upon the Company's Desert Outlook Rate Card, published and effective <u>January</u>, 2013 (see Exhibit F attached). The Advertiser will earn the <u>10X</u> rate during the contract term.
- 5. Other Advertising Rates. The Other Advertising Rates outlined herein shall be earned based upon fulfillment of the Advertising Commitment, as outlined in Paragraph 1 of the Advertising Agreement.

Placement	Description	Rate/CPM
Desert Sun ROP B&W Rate	Black & White, any size, any frequency	\$34.00 PCI
Desert Sun ROP Color Rate	Full Color, any size, any frequency	\$42.00 PCI
Desert Sun ROP Color Rate	Full Color, any size, any frequency	\$18.00 PCI
Legal Advertising	Per line per day	\$1.09
Mydesert Weekly	East, Full Page, Full Color	\$900.00 per ad
Mydesert Weekly	East, Full Page, Black and White	\$660.00 per ad
Glossy Printed Insert Rate	Printing, Insertion, and Delivery	Rate Card
Tab Ons	Printing, Insertion, and Delivery	Rate Card
Mydesert weekly Insert	4 page, full color	\$4,259 total
Mydesert weekly insert	6 page, full color	\$5,280 total
Mydesert weekly insert	8 page, full color	\$ 5,720 total
Mydesert weekly insert overrun	Overrun option per 1K copies	\$275

The parties represent, by the signatures below, that this Schedule 1 has been executed by their duly authorized representatives as of the Effective Date.

e Desert Sun Publishing Co. (Company)	City of Palm Springs (Advertiser)
Lisa Shore, Key Account Executive / Date	Amy Blaisdell / Date
Sara Weaver, Advertising Manager / Date	
Scott Pompe, Advertising Director / Date	
Sherri Maurer, Controller / Date	
Mark J. Winkler, President / Date	



DIGITAL RATE CARD

Effective March 31, 2014

SPLAY		Ad Specs	Run of Site	Article Pages	Home Page Section Fronts	
ă	Leaderboard	728×90	\$7	\$8		
8	Poster	300x250	\$9	\$10	\$14.50	
δ	Half Page	300x600	\$14	\$16	\$17	
¥	Transitional	1080x810	-	\$30		
ST	Sponsorship	100x50 /88x31		<u>-</u>	\$3	

*price per day	Ad Specs	Home Page Weekdays	Home Page Saturday or Sunday	Section Front (all) Weekday	Section Front (all) Saturday or Sunday
Hero Flip	720x524/ 100x30	\$1,000	\$750	\$750	\$550
IAB Billboard	970x250/88x31	\$1,000	\$750	\$525	\$350
Pushdown	1180x615/100x30	\$1,100	\$750	\$750	\$550
Pushdown Plus (w/ rails)	1180x615/100x30	\$1,500	\$1,125	\$1,125	\$850
Interactive Takeover	1080x810/100x30	\$1,600	\$1,125	\$1,125	\$850
				News Section Weekday	News Section Saturday and Sunday
Article with Rails	(2) 180x615 + 300x	250	<u> </u>	Upon Request	Upon Request

Placement	Ad Spec	Placement	СРМ
Pre-roll with Companion Ad	640x480 or 720x480; 4:3 or 16:9 Aspect Ra- tio; Companion 300x250	Video Player	\$40.00
Photo Gallery Transitional	300×250	Photo Galleries	\$16.00
E-Newspaper Tablet	300x250	Article Pages	\$15.00
E-Newspaper Tablet	50x50	Right Rail Icon	\$20.00
E-Newspaper Desktop	728×90	Article Pages	\$15.00
E-Newspaper Desktop	300x90	Header	\$20.00
Email Newsletter Top 5 Headlines	300x250	100% SOV	\$35.00
Email Newsletter All other topics	300x250 or 160x600	100% SOV	\$35.00

MOBILE OPPORTUNITIES

Placement	Device	Ad Specs	СРМ
Banner	iPad Tablet app	180x430, 300x250	\$17.00
	Android Tablet app	468x60	Service of
	iPhone and	320x50	
	Android app		
	Kindle Fire app	468x60	
	m.newspaper.com	300x250,320x50	
Transitional	iPad Tablet app	768×768 (1280×1280)	\$25.00
	Android Tablet app	600x600 (potrait)	
	iPhone and	320x416 and 300x250	
	Android app		
	Kindle Fire app	480x480 (portrait only)	
Pre-Roll	iPad Tablet app	16:9 Aspect Ratio	\$20.00
	Android Tablet app	16:9 Aspect Ratio	
	iPhone and	16:9 Aspect Ratio	
	Android app		
	Kindle Fire app	16:9 Aspect Ratio	
Gallery Transitional	iPad Tablet app	768×768 (1280×1280)	\$20.00

^{*} Rates are subject to change, based on inventory availability.



PUBLICATION DATES & DEADLINES

Issue	Advertising Deadline	Publication Date
October 2013	Sept. 9	Sept. 29
November 2013	Sept. 27	Oct. 27
December 2013	Oct. 25	Nov. 24
January 2014	Nov. 15	Dec. 15
February 2014	Dec. 20	Jan 26
March 2014	Jan 24	Feb. 23
April 2014	Feb. 28	March 30
May 2014	March 28	April 27
June 2014	April 25	May 25
September 2014	July 25	August 31

RATES

Space	Open Rate	6x	10x
Full Page	\$2,595	\$1,875	\$1,445
I/2 Page	\$1,325	\$955	\$735
I/4 Page	\$675	\$485	\$375

Premium Positions

Back Cover (SOLD)	\$3,503	\$2,600	\$2,275
Inside Back Cover (SOLD)	\$3,200	\$2,396	\$2,097
Inside Front Cover (SOLD)	\$3,200	\$2,396	\$2,097
Page 3	\$3,200	\$2,396	\$2,097

- *Adjacencies opportunities available. Add 15%
- **For multiple pages in a single issue, please contact your advertising representative.

(Distribution varies based on seasonality.)

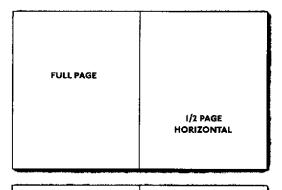
Effective Jan. 20 | 3. Prices subject to change with 30 days notice.

No one reaches more affluent boomers in a single day. For more information, call your representative at 760.778.4660.

MECHANICAL SPECIFICATIONS

		Width	Height
Full Page	trim size	8.375"	10,875"
	bleed size	8.875"	1 1.375"
	live area	7.875"	10.375"
I/2 Page	vertical	3.5"	9.75"
	horizontal	7.1 87"	4.75"
1/4 Page	square	3.5"	4,75"

- Files should be submitted on CD. FTP available upon request.
- Please submit a color proof. PDF, EPS, TIFF, and JPG files only.
 Native files from the following programs also acceptable:
 Adobe InDesign*, Illustrator* and Photoshop*.
 Please include all artwork and fonts.
- Resolution of placed images should be 300 dpi.
- 300% maximum ink density.
- Images placed at 100% are preferred. Please do not reduce or enlarge images greater or less than 25% of actual size.
- We discourage creating text in Photoshop*. Type set in QuarkXpress*, Adobe* InDesign or Illustrator* will produce superior results.
- Color must be CMYK. Pantone* and spot colors, must be converted to CMYK.
- Desert Magazine rich black is 40% cyan, 30% magenta, 30% yellow, 100% black.
- All spread advertising must be supplied as single-page documents.



OUTOOK

MECHANICAL SPECIFICATIONS

	Width	Height
Full page trim size	8.375*	10.875
Bleed size	8.875	11.375"
Live area	7.875"	10.375
1/2 page vertical	3.5"	9.75"
1/2 page horizontal	7.187	4.75"
1/3 page vertical	2.25"	9.75*
1/4 page square	3.5"	4.75

HOW TO SEND AN AD

FTP available upon request.

- Files should be submitted via FTP or email.
- Please submit a PDF, EPS, TIFF, and JPG files only. Native files from the following programs also acceptable:
 Adobe inDesign*, illustrator*, Photoshop* and Acrobat*. Please include all artwork and fonts.
- Resolution of placed images should be 300 dpi.
- 300% maximum ink density.
- Images placed at 100% are preferred.
 Please do not reduce or enlarge images greater or less than 20% of actual size.
- We discourage creating text in Photoshop*.
- Type set in Adobe* InDesign or Illustrator* will produce superior results.
- Color must be CMYK. Pantone® and spot colors, must be converted to CMYK.
- Desert Outlook rich black is 40% cyan, 30% magenta, 30% yellow, 100% black.
- All spread advertising must be supplied as single-page documents.

AD SIZES

(8)
1/3 PAGE

1/2 PAGE HORIZONTAL	1/4 PAGE SQUARE	1/2 PAGE VERTICAL

2014 DESERT OUTLOOK CALENDAR

Publication	Advertising
Date	Deadline
Jan 9	Dec 5
Feb 6	Jan 7
Mar 6	Feb 6
April 3	Mar 4
May 8	April 8
June 5 (Summer Issue)	May 6
Sept 4	Aug 5
Oct 2	Aug 29
Oct 30	Sept 30
Dec 4	Nov 4

ADVERTISING OPPORTUNITIES

10x	Net Rate
Back Cover	\$1,155
Inside Front Cover	\$1,024
Inside Back Cover	\$982
Full Page	\$893
1/2 Page	\$578
1/3 Page	\$383
1/4 Page	\$299
2-Page Spread	\$1,607
6x	Net Rate
Back Cover	\$1,229
Inside Front Cover	\$1,129
Inside Back Cover	\$1,082
Full Page	\$982
1/2 Page	\$635
1/3 Page	\$425
1/4 Page	\$331
2-Page Spread	\$1,764
Open	Net Rate
Back Cover	\$1,397
Inside Front Cover	\$1,286
Inside Back Cover	\$1,234
Full Page	\$1,118
1/2 Page	\$725
1/3 Page	\$478
1/4 Page	\$378
2-Page Spread	\$2,011
referred placement based n availability. Surcharges nay apply.	

For more information contact your advertising representative at 760-778-4660

Effective Jan. 2013. Prices subject to change with 30 days notice.

The first magazine of its kind reaching the lgbt community of palm springs and the coachella valley \dots

OUT OOK



sophisticated and provocative magazine exploring news and culture for lesbian, gay, bisexual and transgender residents, their friends and neighbors and visitors to Palm Springs and southern California. Available in print, online and on your smartphone, Desert Outlook celebrates the people who help

define southern California, our

world and the future by living

proudly and openly.

Desert Outlook is a

The LGBT Niche Audience has Consumer Buying Power and Influence.

The Average Gay Household has an annual income of over \$85.5K compared to the national average of \$49.5K.

Sources: Community Marketing, Inc. 2011 LGI

For more information contact your advertising representative at 760-778-4660



WHAT IS DESERT OUTLOOK?

PUBLISHED: 10 times a year on the first Thursday of the month.

FORMAT: Beautiful, perfect-bound, 8.5" x 11" glossy magazine

DISTRIBUTION: 10,000 free copies racked throughout Palm Springs, Cathedral City and the major resorts of the Coachella Valley. Special direct mail delivery available.

READERSHIP: The Desert Outlook target reader is affluent, well-educated, a worldly traveler and has more disposable income, time and taste than the general population.

WHY SHOULD YOU ADVERTISE IN DESERT OUTLOOK?



Reach the lucrative LGBT consumer with our weekly e-newsletter. Deployed every Thursday morning, Desert Outlook Weekend is the only LGBT calendar of event for Palm Springs and the Coachella Valley.

Call your advertising representative for details!

Community Marketing Inc's 2010-11 Gay & Lesbian Tourism Report ranks Palm Springs **No. 3** behind Las Vegas and San Francisco in marketing the city to gay and lesbian tourists.



THE DESERT SUN REPORTS:

66 With about 115 same-sex couples for every 1,000 households, Palm Springs ranks ahead of other notably gay-friendly cities like San Francisco and West Hollywood, according to an analysis of census data by the Williams Institute on Sexual Orientation Law, based at the University of California, Los Angeles ##.

For more information contact your advertising representative at 760-778-4660

THE FIRST MAGAZINE OF ITS KIND REACHING THE LGBT COMMUNITY OF PALM SPRINGS AND THE COACHELLA VALLEY ...

DESERT







WHAT'S IN DESERT OUTLOOK?

THE OUTLOOK is a regularly featured department that looks at the news affecting LGBT residents and visitors of the Coachella Valley.

NOW explores a current event or news development. Past topics have included and dating, the state's reparative theraphan and fourism among say hears.

For more information contact your advertising representative at 760-778-4660