

REGIONAL MUNICIPALITY OF OTTAWA CARLETON  
MUNICIPALITÉ RÉGIONALE D'OTTAWA CARLETON

REPORT  
RAPPORT

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Our File/N/Réf.            50 21-98-1200  
Your File/V/Réf.

DATE                        14 April 1998

TO/DEST.                 Co-ordinator Transportation Committee

FROM/EXP.                Director Mobility Services and Corporate Fleet Services  
                                  Environment and Transportation Department

SUBJECT/OBJET         **BELL CANADA TELEPHONE BOOTH ADVERTISING**

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### **DEPARTMENTAL RECOMMENDATIONS**

**That the Transportation Committee recommend Council approve the Region entering into an agreement, in the general form of the agreement attached as Annex B, allowing Bell Canada to place backlit advertising panels on telephone booths located on Regional roads.**

### **BACKGROUND**

The Region has been requested by International Media Advertising Incorporated (IMA) to allow the installation of backlit advertising panels on existing and future Bell Canada phone booths situated on Regional roads. IMA has a management agreement with Bell Canada for third party advertising on exterior phone booths in the Province of Ontario, and is currently negotiating with municipalities for permission to commence. The Cities of Ottawa, Nepean, and Gloucester have received similar requests.

With the advent of cellular phones there is a decreasing use of pay phones. This means that while phone booths situated in high pedestrian volume areas are still profitable, those in marginal areas are not. Bell Canada advises that the latter phones are usually located in areas where it is advantageous to maintain them for public safety, sometimes at the request of the local municipality. For Bell Canada to continue maintaining these marginal and in some cases non-profitable public phones, an alternative revenue source has to be found; hence the advertising management agreement with IMA.

## DISCUSSION

The proposed panels are dual-sided with the outward facing panel being the commercial advertising space for rent, while the inward facing panel will include self-promotion for Bell Canada, a map of the area and public service information in both official languages. The public service information referred to is emergency numbers, and the Region can request that specific numbers be included in the list. The outside dimensions of the panels are .81 m wide by 1.09 m high (32" x 43").

A pilot advertising project was conducted in Toronto to gauge public acceptance of the signs. In general the telephone booths with the lighted panels were well received. Women in particular favoured the booths with the advertising panels because of the light provided and the feeling of added security. An executive summary of the two studies is attached as Annex A.

Bell Canada agrees to make available to the Region a minimum of 5% of the advertising faces, subject to availability, for public service messages. The Region would be responsible for the design and manufacture of the signs for inclusion in the panels.

## APPROVAL CRITERIA FOR ADVERTISING PANELS

As a result of consulting with City of Ottawa staff and the Business Improvement Areas, the following criteria will be used when approving the advertising panels. The draft agreement attached as Annex B has been amended accordingly.

1. IMA advertising panels shall not be placed;
  - (a) without site specific authorization from the Environment and Transportation Commissioner;
  - (b) in a position that will create a visibility obstruction for phone booth users or motorists exiting from driveways or parking lots;
  - (c) adjacent to a bus shelter, bench or kiosk with existing advertising;
  - (d) in an area with a heritage designation, unless the panel frame blends with the historical theme;
  - (e) so that more than one panel is placed per block face; and
  - (f) in a residential area.
2. Business Improvement Areas shall be consulted prior to IMA advertising panels being installed within their areas.
3. The National Capital Commission shall be consulted prior to IMA advertising panels being installed on Confederation Boulevard.

4. There shall be a maximum of one IMA advertising panel (composed of one outward and one inward facing advertising faces) placed on a phone booth.
5. IMA shall be responsible for not only arranging hydro hook-up for the panels, but also the hydro costs for the installation's duration.
6. All advertising shall be for legal products and services and conform to the Canadian Code of Advertising Standards. Bell Canada has also agreed that there shall be no advertising of tobacco or tobacco products, or with religious or political content unless approved in advance by Bell Canada and the Region
7. An advertisement in direct competition with an existing business shall not be placed on the same block face or within 46 m of the business in question, whichever is the lesser distance.
8. IMA shall be responsible for maintaining, servicing, cleaning and repairing the advertising panels in a first class and workmanship manner.

#### FINANCIAL IMPLICATIONS

As part of the agreement, the Region will receive 15% of Bell Canada's gross monthly revenue received from IMA (gross revenue for Bell Canada can be defined as IMA's gross receipts minus agency commission). It is estimated that this will initially generate between \$25 and \$30 per month per phone booth, and IMA has projected that this amount will increase to between \$35 and \$40 per month. It is further expected that these panels will be generating revenue for the Region approximately 70% of the time. It has also been agreed that if another municipality negotiates an agreement whereby it receives a greater share than 15% of Bell Canada's gross monthly revenue, the Region's agreement with Bell Canada will be amended automatically to reflect the higher percentage.

There are presently 16 phone booths located on Regional roads. This represents an initial annual revenue to the Region of approximately \$3,360 to \$4,032, with potential for \$4,704 to \$5,376 annually in the future. This estimated revenue would increase if additional phone booths were established on the road allowance.

There are no staff costs to manage this programme, as the cost of a once-only inspection of each site is offset by an inspection fee.

#### AGREEMENT

It will be necessary for the Region to enter into an agreement with Bell Canada. A draft agreement is attached as Annex B.

## PUBLIC CONSULTATION

The Business Improvement Areas, community associations within the central core area of the City of Ottawa and OC Transpo have been circulated for comment on this proposal. The comments are as follows.

No comments were received from community associations. OC Transpo presently permits third party advertising on bus shelters and is in the process of expanding this programme by establishing bus bench advertising at locations without shelters. Its concern is that if Bell Canada is permitted to establish advertising panels in the vicinity of bus stops the potential revenue from its own advertising programme will be impacted. OC Transpo has therefore requested that competing third party advertising not be permitted within 100 m of a bus stop. The Department's response is that, while sympathetic to the concern, this request essentially establishes advertising exclusivity for OC Transpo on the road allowance. It is staff's opinion that this would be considered discriminatory by the Courts if challenged. In any case, IMA has already stated that advertising would not be established in the immediate vicinity of a bus stop with existing advertising because of the diminished exposure.

The Business Improvement Areas were concerned about how this would impact their zones. Regional and City of Ottawa staff jointly conducted a meeting with the BIA representatives, which IMA staff also attended. The concerns of the BIAs were discussed, resulting in the approval criteria outlined previously in this report. This criteria was sent out a second time to the BIAs for final comment before being included in this report, and no further comment was received prior to the preparation of this report.

## REGIONAL OFFICIAL PLAN/TRANSPORTATION MASTER PLAN

This proposal may have a modest impact on public safety on Regional roads which is in keeping with the goals of Council's Plans.

## CONCLUSION

Bell Canada advises that the approval of this proposal will ensure that it has the means to continue maintaining marginal and/or non-profitable phone booths in areas with lower pedestrian volumes where they are desirable for safety reasons. It has been shown in the pilot project that lighted phone booths are generally considered safer to use at night.

*Approved by  
Doug Brousseau*

SEM

Attach.(2)

## Executive Summary Payphone Booth Ad Panel Study

In June 1996, and again in October 1997, Bell Canada and International Media Advertising, commissioned Thompson Lightstone and Company to survey the general public as to their views for backlit advertising panels on selected telephone booths. Three booths with panels were installed in Toronto, two at Bay & Queen Street and one at Yonge & Eglinton. The results are as follows:

- The Survey's consisted of 505 respondents of which 67% were women.
- In the June 96 study, 90% of all women surveyed stated that they would either choose the phone booth with the lit panel or they had no preference. Only 10% stated that they would choose the booth without the lit panel.
- 85% of all women interviewed at the "uptown" location (from both studies) stated they would either choose to make a call from the phone booth with the lit panel or they had no preference.
- Similarly, 84% of the women from the 96 study (at all 3 locations) stated that they would feel "very comfortable" or somewhat comfortable "when using this booth at night, with the extra lighting". Another 9% stated that they would feel neither more nor less comfortable. Only 7% would feel uncomfortable at all.
- On an unaided basis, 41% of all respondents (men and women) from both studies spontaneously mentioned security issues as the main reason for choosing the phone booth **with** the lit panel.
- Overall, a total of 91% of all women from both studies feel that the phone booth with the lit panel either provided them with an extra sense of security or that it made no difference.
- When specifically asked which of the two booths they would choose at night, a clear majority (76%) of the women from the second study stated that they would choose the booth with the lit panel. 14% felt that it did not matter which booth they used. Only 8% would choose the booth without the lit panel at night.
- 84% of all females surveyed at night feel the booth, with the new lit panel, is more "user friendly".
- The main reason for preferring the booth with the panel related to the added light provided and the feeling of additional **security**. Moreover, participants favoured the additional **helpful information** provided on the interior panel (map/directions, emergency numbers).

**THOMPSON  
LIGHTSTONE  
& Company  
Limited**

ANNEX B

AN AGREEMENT BETWEEN:

THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

(hereinafter called the Region)

OF THE FIRST PART

- AND -

PAYPHONE SALES, a division of BELL CANADA,  
a corporation incorporated under the laws of Canada

(hereinafter called Bell Canada)

OF THE SECOND PART

IT IS HEREBY AGREED THAT the Region and Bell Canada will enter into an agreement to allow the addition of backlit advertising panels to Bell Canada payphone furniture situated on Regional roads.

1. Bell Canada shall install operate and maintain, in addition to its public telephone equipment, where deemed appropriate by Bell Canada, one (1) dual sided backlit advertising panel per phone booth approximately .81 m wide by 1.09 m high (32" x 43") in size. The inside panel shall include a self promotion ad for Bell Canada, a map of the area and emergency numbers deemed necessary by the Region. In addition, there may be an area for sponsorships to help defray the cost of the maps. Furthermore, excluding the map, public service information located on the inside panel will be provided in both official languages.
2. The Parties agree that each of the backlit advertising panels referred to in section one will be affixed permanently to present or future Bell Canada payphone furniture situated on Regional roads at locations approved by the Region's Environment and Transportation Commissioner, or his/her authorized representative. Bell Canada or its agent International Media Advertising Inc. will pay an inspection fee of \$50.00 per phone booth inspection to the Region. In selecting the locations consideration shall be given to public and traffic safety and advertising exposure. When inspecting each site application, the Environment and Transportation Commissioner, or his/her authorized representative, shall ensure that the advertising panels are not placed;
  - (a) adjacent to any bus shelter, bench or kiosk with existing advertising;
  - (b) in a position that will create a visibility obstruction for phone booth users or motorists exiting from driveways or parking lots;

- (c) in a residential area;
  - (d) in an area with a heritage designation, unless the panel frame blends with the historical theme;
  - (e) so that more than one panel is placed per block face;
  - (f) within a Business Improvement Area unless it has been consulted prior to final approval being granted; or
  - (g) on Confederation Boulevard unless the National Capital Commission has been consulted prior to final approval being granted.
3. Bell Canada further agrees that it shall be solely responsible for and shall make all arrangements with the applicable Hydro Commission for the installation, inspection and connection of all hydro necessary to illuminate the backlit advertising panels in the Bell Canada payphone furniture. Bell Canada further agrees to pay all installation and on-going hydro costs related to the provision of hydro (for the payphone furniture) under this agreement.
  4. The Region agrees to assist Bell Canada in obtaining all necessary clearances relating to hydro installations, engineering, and other municipal requirements for the installation of the backlit advertising panels.
  5. Bell Canada, in addition to its normal and regular maintenance of its payphone furniture, shall be responsible for maintaining, servicing, cleaning and repairing the backlit advertising panels in a first class and workmanlike manner.
  6.
    - (1) The Region agrees that Bell Canada shall have the exclusive right to supply advertising for Bell Canada payphone furniture situated on Regional roads for a period of five (5) years from the date of execution of this Agreement, and so long as this contract is in force, no payphone furniture provided under it shall be removed to permit the installation of any other party's payphone furniture with or without advertising. Bell Canada shall have an option to renew for a further term of five (5) years on similar terms and conditions, save and except there shall be a review of the remuneration clause and provided that in the event the Region should develop regulations concerning road allowance commercial advertising, the terms and conditions under this Agreement shall be revised accordingly.
    - (2) The parties agree that there shall be no category restrictions on the advertising placed on the payphone backlit advertising panels under this Agreement and that all advertising that might be displayed must be for legal products and services and conform to the requirements of the Canadian Code of Advertising Standards as may be revised from time to time. In addition, there shall be no advertising: (a) of tobacco or tobacco products; and (b) with religious or political content unless

approved in advance by Bell Canada and the Region. Bell Canada further agrees that it will not display an advertising sign which is in direct competition with an existing business located on the same municipal block face or within 46 metres (150 feet) of the business in question, whichever is less. It is further agreed by both parties that this shall not be interpreted to restrict advertising of products or materials in general.

- (3) Bell Canada and the Region shall, either acting jointly or separately, acting reasonably, have final and absolute discretion to refuse any advertising material which they, acting reasonably, might consider to be offensive, immoral, or otherwise unacceptable.
  - (4) Bell Canada guarantees to make available to the Region a minimum of 5% of the advertising faces on the payphone furniture covered under this agreement (which may be available and/or unsold during any four week period for use by the Region free of charge) for public service message advertising, all of which shall be designed, produced and installed at the Region's expense. Bell Canada and or its agent, agrees to provide the Region with semi-annual reports indicating the total number of units covered under this agreement. In the case where the Region desires to utilize any or a number of backlit panels for public service, the Region shall notify the agent and the agent will supply to the Region a list of current and advanced bookings. Bell Canada further agrees that the minimum period for public service shall be two (2) weeks.
- 7.
- (1) Bell Canada shall pay to the Region a sum equivalent to fifteen (15%) of Bell Canada's gross monthly revenue received from International Media Advertising Inc. from the sale of all third party backlit advertising panels sold under the terms of this Agreement effective from the signing of the Agreement. Such payment shall be made to the Region within 45 days following receipt by Bell Canada. In the event that another Municipality in Ontario receives a fee in excess of 15%, this agreement shall be automatically amended to reflect the higher percentage.
  - (2) It is agreed that "gross monthly revenue" is defined as gross sales revenue less agency commission.
  - (3) Bell Canada shall provide a semi-annual statement to the Region showing the amounts of gross revenue received from International Media Advertising Inc. since the previous statement.
  - (4) Bell Canada may discontinue the use of any or all of its advertising panels at anytime provided that it provides the Region with a three (3) month written notice.



8. Bell Canada shall not be liable for any delay in performance of its duties under this Agreement due to causes beyond its control, including but not limited to, fires, floods, strikes, shortages of materials, delays of carriers, acts of God or the government, or the failure to obtain delivery of equipment or parts.
9. (1) Bell Canada shall indemnify and save harmless the Region, its officers, agents, employees, contractors and subcontractors from;
- (i) all claims, damages, actions, suits or any other proceedings for compensation, damages, costs or any other loss;
  - (j) any and all fines and the cost of any prosecution of the Region and its officers, agents and employees; and
  - (k) the cost of defending such claims, actions and prosecutions
- all of which may be claimed, sustained or prosecuted against the Region by reason of this Agreement, or as a result of negligence or any act, error or omission of Bell Canada and/or its agent International Media Advertising Inc.
- (2) Bell Canada agrees to procure and maintain from the date of execution of this Agreement by the Region, liability insurance for each backlit advertising panel and agrees that the insurance shall name the Region as an insured and shall include the following minimal requirements, and Bell Canada further agrees to file with the Region a copy of the Certificate of Insurance. The insurance policy shall provide;
- (a) a limit of liability of not less than \$2,000,000.00 for any one occurrence;
  - (b) Comprehensive Liability Insurance covering all operations and liability assumed under this agreement;
  - (c) any exclusions or limitations in respect of shoring, underpinning, razing or demolition of any building or structure, collapse of any structure or subsidence of any property structure or land from any cause;
  - (d) endorsement to provide that the policy will not be altered, cancelled, or allowed to lapse without thirty (30) days prior written notice to the Region; and
  - (e) a cross-liability clause.
- (3) Bell Canada agrees to assume the defence of, and will pay those sums that the insured becomes legally obligated to pay as compensatory damages because of bodily injury or property damage to which this insurance applies. Bell Canada or its agent International Media Advertising Inc. assume the cost from all claims relating to labour and material furnished under this Agreement including the placement of advertising on the payphone furniture, and to inventions, copyrights, trademarks or

patents, and rights thereto used in the work done or in the advertising placed on Bell Canada furniture under the terms of this Agreement and for any damage, injuries or death resulting for any work carried out as a parts of this Agreement.

- 10. In the event that any provision of this Agreement is contravened by either party hereto, either party may, acting reasonably, at its option, terminate this agreement by giving the offending party written notice of the violation, and if the offending party fails to remedy the violation within sixty (60) days of the date of the notice the Agreement may, at the option of the party giving the notice, be declared null and void. It is further agreed that in cases of emergency situations or any violation of public safety hazards, Bell Canada will act expeditiously to remedy the situation.
- 11. The cost of preparation and execution of the Agreement and any required by-law amendments will be borne by Bell Canada and/or its agent International Media Advertising Inc.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals.

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

\_\_\_\_\_  
Regional Chair

\_\_\_\_\_  
Date

\_\_\_\_\_  
Regional Clerk

\_\_\_\_\_  
Date

BELL CANADA

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\_\_\_\_\_  
Date

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\_\_\_\_\_  
Date