

OUT OF HOME ADVERTISING TODAY



Out of Home Advertising Association of America

An Effective Ad Medium for Advertisers

Out of home (OOH) advertising and the Internet are the two fastest growing media segments. Historically known as outdoor advertising, OOH is comprised of several hundred standard advertising formats that surround and immerse consumers outside the home.

Part of American culture, the OOH medium supports jobs and commerce by connecting advertisers with customers. OOH is also a significant platform for public service messages.

The industry's growth and its promising future are supported by these fundamentals:

- Mobility of consumers, who are outside the home most of the day
- Efficiency of OOH advertising, which delivers impressions at much lower cost per thousand compared to other media
- Innovation boosting the value of OOH advertising
- Fragmentation of other media has made OOH advertising even more reliant
- Modern OOH business practices include a new ratings system that makes buying easy

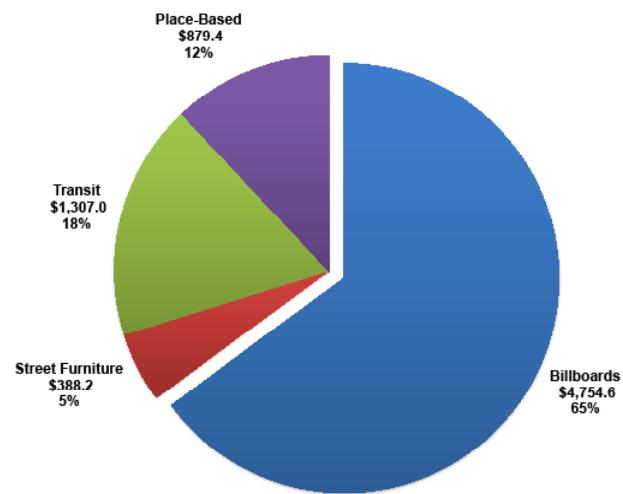
The OOH major categories are billboards, transit, alternative, and street furniture.

Billboards are the biggest category, accounting for 65 percent of industry revenue. Three out of four billboard ads promote local businesses. Standard sizes are known as bulletins (14 x 48 ft) and posters (12 x 24 ft). See [Page 6](#) regarding regulation of billboards.

Transit advertising is displays affixed to moving vehicles or positioned in the common areas of transit stations, terminals, and airports (16% of OOH revenue). It produces significant non-fare revenue for mass transit and airports.

The alternative category (13% of OOH revenue) includes ads in movie theaters, arenas, stadiums, malls, and other indoor venues. This category also includes indoor video screens (known as placed-

2015 YE Total OOH Revenue \$7.3 Billion



Source: OAAA
OOH format figures in millions.

Number of Out of Home Displays (2016)			
Billboards	Street Furniture	Transit	Place-Based
Bulletins 158,868	Bus Shelters 49,082	Airports 68,560	Arena & Stadiums 1,352
Digital Billboards 6,700	Urban Furniture, i.e. Bus Benches Newsnacks Phone Kiosks Newsnacks	Buses 205,426	Cinema 34,350
Posters 165,606 faces	Digital Urban Furniture 699	Subway & Rail 184,078 faces	Digital Place-Based/Video 1.25 million screens
Junior Posters 33,336 faces		Mobile Billboards 1,200	Interior Place-Based, i.e. Convenience Stores Health Clubs Restaurants/Bars
Walls/Spectaculars 4,029		Truckside 2,732 vehicles	Exterior Place-Based, i.e. Airborne Marine Resorts & Leisure
		Taxis/ Wrapped Vehicles 48,194	Shopping Malls 30,532
		Digital Transit 3,780	Digital Shopping Malls 120



based digital) in offices, elevators, health clubs, retail outlets, airports, and many other venues.

Street furniture is typically built and maintained by OOH companies. This category includes bus shelters, bicycle racks, newsstands, kiosks, and shopping mall ads (6% of OOH based digital) in offices, elevators, health clubs, retail outlets, airports and many other venues. Street furniture displays are positioned within close proximity to pedestrians and shoppers for eye-level view or curbside to influence vehicular traffic.

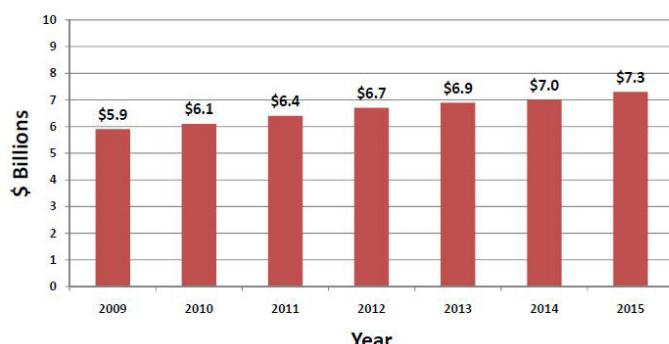
Size and Scope

In 2012, the OOH advertising industry produced \$6.7 billion in revenue. Companies range in size from publicly traded multinational media firms to small family-owned businesses. Well known companies operate OOH advertising businesses, such as iHeartMedia, Clear Channel, Lamar Advertising Company, Fairway Outdoor, Van Wagner, JCDeceaux, and CEMUSA.

OOH advertising's market share of total ad spending has grown from 3 to 5.2 percent over the past decade.

Mainly, OOH is a local business. Top national brands in telecommunications, finance, retail, real estate, and food services also rely on the medium.

2015 US OOH Spending was \$7.3 billion



Mobility, Effectiveness, Measurement, and Creativity

Consumers spend more than 70 percent of their waking hours outside of the home, and on average, more than 18 hours per week in a vehicle. Nine out of 10 of those trips are in personal vehicles. Sixty percent of vehicle travel is dedicated to regular consumer tasks – common routines – such as shopping, commuting to work, socializing, and eating outside the home.

OOH advertising's ability to engage on-the-go consumers makes it a powerful stand-alone medium and a strategic complement to other media. When OOH is combined with other advertising, it extends reach, amplifies a campaign, and drives consumers to engage with brands online and in-store. Over the course of a month, seven out of 10 people say they have seen an OOH ad, and 70 percent say OOH is likely to influence a purchase. Like other media audiences, the OOH audience is measured by independent auditors.



Bob Willoughby, VP & General Manager, Cox Media Richmond: "Our listeners see the billboards, and then business owners see that we're advertising our products on a consistent basis, and that makes them feel good about investing their dollars with us."

The OOH audience is measured by the Traffic Audit Bureau (TAB). TAB calculates weekly circulation using official (government) traffic counts factors in visibility, and assigns demographic profiles to panel locations. This produces OOH ratings. Learn more about TAB ratings at www.tabonline.com.

The OOH medium is a showcase of creativity, featuring humor, drama, simplicity, and surprise. The industry celebrates creativity via the annual OBIE Awards, the oldest advertising design competition. Learn more about the OBIE Awards at www.obieawards.org.

Economic Impact

OOH advertising makes cash registers ring. The majority of OOH ads promote local enterprises – the jobs-engine of the economy.

A diverse range of businesses within local economies depend on OOH, including insurance agents, real estate agents, restaurants, banks, lodging accommodations, automotive dealers, and retail stores. One-third of OOH ads promote the travel/tourism industry, a top employer in most states. The industry supports jobs and spurs innovation. Billboard advertisers employ more than 9 million people, according to an analysis by iMapData. The production of digital billboards is a bright spot in US manufacturing, with expansion to meet demand.

OOH operators buy a wide range of services and

"OOH has been an effective form of advertising; it's enabled us to increase our households and increase our revenue, therefore enabling me to hire more employees and enjoy the success that we have." - Michael Fisher, Insurance Agent, Richmond, VA

"Billboards promote our brand, our services, and our location to the traveling public." - Billy Vollenweider, vice president of The Detroiter Travel Center in Woodhaven, MI.

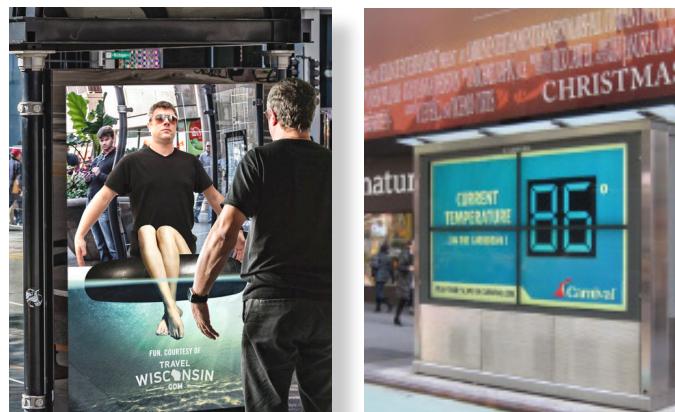
"Outdoor advertising is critical to the success of many lodging properties in the United States, especially smaller and independent properties." - Marlene Colucci of the American Hotel & Lodging Association

supplies, including printing, computers and machinery, landscaping, technology, and equipment.

OOH advertising provides community amenities such as bus shelters, bicycle sharing programs, and phone kiosks. Contract fees paid to cities and counties for these advertising franchises produce revenue sharing while also providing local citizens with a welcome public service.

Thousands of landowners benefit from lease payments for billboards located on their property, helping pay property taxes, mortgages, and living expenses. A comprehensive analysis of land parcels in Tampa, FL showed billboards enhance property values.

"The rental from my billboard is very steady, and I count on it to help me through with all the bills I have to pay. It's an important part of my financial picture." - Barbara Hughes, Richmond, VA, land-owner.



Three out of four businesses using billboards say they would lose sales if they lost the ability to advertise on billboards, according to a comprehensive survey of advertisers conducted by Villanova Marketing Professor Charles R. Taylor, Ph.D. The average expected loss was 18 percent.

"In our hurried lifestyles, many potential customers don't have the time to read a newspaper, magazine, or even watch TV shows. Since these are the people we count on to build our business, it would be a great loss if we did not have the ability to reach them with our ads while they are out on the roads." – Glenn Moss, president of Moss Brothers Auto Group in Riverside, CA

"Decades of experience tell us that the loss of billboards – due to storms, construction, or other causes – results in significant loss of sales." – Mary Cusick, senior vice president, Bob Evans Farms, Columbus, OH

OOH's Digital Revolution

Nationwide, 6,100 billboards have been converted to digital (LED) displays, or 1 percent of the total number of billboards. Advertising messages are changed by computer, and static display times typically are six or eight seconds.

Research – based on driver behavior and accident records – shows that digital billboards are not linked to accidents. The structures are equipped with lighting sensors, and brightness is adjusted to surrounding light conditions to avoid glare.

Advertisers like the speed and flexibility of digital billboards: quick postings, easy change of messages, and no production costs. Likewise, a broad range of government agencies rely on digital billboards to deliver emergency messages and empower the public to help law enforcement.



"Those digital billboards are the greatest thing since sliced bread and have resulted in so many captures for us. They have been a godsend." - Special Agent in Charge Rich Lambert, FBI Knoxville Field Office

Other OOH formats are being converted to digital displays, including bus shelters, transit posters, phone and information kiosks, airport dioramas, and more. These digital ad platforms provide flexible advertising options, while also offering passerby valuable information such as current time, weather, or community messages.



Indoor video networks provide entertainment, news, weather, sports, and targeted advertising content to consumers in coffee shops, building lobbies, convenience stores, supermarkets, gas stations, health club, medical offices, and more.

Many of these digital OOH formats are interactive and can display real-time web, social media, and mobile messaging. Some feature touch screens to allow consumers to directly interact with an advertisement. These displays can also display Facebook and Twitter messages, providing consumers with an interactive brand experience.



Public Service: OOH Helps Communities

For more than a century, the OOH advertising industry has donated space to promote worthy causes, from local charities to national security. The OOH advertising industry donates more than \$450 million in ad space annually.

Pro bono billboards are a leading communications tool for The Advertising Council, the Boys & Girls Clubs of America, the American Red Cross, The FBI, local law enforcement, and federal, state, and local emergency management officials.

In 2012, FBI Director Robert S. Mueller recognized the OOH industry with a Director's Community Leadership Award for helping law enforcement. The FBI says digital billboard publicity has led to the apprehension of 53 fugitives. The Secretary of Homeland Security also thanked the industry for helping the Federal Emergency Management Agency (FEMA) before and after Hurricane Sandy.

Since 2008, the OOH advertising industry has partnered with the National Center for Missing & Exploited Children (NCMEC) to display more than 1,200 AMBER Alerts.

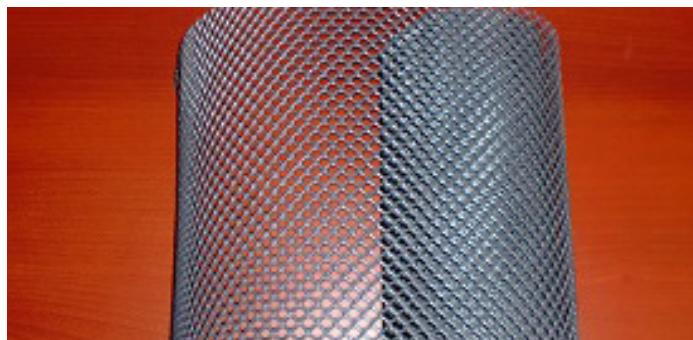
"If you want to beautify Massachusetts, there's no better way than putting a lot of Girl Scouts on billboards across the state. The campaign created energy. It created buzz." - Ruth Bramson, CEO of the Girl Scouts of Eastern Massachusetts

"The hours immediately following an abduction are critical to law enforcement efforts. The speed and flexibility of digital billboards make the outdoor advertising medium a vital component of the AMBER Alert network." - Robert Hoever, National Center for Missing & Exploited Children

Environmental Responsibility

The OOH advertising industry continues to take steps to reduce the industry's carbon footprint.

New lighting technology is helping cut power consumption. Paper posters with glue have been replaced by recyclable materials. Since 2009, more than 11.6 million pounds of billboard substrates have been recycled into new and useful products, including landscaping mesh, which is pictured below.



Digital billboards are also recycled, and consistent gains in energy efficiency have reduced power requirements significantly.

OAAA Code of Industry Principles

OAAA leads and unites a responsible OOH advertising industry committed to serving the needs of advertisers, consumers, and communities.

In addition to adhering to external laws and regulations, the members of the Outdoor Advertising Association of America (OAAA) have adopted a set of voluntary industry principles. OAAA endorses this code and encourages its members to operate in conformance with these principles.

Observe Highest Free Speech Standards

- We support the First Amendment right of advertisers to promote legal products and services, however, we also support the right of media companies to reject advertising that is misleading, offensive, or otherwise incompatible with individual community standards, and in particular, we reject the posting of obscene words or pictorial content.

Protect the Children

- We are careful to place advertisements for products illegal for sale to minors on advertising displays that are a reasonable distance from the public places where children most frequently congregate.
- We are committed to a program that establishes exclusionary zones that prohibit stationary advertisements of products illegal for sale to minors that are intended to read from, at least 500 feet of, elementary and secondary schools, public playgrounds, and established places of worship.
- We support reasonable limits on the total number of advertising displays in a market that may carry messages about products that are illegal for sale to minors.
- We seek to maintain broad diversification of customers that advertise using outdoor advertising.

Support Worthy Public Causes

- We are committed to providing pro bono public service messages to promote worthy community causes.
- We advocate the use of out of home advertising for political, editorial, public service, and other noncommercial messages.

Provide an Effective, Attractive Medium for Advertisers

- We are committed to providing value and service to advertisers in communities nationwide.
- We are committed to maintaining and improving the quality, appearance, and safety of advertising structures and locations.
- We encourage the use of new technologies to continuously improve the service provided to advertisers and the information provided to the public.
- We are committed to excellence in the ads we exhibit because our medium provides the most public "art gallery" there is.

Respect the Environment

- We are committed to environmental stewardship.
- We encourage environmentally friendly business practices for the reduction of waste, improvement of energy efficiency, and use of recyclable materials.

Provide Effective and Safe Digital Billboards

- We are committed to ensuring that the commercial and noncommercial messages disseminated on standard-size digital billboards will be static messages and the content shall not include animated, flashing, scrolling, intermittent or full-motion video elements (outside established entertainment areas).
- We are committed to ensuring that the ambient light conditions associated with standard-size digital billboards are monitored by a light sensing device at all times and that display brightness will be appropriately adjusted as ambient light levels change.

Uphold Billboard Industry Self Regulation

- We support billboard advertising as a business use to be erected in commercial and industrial areas.
- We support new billboard locations in unzoned commercial and industrial areas only where there is business activity.
- We oppose the construction of stacked bulletins (i.e., two 14' x 48' faces or larger facing in the same direction)
- We oppose the construction of new billboards on truly scenic segments of highways outside of commercial and industrial areas.
- We oppose illegal cutting, and are committed to reasonable control and maintenance of vegetation surrounding billboards.
- We support the expeditious removal of illegally erected billboards without compensation; OAAA member companies are encouraged to inform responsible authorities if they become aware that illegal billboards are being erected.

Protect Billboard Industry Rights

- We support the right of out of home advertising companies to maintain lawfully erected billboards.
- We support laws that assure just compensation for removal of legal billboards.

Billboard Regulations

Billboards are regulated by federal, state, and local authorities.

Congress enacted the Highway Beautification Act (HBA) in 1965, regulating billboards along Interstates and other federal roadways. According to the Act, billboards belong in business areas (commercial and industrial).

The federal law requires states to maintain "effective control" of billboards by regulating size, lighting, and spacing. States and localities can be more restrictive than the federal standards. Most communities allow billboards as a matter of right, according to an analysis by Cleveland State University Law Professor Alan Weinstein.

Just Compensation

The long-held principle of just compensation is written into the Fifth Amendment of the Bill of Rights to the United States Constitution:

"... nor shall private property be taken for public use without just compensation."

In 1978, Congress clarified that governments must pay just compensation to billboard companies and landowners when government takes billboards along federally funded roadways for public purposes, such as road widening.

Nearly all states with billboards have adopted similar provisions to protect the property rights of billboard owners and landowners along state and local roads.

State and Local Regulations

The HBA delegates broad authority to states to enforce billboard controls. In turn, authority for local controls comes from the states.

Billboard regulations vary by jurisdiction. Typically, states and localities issue permits for billboards and assess permit fees to pay for the cost of administering billboard controls. Regulation, not prohibition, is the norm. Professor Weinstein reviewed ordinances in 215 cities and found that most permit the construction of new billboards.

Regulation of Digital Billboards

On September 25, 2007, the Federal Highway Administration (FHWA) issued clear guidance affirming states' authority to permit digital billboards, since digital billboards do not flash or have intermittent or moving lights. Most states and a growing number of localities are taking steps to authorize digital billboards. Typical display times for static messages are six or eight seconds. Industry practices are well within the federal guidelines.

Public and private research shows that digital billboards are not related to traffic accidents. In 2012, Massachusetts enacted regulations to allow digital billboards after studying traffic accident data for several years.

"The traffic engineers preparing the reports found no detrimental safety impacts of the digital advertising boards in any of the eight study area locations," said the Massachusetts Department of Transportation.

Industry-sponsored analysis of accident data in five markets over five years reached the same conclusion as the Massachusetts Department of Transportation study. Research on driver behavior conducted by Virginia Tech Transportation Institute said digital billboards are "safety neutral."

Standard DOOH Formats

Size specifications for the most standard DOOH displays:

Digital Large Bulletin
1800 x 600 Pixel Ratio/3:1 Aspect Ratio



Digital Standard Bulletin
Digital Junior Bulletin
1400 x 400 Pixel Ratio/7:2 Aspect Ratio

Digital Square Bulletin
840 x 840 Pixel Ratio/1:1 Aspect Ratio

Digital Standard Poster
Digital Junior Poster
840 x 400 Pixel Ratio/21:10 Aspect Ratio

Digital Airport Horizontal Screen
Digital Mall Horizontal Screen
Digital Newsstand Horizontal Screen
Digital Rail Horizontal Screen
Digital Place-Based Horizontal Screen
1920 x 1080 Pixel Ratio/16:9 Aspect Ratio



Digital Airport Vertical Screen
Digital Bus Shelter Vertical Screen
Digital Mall Vertical Screen
Digital Newsstand Vertical Screen
Digital Rail Vertical Screen
Digital Place-Based Vertical Screen
1080 x 1920 Pixel Ratio/9:16 Aspect Ratio

Digital Static
Digital with Limited Animation
Digital with Full-Motion Video
Digital with Full-Motion Video & Audio
Digital with Interactive Touch Screen
Digital with Dynamic Content Activation (Triggers)
Common Digital Interactive Capabilities



Standard OOH Formats

Size specifications for the most standard OOH displays:

Large Bulletin

Viewing area: 20'h x 60'w

Standard Bulletin

Viewing area: 14'h x 48'w

Junior Bulletin

Viewing area: 10'6"h x 36'w

Standard Poster & Mobile Billboard Poster

Viewing area: 10'5"h x 22'8"w

Junior Poster & Rail Junior Poster

Viewing area: 5'h x 11'w

Mall Vertical Double Sided SkyBanner

Viewing area: 16'h x 14'w

Mall Horizontal Double Sided SkyBanner

Viewing area: 8'h x 14'w

Newsstand Backlit Panel

Viewing area: 67"h x 119"w

Airport Vertical Backlit Panel,

Bus Shelter Vertical Backlit Panel,

Mall Vertical Standard Backlit Directory &

Rail Vertical Backlit Panel

Viewing area: 67"h x 46" w

Bus King Panel

Viewing area: 30" h x 144" w

Queen Bus Panel

Viewing area: 30" h x 88" w



Street Banner on pole
Viewing area: 60" h x 30" w

Mall Vertical Medium Backlit Directory
Viewing area: 50" h x 40" w

Rail 2-sheet Panel
Viewing area: 46" h x 60" w

Rail 1-sheet Panel
Viewing area: 46" h x 30" w

Airport Diorama Extra Large Backlit Panel
Rail Diorama Extra Large Backlit Panel
Viewing area: 41" h x 120" w

Airport Diorama Large Backlit Panel
Rail Diorama Large Backlit Panel
Viewing area: 41" h x 60" w

Airport Diorama Standard Backlit Panel
Rail Diorama Standard Backlit Panel
Viewing area: 41" h x 41" w

Taxi Top Backlit Panel
Viewing area: 14" h x 48" w
Printed on backlit vinyl

Horizontal Urban Backlit Panel
Viewing area: 30" h x 60" w

Bus Bench Panel
Viewing area: 24" h x 72" w

Rail Card
Viewing area: 21" h x 22" w

Bus Rack Large Card
Rail Rack Large Card
Viewing area: 11" h x 46" w

Bus Rack Standard Card
Rail Rack Standard Card
Viewing area: 11" h x 28" w

Mall Spectacular Panel
Wall Mural
Variable Sized





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