



CITY OF BEVERLY HILLS
STAFF REPORT

Meeting Date: September 4, 2007
To: Honorable Mayor & City Council
From: Daniel E. Cartagena, Project Manager
Subject: Present Marketing Program associated with the City's Smoking Ordinance

INTRODUCTION

In June 2007, the City Council adopted an ordinance which will restrict smoking in open air dining areas throughout the City. As part of the ordinance, it was recommended that a marketing plan be developed and implemented to offset any effects experienced by the City's hospitality industry resulting from the City's smoking ban.

Further, in August, the City Council approved a resolution authorizing the City Manager to execute agreements with consulting firms with the expertise and experience in public and media relations. Accordingly, agreements were reached with M&C Saatchi and Weber Shandwick to create a marketing program and produce materials associated with the implementation of the Program. Additionally, staff has engaged the services of the City's Graphics Division to develop artwork for the legally required signs called out in the ordinance and to produce signs to provide to hotels and restaurants.

A presentation of the message and theme of the marketing program was provided to the Ad Hoc Committee on August 28th. This staff report includes the comments and directions provided by the Committee.

DISCUSSION

The City has hired the firms M&C Saatchi and Weber Shandwick to provide consulting services to the City with the focus to create, produce and implement the marketing program. M&C Saatchi will develop an advertising campaign to accomplish the following goals: to advertise the City's world-renowned restaurants; to educate the public of the recently adopted smoking ordinance; and, to promote the opportunity to enjoy an outdoor dining experience in a smoke-free environment. This firm will be responsible for creating the campaign's message, theme and artwork; and they will recommend appropriate media to deliver the message. Weber Shandwick has been hired to lead the

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public relations efforts building local/regional awareness of the City's ordinance and educating City residents and businesses of the specifics and details involving the smoking ban. Lastly, the City's Graphics Division has been tasked to produce artwork for regulatory signs required by the ordinance and provide to the City's hotels and restaurants which would compliment the marketing and communication outreach efforts being produced by the City's consultants.

M&C Saatchi, Weber Shandwick and the City's Graphics Division presented their concepts to the Ad Hoc Committee on Tuesday, August 28th. Here is an overview of the presentations:

M&C Saatchi

The message of the campaign focuses on Fresh Air. Our consultant, M&C Saatchi will make a full presentation of the theme to the City Council and as you will see, they recommend a theme with the look and feel of a branding of a high-fashion product. In particular, the Program will be branding Beverly Hills' air. Banner and other collateral materials will be produced and placed at hotels and restaurants communicating the message that Beverly Hills will be smoke-free as of October 1, 2007.

M&C Saatchi recommends using a variety of methods for promoting the brand and message, primarily focusing on non-traditional media and projects that would provide PR and media interest; including give-aways that would carry the "no-smoking while dining" message; and awareness materials such as banners, posters, and cards.

The ad hoc committee supported the Fresh Air 90210 theme and brand, and recommends the consultant pursue the following:

- Create street light pole banners to inform pedestrians, local and passing traffic.
- Develop advertising for the City's local press to inform local area residents: this could be placed prior to October 1st, and undertaken in coordination with local PR efforts.
- Continue to further develop other collateral as proposed for distribution to hotels, restaurants, media and pedestrians.
- Some of the unique forms of collateral preferred by the committee include:
 - Matchbox-sized informational pieces containing mints
 - Branded water bottles or atomizers
 - Items for use by bartenders at hotels and restaurants that would focus attention on the message: bar coasters, table toppers; napkin brochures were discussed and final decisions will be made by the ad hoc committee.

Weber Shandwick

As Public Relations consultants, Weber Shandwick is tasked with generating media interest and publicizing the unique dining experiences in Beverly Hills and in a smoke-free environment. Coordinated with the branding campaign produced by M&C Saatchi, Weber Shandwick would pitch the Program's Fresh Air idea to local and business media.

Weber Shandwick will produce key messages for use by City staff and/or City spokespersons when meeting with the press. Our consultant proposes to conduct radio or online promotions such as give-aways that are considered useful tools in developing public awareness. Another component Weber Shandwick is recommending is the, "Hear it from the Chefs" program which recommends partnering with local chefs to appear on a

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week-long series to a local broadcast station to do cooking and entertainment segments incorporating the message of dining outdoors in a smoke-free environment. Weber Shandwick will also work with media in more traditional ways, pitching story ideas related to the branded theme, press releases, interviews, etc. with intentions to deliver a media event on October 1st. However, because of the sizable amount of media coverage the City received at the time of the adoption of the ordinance, Weber Shandwick expressed reservation that a media event will be attract much coverage. Both M&C Saatchi and Weber Shandwick agreed to continue to work together to compose a strategy based on the brand and message to include in the media pitch.

City's Graphic's Division

The Graphic's Division has been tasked with the development and production of the regulation signs required in the ordinance. This component of the Program will include developing the artwork and production of signs. The plan calls for providing each hotel and restaurant offering open air dining to receive two signs and DVD with camera-ready artwork which would allow the business to produce additional signs if needed. The City's graphic artist is working with the Planning Division, Code Enforcement and the City Attorney's Office to ensure the sign meets legal specifications. Additionally, the Committee also asked our Graphics Division to prepare and produce signs based on M&C's artwork, for placement in the City's parking structures. In the elevator lobby of each structure, signs can be posted in the information boxes communicating to City visitors of the smoking ban.

At the conclusion of the presentations, the committee went on to request the following:

- o The Program be presented to a few restaurants and hotels for feedback
- o The Program include the placement of ads in the weekly newspapers
- o A direct mail program that could include post cards
- o A post-City Council meeting press briefing is held to provide details of the program to the local press

The components of the Program can be produced within budget approved by the City Council and can be produced and implemented prior to the start of the smoking ban.

FISCAL IMPACT

The City Manager executed agreements with M&C Saatchi and Weber Shandwick to provide consulting services to development this marketing plan. The City's contract with M&C Saatchi is not-to-exceed \$125,000 and the City's contract with Weber Shandwich is not-to-exceed \$10,500. Funds from the City's Economic Development Division have been appropriated to pay for these agreements.

RECOMMENDATION

It is recommended that the City Council approve the overall theme of the Marketing Program and authorize staff to work with the Ad Hoc Committee to finalize the production details and implementation of the strategy.

Daniel E. Cartagena

Approved By 