

EXECUTIVE SUMMARY

Recommendation to Approve First Amendment and Additional Spending Authority 57-003E – TV Viewership Measurement Service

Introduction

Responsible: Procurement & Warehousing Services (PWS)

This request is to approve the First Amendment to the Agreement between Rentrak Corporation (Rentrak) and The School Board of Broward County, Florida (SBBC), for one (1) year, starting July 1, 2019 through June 30, 2020, with additional spending authority.

The School Board approved the Agreement on December 20, 2016, as item EE-10 for a term commencing December 21, 2016 through June 30, 2019, with an option for two (2) additional one (1) year renewal periods. The First Amendment will exercise the first of two (2) renewal options.

Goods/Services Description

Responsible: Broward Education Communications Network (BECON)

Rentrak uses electronic technology to gather data on the number of households tuned to specific broadcast stations in real time. Rentrak's measurement tools allow stations to generate reports on precise audience measurements for specific programs or dayparts. It also gathers demographic data to provide a more complete profile of a station's viewers.

BECON will use these reports to make better programming decisions and to set a fair market value for airtime on the District's television station. This data allows BECON to give organizations accurate information about the people they can reach with the message that they support quality public education for all Broward County students.

Data provided by Rentrak will allow BECON to enter revenue agreements with sponsors that will reduce the District's financial commitment to the operating costs of the station, directing more budget resources to classroom instruction. Without the data provided by Rentrak, BECON has no way to determine audience size, demographic profiles, or the relative value of our station and programs compared to other stations in South Florida. Accurate data is necessary to establish and build a successful revenue model for a non-commercial station. Rentrak's services provide the only practical solution for gathering statistically accurate audience data. A well-designed underwriting plan shaped by the data Rentrak provides can result in revenue that far exceeds the cost of the data collection services.

BECON is working to increase revenue so that more District resources can be directed to classroom use. A key source of revenue for non-commercial broadcast stations is underwriting support from corporate sponsors. Rentrak provides accurate viewing audience data that allows BECON to set the value of airtime for underwriting announcements and enter agreements that bring in revenue while raising the public profile of organizations that choose to support public education.

Procurement Method

Responsible: PWS and BECON

The direct negotiation was performed in accordance with Purchasing Policy 3320, VI (C)(5)(c), and Section 6A-1.012(14), F.A.C., permit the acquisitions of Information & Technology as defined in Section 282.0041(14), Florida Statutes.

While there are other rating services, Rentrak is unique in that they deliver television measurement utilizing set top box data collected from satellite, cable, and telco multichannel video providers in Miami. Their measurement comes from 324,000 households, which equates to one (1) in five (5) homes in Miami.

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Other services use small samples, while Rentrak measures via massive databases. Rentrak is able to provide insight into WBEC (BECON-TV's call letters) viewership where others cannot due to insufficient sample counts. Accurate data is required as BECON seeks to secure revenue from effective underwriting support programs, which should more than cover the cost of the Rentrak service. For these reasons, direct negotiation was utilized for this renewal.

Financial Impact

Responsible: PWS and BECON

The additional spending authority requested is \$35,000 and will be funded by BECON's Operating Budget. The agreement to renew the services comes with no increase in cost over previous years. A summary of the spending authority is shown below.

Original Agreement spending authority	\$ 105,000
<u>First Amendment spending authority</u>	<u>\$ 35,000</u>
<u>Total spend authority</u>	<u>\$ 140,000</u>

The approval of this recommendation does not mean the authorized amount will be spent.