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## Controversial Signs Offer Increased Revenues

By **JOEL RUSSELL** Staff Reporter

People who live across from electronic billboards or supergraphics may not like the view of bright lights or oversized images from their windows, but the advertisements make big money for outdoor media companies and building owners.

A digital billboard in Los Angeles can generate three to five times more dollars than a regular billboard, according to media buyers.

The standard unit of outdoor advertising is the 14-foot-by-48-foot billboard, the size usually seen along freeways or major thoroughfares. In Los Angeles, a four-week agreement to rent such a board ranges from about \$6,000 to \$30,000, said Megan Weiss, senior media strategist at the **Phelps Group** ad agency in Santa Monica. Lea Benavidez, a buyer at **Media Solutions** in Sacramento, puts the average cost at around \$18,000.

The price of a specific board depends on the estimated number of passers-by, the demographics of the neighborhood and the board's prominence, said Kim Ramser, former marketing director at the Outdoor Advertising Association of America and current business development director at **DOMedia.com**, a Web site where advertisers can scout and rent billboards.

In Los Angeles, major freeway billboards are near the \$30,000-per-month mark, said Weiss, while those on surface streets in the San Fernando and San Gabriel valleys go for less. Boards on busy Westside streets such as Sunset or Olympic boulevards are priced at about the top level of \$30,000.

In recent years, improving technology for manufacturing low-cost light-emitting diode displays has led outdoor companies to convert regular billboards to so-called digital bill-



**Lit Up:** Bright digital billboards along the Melrose Avenue retail strip.

boards.

These giant glowing screens allow multiple advertisers to appear in rotation on the same board. Normally, eight advertisers run their ads for eight seconds each in a continuous 64-second loop. Each advertiser's message will appear about a thousand times during the 21 hours the board operates every day.

There are eight time slots for sale on a digital board, with each costing between \$8,500

and \$12,000 for four weeks. With eight advertisers, the billboard's revenue multiplies to a sum between \$68,000 and \$96,000 for the sign owner. That's about three to five times the revenue of a regular billboard.

### 'More eyeballs'

Ad agencies like the digital option because they can buy a time slot on one billboard for \$8,500 to \$12,000 instead of the normal

\$18,000, and their message will probably be seen by more people.

Advertisers also like how they can change their message with digital boards. Ramser said that fast-food restaurants, for example, can advertise breakfast in the morning, lunch in the afternoon and dinner at night. Radio stations can display pictures of musicians and song titles of what's playing on the air.

Supergraphics, the custom images that wrap around large buildings, can cost the advertiser as much as \$112,000 for four weeks, said Benavidez of Media Solutions. The sign companies pay building owners for use of their walls.

The city of Los Angeles gets about 65 percent of advertising revenue from supergraphics put on the Convention Center; other cities receive a similar cut from use of public buildings.

Typical prices for supergraphics on smaller buildings are "comparable to a prominent billboard," said Ramser. "You might have a \$25,000 billboard and a \$25,000 wallscape, assuming the traffic is similar."

The growing popularity of supergraphics has been driven by technology, as digital printing and new kinds of materials allow the creation of large images.

For local advertisers who want to rent one special billboard near their business, Weiss noted that now is a good time, since automotive and bank advertisers have cut back on media spending. As a result, billboards that are usually locked up in long-term contracts are available.

But Weiss advised that if the billboard company knows an entrepreneur wants a specific location, it puts the billboard owner in a strong negotiating position.

Even so, "right now, they will look at anybody who has money," she said.