



DATE: July 19, 2017

TO: Brenda J. Billingsley, Director, Purchasing Division

THRU: Martha Perez-Garviso, Purchasing Manager, Purchasing Division

FROM: Earl F. Bosworth, Director, Cultural Division

PROJECT TITLE: Reasonable Source-ARTSERVE, INC.(ArtServe) Cooperative Marketing Services Program

REQUISITION NO. CUL0000353

SOLE SOURCE/SOLE BRAND REQUEST

I. REQUEST: Provide a description of the features of the product/service or Scope of Work.

The Broward Cultural Division's Cooperative Marketing Program was launched in April 1991. This program was designed for Broward-based, non-profit or not-for-profit cultural organizations to educate them on the benefits and procedures of advertising programs and services, and to assist in supplementing their advertising budgets.

Contributions from non-profit or not-for-profit cultural organizations are matched by Broward County in order for such organizations to purchase advertising. Advertising includes, but is not limited to, placement on radio, TV, movie theater screens, daily and weekly newspapers, magazines, community and minority publications, internet and specialty publications.

Advertising placement is offered as an incentive to eligible organizations and artists that qualify through an application process. The Broward-based, non-profit or not-for-profit cultural organizations and artists must attend an orientation meeting as well as complete the participation guidelines and eligibility forms. New organizations must submit written proof of non-profit or not-for-profit status including copies of State of Florida articles of incorporation, bylaws, certification of filing with the Secretary of State as well as a list of performances, exhibits or events presented by the organizations for the upcoming season for the period commencing at the beginning of each fiscal year of the COUNTY through the end of such fiscal year.

A list of eligible organizations for Fiscal Year 2012 is provided as an example of the types of organizations that participate in the Cooperative Marketing Program. However, the organizations shown on the attachment are subject to change from time to time. ArtServe shall submit a business plan which will outline how the Scope of Services will be implemented. ArtServe must submit a written plan detail the number and types of educational marketing workshops that will be coordinated for attendance by the Cooperative Marketing Program participants, also included in this plan should be a list of meetings that the ArtServe will be attending to promote the Cooperative Marketing Program to potential participants. The Cultural Division shall have final written approval of the plan and shall issue a written notice to proceed prior to ArtServe commencing to provide any services under this Agreement.

ArtServe will purchase: advertising, related media and promotional services, and will process payments, and provide such bookkeeping and clerical services, all as necessary to originate and maintain advertising to promote and advertise Broward County cultural events in accordance with

the approved plan for placement and production services. Such plan shall be approved in writing by both the County's Cultural Division and ArtServe in its sole discretion respectively.

1. ADVERTISING

Specific services to be provided by ArtServe include, but are not limited to:

- a. Ordering space, time or other means of media to be used; checking and verifying such media use to the degree usually performed by agencies; and auditing and paying invoices to media.
- b. Furnishing clerical, telephone, and postage services customary or usual to the administration of the project.
- c. ArtServe will invoice Broward Cultural Division on a monthly basis for the actual cost of the advertisements purchased. In the notice to proceed, ArtServe will be notified of the amount budgeted for the purchase of the advertising.
- d. ArtServe will invoice Broward Cultural Division on a monthly basis for the overhead costs of bookkeeping and invoicing under the category of Service Charges.

2. PLACEMENT

- a. All placements are to be streamlined through an online intake system.
- b. ArtServe will coordinate the schedules of various groups that initiate requests on an online insertion order form for advertising. Such online insertion order form should be supplied by ArtServe to the groups, using the form approved for use by the Cultural Division. The completed insertion order form should be approved electronically by both the County's Cultural Division and ArtServe in its sole discretion respectively.
- c. Locate cooperative "match" partners.
- d. Coordinate placement of ads with various media representatives:
 1. Negotiate with media representatives for public service announcements, prime time or lower costs.
 2. Sign all contracts with media on behalf of the cultural groups.
- e. Prepare online advertising information form for cultural groups:
 1. Calculate cultural organization cost, and cost of total ads; and
 2. Cultural groups must approve online form electronically and submit payment to ArtServe for organization's portion.
- f. Coordinate production of the ads with the cultural organizations, graphic artists or radio, television or cable television stations:
 1. Establish artwork and copy deadlines.

2. Organize artwork copy.
 3. Coordinate approval of artwork by the organization and then deliver to graphic artist.
 4. Approve radio or TV copy (polish as needed), check for “donut” on commercial prior to delivery to media.
- g. Obtain final approval from Contract Administrator on all ads, attend meetings with the Contract Administrator as necessary, but no less than once every other week.
 - h. Monitor the disbursement of funds:
 1. Check accuracy of invoices.
 2. Keep a record of groups at or near "cap" of available funding as determined in marketing plan.
 - i. Maintain records of all cooperative advertising:
 1. Keep individual ad records.
 2. Maintain written summaries of total advertising purchased.
 3. Keep media and agency contract files.
 - j. Submit year-to-date expenses with invoice and original tear sheets to Contract Administrator.
 - k. Share information on special placement opportunities with potential advertisers:
 1. Provide aggressive sales promotion to cultural organizations.
 2. Phone, fax, and communicate via e-mailings apprising Cooperative Marketing Program participation of routine and specialty annual advertising opportunities, including cost, details, and deadlines on a quarterly basis with additional mailings as necessary.
 3. Communicate all upcoming advertising opportunities to the Cooperative Marketing Program participants.
 - l. Meet with media representatives as necessary.
 - m. ArtServe will invoice Broward Cultural Division on a monthly basis in equal payments.

3. PRODUCTION

Provide all graphic production as needed for advertising placed through the Cooperative Marketing Program. All graphic production will take place on site at the Cultural Division offices since there is such an enormous volume of graphic design work which, by requirement of the County Auditor's office, needs approvals on each and every advertisement. ArtServe will invoice Broward Cultural Division on a monthly basis in equal payments.

4. EDUCATIONAL/COMMUNITY MARKETING OUTREACH

a. Education:

1. Conduct creative brainstorming sessions - invite creative public relations members to a brainstorming session annually to discuss the program and seek new ideas.
2. Conduct annual orientation marketing meetings with all cultural executives reviewing the policies and procedures for participation in the program.
3. Attend Broward Arts Connection Meetings and report on cooperative marketing program.
4. Conduct annual marketing workshops in conjunction with Broward County Cultural Division to provide training to cultural organizations on various marketing and public relations topics. These workshops may include a media trade show, open house, for cultural organizations to meet media representatives, and focus group interviews to gather feedback from the participants about the quality of the program.

b. Community Outreach:

Attend a minimum of two (2) meetings annually from the following organizations or events:

1. Greater Fort Lauderdale Convention and Visitors Bureau Marketing Committee.
2. Cultural Tourism Committee.
3. Greater Fort Lauderdale Hospitality and Lodging Association.
4. Hospitality, Sales and Marketing Association International.
5. Greater Fort Lauderdale Alliance Power Showcase Trade Show (one event).

5. CONTRACT REPORTING

All reports are to be streamlined through an online system in order to view via the internet. Reporting procedures are as follows:

a. Quarterly Reports and Meetings to include:

1. Number of ads placed during the quarter, media source and by type of media (print, radio, TV, billboard, etc.).
2. Return on investment reports from Cooperative Marketing Program participants, including data on increased ticket sales, memberships, website traffic, the percentage increase in the number of non-profit or not-for-profit organizations participating in this subsidized cooperative marketing and advertising services program, and the percentage increase in revenue and/or attendance as a result of that participation.
3. Written marketing plan progress reports.
4. Schedule quarterly meetings with Directors of ArtServe, and Cultural Division, and

marketing staff of both agencies.

b. Annual Reports to include:

1. Annual ad summary and number of ads placed during the contract period.
2. Financial report, including the total contributions of cultural organizations and all expenditures.
3. Narrative report on Marketing Plan.
4. Statistical report on advertising purchased and estimates of numbers of in-kind promotion, public service ads and editorials.
5. Return on investment reports.

II. JUSTIFICATION: Please check all boxes that describe your reason(s) for determining that only one source or brand is reasonably available.

Only Sole Source/ Uniqueness

- Proprietary Item - this vendor/source has the only rights to provide this service or commodity. A letter from the manufacturer or authorizing entity is included in this request.
- Technology Improvements - updates or upgrades to an existing system, software, software as a service (SaaS), hardware purchases.
- Engineering Direction - engineering drawing or specification identifies product; "no substitutes or equivalents will be acceptable."
- Only qualified supplier - reliability and maintainability of the product or service would be degraded unless specified supplier is used; may void warranty. This request includes a copy of the current warranty information.
- Other/or Additional information - the County requires this sole source, sole brand purchase for the following reasons:

The Cultural Division's Cooperative Marketing Agreement was launched in April 1991 and designed to assist Broward-based, nonprofit organizations and not-for-profit art and cultural organizations, municipalities, and artists (clients) to educate, develop marketing strategies, design and place advertising, and to assist in supplementing client advertising budgets. Up to 90 eligible organizations/clients have participated in the program at a given time period and have benefited from the planning and placement strategies, graphic design, and budget assistance provided through the program.

The Cooperative Marketing Services Agreement is due to expire on September 30, 2017. Staff recommends that current vendor ArtServe, Inc. be considered the most reasonable source to provide the Cooperative Marketing Services for Broward County Cultural Division under a new agreement. ArtServe has provided this service for Broward County for over 20 years and possesses the staff, delivery platforms, facility, and most importantly, industry knowledge to successfully perform the requirements of the agreement.

ArtServe, established/incorporated in 1988 as one of six original arts incubators in the United States, is the only known Broward-based, not-for-profit, arts service organization that is able to provide all elements or components of the Cooperative Marketing Program, including ad placement and strategy services, production, graphic design, ad purchasing (media buys) at nonprofit rates, online strategies for client users, education and outreach workshops for client users and media

partners. ArtServe administers www.artscalendar.com in collaboration with the Broward Cultural Division, which provides an online platform for artists, arts organizations for event listings, artist directories, blogs, video platforms and more. This service is available to all Broward-based artists, arts organizations, municipalities and community groups.

ArtServe has been able to successfully administer the program services for up to 90 participating organizations (nonprofits, municipalities, artists) annually. Recently, ArtServe has emphasized a stronger online presence for client groups. In addition to providing cultural organizations with the lowest available advertising rates, ArtServe provides one on one planning and placement sessions with client organizations to maximize effectiveness of their advertising and marketing plans and budgets. These rates are below government or for-profit rate.

A Request for Information (RFI #P2114384F1) was issued and advertised May 2 through May 12, 2017, by the Purchasing Division. In addition to ArtServe, only one other media firm responded, Adept Strategy & Public Relations (Adept). Staff contacted Adept by phone on May 30, 2017, and spoke to Julie Ruffolo, Owner and Managing Partner, to clarify the firm's experience and capacity to deliver the services required by the Cooperative Marketing Agreement.

During the conversation, it was determined that Adept had been in business since 2013, a period of approximately four years, and that the firm is currently working with four clients - three private business clients and the City of Key West. And although Adept has and is working with nonprofit and municipal clients, the extent of that experience and the scope of work performed for multiple clients was not at near the level of ArtServe. Given the significant difference in experience in the industry and capacity to serve multiple clients at any given time, ArtServe appears to possess the experience, capacity and resources to continue to provide the program services.

In summary, Broward Cultural Division recommends ArtServe, Inc. as the Most Reasonable Source for providing the Cooperative Marketing Program Services for a period of up to three years, with an option for two annual renewal periods, subject to available funding each fiscal year. ArtServe's over 20 years of experience in the art and culture industry, and its valuable online platform/resource, artscalendar.com, position it as a clear leader in the industry and provides the justification for staff to recommend ArtServe as the most reasonable source.

Business Case (One/Most Reasonable Source or One/Most Reasonable Brand)

- Operational Compatibility - replacement parts from alternate suppliers are not interchangeable with original part and causes equipment incompatibility. Previous findings and/or documentation is included with this request.
- Ease of Maintenance - maintenance or retooling prohibits competition. Section III, Comparative Market Research includes estimated costs associated with changing current source and/or brand.
- Follow-On - potential for continued development or enhancement with same supplier and eliminates costs incurred by using different supplier. Section III, Comparative Market Research includes estimated costs for replacing current or existing system.
- Complies with existing community and safety standards, and/or laws, rules, and regulations.
- Exempted from the Procurement Code - per Section 21.18 of Broward County Administrative Code.
- Other/or additional information - using this sole source, sole brand purchase benefits the County for the following reasons:

ArtServe's over 20 years of experience in the art and culture industry, and its valuable online platform/resource, artscalendar.com, position it as a clear leader in the industry and provides the justification for staff to recommend ArtServe as the most reasonable source.

III. COMPARATIVE MARKET RESEARCH: Provide a detailed source or market analysis for justification of sole source/brand or most reasonable source (attach extra sheets as needed).

Estimated project value: \$324,050 per year Contract length (if applicable): ~~Three years, with an option for two annual renewal periods,~~ subject to available funding each fiscal year.

Expenses to date: \$1,428,081 since FY13

Has this commodity or service been previously provided to the County? Yes No

If yes, when and by whom? ArtServe has provided this service for Broward County for over 20 years.

How was item/service procured? Competitive bid

What is the current contract (MA) or purchase order number? R0964108P1

If this is a sole brand, is there an "authorized" dealers list? Yes No

Cost/Benefit Analysis: What would the cost be to utilize an alternate vendor or source? This explanation should include the savings and/or additional costs to the County by not using the preferred vendor or source. Attach additional sheets if needed.

The cost to utilize a different vendor, especially a for-profit vendor, would be mostly tied to the training time line and developing another online platform to take the place of Artscalendar.com. The current vendor is a nonprofit membership based arts organization with deep ties in the Broward County arts and culture industry that has worked with the County for over 20 years in providing this service. Staff estimates that it would take a minimum of one year for another vendor to adequately learn the nonprofit arts industry, develop effective ad campaigns for client groups and artists, and build/convert an online platform to provide the services the County now utilizes on Artscalendar.com, not to mention the money that has been spent to brand and market Artscalendar.com. Also, it's not certain whether the nonprofit rates that ArtServe obtains for the

client organizations would be passed down to a for profit vendor.

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CERTIFICATION: I have thoroughly researched the sole source or sole brand justification and fully understand the implications of Section 838.22 of the Florida Statutes:

(2) "It is unlawful for a public servant, with corrupt intent to obtain a benefit for any person or to cause unlawful harm to another, to circumvent a competitive bidding process required by law or rule by using a sole source contract for commodities or services."

(5) "Any person who violates this section commits a felony of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084"

REQUESTOR/EVALUATOR (PRINT)	REQUESTOR/EVALUATOR (SIGN)	DATE
Earl Bosworth	EARL BOSWORTH <small>Digitally signed by EARL BOSWORTH Date: 2017.06.29 15:53:09 -04'00'</small>	
DEPT/DIV DIRECTOR OR DESIGNEE (PRINT)	DEPT/DIV DIRECTOR OR DESIGNEE (SIGN)	DATE

The Purchasing Agent has reviewed the request and has completed the required due diligence per the Procurement Code Section(s) 21.34 and 21.35. The Purchasing Agent recommends the following:

Sole Source Sole Brand Reasonable Source RFI attached Rejected
 Request Authorization to Negotiate

Additional Information:

A Request for Information (RFI) No. P2114384F1 was posted on May 2 through May 12, 2017 to ascertain if Cooperative Marketing Services Program was available from multiple vendors. In addition to ArtServe, Inc., one response was received from Adept Strategy & Public Relations (Adept).

The Cultural Division reviewed the response from Adept and determined that they lacked the experience and capacity to deliver the services required by the Cultural Division's Cooperative Marketing Program. Although Adept has and is working with nonprofit and municipal clients, the extent of that experience and the scope of work performed for multiple clients is not sufficient for a procurement of this nature.

It was determined that ArtServe, Inc., the current vendor, is the most reasonable source that meets the needs of the Cultural Division in all areas of this procurement. Staff estimates that it would take a minimum of one year for another vendor to adequately learn the nonprofit arts industry, develop effective ad campaigns for client groups and artists, and build/convert an online platform to provide the services the County now utilizes on Artscalendar.com. Research and development costs have been incurred to brand and market Artscalendar.com. The cost to utilize a different vendor, particularly a for-profit vendor, would result in increased training time and development costs of another online platform to take the place of Artscalendar.com.

The Agent and Cultural Division recommends approval of ArtServe, Inc. as the most reasonable source procurement due to the fact that they possess the experience, capacity and resources to continue to provide the required program services. ArtServe, Inc., is a nonprofit membership-based arts organization with ties in Broward County arts and culture industry and has worked with the County for over 20 years in providing this kind of service.

Purchasing Agent Signature: **Teja, Yasmin**

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DN: dc=cty, dc=broward, dc=bc,
ou=Organization, ou=BCC, ou=PU,
ou=Users, cn=Teja, Yasmin
Date: 2017.07.19 09:02:36 -04'00'

Date: July 19, 2017

MARTHA PEREZ-
GARVISO

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ou=Organization, ou=BCC, ou=PU, ou=Users,
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APPROVAL AUTHORITY

REASON/SUGGESTED ACTION (IF DISAPPROVED):

This approval is only for the initial period of the contract. A competitive process must be performed prior to the expiration of the contract to determine if other sources are able to provide these same services. The Agent must work with the client agency to put together County requirements based on their needs to prepare for a new solicitation.

Signature:

**BRENDA
BILLINGSLEY**

Digitally signed by BRENDA BILLINGSLEY
DN: dc=cty, dc=broward, dc=bc,
ou=Organization, ou=BCC, ou=PU,
ou=Users, cn=BRENDA BILLINGSLEY
Date: 2017.08.03 16:36:22 -04'00'

Date:

Approved for initial contract term.