



Mumbai Metro Rail Corporation Limited
(JV of Govt. of India and Govt. of Maharashtra)

RESPONSE TO QUERIES REGARDING SEMI-NAMING RIGHTS EOI

Date: January 14, 2020

Ref: Expression of Interest (EOI) for Semi-Naming Rights to Mumbai Metro Line 3 Stations published on 26-Dec-2019

(https://www.mmrc.com/sites/default/files/2019.12.26_Semi-Naming%20Rights%20EOI.pdf)

Given below is a compilation of MMRCL's response to the queries received from interested parties regarding the Semi-Naming Rights EOI released by MMRCL. You may take this into consideration in your EOI submission. The last date for submission of EOI is Tuesday, January 28, 2020.

SN	Query Received	MMRCL Response
1	It is mentioned that at any given time, only one brand name shall be displayed at the stations. Can the brand name used for station naming be different from the brand name used for advertising inside the station? For e.g. the Station naming can be in the bidding entity's name, however, the branding inside relates to the brand name(s) owned by the bidding entity or any of its parent / subsidiary / associate / sister entity? According to us, the station naming should be independent of the brand(s) advertised (from the same Group) inside the station. Further, it is also recommended that multiple brands of the same Group be allowed to be used inside the station considering the number of branding / advertisement spaces planned.	Please note that the terms and conditions for the naming rights is different from those of the associated advertisement space. While a single naming rights brand shall be displayed all across the station, the advertisements installed could of multiple brands of the group company including those of the parent / subsidiary / associate, etc.
2	It is mentioned in the EOI that the brand name should be out of the Name of the Bidding Entity or Name of the immediate/ ultimate parent of the Bidding Entity or Brands owned and controlled by Bidding Entity or its immediate / ultimate parent. Please clarify if the brand name can be of a name of an associate / subsidiary of the bidding entity or the name of an associate / subsidiary of its immediate / ultimate parent. According to us, names / brands of all entities in the Bidding entity group should be included. Bidding entity group should include associate / subsidiary of the bidding entity, and immediate / ultimate parent	Yes, subsidiary / associate brands can also be used for naming rights. However, there shall be only one brand displayed as naming rights across the station. Additionally, before implementing the naming rights branding (for the first time or if there is a change subsequently during the license period), a No Objection Certificate from MMRCL should be obtained.

CIN U60100MH2008SGC181770

Office Address: NaMTTRI Building, Plot # R 13, E Block, BKC, Bandra (E), Mumbai - 400 051
T +91 22 2638 4602 **F** +91 22 2659 2005 **E** mumbaimetro3@mmrc.com **www.mmrc.com**

Registered Office: MMRDA Building, BKC, Bandra (E), Mumbai - 400 051

	of the bidding entity including associate / subsidiary of the immediate / ultimate parent.	
3	Who will bear the costs for the setup of branding infrastructure like branding panels, etc. i.e. will it be borne by bidding entity or MMRCL or split between both? In case the entire cost is borne by the bidding entity, what happens post the licencing period expires	The implementation cost shall be entirely borne by the bidding entity. At the end of the licencing period, the bidding entity shall remove the advertisement infrastructure installed by them in coordination with MMRCL to ensure no damage to station infrastructure.
4	Will the bidding entity have exclusive branding at the station or will MMRCL also have other branding panels that would be given out to third parties? In case other brands are allowed, will there be a restriction on competing brands?	While there shall be exclusivity for naming rights, there shall be no exclusivity for advertisement space. All advertisement space, other than the ones given to naming rights brand, across all 27 stations will be licensed out to an OOH agency which shall source third-party advertisements. There will be a non-compete clause in their contract to avoid conflict with the naming rights brand at that station. However, the same non-compete shall not be extended to the brands used in the advertisement spaces by the naming right concessionaire. For e.g. a conglomerate brand X has won naming rights and has group brands A, B and C across different business units which are being advertised, then non-compete clause will apply to naming rights brand X and not to all the group brands A, B and C displayed in the advertisement spaces.
5	Advertisements of brands not owned and controlled by the bidding entity should be allowed to the extent they form an integral part of the bidding entity brand / business, provided it does not lead to sub-licensing of the branding rights. For e.g. if the bidding entity owns a mall, office, hotel and is advertising the brand name of commercial or retail tenants or hotels/ restaurants and/ or shops or any offers by any of these restaurants or shops of the mall in the station, it may have to include certain brands which it may not control / own.	For the advertisement space allotted within the station, the bidding entity shall be permitted to place advertisements that form an integral part of the group's business including those of its tenants, etc. Again, a No Objection Certificate will have to be obtained by MMRCL before implementing the same. However, the same does not apply to station naming, where brands of tenants, etc cannot be displayed.
6	Can the branding inventory be digital or is it to be only static?	The branding inventory could be static or digital. The bidding entity shall prepare a media plan which shall provide details regarding the type of advertisement proposed. This media plan will have to be presented to MMRCL for approval, post which the same can be implemented.

7	Can we break up the branding space into multiple smaller or bigger units/panels depending on our requirement or is there any pre-fixed size or mandate to be followed?	Yes, break-up of the associated advertisement space into multiple units will be allowed. The bidding entity shall prepare a media plan which shall provide details regarding the type, size and location of advertisement proposed. This media plan will have to be presented to MMRCL for approval, post which the same can be implemented.
8	Please clarify if there are any restrictions on the frequency of creative changes in the branding space in a week/month?	A reasonable frequency will be determined at the RFP stage, such that it does not interfere with station operations.
9	Any tentative commercial rate for acquiring the naming and branding rights be published by MMRC for all the stations?	This naming rights shall be awarded through an open, public bid. There is no predetermined price set by MMRCL.
10	In Clause 4.1 on Page 16 of Expression of Interest we have the following queries - In Serial Number 2 which refers to the quantum of advertisement space at the Concourse & platform we would like to opt for the option of 'None of the above' which is currently not a provided option. Kindly advise if we can choose this option.	Based on our interactions with interested parties, some associated advertisement inventory along with the naming rights is envisaged. We are seeking input from the prospective bidders on the quantum of this space. The prospective bidder has to choose from one of the given options in the questionnaire.
11	In Clause 4.1 on Page 16 of Expression of Interest we have the following queries - In Serial Number 3 which refers to the quantum of promotion / kiosk space at the Concourse & platform we would like to opt for the option of 'None of the above' which is currently not a provided option. Kindly advise if we can choose this option.	Based on our interactions with interested parties, some associated promotion floor space along with the naming rights is envisaged. We are seeking input from the prospective bidders on the quantum of this space. The prospective bidder has to choose from one of the given options in the questionnaire.
12	We would like to understand the date at which the Commercial Bidding date will begin for Entities to Bid.	The RFP document (post this EOI process) is likely to be released in February 2020 and the eventual submission would be in March 2020. However, these are tentative timelines and may undergo change.
13	Please advise on the estimate price of Semi-Naming Rights in case of Brand name used as prefix/ suffix with Metro Station name.	This naming rights shall be awarded through an open, public bid. There is no predetermined price set by MMRCL.
14	We would request contract period of 20 years as part of Semi-Naming Rights in case of Brand name used as prefix/ suffix with Metro Station name.	The concession period for the station naming rights will be decided by MMRCL based on the inputs received from interested parties in this EOI process. However, it is unlikely that the concession term will be as long as 20 years.

15	Please provide reference of contract terms & conditions, including licensing fees, for similar naming rights contracts on Mumbai metro and/or other city metros.	Naming rights for the stations across metro networks in India including Mumbai Line 1, Delhi Metro, Bangalore Metro, Kochi Metro, etc. have been licensed out. License fee for naming rights for the existing Mumbai Metro Line 1 has been covered in media articles - https://www.business-standard.com/article/current-affairs/mumbai-metro-joins-station-branding-ride-114041600482_1.html . It may be noted that the ridership for Mumbai Metro Line 1 is ~4 lacs per day, for Mumbai Metro line 3 is estimated to be ~14 lacs per day, which may be taken into consideration. Also, please note that the scope, terms and conditions for the naming rights varies significantly across various metro networks and hence may not be directly comparable.
16	Please provide information on the process post submission of EOI, till the contract finalization and operationalization.	After the EOI process, based on the inputs received, Request for Proposal (RFP) will be drafted and released. All the bidding entities who have met the eligibility criteria as defined in the RFP will be eligible for taking part in the public bid process. Entity winning the bid will be awarded the concession. Then, execution of the naming rights infrastructure shall be done by the bidding entity itself.
17	What is the average concession period for station naming rights?	MMRCL envisages the concession period to be anywhere between 3-10 years. However, the concession period for the station naming rights will be decided by MMRCL based on the inputs received in the EOI process.
18	What all is included in the package for the semi-naming rights?	Please refer clause 2.1 in the naming rights EOI. All the inclusions for the station naming rights have been listed thereunder.
19	How much advertisement inventory will be available for the naming rights concessionaire?	Quantum of advertisement inventory will be decided by MMRCL based on the responses received in the naming rights EOI submissions.
20	How much promotion space will be available for the naming rights concessionaire?	Quantum of promotion space will be decided by MMRCL based on the responses received in the naming rights EOI submissions.

21	Given the quantum of the advertisement and promotion space, who will decide the location of the advertisement and promotion space?	MMRCL will decide the quantum of the advertisement and promotion space to be given out along with naming rights based on the inputs received in the EOI submissions. Station naming rights license holder will be given first choice to the location of the advertisement and promotion space. The license holder shall prepare a media plan which shall provide details regarding the type and location of advertisement and promotion space proposed. This will be shared with MMRCL for their No-Objection Certificate post which, the same maybe installed.
22	Is the EOI binding in nature?	This EOI is non-binding in nature. Through this EOI process, MMRCL hopes to draft a comprehensive RFP through a participative process.
23	Will MMRCL execute the branding for the naming rights for the concessionaire?	No, the concessionaire needs to execute the branding for the naming rights either through in-house / contracted vendors. MMRCL shall not execute the branding infrastructure for the naming rights license holder.
24	Is there any reserve price for the station naming rights?	No, a reserve price for the station naming rights is not envisaged. The annual premium fee for the station naming rights shall be determined through the bid process. However, MMRCL will have the discretion to reject the bid for station(s) if the license fee is significantly below expectations.
25	What process will be followed for awarding the station naming rights?	After the EOI process, all the inputs received will be used to draft the Request for Proposals (RFP). All the entities who have met the eligibility criteria as defined in the RFP shall be eligible to taking part in the bid process. The eligible party with the highest financial bid of annual license fee shall win the station naming rights.
26	Will the current concessionaire be given the opportunity to match the winning bid in the next tender when the current concession ends?	Yes, MMRCL may consider putting an ROFR (Right Of First Refusal) clause in the tender thereby giving the chance to the current concessionaire to match the winning bid in the next tender when the current concession ends.
27	What is the termination clause for the concession?	If the concessionaire wants to terminate the concession, the Bank Guarantee furnished (equal to next year's annual license fee) will be invoked by MMRCL. So, the value at risk for the naming rights organization at maximum will be two years i.e. current

		year's annual license fee plus next year's annual license fee in the form of Bank Guarantee that can be invoked.
--	--	--

AGM (TP)

Mumbai Metro Rail Corporation Ltd.

DISCLAIMER:

All information provided as a part of this document to the prospective applicants by the Mumbai Metro Rail Corporation Limited is subject to the terms and conditions set out by Mumbai Metro Rail Corporation Limited and as shall be laid down in the agreement of contract to be executed between Mumbai Metro Rail Corporation Limited and the Applicant.

The objective of this document is to provide information to the interested parties about requirement of Mumbai Metro Rail Corporation Limited to facilitate their Application for the project. This document does not claim to contain all the information as may be required at the time of execution of work. Each applicant is advised to conduct its own survey for commissioning the work and check the accuracy, reliability and completeness of the information in this EOI document and obtain independent advice from appropriate sources as deemed necessary. Mumbai Metro Rail Corporation Limited makes no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of this document. Mumbai Metro Rail Corporation Limited may, at their absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this document.

----- END OF DOCUMENT -----