

Monday, February 11, 2008

TO: The Chair and Members of the Planning and
Growth Management Committee

FROM: Howard Moscoe

Re: PG13.10
Video Display Equipped Signs at Drive-through
Facilities, Car Wash Establishments and Service Stations

SUMMARY

This report is before you to set a date for a public hearing. It is my submission that prior to doing that it requires a significant reexamination. The report makes no distinction between first party signs that serve a local business and third party advertising designed to generate revenue. This is contrary to the principles the city has established in all of its sign bylaws and goes against the public interest.

RECOMMENDATIONS

1. That this report be referred back to staff and they be directed to draft a proposal that recognizes the distinction between first party signs that assist local businesses on site and third party signs that are designed primarily for generating advertising revenue.
2. That in conducting their reexamination of this matter they also consult with interested citizen groups like the public space committee.
3. Consideration be given to protecting consumers who do not wish to be subjected to video commercials.

ISSUE BACKGROUND

Early in 2007, as chair of licensing and standards I was approached by TimHorton's because they had been refused permits to install on ground video display terminals at their drive through restaurants to

advertise specials. Video signs have been a concern because of their capacity to distract drivers but these are not visible to the street. The refusal seemed odd because LCD menu boards are regularly given permits and are common features at drive through franchises. Staff at that time thought that the matter ought to be referred for a broader examination.

In the interim I received complaints that Esso had installed video display advertising signs on its gas pumps which in addition to gas pumped commercials at its customers. All of these were installed without permits. The building department ordered them turned off and they were instructed to apply for sign permits. They complied but after about six months they were again turned on.

Imperial Oil (Esso) was quoted in the media accusing the city of a "cash grab" which seemed rather strange given that Imperial Oil generated some \$3.2 Billion in Profits last year.

The city has been talking about taxing third party advertising (billboards) and all of these gas pump videos are exactly that.

GSTV (Gas Station TV) reports that it has inked a deal with CBS to bring news and entertainment at television-equipped fuel pumps. The company has 5,000 screens on fuel pumps in more than 300 cities. Esso has 400 stations in Ontario about half of them in the Toronto Area. Add to that the 205 Petro Canada Stations in the Toronto Area and the 200 Shell Stations and it looks like a lot of potential ad revenue.

I find a number of things offensive about the staff report:

1. Service stations are being permitted to install these as of right without paying any fee at all.
2. Other business are required to obtain permits and pay substantial permit fees simply to support their businesses on their own lots while the oil companies are to be given the almost unrestricted right to generate third party advertising revenue free.
3. The only limitation on the number of signs is one per pump face. I, like many other people, do not want video commercials thrust at me when I pump gas. I have deliberately chosen to no longer

purchase my gas from Esso because of this. Given the structure of this bylaw these will become universal and I won't be able to avoid them. The TTC wisely voted down video advertising on Transit Vehicles. The city Response should be similar.

Please send this report back to come forward at a later date and get some input from the public rather than just consulting the oil companies.