

**APPENDIX 4: L.A. COUNTY BEACHES & HARBORS: MARKETING SECTION REVENUE PROJECTION**

L.A. COUNTY DEPARTMENT OF BEACHES AND HARBORS  
**MARKETING SECTION REVENUE PROJECTION**

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For Programs in L.A. and ORANGE COUNTIES --- FISCAL YEAR 2003-2004 (estimated/actual)

<u>PROGRAM / Sponsor</u>	<u>DESCRIPTION</u>	<u>CASH</u>	<u>SAVINGS</u>
<b>L.A. COUNTY PROGRAMS</b>			
<i>Beach Vehicles</i> Nissan North America	Sponsor agrees to provide 60 vehicles to be used in lifeguard operations and youth programs in exchange for the exclusive right to advertise as the "Official Vehicle of LA County Beaches."	\$0	\$444,000 *
<i>Trash Barrel</i> Adopt-A-Highway	Contractor annually provides 3,000 to 6,000 (55 gallon) trash barrels and has the right to advertise on the trash barrels. Revenue is generated from the guaranteed minimum or a percentage of advertising sales, whichever is greater; this funding is for beach maintenance.	\$120,000	\$105,000 *
<i>Lifeguard Tower Safety Signs</i> Verizon California, Inc.	Contractor provides signage that combines 3 safety signs into 1 (5'x 5') sign displayed on the back of lifeguard towers in exchange for the right to sell advertising on a 27"x 54" portion; signage provides guaranteed annual payments for the Department's W.A.T.E.R. Youth program.	\$310,000	\$39,500 *
<i>Telephone Kiosk</i> Verizon California, Inc.	Contractor has the right to sell advertising space on a 27"x 54" ad panel on telephone booths. The Department receives annual guaranteed payments that support the W.A.T.E.R. Program.	\$100,000	\$46,000
<i>Lifeguard Uniform</i> Phillips-Van Heusen Corp. (IZOD brand line)	Sponsor agrees to provide 10350 items of clothing for on-duty lifeguards and 4000 items for two youth programs in exchange for the right to promote itself as the "Official Swimwear Sponsor of L.A. County Beach Lifeguards" and provide uniforms for sale at cost to Junior Lifeguard participants.	\$0	\$457,000
<i>Volleyball Nets</i> Phillips-Van Heusen Corp. (IZOD brand line)	Sponsor annually donates 150 volleyball nets and annually pays a fee for the right to place its name identification on them. Nets are placed on popular/well used beaches known for volleyball playing such as Manhattan, Hermosa and Will Rogers.	\$6,700	\$32,500
<i>Exclusive Bottled Water and Carbonated Bev. Sponsor</i> <i>Vending and Concession Stands</i> Nestle Waters North America (Arrowhead/Perrier brands)	Sponsor entitled to exclusively sell its bottled water and carbonated beverage products on 27 miles of County beaches at vending machines and concession stands, in exchange for sponsoring various public service programs on County beaches and paying an annual, escalating sponsor fee.	\$475,000	\$0
<i>Free Standing Safety Signs</i> Nestle Waters North America	Sponsor pays for the right to place name identification on up to 200 free standing safety signs which are placed at access ways to various beaches.	Through annual exclusive fee	\$2,000 *
<i>Beach Benches</i> Nestle Waters North America	Sponsor pays a fee for the right to place logo on 100 concrete benches, which are placed along the bike path and other areas as resting places for bicyclists and beach users.	Through annual exclusive fee	\$0

Exhibit 3

\*Sponsor responsible for construction, installation and/or ongoing maintenance

Projections as of January 13, 2004

L.A. COUNTY DEPARTMENT OF BEACHES AND HARBORS  
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For Programs in L.A. and ORANGE COUNTIES --- FISCAL YEAR 2003-2004 (estimated/actual)

<u>PROGRAM / Sponsor</u>	<u>DESCRIPTION</u>	<u>CASH</u>	<u>SAVINGS</u>
<b>L.A. COUNTY PROGRAMS</b>			
<i>Time/Temperature Boards</i> Nestle Waters North America	Sponsor provides 200 boards with time and temperature gauges for all lifeguard towers and pays for the right to place name identification on the board, along with 50 volleyball nets and 3,000 cases of bottled water for lifeguards/maintenance staff	Through annual exclusive fee	\$57,000
<i>Tideboards</i> Nestle Waters North America	Sponsor annually provides chalkboards for all lifeguard towers which contain daily weather and tide conditions, and provides cash or service reimbursement for the right to place name identification in a 12"x 36" space at the bottom of 320 boards.	Through annual exclusive fee	\$22,700
<i>Public Service Materials</i> Nestle Waters North America	Sponsor provides monies for use in producing public service and promotional materials, such as informational brochures on beach events, in exchange for exclusive advertising rights on all such sponsored materials. Sponsor covers design costs for various materials which results in further cost savings for the County.	\$123,000	\$25,000
<i>MDR Summer Concert Series</i> Nestle Waters North America	Sponsor is featured as the Presenting Sponsor of the Marina del Rey Summer Concert Series in exchange for promotional and advertising rights	\$165,000	\$0
<i>Special Event Permit Fees</i> L.A. County Department of Beaches and Harbors	Gross total of all fees and percentage payments received by the Department of Beaches and Harbors for special events (sports tournaments, private events, etc.) held on beaches owned or operated by the County of Los Angeles	\$200,000	\$0
<b>L.A. COUNTY SEPARATE TOTALS</b>		<b>\$1,499,700</b>	<b>\$1,230,700</b>
<b>L.A. COUNTY COMBINED TOTAL</b>			<b>\$2,730,400</b>
<b>(former) ORANGE COAST MARKETING COALITION PROGRAMS</b>			
<i>Trash Receptacle</i> Adopt-A-Highway	Contractor annually provides 990 to 3,000 (55 gallon) trash barrels and has the right to advertise on them. Contractor pays the greater of a guaranteed minimum or a percentage of advertising sales.	\$6,700	\$19,200
<b>ORANGE COUNTY SEPARATE TOTALS</b>		<b>\$6,700</b>	<b>\$19,200</b>
<b>ORANGE COUNTY COMBINED TOTAL</b>			<b>\$25,900</b>
<b>L.A. and Orange Co. COMBINED SEPARATE TOTALS</b>		<b>\$1,506,400</b>	<b>\$1,249,900</b>
<b>L.A. and Orange Co. COMBINED GRAND TOTAL</b>			<b>\$2,756,300</b>

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Projections as of January 13, 2004