



John Biggs AM
Chair of the Budget and Performance Committee
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Transport for London
Commercial Development

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Dear Mr Biggs

'Whose brand is it anyway?'

I am writing to confirm that TfL was not in a position to issue a Sponsorship Policy before the end of 2012 as requested by the Budget and Performance Committee in its report 'Whose brand is it anyway?'

As Commercial Development Director, I have been leading a team assessing a wide range of opportunities for non-fares revenues across TfL. As well as sponsorship, these opportunities include property development, retail, vending, ATMs, online activity, advertising and telecommunications.

It is clear there is some opportunity to increase revenues from sponsorship, but there is also a huge amount to do in advance of any approach to the market if we are to make the best use of the opportunity.

Before going to market, we need to have a clear view of which assets we would and would not allow to be sponsored (and which specific rights in relation to those assets we would be willing to grant). We would also want to have a robust estimate in advance of the value of those potential sponsorships.

If proceeding, we would need a prospectus, supported by on-line information, to go to the market. We would then need to have available the tender (the Request for Proposal or 'RFP'), the bidder application form, the evaluation criteria, and the template sponsorship agreement (accepting that this contract will be amended during negotiation with successful bidders).

The sponsorship policy is therefore only the first of a much larger suite of documents. We are assembling a new team in TfL to take forward sponsorship, and would aim to have the first draft of all the documentation set out above completed in the spring, beginning with the sponsorship policy in March 2013. We are not expecting any sponsorship procurement to be undertaken before autumn 2013 at the earliest.

The new sponsorship policy will reflect the recommendations in the Committee's report. As the Mayor set out in his letter to you of 30 July 2012, TfL supports the recommendations made by the Committee; indeed they align with TfL's proposed plans. The one caveat is that TfL's pre-existing sponsorship contracts contain confidentiality clauses that hinder our ability to retrospectively publish information that we would aim to share in all future contracts.

I would of course be happy to come before the Committee in due course to set out our new approach to sponsorship, or indeed commercial development activity more broadly.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Graeme Craig', with a stylized, cursive script.

Graeme Craig
Commercial Development Director

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