

**UNIVERSITY OF HAWAII
NOTICE OF EXEMPTION FROM CHAPTER 103D, HRS**

The President, University of Hawaii, is in the process of reviewing the request from Office of the Vice President for Community Colleges _____ (Department/Campus) for exemption from Chapter 103D, HRS, for the following goods, services, or construction:

In-theatre on-screen advertising in select Regal Theatres in Hawai'i to advertise the benefits and programs of UH Community Colleges. The 30-second spots will run prior to each movie in selected theatres starting from 9/07/2012 to 9/05/2013. The price includes 52 weeks of advertising on 71 movie screens in select Regal Theatres on O'ahu, Maui and Hawai'i islands, plus production/handling costs of the 30-second spots.

Vendor: National Cinemedia
(If known) 9110 East Nichols Avenue, Suite 200
Address: Centennial, Colorado 80112

Term of Contract: (If known)	From: 09/07/2012	To: 09/05/2013	Cost: \$31,346.00 (est.)
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Direct any inquiries to: Department: UH Community College Marketing and Communications Contact Name/Title: Susan Lee, Director of Marketing and Communications Address: 2327 Dole Street Honolulu, HI 96822	Phone Number: 808-956-5852 Fax Number: 808-956-3763
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Date Posted: September 12, 2012

Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven (7) calendar days from the date posted to:

Office of Procurement and Real Property Management
1400 Lower Campus Road, Room 15
Honolulu, Hawai'i 96822

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: OFFICE OF PROCUREMENT AND REAL PROPERTY MANAGEMENT

FROM: Office of the Vice President for Community Colleges

(Department/Program)

Pursuant to APM Section A8.220, the Department requests a procurement exemption to purchase the following:

Description of goods, services, or construction:

In-theatre on-screen advertising in select Regal Theatres in Hawai'i to advertise the benefits and programs of UH Community Colleges. The 30-second spots will run prior to each movie in selected theatres starting from 9/07/2012 to 9/05/2013. The price includes 52 weeks of advertising on 71 movie screens in select Regal Theatres on O'ahu, Maui and Hawai'i islands, plus production/handling costs of the 30-second spots.

Estimated Cost: \$ 31,346.00

(1) Explanation describing how procurement by standard competitive means is either not practicable or not advantageous to the University;

Since the vendor, National CineMedia, is the sole contracted company by Regal Theatres to offer on-screen advertising in Hawaii, it would not be practicable to request superquote bids. National CineMedia is the only company that sells advertising in the Regal Theatres in Hawaii, there is no other supplier that provides 30-second commercial advertising in Consolidated Theatres. The only other provider of in-theatre advertising is Screenvision Direct, which only represents Consolidated Theatres in Hawaii. We also have a request for exemption for theater advertising with Screenvision Direct.

(2) Details of the process or procedures to be followed in selecting the vendor to ensure as fair and open competition as practicable;

Quotes were requested and received from both National CineMedia, sole provider of advertising in Regal Theatres, and Screenvision Direct, the sole provider of advertising in Consolidated Theatres. The prices were fair and very comparable to each other. The price for advertising in Regal Theatres for a 52-week term remained the same low price as we've received in 2010 and 2011. The UH Community Colleges strategic marketing plan is based on reaching the largest teen and young adult markets possible in the most cost effective way. As you know, many teens and young adults go to the movies for entertainment. Advertising inside of a theater is an important medium in our quest to reach this target group. It is a unique way in which to communicate our marketing message and persuade prospective students to choose the community colleges as their higher education pathway. They are least likely to be distracted in a quiet, dark theater, and more likely to retain information they've seen or read on the movie screen. According to statistics, National Cinemedia frequent moviegoers are 62% more likely to attend school part-time to attain their education pursuits.

(3) A description of the Department's internal controls and approval requirements for the exempted procurement; and

For previous purchases of in-theatre advertising in 2010 and 2011, we used an exemption from the standard methods and source selection pursuant to APM section A8.220, Exemption No. 31, described as any "radio, television airtime, print or other media when selection is to be made by current audience/reader demographics." In-theatre, onscreen advertising is considered "other media" that was selected on the basis of audience demographics. We used this procurement exemption in 2010 and 2011 for the purchase of theater advertising; however, as of July 1, 2012, when the University reverted back to the requirements of the State of Hawai'i Public Procurement Code, "other media" is not included in A8.220, Exemption No. 31. Only radio, TV and print are included as exempt purchases for advertising.

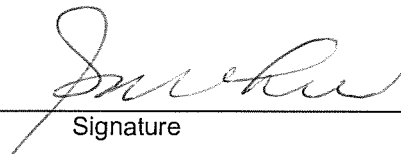
(4) A list of Department personnel, by position title, who will be involved in the approval process and administration of the contract:

John Morton, Vice President for Community Colleges
Michael Unebasami, Associate Vice President for Administrative Affairs
Lisa Tsuhako, Budget Specialist
Susan Lee, Director of Marketing and Communications

Direct questions to: Michael Unebasami Phone: 808-956-6280

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT.

Susan A. Lee
Full Name of Principal Investigator, Department Head, or Administrator

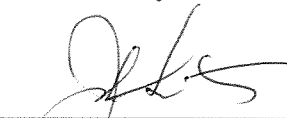

Signature Date

Lisa Tsuhako
Full Name of Fiscal Officer

 08/24/12
Signature Date

APPROVED:

John Morton
Full Name of Vice President or Chancellor

 AUG 29 2012
Signature Date

FOR OPRPM USE ONLY

OPRPM COMMENTS:

____ APPROVED _____ DENIED

PRESIDENT, UNIVERSITY OF HAWAII

DATE