

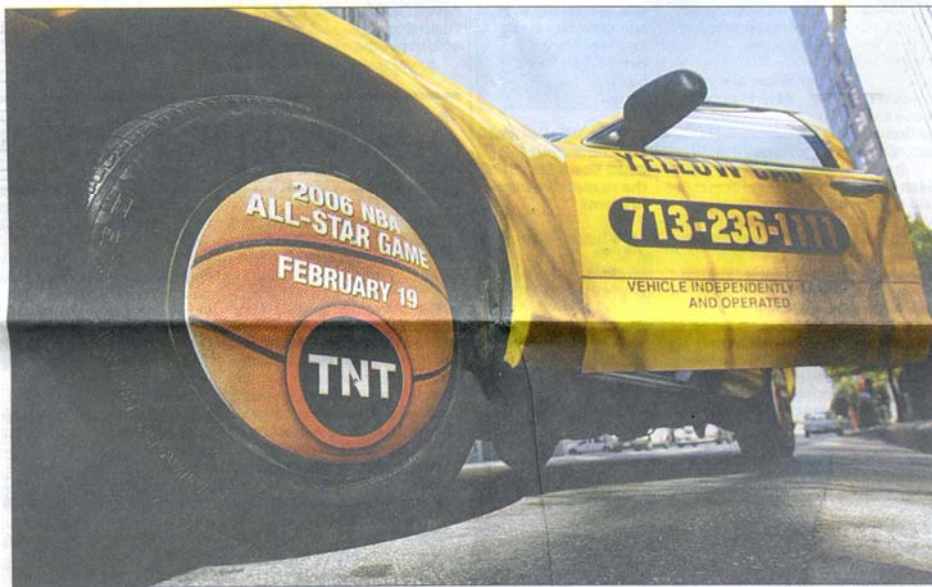
BUSINESS

'THEY'RE A NOVELTY'

Some companies and marketing experts are getting all pumped up about rolling promotions on taxi hubcaps

These ads have traction

February 3, 2006



NICK de la TORRE: CHRONICLE

A NEW CAMPAIGN: An advertisement for TNT's broadcast of the NBA All-Star game is attached to the hubcap of a Yellow Cab. Hubcap ads are relatively new in this country, although they've been used for years overseas.

By **DAVID KAPLAN**
HOUSTON CHRONICLE

A taxicab is like a rolling billboard, typically showing ads on its trunk and roof. Now comes the hubcap. Hubcap ads for the TNT telecast of the NBA All-Star Game began appearing on Yellow Cabs about two weeks ago as a new advertising medium in Houston.

A message via hubcap could be effective, market analysts say. Such advertising may garner attention because, compared to TV and radio ads, there is relatively little outdoor advertising to compete with, said Larry Kelley, executive vice president of Fogerty Klein Monroe.

Nationally, "out-of-home advertising is going through an explosion of alternatives,"

Kelley said.

In New York City, he noted, taxis have in-cab TV programming, and some buses and trains feature TV ads programmed to air within a two-to-three-block radius of an advertiser's retail outlet.

There's nothing high-tech about slapping an ad on a hubcap, but it just might work, industry experts and executives note.

"We love them. They're a novelty. They're new," said Raymond Turner, president of Texas Taxi, parent of Yellow Cab. "We think it's an innovative way to advertise."

When introducing a new kind of advertising, such as hubcap ads, "you get a multiplier effect — especially at the beginning," said Betsy Gelb, professor of marketing at the University of Houston.

"People who see it are charmed or

Please see **ADS**, Page D4

NEW SPIN

- **What:** Ads on hubcaps
- **On display:** 75 cabs in Houston
- **First rolled out:** July 2004 in Los Angeles
- **Sampling of advertisers:** Dallas Mavericks, Jiffy Lube and Taco Bell
- **Cost:** \$150 to \$200 per taxi per month, although rates can vary depending on city and client.
- **Markets served:** Los Angeles, Dallas, Houston, Vancouver and Toronto

ADS: Hubcaps going for airtime

CONTINUED FROM PAGE D1

bemused, and then they'll tell others," she said, although a year from now she isn't sure if the multiplier effect will be as strong.

Hubcap ads are relatively new in the U.S.

Ian Klassen, president of Vancouver-based Ad Fleet, the company that markets the BigWheel hubcap ad displays used by Yellow Cab, started the business after seeing a similar taxi ad display in Singapore a few years ago.

He obtained the rights to use his own hubcap display technology, which includes a pendulum to keep the ad upright as the wheel turns, in the U.S. and Canada.

In July 2004, the first BigWheel ad displays appeared on Los Angeles taxis.

Taxis in five North American markets have BigWheel displays. Klassen hopes to launch a pilot program in New York City, the nation's taxi capital, this summer.

Yellow Cab has hubcap ads on 75 Houston taxis.

Generally, hubcap advertising is \$150 to \$200 a month per taxi, although rates can differ according to city and client, Ad Fleet said.

With two Houston pedestrians, at least, the investment seems worth it.

"It catches your eye," overnight messenger Veronica Allen said.

"It's pretty cool. Why not?" said Cindy Paul, who works in software quality assurance.

But cab driver I. Akhtar complained they make taxis look more "tacky." His cab was not sporting hubcap ads.

While noting that hubcap ads make it slightly harder to put air in his tires, Yellow Cab driver James Reeves said every passenger who commented on them has said something positive, including a person who wanted to take one home.

Hubcap ads on taxis raise the question: Will regular drivers sport ads on their hubcaps one day?

Gelb wonders if employers might pay employees to display the company logo on their hubcaps.

The whole idea, she said, "can literally spin off."