MBTA may sell station names

By Alejandra Matos

Globe Correspondent / June 27, 2012

Subway stations across Boston could soon carry the names of corporate sponsors — think JetBlue Airport Station — much like the naming rights auctioned for sports stadiums, making the MBTA among the nation's first transit agencies to apply corporate monikers to places woven into city lore.

Executives from the Massachusetts Bay Transportation Authority presented a plan Tuesday to the agency's financing board to begin selling naming rights for 11 stations, including Downtown Crossing, Park Street, and Back Bay. Ultimately, the T would endeavor to put station names up for bid systemwide, making it, along with Chicago's transit authority, one of only two in the nation with such a plan.

Companies and major local institutions would append their names to hallowed subway depots — next stop, Emerson Boylston Station — and they would appear on signs inside and outside of stations and on MBTA websites and maps. No contracts have been signed yet, but JetBlue and Emerson have expressed interest in adding their names to stations.

The perennially cash-strapped T, which is set to raise fares Sunday, could garner \$18.4 million total a year if 11 prominent stations found suitors. Over eight years, that would translate into \$147 million.

MBTA passengers would reap most of the benefits from the naming rights, said Mark E. Boyle, the MBTA's assistant general manager for development. With the infusion of money, the T could upgrade WiFi on the commuter rail, improve access for the visually impaired, and upgrade the stations' aesthetics, Boyle said.

"It would allow for better maintenance standards for our stations," he said.

Transit systems in New York, Las Vegas, and Philadelphia have sold naming rights for the occasional station, but Boston and Chicago are singular in their desire to make stations available to the highest bidder systemwide. Chicago's transit system is also in the process of selling naming rights to 11 stations, according to the MBTA. The Chicago Transit Authority did not respond to e-mailed questions late Tuesday.

Cities across the nation are plastering the identities of corporate sponsors on all manner of public property. It is a sign of dire financial times for local governments, said Dany Berghoff, a naming rights specialist and vice president of development with 21 Marketing in Greenwich, Conn.

"It's the nature of cities right now, and debt situations have something to do with it," Berghoff said. "Cities have such debt and need something to defray costs."

Paul Regan, executive director of the MBTA Advisory Board, acknowledged that the T needs every penny it can get but cautioned the agency from confusing passengers, especially tourists, with the modified names.

In phone interviews and focus groups, commuters expressed concerns about completely altering station names. But the MBTA will take measures to ensure that does not happen, Boyle said.

"Park will always be Park, and Copley will always be Copley," Boyle said. "The historical names will remain. Corporations will only add their names to the stations."

But Berghoff warned that simply adding a corporate sponsor's name to a station will be of little value to both parties if nothing is done to enhance the experience for T passengers. Otherwise, he said, T users will see the name change as a corporate gimmick.

"If a company is just slapping a name on the station, it devalues it for the company and the city that is selling the name," Berghoff said. "Cities and companies have to be smart about how they are going to use those rights."

A call for bids could be issued within a month, and it could take up to eight months before contracts are signed.

The naming rights would be good for eight years, and Boyle said the MBTA is opening the bidding to all types of companies, big or small. But there may be some restrictions.

"MBTA also reserves the right to reject any proposal that it believes will be inappropriate for a partnership," Boyle said. "An alcohol-related partnership would not be appropriate because we now ban alcohol advertising on the MBTA system."

Berghoff and Regan said the proposed eight-year duration of the naming contracts seemed appropriate; anything shorter could lead to frequent name changes that might disorient passengers.

The revenues the T is projecting appear reasonable, Berghoff said, but companies may ask for a discount because they are taking a risk on a new venture. Regan, with the advisory board, said that the revenue projections strike him as high, but that if they are met, the T's financial woes would be eased.

"That would be very beneficial," Regan said. "From an operating perspective, that's real money."

Alejandra Matos can be reached at alejandra.matos@globe.com. Follow her on Twitter @amatos12.

© Copyright 2012 Globe Newspaper Company.