



ARIZONA MANAGEMENT SYSTEM SUCCESS REPORT

DEPARTMENT OF TRANSPORTATION

Insourcing Highway Logo Signs Brings Bonus Business Profit Plus State Revenue



The job of managing logo road signs directing motorists to nearby businesses along Arizona's rural highways belonged to an out-of-state contractor. Recognizing numerous problems with this arrangement (signage was not well maintained, jobs were outsourced and there was no revenue sharing with the state,) the Department of Transportation assumed control of the program in 2016, adopting new rules that expanded the program to include urban businesses, and competitively outsourcing field services to maximize the state's financial benefit. These changes doubled annual program revenue for the state and **increased business participation by 50%**.

Annual customer retention is 92%, indicating business satisfaction. Safer signage affords motorists better information about available area services, and businesses have increased sales, adding to their profits, payroll and taxable sales results.