

# LICENSE TYPE QUICK REFERENCE

TYPES OF LICENSES

### INTERNAL

RETAIL

4-8 Weeks (first-time licensees)

8-10 Weeks (first-time licensees)

## DEFINITIONS & PARAMETERS

Allows a company to produce product bearing the trademarks of collegiate institutions for university departments and related entities for internal consumption only. Cannot provide product at retail or direct to consumer.

Allows a company to produce product bearing the trademarks of unlimited collegiate institutions for sale in designated retail channels, direct to consumer, and university departments and related entities.



Most expeditious and least costly to pursue with strict limitations on distributions.



Most extensive and potentially expensive type of license, depending on the number of schools involved



Sales only to restricted distribution (internal consumption by university).



Companies must exhibit well-established marketing plans, existing product distribution, solid financial history of selling licensed products and/or are introducing unique and commercially viable product to the collegiate market.



Sales to university bookstores or product being re-sold, and/or used for promotional purchases (gift with purchase) not permitted.

\*Requires quarterly sales reporting



Retail License applicants should provide as much detailed information as possible in the application to improve the likelihood of acceptance by institutions.

\*Requires monthly royalty reporting

#### ADDITIONAL LICENSEE REQUIREMENTS

In addition to those requirements outlined above, licensees are required to maintain the appropriate level of insurance, applicable affiliations with the Fair Labor Association if required, pay for any required royalty advances or minimum guarantees, and fulfill any additional requirements put in place by the institution.

APPLICATION CHECKLIST

#### INTERNAL APPLICATION

LIST OF DESIGNATED INSTITUTION CONTACTS

RETAIL APPLICATION

APPLICATION FEE

APPLICATION FEE CREDIT REPORT

QUALITY SAMPLE(S)

INSTITUTION LIST

CREDIT REPORT COMPANY NAME/LABEL SAMPLE FINANCIAL STATEMENTS MARKETING & DISTRIBUTION PLAN

INSTITUTION LIST

**APPLICATION FEE** 

\$250 (single school), \$125 per additional school - same application fee for both license types.

**ANNUAL ADMIN FEE** 

1 institution = \$200 (flat fee); 2-5 institutions = \$500 (flat fee); 6+ institutions = \$150/institution (max \$17,500)

LICENSING CONTACT INFORMATION

applications@clc.com

licensing@clc.com

insurance@clc.com



#### APPLICATION - https://clc.com/home/get-licensed/

Application Fee - \$250; each additional school is \$125

- Credit Report
- Financial Statement
- Choose Institution
- Provide products & distribution channel requested
- Marketing & Distribution Plan

#### PHASE II – if approved by at least 1 institution, applicant enters Phase II

- Insurance CLC requires at least \$1 million in product liability insurance; high risk products required more
- **Supply Chain Disclosures** applicants should disclose companies that supply blank product as well as those companies that are applying logo on their behalf
- Holograms licensees are required to affix holograms to all licensed products before they are sold; purchased through JPatton (<u>support@jpattonondemand.com</u>). One roll of 2000 holograms is \$67.50.
- Advance Fee advanced royalty payment per institution (if applicable)
- Fair Labor Association (FLA) registration must be completed (if applicable)
- Sign License Agreement

#### **ARTWORK**

Artwork must be submitted through Brand Manager 360 and approved by the institution prior to production. All submissions for retail sales must contain a unique product identifier. Logos can be obtained through Logos on Demand (<a href="mailto:support@jpattonondemand.com">support@jpattonondemand.com</a>) You will receive your log in to Brand Manager 360 as a part of Phase II. Logos will not be released until license agreement is signed.

#### **REPORTING SALES & PAYING ROYALTIES**

For licensees that hold a retail license agreement, reports and royalty payments are due monthly. Reports and payments should be received by the 20<sup>th</sup> day of the month after the end of the quarter. Licensees are required to report by institution, product sub-category, retail, Unique Product Identifier, invoice date, invoice number, quantity and sales.

#### **RENEWALS**

The license agreement is for one year. Each year, the agreement will come up for renewal and each institution will make their decision. At renewal, licensees are required to pay renewal admin fees, the institution advance (if applicable), confirm license disclosures, provide updated insurance and sign a renewal addendum. The renewal admin fee structure is as follows:

1 institution - \$200 2-5 institutions - \$500 6+ institutions - \$150/per institution up to \$17,500

#### ADDING ADDITIONAL PRODUCTS, DISTRIBUTION CHANNELS OR LICENSES

Active licensees can request to add new licenses, products, or distribution channels in Brand Manager 360. Each request is reviewed by CLC and then processed to each institution for their review and decision. If approved, the product or distribution channel will be added to the license. For approved new license requests, licensees may be required to pay an advance fee. Once the fee is received, CLC will send an addendum to add the new school to the license agreement.

#### CONTACT

Application questions – <u>applications@clc.com</u> Licensing questions – <u>licensing@clc.com</u>