

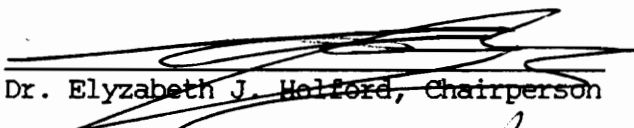
OPERATIONS MANUAL FOR USE IN THE  
OFFICE OF LICENSING AND TRADEMARK ADMINISTRATION  
AT VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

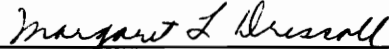
by


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## Table of Contents

Acknowledgements.....	ii
Chapter One - Introduction.....	1
Statement of the Problem.....	3
Purpose.....	3
Delimitations.....	4
Summary.....	4
Chapter Two - Review of Literature.....	5
Introduction.....	5
Licensing Operations.....	5
Licensing Process.....	5
Licensing Functions.....	7
Policies.....	7
Trademark Administration.....	8
Evaluation of Prospective Licensee.....	10
Data Management.....	10
Promotions.....	11
Enforcement.....	11
Other Licensing Activities.....	12
Summary.....	14
Chapter Three - Methods.....	15
Introduction.....	15
Manual Format.....	16
Introduction.....	16
Department Administration.....	16
Licensing Policies.....	17

NCAA Policies.....	17
Conference Policies.....	17
Existing Procedures.....	17
Trademark Administration and Procedures.....	17
License Administration and Procedures.....	18
Data and Records Management.....	18
Promotions.....	18
Enforcement.....	18
Miscellaneous Operations.....	19
Summary.....	19
Chapter Four - The Manual.....	21
Introduction.....	21
Department Administration.....	21
Mission Statement.....	21
Authority Statement.....	21
Staffing and Organization.....	21
University Legal Counsel.....	22
Licensing Policies.....	22
Official Trademarks.....	22
Trademark Usage.....	22
Licensed Products.....	23
Royalty Rates.....	23
Royalty Rate Exemption.....	23
Royalty Distribution.....	24
Insurance Requirements.....	24

Communication of the Licensing Program.....	24
Promotions.....	24
Compliance and Enforcement.....	25
NCAA Policies.....	25
Trademark Usage.....	25
Athletic Staff.....	25
Conference Policies.....	26
Big East Conference.....	26
Metro Conference.....	26
Existing Procedures.....	26
Trademark Administration and Procedures.....	27
Trademark Laws and Requirements.....	27
Trademark Creation and Design.....	27
Artwork Sample Usage.....	28
Trademark Search.....	28
Trademark Registration.....	30
License Administration and Procedures.....	30
Inquiry by Company.....	31
Application Process.....	31
Evaluation of Prospect.....	31
Review of Licensing Agreement.....	32
Review of Insurance Certificate.....	33
Review of Artwork Files.....	33
Review of Product Samples.....	34
Licensee Approval.....	35

File Set-up and Maintenance.....	35
Royalty Rate Remittance Process.....	36
License Renewal.....	36
License Termination.....	37
Data and Records Management.....	38
Data Base Management.....	38
Report Generation.....	38
Record Retention Requirements.....	38
Promotions.....	38
Manufacturers and Retailers.....	39
General Public.....	39
Other Promotions.....	39
Enforcement.....	39
Enforcement Guidelines.....	40
Audits of Retail Outlets.....	40
Audits of Manufacturers.....	41
Surveillance of Game Vendors and Student Groups.....	42
Development of Regional Enforcement Units.....	43
Enforcement Remedies.....	43
Cease and Desist Orders.....	43
Establish as a Licensee.....	44
Further Legal Action.....	45
Miscellaneous Operations.....	45
International Licensing.....	45
Bowl/Tournament Licensing.....	46

Conference Licensing.....	46
Cross - Licensing.....	47
References.....	48
Appendix A: Organization Chart.....	49
Appendix B: Products Acceptable and Unacceptable for Licensing...	51
Appendix C: Product Class List.....	56
Appendix D: General Information Letter.....	58
Appendix E: Licensing Application.....	60
Appendix F: Acceptance Letter.....	64
Appendix G: Licensing Agreement.....	66
Appendix H: Certificate of Insurance.....	75
Appendix I: Insurance Deficiency Letter.....	77
Appendix J: Insurance Renewal Letter.....	79
Appendix K: Welcome Letter.....	81
Appendix L: Product Specifications and Standards.....	83
Appendix M: Camera - Ready Artwork.....	88
Appendix N: Royalty Remittance Form.....	95
Appendix O: Labeling Requirements.....	97
Appendix P: Licensee Information Sheet.....	101
Appendix Q: Cash Receipt Log.....	105
Appendix R: Deposit Ticket.....	107
Appendix S: Record Retention Requirements.....	109
Appendix T: Retail Enforcement Audit Form.....	115
Appendix U: Manufacturer Enforcement Audit Form.....	117
Appendix V: Cease and Desist Order.....	119

## Chapter One

### Introduction

In the past several years there has been a significant increase in the demand for sports-related clothing and products. The main selling point of these articles is usually an association with a particular team, company, or university whose name or symbol is imprinted on the article. For example, sales of athletic apparel containing a name, symbol, or "logo" has turned into a \$4 billion a year industry (Irwin, 1991b). It has become evident that sport organizations can realize tremendous revenue potential from the sale of products that contain their logo or name. In addition, these organizations also began to realize the importance of insuring that the name of the organization is perceived favorably by the consumer (Irwin, 1991a). To achieve these goals, sport organizations have taken legal action to protect and control the names, logos, and symbols that represent their organization, as well as how these products are sold in the marketplace. The best way to gain this protection and control is through trademark registration and product licensing.

A trademark is a device, sign, or mark which identifies an item produced by or used by a particular person or organization (Staff, 1988). Product licensing occurs when a second party is granted the commercialized use of a logo, symbol, or mascot (Irwin, 1991a). By securing legal ownership of a trademark through the U. S. Patent and Trademark Office, sport organizations can insure that they have

complete legal ownership and control over the use of their name, symbols, and logos. In taking this process one step further, sport organizations can license the use of their name and logos to companies who will be allowed to legally manufacture products bearing these names and logos. In doing so, the sport organization can demand a fee or royalty payment for each item produced. This relationship is most profitable for both parties when product demand is high. The terms of this relationship between the sport organization (licensor) and the manufacturer (licensee) are spelled out in a detailed legal document which highlights the responsibilities and constraints of both parties. This is known as the Licensing Agreement. The overall result of this process allows the sport organization to prevent use of its name and logos for use on unauthorized products, protects the good name of the organization, and creates a vehicle to generate profits based on product manufacture and sale (Staff, 1988).

Trademark protection and licensing have been in existence for many years. Prior to its emergence in sports, it has been widely used by industrial companies who have licensed the use of their patented processes and technologies to other organizations. The reasons for this are evident: new processes and technologies could be developed out of those already in existence, unauthorized use of these processes and technologies could be minimized, a fee could be charged for use of these processes and technologies, and new and more extensive marketing channels could be developed (Lovell, 1968). As

in industry, trademark protection and licensing of sport products has taken on a similar meaning. Sport organizations seek to protect their position and realize profit through trademark protection and product licensing. Even though both industries differ, the concepts and procedures are similar in scope.

#### Statement of the Problem

In viewing trademark registration and product licensing activities within an organization, a complimentary relationship exists. In most sport organizations, these functions usually fall within an area called the Licensing Department. The tasks performed within a Licensing Department include trademark registration, policy design, licensee selection, contract administration and compliance, marketing and promotions, and enforcement (Irwin, 1991a). It is imperative that these efforts be coordinated. One key to organizing these tasks is to develop a detailed set of policies and procedures under which to operate. This can be accomplished by creating an operations manual that provides the necessary framework to develop and run an effective licensing department within a sport setting. The established policies and procedures should detail all required business, marketing, and legal provisions related to the above mentioned tasks in a manner that is clear and concise. The goal of the author is to create such a manual.

#### Purpose

The purpose of this project is to create an operations manual for use in the Office of Licensing and Trademark Administration at

Virginia Tech. The manual will detail the policies and procedures necessary to perform the daily functions within the department.

#### Delimitations

This manual is designed for specific use within the Office of Licensing and Trademark Administration at Virginia Tech. Any application of this manual to an external licensing operation, including other universities, professional sports teams, amateur sports organizations, sports consulting firms, and non-sport related organizations will require modifications to the manual to meet the needs of the operation in question.

#### Summary

This chapter has provided an overview of what product licensing is, why it is performed, and how institutions can profit from licensing activities. In performing licensing activities, a problem was identified stating that licensing activities require organization and structure in order to be effective. To alleviate this problem, the stated purpose of this project is to develop an operations manual for use in the Office of Licensing and Trademark Administration at Virginia Tech. Lastly, delimitations for this project were established which state that the proposed operations manual is being tailored for exclusive use by the Office of Licensing and Trademark Administration at Virginia Tech.

## Chapter Two

### Review of Literature

#### Introduction

Product licensing is a very detailed process that encompasses a wide range of functions. Each function serves as a building block for the next procedure. A thorough understanding of licensing operations is required before a manual of this magnitude can be developed. To gain a better understanding of licensing, the author performed a detailed review of literature covering all aspects of licensing operations and trademark administration.

Licensing in the intercollegiate environment has been in existence for about 20 years. The literature in this area is limited primarily to periodicals, newsletters, and trade publications. The literature that does exist is very detailed and thorough. Most literature on licensing and trademark administration has been written for specific use in an industrial or general business environment. As this information does not pertain to the intercollegiate environment directly, major concepts can be extracted and applied to the intercollegiate licensing operation. The discussion that follows is the result of this research.

#### Licensing Operations

Licensing Process. The licensing process is evident within all areas of sport and business. Universities, corporations such as Nike, and sporting events such as Wimbledon and the Olympics, all license their names and logos to companies that produce their

products. At the intercollegiate level product licensing is the perfect activity to generate additional revenues. Institutions that achieve athletic success can generate close to \$1 million per year from the sale of licensed merchandise (Irwin, 1992).

Lovell (1968) discussed the licensing process within an industrial setting. Industrial companies learned that licensing could help reduce infringement by competitors and provide additional income to companies who own technology rights. In addition, licensing has enabled industry as a whole to develop more cooperative business relationships. As the demand for new technology and processes has grown over the years, businesses have realized that they must work together in order to remain competitive. Through licensing, companies have learned how to develop new products and technologies by using existing technologies owned by others.

The university community must understand the role that licensing plays within the university environment in order for the operation to be successful. Communication of the licensing program is essential to insure that all departments and organizations within the university are aware of the licensing program and the procedures associated with using the trademarks of the institution. The licensing office should be the focal point in granting approval for use of any trademarks associated with the institution. This control is necessary for the licensing operation to be effective and the trademarks of the institution to be protected (M. Hale, personal communication, March 16, 1992).

Licensing Functions. The functions required to perform the licensing process are quite extensive. Functional areas within licensing include but are not limited to: licensee evaluation, product review, licensing agreement development, promotions, enforcement, and data management. To start a licensing operation, basic resources are necessary. Adequate staffing, an operating budget, office space, and a time commitment from management for administration of the function are necessary to get the program off the ground. One director or manager in a decision-making capacity is vital for proper administration (Revoyr, 1990). Special attention should be given to the structure of the licensing agreement. The licensing agreement should include information on contract length, termination procedures, renewal clauses, product sample requirements, insurance coverage, royalty rate, advance payments, licensee product identification, royalty reports, and enforcement practices. The specific responsibilities of both the licensor and the licensee should be clearly outlined to avoid misunderstandings or misconceptions (Irwin, 1991a).

Policies. Detailed policies are necessary to maintain control and efficiency within the operation. Irwin (1991a) stated that policies should be developed for royalty rates and the distribution of royalty income, the identification of licensable property, trademark design and usage, insurance requirements, and departments that will be exempt from paying royalties such as the athletic department (Irwin, 1991a).

Policies should also be established that address the use of trademarks of associations to which the institution belongs and the use of trademarks for personal gain. The National Collegiate Athletic Association (1992) has established policies for trademark use by member institutions and for athletic personnel who work for an institution. The NCAA states that any member institution must obtain their approval before using any NCAA trademark. In addition, athletic department staff must receive the approval of the chief executive officer of the institution before any trademark of that institution can be used for personal gain. Endorsement of commercial products and services are cited as examples. Approval should also be obtained from the licensing office to insure that any trademarks being used are protected and to insure that the outside organization is licensed (M. Hale, personal communication, September 1, 1992).

Trademark Administration. Oathout (1981) provided a detailed analysis of trademark administration. The history of trademark laws were discussed ranging from the first U. S. trademark law adopted in 1870 to the most recent legislation, the Lanham Act of 1946 (Oathout, 1981). Many different types of marks can be registered and protected under U. S. Trademark laws. Types of marks include trademarks, service marks, house marks, certification marks, and collective marks. Each type of mark pertains to a particular classification of product, service, organization, or association under which protection can be obtained.

The steps required to create a new trademark were outlined.

Creating a new trademark requires creativity, research and evaluation before implementation. This process requires setting design specifications, hiring of a professional graphic designer to design the trademark, searching trademark registers to see if similar trademarks have previously been used, test marketing of the mark to evaluate consumer receptiveness, and trademark registration. Before a trademark can be registered, formal use of the trademark is required to establish identity and intent. Trademark registration with the U. S. Patent and Trademark Office is not required, but is recommended to insure that full protection under the law is attained. Recourse against infringement of unregistered trademarks is usually successful, but the due diligence efforts required to prove infringement are more complicated than if the trademark was registered. A trademark is said to have a direct relationship with goodwill, value, and quality of a product as perceived by the consumer. Trademark laws were designed to protect these consumer perceptions as well as to regulate unfair competition amongst competing businesses (Oathout, 1981).

The importance of knowing trademark laws and protecting trademarks from infringement cannot be taken lightly. Application of trademark law can be demonstrated in relation to interstate commerce. For federal trademark protection to be in force, the intention to sell products across state lines must be established. The inability of a licensor to establish interstate commerce voids trademark protection under federal law and leaves the trademark open for others

to use (Schlossberg, 1990). Trademark laws also require that specific enforcement efforts be performed to protect the trademark. Inadequate enforcement efforts as required by trademark laws can lead to trademark abandonment and could also result in damage to the reputation of the institution. An institution must insure that reasonable efforts are being made to discourage others from using its trademarks. If infringers are discovered, remedies such as cease and desist orders should be issued to satisfy enforcement requirements (Staff, 1988).

Evaluation of Prospective Licensee. Issues relevant to choosing a licensee were discussed by McCall and Warrington (1989). Before entering into a licensing agreement, the licensor should analyze the marketplace and the business practices of the prospective licensee to insure that the licensing relationship will be beneficial to both parties. A detailed analysis of the prospective licensee's financial stability, product lines, distribution system, and regulatory restrictions is necessary before entering into a formal agreement.

Data Management. Revoyr (1990) outlined the data management needs of the licensing operation. Software programs designed specifically for licensing operations are available in the marketplace, but most institutions develop their own databases or lease software developed by other institutions to accommodate changing needs and to reduce costs. Microsoft Works and Dbase III Plus can be used to develop an in-house system. Basic information that should be maintained on a data base includes prospective and

current licensee information, royalty rates, product control and review data, contractual terms, insurance coverage information, and inactive licensee information.

Promotions. Irwin (1991a) mentioned several low-cost promotional vehicles that can be used to market licensed merchandise. These include: advertisements in game programs, inserts in season ticket mailings, vendor advertisements, ticket trade-outs, commercials during coaches television and radio shows, and mailings to individuals who have contributed to the institution's fund-raising campaign. In addition, the licensor could structure the licensing agreement to require a licensee to advertise licensed products through in-store displays and product catalogs. This will help to reduce promotional costs since the licensee will be underwriting a portion of the institution's advertising expense. New marketing strategies are also being developed to sell licensed merchandise in certain target markets. The Big Ten Conference has established a cross-licensing agreement with each member institution to market merchandise that will carry the logo of member institutions and the conference. Retail outlets will be created in The Big Ten name to sell these products. This marketing concept is also being used by the Ivy League and the Southeastern Conference (Staff, 1992).

Enforcement. Enforcement plays a crucial role in the licensing process. Without adequate enforcement efforts, the image and integrity of the institution and the licensing industry as a whole is threatened. Licensing personnel should police retail outlets where

licensed products are sold to insure that all products being sold are licensed (Irwin, 1991a). The sale of unlicensed merchandise has grown to be a tremendous business for bootleggers. Grassmuck (1990) stated that the only way to significantly reduce this problem is to establish industry-wide standards for enforcement. Methods suggested to improve enforcement include having institutions form enforcement units to help police each others products, adoption of an industry-wide labeling system for consistent recognition of licensed merchandise, and promotion of products in a way that shows a positive association between the institution and the products bearing its trademarks.

Licensing in the international market has experienced tremendous growth since the mid-1970's due to the high-quality and low-cost of U. S. products. This increase in growth has made it necessary to step up enforcement efforts in the international market. To be successful in international licensing, legal counsel should be obtained in foreign countries to research trademark laws and to enforce trademark usage. Knowledge of the laws of each country in which you do business is essential for trademark protection. Having legal staff on-site as an enforcement agent can help to minimize infringement activities (Revoyr, 1990).

Other Licensing Activities. Other forms of licensing, such as bowl, conference, and cross licensing present unique challenges. Chasser (1986) states that bowl licensing puts a tremendous amount of pressure on administrators due to the nature of the bowl process.

The timing of bowl bid announcements, as well as having another institution, a bowl committee or its agent, and a product manufacturer all involved simultaneously make bowl licensing a difficult process to coordinate. To make this process more efficient, the institution should develop an action plan prior to the announcement of bowl bids. Having a pre-developed plan will provide for more direction and control. When developing an action plan, thought should be given to the level of involvement the institution will take in bowl licensing and the distribution channels that will be used to sell these products. It is also necessary for the institution to recognize royalty distribution requirements between both participating institutions and the bowl committee, and to insure that licensing agents obtain approval from the licensing department before using any of the institution's trademarks.

VanDerHyde (1988) discussed conference licensing and the pitfalls associated with this process. Conference licensing is a process where all member institutions of a conference formally agree to sell products that bear the trademarks of the conference in conjunction with the trademarks of member institutions. Difficulties arise in that it is hard to get all member institutions to agree on all principles of a licensing agreement. Without an agreement signed by all member institutions, this process cannot take place. If an agreement can be reached, policies and procedures related to revenue collection and distribution, revenue percentage allocations, and

coordination of the licensee review process should be implemented to maintain control and accountability.

Cross-licensing agreements can provide a licensor with added flexibility. Cross-licensing is very similar to conference licensing but differs in that only two parties are required to establish an agreement (McCall and Warrington, 1989). In this process, Hale (personal communication, September 1, 1992) stated that institutions become licensees of each other with each licensed institution contributing trademarks to be placed on certain products for sale. Royalties from the sale of each item are then distributed to the institution located in the region where the product was sold. This process can be very effective when used by rival institutions or by athletic conferences.

#### Summary

This chapter has provided a detailed review of the literature that exists on product licensing. The major components of the licensing process were identified and discussed in detail. An emphasis was placed on trademark administration, structure of the licensing agreement, and enforcement efforts. The information compiled from this review of literature will serve as the foundation for development of the proposed operations manual.

## Chapter Three

### Methods

#### Introduction

In this chapter the procedures used by the author to collect information on product licensing is presented along with the format that was used to compile the proposed operations manual. Within the format, each functional area that pertains to product licensing is listed and includes the steps required to carry out that particular function.

The information used to develop the components of the proposed manual is the result of research performed by the author in the areas of trademark administration and product licensing. The literature reviewed has proven informative and educational. Knowledge about product licensing was also obtained as a result of the author's experience as an intern in the Office of Licensing and Trademark Administration at Virginia Tech during the 1992 fall semester. This internship has enabled the author to expand his knowledge of licensing and gain valuable experience performing licensing functions. During his experience as an intern, the author also had the opportunity to attend a regional meeting of the Association of Collegiate Licensing Administrators (ACLA). The ACLA is an organization that was established to help foster and standardize the licensing process within the intercollegiate environment. Attending this conference was very beneficial as the author had the opportunity to interact with other licensing professionals. The author also

obtained practical knowledge and experience as a result of his seven years of experience as a records management professional in the banking industry. This experience was useful in developing the sections of the manual related to staffing, organization chart development, and record retention procedures. As a result, the author has created an operations manual tailored to the specific needs of the Office of Licensing and Trademark Administration at Virginia Tech.

#### Manual Format

This manual is divided into twelve sections: introduction, department administration, licensing policies, NCAA policies, conference policies, existing procedures, trademark administration and procedures, license administration and procedures, data management, promotions, enforcement, and miscellaneous operations. Each section includes tasks that must be completed to insure that efficiency and control are maintained. The order of the sections was determined by evaluating the necessary functions required in the licensing process. The following sections detail the manual. The policies and procedures required for the manual include but are not limited to:

#### Introduction.

#### Department Administration.

-mission statement

-authority statement

-staffing and organization chart

-university legal counsel

Licensing Policies.

-approved trademarks

-trademark usage

-identification of licensed products

-royalty rates

-royalty rate exemption

-royalty distribution

-insurance requirements

-communication of the licensing program

-promotions

-compliance and enforcement

NCAA Policies.

-trademark usage

-athletic staff restrictions

Conference Policies.

-big east conference

-metro conference

Existing Procedures.

Trademark Administration and Procedures.

-trademark laws and requirements

-trademark creation and design

-artwork sample usage

- trademark search
- trademark registration

License Administration and Procedures.

- inquiry by company
- application process
- evaluation of company
- review of licensing agreement
- review of insurance certificate
- review of artwork files
- review of product samples
- licensee approval
- licensee file set-up
- royalty rate remittance process
- license renewal
- license termination

Data and Records Management.

- data base management
- report generation
- record retention requirements

Promotions.

- manufacturers and retailers
- general public
- other promotions

Enforcement.

- enforcement guidelines

- audits of retail outlets
- audits of manufacturers
- surveillance of game vendors and student groups
- development of regional enforcement units
- enforcement remedies
- cease and desist order
- establish as a licensee
- further legal action

Miscellaneous operations.

- international licensing
- bowl/tournament licensing
- conference licensing
- cross-licensing

The sections and sub-sections listed are discussed in detail within the manual. Appendices and sample forms are used where applicable, and referenced in the manual as required.

Summary

This chapter highlighted the procedures used to collect information about product licensing. The procedures used by the author include research conducted in the areas of trademark administration and product licensing, as well as experience obtained as an intern in the Office of Licensing and Trademark Administration at Virginia Tech. The author's past experience in the banking industry also served as a valuable asset in development of certain sections of the manual. The structure and layout of the proposed

operations manual was presented along with a breakdown of the necessary operations required to effectively perform product licensing functions.

## Chapter Four

### The Manual

#### Introduction

This manual was developed as a training and reference guide for use within the Office of Licensing and Trademark Administration at Virginia Tech. The policies and procedures contained within the manual should help to educate new employees and serve as a point of reference for existing staff. Sample licensing documents have been included as appendices and are referenced as required throughout the manual.

#### Department Administration

Mission Statement. The mission of the Office of Licensing and Trademark Administration is to ensure that the image and reputation of Virginia Tech is upheld through effective management and protection of the university's trademarks.

Authority Statement. The Office of Licensing and Trademark Administration is under the direction of the Licensing Director. The Licensing Director has responsibility for all department staff and licensing activities that take place within the university.

Staffing and Organization. The licensing department consists of one (1) full-time Licensing Director and one (1) full-time Assistant to the Director. The department may also utilize graduate assistants, interns, and work-study employees. The above mentioned individuals are responsible for performing all licensing department functions. The Office of Licensing and Trademark Administration

falls under the Associate Vice President for Personnel and Administrative Services. Reporting lines are detailed in Appendix A.

University Legal Counsel. University Legal Counsel assists the licensing office in administering various aspects of the licensing program. The involvement of University Legal Counsel includes but is not limited to: policy development, contract administration, license enforcement, and other areas as needed.

#### Licensing Policies

Official Trademarks. The official trademarks of Virginia Tech may be used in various written, symbolic, and pictorial forms. The following trademarks may be used in written form: Virginia Polytechnic Institute and State University, Virginia Tech, Hokies, Virginia Tech Hokies, Gobblers, and Fighting Gobblers. The following trademarks may be used in a symbolic or pictorial format: the VT athletic logo, turkey gobbler, hokie bird, the university seal, and the university shield. These are the only officially recognized and approved trademarks of Virginia Tech. All trademarks, regardless of format, require for identification purposes, a "TM" for unregistered trademarks and an encircled "R" for trademarks that are registered.

Trademark Usage. Any university or non-university related organization, association, business or individual wishing to use any trademark associated with Virginia Tech must first obtain written consent from the Office of Licensing and Trademark Administration. If the trademarks of Virginia Tech are to be used in conjunction with the trademarks or symbols of another organization, written permission

must be obtained from the other organization for use of its trademarks before use of Virginia Tech trademarks will be granted.

Licensed Products. All licensed products of Virginia Tech must uphold the positive image projected by the university, must not subject the university to adverse liability or risk, must not be in bad taste, and must not be offensive or discriminatory toward any group or individual depicted on the item. Products depicting the image or picture of student-athletes cannot be used for resale. All licensed products must be labeled with the "Collegiate Licensed Product" label for proper identification. Various products that are acceptable and unacceptable for licensing are listed in Appendix B. This list can and should be updated as necessary.

Royalty Rates. Each licensed business is required to pay a royalty for each item produced and sold that depicts a trademark of Virginia Tech. The royalty rate is equal to seven percent (7%) of the wholesale sale price of the item. All licensed businesses are required to pay royalties unless they receive a qualified exemption in writing.

Royalty Rate Exemption. Royalty rate exemptions will be granted to licensed businesses that produce and sell items depicting the trademarks of Virginia Tech for internal use by university departments, organizations, and associations. All exemptions must be obtained in writing and documentation of the exemption must be maintained by the licensed business. Items produced using the trademarks of Virginia Tech and sold by university entities for fund-

raising efforts, will require the payment of royalties equal to the rate specified in the policy on royalty rates.

Royalty Distribution. All royalty payments received, less department administrative expenses, are applied towards merit scholarships and various educational programs and services.

Insurance Requirements. Each licensed business must maintain per occurrence minimum insurance coverage of one million dollars (\$1,000,000) for personal injury, including libel and slander, and one million dollars (\$1,000,000) for property damage, including product liability and bodily injury. Each policy must name Virginia Tech as an additional insured and a minimum thirty (30) days notice must be provided prior to making any changes to or cancellation of the policy.

Communication of the Licensing Program. The Office of Licensing and Trademark Administration will strive to communicate to all organizations, departments, populations, and individuals affiliated or familiar with Virginia Tech the purpose and goals of the licensing program.

Promotions. The Office of Licensing and Trademark Administration will work with other university departments and associations to ensure that all promotional activities involving the use of licensed products are administered in accordance with established licensing policies and procedures. The Office of Licensing and Trademark Administration will seek to establish relationships with product manufacturers, retailers, and the general

public to promote the benefits of producing, selling, and buying officially licensed products.

Compliance and Enforcement. All users of the trademarks of Virginia Tech must comply with the policies and procedures established by the Office of Licensing and Trademark Administration. Enforcement efforts will be undertaken to insure that the established policies and procedures are being enforced. Unauthorized use of the trademarks of Virginia Tech will result in loss of the right to use the trademarks and possible legal action against the offender.

#### NCAA Policies

Trademark Usage. Bylaw 31.6.1 of The NCAA Manual prohibits the use of any NCAA trademark without specific approval from the NCAA. Virginia Tech must obtain approval from the NCAA if it wishes to use any NCAA trademark in a stand-alone manner or in conjunction with any of its own trademarks (NCAA, 1992).

Athletic Staff. Bylaw 11.3.2.5 of The NCAA Manual requires athletic staff to obtain written approval from the chief executive officer of the institution before any trademark of that institution can be used in the endorsement of products or services for personal gain (NCAA, 1992). To maintain consistency with licensing policy, Virginia Tech will require athletic staff to obtain written approval from the Office of Licensing and Trademark Administration, in addition to the president of Virginia Tech, before any trademark can be used in the endorsement of products or services for personal gain.

### Conference Policies

Big East Conference. Each member of The Big East Conference may use the Big East logo in conjunction with its own trademarks on all software goods. Use of The Big East logo in conjunction with a corporate identification or logo, or in a stand-alone manner, is prohibited without prior written consent from The Big East Conference. All designs must exhibit good taste and must not be offensive to any party depicted on the item (M. Hale, personal communication, October 13, 1992).

Metro Conference. Each member of the Metro Conference, with consent, may use the Metro Conference logo in a stand-alone manner, or in conjunction with its own trademarks, on items that promote the conference and the institution in a positive manner. The Metro Conference logo must not be used in bad taste or in any manner that tarnishes the image of the Conference or the institution. Prior written consent must be obtained from the Metro Conference before the logo can be used in conjunction with any corporate symbol or trademark (R. McFillen, personal communication, October 26, 1992).

### Existing Procedures

The Office of Licensing and Trademark Administration maintains procedures previously developed for the operation of the licensing database and for the registration of trademarks. Procedures for TMARC, the licensing software, were developed and leased to Virginia Tech by Rutgers University. The trademark registration procedures were developed and are administered by the U. S. Patent and Trademark

Office. When reference is made to these procedures in this manual, the user should consult these procedures in order to perform the required functions.

### Trademark Administration and Procedures

The administrative requirements and procedures documented in the sections below should be followed in order to achieve effective use and protection of all Virginia Tech trademarks. Non-compliance with these requirements in this section may result in trademark neglect, misuse, abandonment, or infringement.

Trademark Laws and Requirements. The Office of Licensing and Trademark Administration adheres to all requirements set forth in The Lanham Act of 1946. This legislation governs trademark use and enforcement at the federal level by reducing unfair competition amongst businesses and protecting consumers from imitation products and services. The Office of Licensing and Trademark Administration must perform the following steps to obtain trademark protection under The Lanham Act of 1946: use or intended use of each trademark in interstate commerce, a trademark search that proves originality and date of first use, and enforcement efforts aimed at protecting all trademarks from unauthorized use.

Trademark Creation and Design. Any trademark created that will be used by Virginia Tech must be reviewed by the following administrative areas: The Office of Licensing and Trademark Administration, Legal Counsel, University Relations, and the President of Virginia Tech. The President of Virginia Tech must give

formal approval before any trademark is formally recognized and implemented. As the creation of new trademarks for use at Virginia Tech is not common, any department, organization, or individual associated with Virginia Tech may design a trademark, usually at the request of a senior administrative official or the president. The design will be evaluated for style, originality, and ability to portray a positive image. All approved trademarks used for reproduction must be of professional quality.

Artwork Sample Usage. A business must first become a licensee of Virginia Tech before artwork samples are provided for reproduction. Creation of designs for use with approved trademarks is the responsibility of the licensee. The licensee is given the latitude to produce designs that will sell based on market trends. Licensing staff rarely exercise authority over design creation unless it is in bad taste or promotes a negative association. All designs should be reviewed to insure that the trademark has not been altered in any fashion and that the appropriate identification mark, either a "TM" or an encircled "R" is present.

Trademark Search. A formal trademark search is necessary to prove the date of first use and to insure exclusive use of new and existing trademarks in a geographic region in which business is performed. The date of first use can be found by checking the following sources: historical archives, bookstore records, past yearbooks, university historians and employees. This process should be performed for each category of products on which the trademarks

will be placed. Appendix C details the different product classes that are available for trademark use. When date of first use is located, photocopies should be made of the source as proof. The next step in the search process is to see if the trademark is in direct competition with a similar trademark of another institution or is registered to another institution in a competing business region. The following sources can be consulted to carry out this search: the trademark reporter, the trademark register of the United States, the 1979 trademark design register, the trademark official gazette, or the search library at the U. S. Patent and Trademark Office. A trademark attorney or outside trademark search firm can also be utilized to perform this search. There is no one complete source of registered trademarks so a combination of these sources should be used. College and university listings would prove to be a valuable source since that is the area of direct competition for Virginia Tech. In performing this search, each product class must be checked to see if there are any conflicting trademarks used in the geographic area in which Virginia Tech does business. If a conflict is found, the ability to prove date of first use will determine ownership regardless of registration status. If the conflicting trademark was registered before Virginia Tech can prove first use of its trademark in its geographic region, then Virginia Tech would lose all rights to its trademark (Oathout, 1981). University Legal Counsel should be made aware of any difficulties that arise during the trademark search process. Once date of first use in the geographic area in which

Virginia Tech does business has been determined and any conflicts have been resolved, the trademark can be registered with the U. S. Patent and Trademark Office.

Trademark Registration. Registration of a trademark requires strict adherence to the procedures outlined by the U. S. Patent and Trademark Office. Registration of a trademark requires the completion of a written application form, a drawing of the trademark to be registered, payment of a two-hundred ten dollar (\$210.00) filing fee for each trademark registered in each product class, and three (3) specimens that prove actual use of the trademark on the class of goods or services under which registration is being applied for. The specific requirements for performing the above are detailed in the trademark registration procedures maintained by the Office of Licensing and Trademark Administration. Any questions can be answered by calling the U. S. Patent and Trademark Office at (703) 308-4357. When all registration information has been obtained, it should be sent to the U. S. Patent and Trademark Office, Washington, D.C. 20231. The notification timeframe of approval or denial is approximately six (6) months.

#### License Administration and Procedures

The administrative functions and procedures documented below should be performed when developing a formal licensing relationship. Any exceptions or changes to these procedures require prior approval from the Licensing Director.

Inquiry by Company. The following information needs to be collected from a company that inquires about becoming a licensee: company name, address, telephone number, and the contact name. This information is then input onto the TMARC prospect screen using the established procedures maintained by the Office of Licensing and Trademark Administration.

Application Process. After inquiry information is input, the general information letter (Appendix D) and licensing application (Appendix E) are sent to the prospect. The prospect is instructed to fill out the application in its entirety and to return it with a \$35.00 non-refundable application fee.

Evaluation of Prospect. When the application is received back from the prospect, it is checked for completeness. The information on the database should be compared to the application to ensure consistency. If the application is received incomplete, the prospect is called and informed that the application cannot be processed until all required information is received. In reviewing the application, special attention needs to be given to section E, on licensing relationships, and section K, bank references. These sources should be checked to verify past performance as a licensee and financial status. If the prospect has never been a licensee, other business relationships must be checked to evaluate performance. Information from creditors, vendors, and suppliers with which the prospect does business can be obtained and used to rate performance. If this review proves unsatisfactory, the application is rejected and the

prospect is notified in writing as to why the application was rejected. If this review proves satisfactory, the prospect should be transferred from prospect to applicant on TMARC. A letter should then be sent to the applicant stating that the application was accepted (Appendix F). This letter also instructs the applicant to submit a certificate of insurance, any existing artfiles depicting Virginia Tech trademarks, and a blank product sample as the next step in the licensing process. Two original licensing agreements (Appendix G) are sent with the letter for a company official to sign, date, and return.

Review of Licensing Agreement. Each licensing agreement returned by the applicant should be checked to ensure that it has been signed and dated. The body of the agreement should be checked to see if any physical changes have been made to the document. If changes have been made and they are acceptable, the agreement should be sent to University Legal Counsel for review. If these changes are approved, the agreement can be put back into the review process. If any or all changes are deemed unacceptable by University Legal Counsel or by licensing staff upon initial receipt, the agreement is voided. The applicant is then contacted and notified that the changes made are unacceptable. If the applicant wishes to continue with the licensing process, another set of licensing agreements is forwarded to the company to be signed and returned. If the company insists on implementing the initial changes, the licensing process

should be stopped and the applicant should be rejected. All reasons for rejection should be documented for future reference.

Review of Insurance Certificate. The insurance certificate submitted must contain minimum coverages of \$1,000,000 for property damage and \$1,000,000 for personal injury per occurrence. Appendix H provides a sample certificate of insurance for review. The personal injury clause must include libel and slander, and the property damage clause should be reviewed to ensure that product liability and bodily injury are included. The certificate should then be checked to ensure that Virginia Tech is named as additional insured, and is provided a minimum 30 days notice of any policy changes or policy cancellation. If any of the above criteria are not met, the certificate of insurance should be returned to the applicant with a letter (Appendix I) stating the noted deficiencies must be corrected immediately. The documentation review process may continue while these corrections are being made. Receipt of the revised insurance certificate is required before formal license approval is granted. Current certificates of insurance must be submitted when policies are renewed. Notification of expiration dates are sent from the licensing office to the licensee one month prior to expiration to remind them of this requirement (Appendix J). Failure to submit a current certificate of insurance will result in cancellation of the licensing agreement.

Review of Artwork Files. Artwork files are required of all first time licensees and licensees who were previously under contract

with the Collegiate Licensing Company, Virginia Tech's previous licensing agent. Artwork files must be checked to ensure that all designs are in good taste, that the trademarks of Virginia Tech are used in the correct format, and that the appropriate trademark identification is present. If the university seal or shield is depicted, there must not be any design or graphic overlapping or intersecting. If the artwork depicts the trademark of another institution or organization in conjunction with a Virginia Tech trademark, written approval from the other institution or organization must be provided before the artwork is approved. If any of the above criteria are not met, the artwork is returned to the applicant noting the changes or deficiencies. The artwork must be resubmitted and reviewed before approval for use is granted.

Review of Product Samples. Product samples are reviewed to ensure that the item appears to be of good quality. The applicant must submit product specifications with each sample product. Specifications such as cloth content, seams, stitching, binding, size, weight, and cleaning information should be evaluated to determine product quality. Clothing should be reviewed to ensure it cannot be seen through under normal light. If the product performs a function, such as a clock or watch, it should be tested to ensure that it functions properly. If the product is made by someone other than the applicant, the applicant must provide the licensing office with a written guarantee from the manufacturer that the product is safe, of high quality and meets all federal standards. This will

help to reduce product liability risk to Virginia Tech and the applicant. Any flaws should be reported to the applicant. All noted flaws must be resolved prior to product use. The product will be determined as being unacceptable for licensing if the flaws cannot be corrected.

Licensee Approval. The applicant is formally approved as a licensee if all previous requirements have been satisfied. At this time, both originals of the licensing agreement are to be fully-executed by the Associate Vice President for Personnel and Administrative Services. One original is sent back to the licensee along with a welcome letter (Appendix K) and a welcome packet which should contain the following: product specification requirements (Appendix L), camera-ready artwork (Appendix M), royalty remittance forms (Appendix N), product labeling requirements (Appendix O), and a licensee information sheet (Appendix P). The applicant should now be transferred into licensee status on TMARC.

File Set-up and Maintenance. A permanent licensee file should now be established that contains the following documentation: application, original insurance certificate, licensing agreement, original artwork, and correspondence. A copy of each insurance certificate should also be placed in the insurance tickler file. Certificates are to be filed for review one month prior to expiration date. A file should also be established for rejected applications, canceled licenses, and revoked licenses. These files should be

marked inactive on TMARC and stored separate from current or active licensees.

Royalty Rate Remittance Process. All royalties are due from licensees on a quarterly basis and must be received within 30 days from the end of the quarter. All licensees are required to submit a royalty report even if no royalties are due. If royalties are due, the royalty check must accompany the report. Licensees who fail to pay or report royalty information within 30 days of quarter's end will be reported to the Licensing Director for corrective action. Royalties received should be input onto the accounting screen of TMARC within 24 hours of receipt. All remittance checks should be logged onto the cash receipt log (Appendix Q). A deposit ticket (Appendix R) should then be completed for check deposit. The proper 6-digit account number and subcode must be included on the deposit ticket to ensure proper allocation of the deposit. These numbers can be obtained from the Licensing Director or from the Assistant to the Director. All checks must be deposited with the cashier's office within 24 hours of receipt. The cash receipt log and a copy of each deposit ticket must be maintained for future verification of the transaction.

License Renewal. All licensees who wish to continue a licensing relationship will have their licenses renewed yearly in July. Beginning in July 1993, all new and renewing licensees will be required to pay a two-hundred dollar (\$200.00) advance royalty fee for the coming year. Royalties for the coming year will be charged

against this payment. This fee must be input onto the accounting screen of TMARC and the check deposited as stated in the royalty rate remittance process. The renewal process also requires that each licensee submit a current and valid insurance certificate. This certificate should be reviewed according to established procedures. The original licensing agreement will remain in force with no necessary riders or amendments. Any changes requested to the licensing agreement will require review by the Licensing Director and University Legal Counsel in accordance with established procedures.

License Termination. A license will be terminated if the requirements spelled out in the licensing agreement are not met. Causes for termination include trademark infringement, non-payment of royalties, licensee bankruptcy, product recall, or breach of contract. The Licensing Director in conjunction with University Legal Counsel is responsible for executing license terminations. Written correspondence will be sent to the licensee with the reason(s) and effective date of the termination. The licensee will have 30 days from the effective date of termination, as specified in the licensing agreement, to supply Virginia Tech with a written inventory of all licensed products still in stock. The licensee will be granted three (3) months to sell any remaining goods. At the end of the three (3) month period, the licensee must pay any royalties owed, destroy all remaining goods, and provide Virginia Tech with a written inventory of all goods destroyed. Legal action will be taken for non-compliance.

### Data and Records Management

Data Base Management. A weekly back-up of TMARC should be performed every Friday. After the back-up is completed, this information should be loaded onto the alternate department computer. The back-up disks must be stored in an area where neither computer is located. If feasible, back-up disks should be stored off-site and in a climate control facility.

Report Generation. The following reports are to be generated off TMARC at end of each quarter: current prospect report, current applicant report, and current licensee report. In addition, a quarterly royalty report highlighting royalties paid for each licensee is to be generated 45 days after the end of the quarter. Other reports will be generated as needed. These reports are used by licensing staff to monitor the license origination and licensee payment processes.

Record Retention Requirements. The record retention requirements for all licensing records are outlined in Appendix S. All records must be retained according to this schedule as established by the University Records Management Office.

### Promotions

Promotion of the licensing program helps to improve consumer awareness about licensed products, in addition to creating increased profit potential. Promotional activities are a key ingredient to the long-term success of a licensing operation.

Manufacturers and Retailers. Product manufacturers and retailers will be approached by licensing staff on a continuing basis to promote the benefits of producing and selling licensed products that bear the trademarks of Virginia Tech. Customer association of product quality with the Virginia Tech name will be a benefit promoted to both groups. This effort will entail developing relationships with manufacturers on a national basis and retailers throughout the state.

General Public. Consumer awareness of licensed products will be developed through the use of game program inserts, scoreboard messages during athletic contests, point of sale displays in retail outlets, and other sources as needed. The aim of these promotional vehicles should be to inform the consumer that only officially licensed products meet the approval and quality standards established by Virginia Tech.

Other Promotions. Other promotional vehicles that may be used to enhance business relationships include corporate tent sponsorship for athletic contests and the provision of event tickets to clients.

#### Enforcement

Enforcement activities are required to satisfy protection requirements under federal trademark law and to protect the image and reputation of Virginia Tech. Enforcement will be performed by the Office of Licensing and Trademark Administration and other individuals as designated. Enforcement assistance can be received

from student groups, faculty, licensees, retailers, and licensing staff at other institutions.

Enforcement Guidelines. Communication and promotion of the licensing program will enable licensing staff to gain commitments from these groups to help enforce trademark usage. All formal enforcement notification of infringement must come from licensing staff or University Legal Counsel. Formal enforcement activities must be carried out in a courteous and professional manner. Formal enforcement activities include: audits of retail outlets, audits of licensed manufacturers, surveillance of game vendors and student groups, and development of regional enforcement units.

Audits of Retail Outlets. This type of enforcement effort entails going into retail outlets to check products that bear Virginia Tech trademarks. This procedure will enable licensing staff to evaluate retailers that produce goods as well as licensed and unlicensed manufacturers that sell to the retailer. These audits should be performed locally and regionally. When checking products during an audit, the following steps should be taken: identify the product manufacturer or design applier, check for the "TM" or an encircled "R" on each product type, check for the "licensed collegiate product" label, evaluate product quality/design, and note the trademark or identification used. This information should be documented on the Retail Enforcement Audit Form (Appendix T). Only official trademarks as listed in the licensing policy section of this manual may be used. Any combination of the above information, if in

violation of licensing policy, can be considered an infringement or violation. If an infringement is evident, the item should be purchased for use as evidence. The company should then be contacted and advised that they are infringing on the trademarks of Virginia Tech. If the company cannot be contacted using the information obtained, the retailer audited should be contacted and informed of the infringement or violation. The name of the company should be obtained from the retailer and the retailer should be informed that the goods may be seized due to the infringement. If the retailer is the manufacturer, notification should be given as mentioned above. The retailer should be made aware of the benefits and legalities of selling only officially licensed merchandise. When the company is contacted, they should be encouraged to become a licensee. If the company does not want to become a licensee and continues to infringe, a cease and desist order should be presented as outlined later in this section.

Audits of Manufacturers. As specified in the licensing agreement, licensing staff or independent auditors hired by the university can periodically inspect the premises of a manufacturer to ensure that the terms of the licensing agreement are being followed. This inspection must be announced and be performed during regular business hours. During this inspection, records of goods sold to retailers should be compared to royalty reports to verify payments made and owed. If sales affecting royalties are found to have been understated by more than 10%, the licensee must pay all costs of the

audit, as outlined in section 8.3 of the licensing agreement. Goods produced should be examined to ensure that all conform to trademark usage, product quality, and labeling requirements. Approved artwork samples should be brought along and used as a verification tool. All audit results should be documented on the Manufacturer Enforcement Audit Form (Appendix U). All exceptions found should be put in writing and sent to the licensee for comment and correction. Failure of the licensee to correct the exceptions will lead to license termination.

Surveillance of Game Vendors and Student Groups. The activity is necessary to identify the sale of unlicensed goods through non-commercial channels. This procedure is the same as the procedure used to audit unlicensed retail outlets. Vendors and student groups at football games can be audited undercover to see if unlicensed merchandise is being sold. Student groups can also be monitored through contacts with residence hall directors and assistants. These individuals can help determine which student organization is selling these articles in order to prevent further sale. If the group can be identified, they should be contacted and advised that these articles violate licensing policy. The importance of using licensed vendors and maintaining the image of Virginia Tech will be communicated at that time. University Legal Counsel and the University Police will be approached regarding the possibility of confiscating unlicensed goods. These efforts should be performed at all home football games and on an ongoing basis throughout campus.

Development of Regional Enforcement Units. Task force units to help combat trademark infringement can prove to be very effective. The Office of Licensing and Trademark Administration in conjunction with other institutions located throughout Virginia have formed the Virginia Association of Collegiate Licensing Administrators (VACLA). One of the main purposes of the VACLA is to help regulate and enforce licensing activities in the region. Each VACLA institution polices its respective market to identify potential trademark infringements of member VACLA institutions. This process can be performed by each member institution during regular audit and surveillance efforts. If a VACLA member spots a potential infringement, all information collected should be turned over to the institution being infringed upon for action.

Enforcement Remedies. Specific actions should be taken when trademark infringement is discovered or when the terms of a licensing agreement are violated. These actions should be performed by the Licensing Director, in conjunction with University Legal Counsel depending on the severity of the violation.

Cease and Desist Orders. A cease and desist order may be issued against any business that is found to be infringing upon the trademarks of Virginia Tech. Appendix V provides a sample cease and desist order for review. The Licensing Director, after consulting University Legal Counsel, should serve a cease and desist order directly to the infringing company. Cease and desist orders of varying strength may be used depending on prior infringement

notification and the severity of the violation. The cease and desist order should state that the infringing company must immediately stop selling or producing any items depicting the trademarks of Virginia Tech. First time infringers will be encouraged to apply for a license to sell licensed products. If this relationship is established, the cease and desist process is halted. If infringement continues, a more forceful cease and desist order will be issued. The company may be instructed to furnish Virginia Tech with an itemized listing of all products produced to date, a listing of all retailers to which the products were sold (if applicable), and all artwork that is currently being used to produce the trademarks. Virginia Tech may request that all unsold products be sent to the Office of Licensing and Trademark Administration for proper destruction. The company may also be required to pay royalties that are owed retroactive to the date that Virginia Tech gave first notice to the company. A timeframe for response and compliance with these requirements should be provided. Non-compliance with these requirements may result in a court ordered seizure of the goods and further legal restitution. A copy of this letter should be forwarded to University Legal Counsel and the Associate Vice President for Personnel and Administrative Services.

Establish as a Licensee. After an initial cease and desist order is issued, the unlicensed manufacturer or retailer will be given the option of becoming a licensee as long as they meet all requirements. The company will be encouraged to establish a

licensing agreement with Virginia Tech for authorization to sell licensed products. The procedures outlined in the License Administration section of this manual should be followed when establishing this relationship. If the company does not want to enter into a licensing relationship, and continues to violate subsequent cease and desist orders, then further legal action will be taken.

Further Legal Action. If a company does not comply with the cease and desist order presented, Virginia Tech may file suit against the organization for violation of federal trademark laws. These actions are taken by University Legal Counsel, at the direction of University Administration and the Attorney General of the Commonwealth of Virginia.

#### Miscellaneous Operations

This section gives an overview of other licensing options that have not been instituted by or become available to the Office of Licensing and Trademark Administration. The following procedures are provided for future use as required.

International Licensing. Currently Virginia Tech does not participate in the licensing of its trademarks to foreign companies. If this process is considered in the future, the services of a trademark attorney specializing in international licensing should be secured to perform the necessary trademark searches and registration procedures in each respective country. This attorney should also

assist in the negotiation of licensing agreements, review of products, and enforcement efforts.

Bowl/Tournament Licensing. Detailed procedures for bowl and tournament licensing cannot be finalized until an invitation is received. After an invitation is received, the Office of Licensing and Trademark Administration will work directly with the bowl or tournament committee, any agent employed, and the opposing institution to develop the specific components of a licensing agreement. Virginia Tech will require that the following criteria be met as a part of the licensing agreement: (a) products should be sold through established distribution channels including bookstores, local and regional retailers, university groups and associations, and in the local market where the game(s) will be played, (b) the licensed businesses chosen must have the capability to distribute products to all of these channels, (c) all licensed businesses will be required to pay royalties from sale of goods within 90 days. If a licensing agent is utilized, the agent will be advised of and expected to follow the policies and procedures as outlined in previous sections of this manual.

Conference Licensing. Conference licensing activities are established in accordance with the licensing policies of Virginia Tech, The Big East Conference, The Metro Conference, and each respective conference member. Each conference institution must formally agree to specific terms that will be outlined in a licensing agreement. Currently a conference licensing agreement does not exist

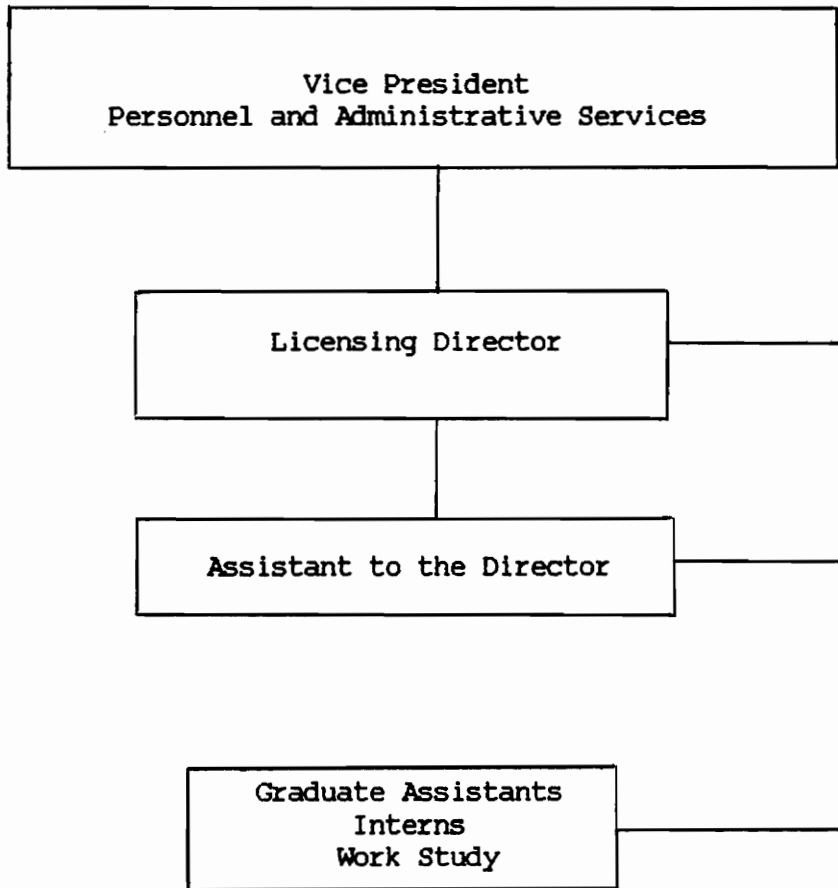
for either conference. To establish a conference licensing agreement, each participating institution must address and agree upon the following issues: product quality standards, design approval, choice of licensees, royalty distribution procedures, promotion vehicles, insurance requirements, and methods of enforcement. It would be advantageous to form a conference licensing committee for the purpose of establishing the above requirements.

Cross-Licensing. The Office of Licensing and Trademark Administration will seek to establish cross-licensing agreements with other institutions if the relationship will prove profitable. Currently there are no cross-licensing agreements in practice. The requirements for cross-licensing agreements are similar to those for conference licensing. Both institutions must agree upon product quality standards, design approval, choice of licensees, royalty distribution procedures, promotion vehicles, insurance requirements, and methods of enforcement. These agreements can range from single game agreements to year-round contracts.

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Appendix A  
Organization Chart



Appendix B

Products Acceptable and Unacceptable for Licensing

## ACCEPTABLE PRODUCTS

Athletic Equipment: baseballs, footballs, basketballs, golfballs

Bags: back packs, tote, beverage, luggage, golfbags, carry-on, other

Bedroom Accessories: bedspreads, draperies, sheets, blankets, comforters

Belt Buckles

Beverage Containers: glassware, pewter/ceramic mugs, insulator covers, baby bottles

Blankets: stadium/lap

Buttons

Calendars: wall, desk

Car Accessories: emblems, horns, license plate frames, flags

Christmas Accessories: ornaments, decorations

Electronics: phones, radios, calculators, musical devices, ceiling fans, computer discs

Food Items: coffee only

Floor Coverings: carpet, rugs, mats

Furniture: chairs, tables, beds

Headwear: caps, hats, team helmets

Illumination Devices: lamps, flashlights, candles

Kitchen Accessories: towels, aprons, trivets, soap

Knitwear: gloves/mittens, scarfs, socks

Novelty: pennants, key chains, miscellaneous

Pillows/Cushions

Plastic Containers: cups/glasses, bowls, pitchers

Playing Cards

Precious Metals: charms, necklaces, bracelets, rings,  
earrings, coins, pins, paperweights

Rainwear

Sewing Kits

Shoes and Shoe Laces

Stadium Seats

Stationary Products: postcards, notebooks, paper, etc.

Statuary and Artwork

Stuffed Animals

Sunglasses

Timepieces: clocks, watches

Toys and Games

Transfers and Decals

Umbrellas

Wall Hangings: mirrors, pictures, posters

Wallets and Purses

Wastebaskets

Wearing Apparel: fleece items, athletic jerseys, warm-ups,  
placated collared shirts, t-shirts, shorts,  
jackets, infant daywear, sleepwear (adult and  
older children), swimwear, pants, ties

Writing Instruments: pens, pencils, markers

## UNACCEPTABLE PRODUCTS

Athletic Equipment: baseball bats, golf clubs, tennis rackets  
helmets for children

Alcoholic Beverages

Automobiles/Aircraft

Cleaning Supplies: brooms, shovels, insecticides, cleansers,  
repellants

Children's sleepwear

Colognes/Cosmetics

Feminine Hygiene Products

Firearms/Cutlery: guns, knives, pellet guns

Fireworks

Food Products: other than coffee

Fraternity Paddles

Games: lawn darts, dart sets

Health Products/Medicines

Illumination devices: lighters

Miscellaneous: racist, religious, sexist or political items

Paper Products: paper towels, tissue

Promotions: products bearing likeness of student-athletes

Tobacco Products: cigars, cigarettes, pipe and chewing tobacco

Toilet Accessories: paper, seats, covers

**Appendix C**  
**Product Class List**

## International schedule of classes of goods and services

## Goods

- 1 Chemicals products used in industry, science, photography, agriculture, horticulture, forestry; artificial and synthetic resins; plastics in the form of powders, liquids or pastes, for industrial use; manures (natural and artificial); fire extinguishing compositions; tempering substances and chemical preparations for soldering; chemical substances for preserving foodstuffs; tanning substances; adhesive substances used in industry.
- 2 Paints, varnishes, lacquers; preservatives against rust and against deterioration of wood; colouring matters, dyestuffs; mordants; natural resins; metals in foil and powder form for painters and decorators.
- 3 Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices.
- 4 Industrial oils and greases (other than oils and fats and essential oils); lubricants; dust laying and absorbing compositions; fuels (including motor spirit) and illuminants; candles, tapers, night lights and wicks.
- 5 Pharmaceutical, veterinary, and sanitary substances; infants' and invalids' foods; plasters, material for bandaging; material for stopping teeth, dental wax, disinfectants; preparations for killing weeds and destroying vermin.
- 6 Unwrought and partly wrought common metals and their alloys; anchors, anvils, bells, rolled and cast building materials; rails and other metallic materials for railway tracks; chains (except driving chains for vehicles); cables and wires (nonelectric); locksmiths' work; metallic pipes and tubes; safes and cash boxes; steel balls; horseshoes; nails and screws; other goods in nonprecious metal not included in other classes; ores.
- 7 Machines and machine tools; motors (except for land vehicles); machine couplings and belting (except for land vehicles); large size agricultural implements; incubators.
- 8 Hand tools and instruments; cutlery, forks, and spoons; side arms.
- 9 Scientific, nautical, surveying and electrical apparatus and instruments (including wireless), photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; coin or counterfreed apparatus; talking machines; cash registers; calculating machines; fire extinguishing apparatus.
- 10 Surgical, medical, dental, and veterinary instruments and apparatus (including artificial limbs, eyes and teeth).
- 11 Installations for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply, and sanitary purposes.
- 12 Vehicles; apparatus for locomotion by land, air or water.
- 13 Firearms; ammunition and projectiles; explosive substances; fireworks.
- 14 Precious metals and their alloys and goods in precious metals or coated therewith (except cutlery, forks and spoons); jewelry, precious stones, horological and other chronometric instruments.
- 15 Musical instruments (other than talking machines and wireless apparatus).
- 16 Paper and paper articles, cardboard and cardboard articles; printed matter, newspaper and periodicals, books; bookbinding material; photographs; stationery, adhesive materials (stationery); artists' materials; paint brushes; typewriters and office requisites (other than furniture); instructional and teaching material (other than apparatus); playing cards; printers' type and clichés (stereotype).
- 17 Gutta percha, india rubber, balata and substitutes, articles made from these substances and not included in other classes; plastics in the form of sheets, blocks and rods, being for use

in manufacture, materials for packing, stopping or insulating; asbestos, mica and their products; hose pipes (nonmetallic).

- 18 Leather and imitations of leather, and articles made from these materials and not included in other classes; skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery.
  - 19 Building materials, natural and artificial stone, cement, lime, mortar, plaster and gravel; pipes of earthenware or cement; roadmaking materials; asphalt, pitch and bitumen; portable buildings; stone monuments; chimney pots.
  - 20 Furniture, mirrors, picture frames; articles (not included in other classes) of wood, cork, reeds, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum, celluloid, substitutes for all these materials, or of plastics.
  - 21 Small domestic utensils and containers (not of precious metals, or coated therewith); combs and sponges; brushes (other than paint brushes); brushmaking materials; instruments and material for cleaning purposes, steel wool, unworked or semi-worked glass (excluding glass used in building); glassware, porcelain and earthenware, not included in other classes.
  - 22 Ropes, string, nets, tents, awnings, tarpaulins, sails, sacks; padding and stuffing materials (hair, kapok, feathers, seaweed, etc.); raw fibrous textile materials.
  - 23 Yarns, threads.
  - 24 Tissues (piece goods); bed and table covers; textile articles not included in other classes.
  - 25 Clothing, including boots, shoes and slippers.
  - 26 Lace and embroidery, ribbons and braid; buttons, press buttons, hooks and eyes, pins and needles; artificial flowers.
  - 27 Carpets, rugs, mats and matting; linoleums and other materials for covering existing floors; wall hangings (nontextile).
  - 28 Games and playthings; gymnastic and sporting articles (except clothing); ornaments and decorations for Christmas trees.
  - 29 Meats, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams; eggs, milk and other dairy products; edible oils and fats; preserves, pickles.
  - 30 Coffee, tea, cocoa, sugar, rice, tapioca, sago, coffee substitutes; flour, and preparations made from cereals; bread, biscuits, cakes, pastry and confectionery, ices; honey, treacle; yeast, baking powder; salt, mustard, pepper, vinegar, sauces, spices; ice.
  - 31 Agricultural, horticultural and forestry products and grains not included in other classes; living animals; fresh fruits and vegetables; seeds; live plants and flowers; foodstuffs for animals, malt.
  - 32 Beer, ale and porter; mineral and aerated waters and other nonalcoholic drinks; syrups and other preparations for making beverages.
  - 33 Wines, spirits and liqueurs.
  - 34 Tobacco, raw or manufactured; smokers' articles; matches.
- Services**
- 35 Advertising and business.
  - 36 Insurance and financial.
  - 37 Construction and repair.
  - 38 Communication.
  - 39 Transportation and storage.
  - 40 Material treatment.
  - 41 Education and entertainment.
  - 42 Miscellaneous.

Appendix D  
General Information Letter

October 27, 1992

Doug Atkins  
AAA Sports  
2715 Dixie Highway  
Hamilton, OH 45015-1504

Dear Mr. Atkins,

The Office of Licensing and Trademark Administration operates to protect and control the use of Virginia Tech's name and identifying marks. Companies and individuals wishing to use these marks are required to enter into a nonexclusive Trademark License Agreement with the University. The licensing process consists of three phases.

Phase One is the application process. The application is completed by the prospective licensee and returned with a \$35 administrative fee to Virginia Tech. The application will be reviewed and if approved, the applicant enters Phase Two.

In Phase Two, a nonexclusive licensing agreement is forwarded to the prospective licensee. The applicant signs the agreement and returns it to Virginia Tech with a \$200 advance royalty guarantee (waived fiscal year 1992-1993), samples of the products that will be produced, and a certificate of insurance naming Virginia Tech additional insured.

In Phase Three, a fully executed copy of the agreement is returned to the new licensee. The licensee also receives camera-ready art, royalty payment forms, product specification forms and labeling information. The licensing process is then complete.

Virginia Tech requires the TM designation with all trademarks and a seven percent (7%) royalty rate. All designs must be approved by the Licensing Office prior to manufacture or distribution. The licensing agreement outlines all requirements for licensees in detail and should be read carefully upon receipt.

A Licensing Application is enclosed. If you wish to become licensed, please complete the application and return it with the \$35.00 application fee to the address above.

We will be happy to answer any questions you have about Virginia Tech's licensing program. Please feel free to call us at (703) 231-3748 or (703) 231-7641. We look forward to hearing from you.

Sincerely,

Martha Giesen Hale  
Licensing Director

Appendix E  
Licensing Application



LICENSING APPLICATION

A. General Information

Company Name: \_\_\_\_\_
Street Address: (no P.O. Box) \_\_\_\_\_
Mailing Address: (P.O. Box if applicable) \_\_\_\_\_
City, State, Zip: \_\_\_\_\_
Principal Licensing Contact: Mr. \_\_\_\_\_ Phone # \_\_\_\_\_
Ms. \_\_\_\_\_
Sales Contact: Mr. \_\_\_\_\_ Phone # \_\_\_\_\_
Ms. \_\_\_\_\_ 800 # \_\_\_\_\_ Fax # \_\_\_\_\_
Ad Agency (if any) \_\_\_\_\_
Contact \_\_\_\_\_ Phone # \_\_\_\_\_
Company may also be known as \_\_\_\_\_

B. Full description of each product you are requesting to have licensed:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

C. Description of Company

1. \_\_\_\_\_ Corporation; in what state? \_\_\_\_\_
\_\_\_\_\_ Partnership \_\_\_\_\_ Proprietorship
2a. Are you the mfr. of the product? Yes [ ] No [ ]
If no, please list source and location: \_\_\_\_\_
2b. Do you purchase blank goods and then apply the logo? Yes [ ] No [ ]
If yes, please list the source of your blanks \_\_\_\_\_

D. Products currently manufactured and/or distributed (Other than Section B)

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_

(If you need more space, please use a separate sheet.)

**E. Please indicate below which of these products have been licensed by other licensors.**

	Product:	License of:	Currently in force: yes/no
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____

**F. Pricing: (Products Listed in Section B)**

	Product:	Wholesale Price:	Suggested Retail:
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____

**G. Areas of Distribution**

1. National \_\_\_\_\_
2. Regional (list regions) \_\_\_\_\_
3. Local (list areas) \_\_\_\_\_

**H. Sales Distribution of Products**

Check method(s) used

1.  Direct sales force      Number in sales force \_\_\_\_\_
2.  Outside sales representatives      Number of representatives \_\_\_\_\_
3.  Jobbers      Number of jobbers \_\_\_\_\_
4.  Mail order \_\_\_\_\_
5.  Trade show exhibitor: which? 1. \_\_\_\_\_ 2. \_\_\_\_\_
3. \_\_\_\_\_ 4. \_\_\_\_\_
5. \_\_\_\_\_ 6. \_\_\_\_\_
7. \_\_\_\_\_ 8. \_\_\_\_\_

**I. Products sold through what type of outlets:**

- Department stores       Sporting Goods retail       Chain store (grocery)       House-to-house  
 Specialty stores       Discount stores       Small retail/convenience       Other: Describe \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**J. Marketing and Advertising**

(Please check those used and, if regional or local, indicate areas):

Media type	National	Regional (indicate areas)	Local (indicate areas)
Television	<input type="checkbox"/>	<input type="checkbox"/> _____	<input type="checkbox"/> _____
Radio	<input type="checkbox"/>	<input type="checkbox"/> _____	<input type="checkbox"/> _____
Print	<input type="checkbox"/>	<input type="checkbox"/> _____	<input type="checkbox"/> _____
Point-of-Purchase	<input type="checkbox"/>	<input type="checkbox"/> _____	<input type="checkbox"/> _____
Outdoor	<input type="checkbox"/>	<input type="checkbox"/> _____	<input type="checkbox"/> _____
Transportation Media (car, bus cards etc.)	<input type="checkbox"/>	<input type="checkbox"/> _____	<input type="checkbox"/> _____
Other	<input type="checkbox"/>	<input type="checkbox"/> _____	<input type="checkbox"/> _____

**K. Financial Information**

1. Date organized or incorporated: \_\_\_\_\_

2. Please list owners, partners or officers:

Name	Title
a. _____	_____
b. _____	_____
c. _____	_____
d. _____	_____

3. Bank Reference(s):

Bank	Address/Phone	Contact
a. _____	_____	_____
b. _____	_____	_____
c. _____	_____	_____

Submitted by: \_\_\_\_\_

Title: \_\_\_\_\_

**Please complete and mail with \$35 application fee to:**

Office of Licensing and Trademark Administration  
324 Burruss Hall  
Blacksburg, VA 24061-0310



**Make checks payable to:**

Virginia Tech Treasurer

VIRGINIA POLYTECHNIC INSTITUTE  
AND STATE UNIVERSITY

(Prompt processing of your license application can be assured if you answer ALL questions at this time)

**Appendix F**  
**Acceptance Letter**

October 27, 1992

Doug Atkins  
AAA Sports  
2715 Dixie Highway  
Hamilton, OH 45015-1504

Dear Mr. Atkins,

Your application to become a Virginia Tech Licensee was reviewed and accepted by the Licensing Office. We are now willing to enter into a nonexclusive license with you to use the Virginia Tech name and trademarks.

Enclosed are two copies of the Licensing Agreement for your consideration. The agreements must be signed by an authorized agent of your company and returned to our office. Please enclose a current certificate of insurance naming Virginia Tech as additional insured, as outlined in the agreement. Schedule B on the last page of the agreement must be completed before it is returned to Virginia Tech. Please note that the \$200 royalty advance requirement is being waived for the first year.

We are requiring a copy of all art files you plan to use in producing Virginia Tech merchandise to be submitted with your licensing agreement. Even if a design was previously approved by the Collegiate Licensing Company, it must be submitted for reapproval if you plan to use it in the future. This is necessary to ensure the proper use of the TM designation and to review the appropriateness of the design. In the past, we approved many designs through the Collegiate Licensing Company contingent on some aspect of the artwork being changed. When the merchandise was received by our retailers, these design changes had not been made. Obviously there were problems with these required changes being communicated to our licensees; therefore, we are requiring artwork reapproval to prevent these problems from occurring in the future.

Once your licensing agreement is approved, we will send you a signed original of the contract, camera ready artwork, royalty reporting forms, sample approval forms, labeling information and approval/comments on your Virginia Tech art file.

We look forward to working with you as a Virginia Tech licensee. Please contact me if I can assist you in any way.

Sincerely,

Martha Giesen Hale  
Licensing Director

Appendix G  
Licensing Agreement



VIRGINIA POLYTECHNIC INSTITUTE  
AND STATE UNIVERSITY

Non-Exclusive Trademark Licensing Agreement

This Agreement, made this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_ by and between Virginia Polytechnic Institute and State University (Virginia Tech), 324 Burruss Hall, Blacksburg, Virginia 24061-0310 and \_\_\_\_\_, having its principal place of business at \_\_\_\_\_ (Licensee).

WITNESSETH:

WHEREAS, **Virginia Tech** is the owner of all rights, title, interest and goodwill in and to certain designations comprising designs, trade names, trademarks and service marks, including but not limited to the designations depicted on Attachment A, and other designs, seals and symbols (hereinafter collectively referred to as "**Licensed Marks**"), which have come to be associated with Virginia Polytechnic Institute and State University;

WHEREAS, **Licensee** desires a license to use certain Virginia Polytechnic Institute and State University **Licensed Marks** on **Licensed Articles** listed on Attachment B;

NOW, THEREFORE, in consideration of the promises and mutual covenants and agreements herein contained, the parties hereby agree as follows:

**DEFINITIONS**

- 1.1 **Agreement** shall mean this agreement, together with any addenda or exhibits hereto.
- 1.2 **Licensed Marks** shall mean the designs, trademarks, trade names, service marks, logographics, symbols and any other devices that are associated with Virginia Polytechnic Institute and State University, which include, but are not limited to the designations depicted on Attachment A, which is incorporated herein by this reference.
- 1.3 **Licensed Articles** shall mean any product or part thereof bearing a **Licensed Mark** and listed in the Attachment B, incorporated herein by this reference.
- 1.4 **Included Territory** shall mean the United States of America and its territories.
- 1.5 **Net Sales** shall mean the total gross invoice amounts billed to customers, after deducting any credits for returns actually made as supported by credit memos. In computing **Net Sales**, no direct or indirect expenses incurred in licensing, manufacturing, selling, distributing or advertising (including cooperative and other advertising and promotion allowances) the **Licensed Articles** shall be deducted, nor shall any deduction be made for uncollectible accounts, cash discounts or similar allowances, provided however, that any taxes actually paid and any universally offered published discount actually applied may be deducted therefrom. **Net Sales** resulting from sales to any party directly or indirectly related to or affiliated with **Licensee** shall be computed based on regular selling prices to the trade.
- 1.6 **Retail Sales** shall mean the sale of **Licensed Articles** to the ultimate consumer at retail outlets (including Virginia Tech outlets), through mail order and/or catalogs.
- 1.7 **Wholesale Sales** shall mean the sale of **Licensed Articles** to any organization other than the ultimate consumer.

1.8 **Premium** shall mean any article given free or sold at less than the usual selling price for the purpose of increasing the sale of, or publicizing any other product or service, or for any other giveaway or promotional purposes.

**TERM OF AGREEMENT**

2.1 This **Agreement** shall be in effect from the date of execution on behalf of **Virginia Tech** for a term lasting from the date of execution until June 30. Thereafter, this **Agreement** shall be renewed each July 1 for a term of (1) year by Licensee submitting a guarantee payment in the amount of Two Hundred Dollars (200.00) and an updated certificate of insurance.

**GRANTS**

3.1 Subject to the terms of the **Agreement**, **Virginia Tech** hereby grants **Licensee** a non-exclusive license to the **Licensed Marks** on the **Licensed Articles** in the **Included Territory**.

3.2 No license, express or implied, is granted to **Licensee** to export **Licensed Articles** or to otherwise use **Licensed Marks** outside the **Included Territory**, and any such right is expressly withheld from this **Agreement**.

3.3 No right, express or implied, is granted to **Licensee** to sub-license or otherwise transfer in whole or in part the right to use the **Licensed Marks** to third parties, and any such right is expressly withheld from this **Agreement**.

3.4 No right, express or implied, is granted to **Licensee** to allow anyone other than **Licensee** to manufacture or otherwise produce **Licensed Articles**. All **Licensed Articles** covered by this agreement must be manufactured or otherwise produced directly by **Licensee**.

3.5 **Virginia Tech** retains all rights to **Licensed Marks** except as otherwise granted herein.

**PREMIUMS**

4.1 No license is granted under this **Agreement** for the distribution of **Licensed Articles** as **Premiums**, except with the written approval of **Virginia Tech**.

**QUALITY ASSURANCE**

5.1 **Licensee** agrees to submit free of cost samples of **Licensed Articles** to **Virginia Tech** prior to any use, sale or other distribution to the public, and **Licensee** agrees to withhold any use, sale or other distribution of **Licensed Articles** until approved in writing by **Virginia Tech**. Said approval by **Virginia Tech** is applicable to both any product or part thereof which constitutes a **Licensed Article** and the **Licensed Mark(s)** on such product or part thereof.

5.2 **Licensee** agrees to maintain such reasonable manufacturing, servicing and quality standards as may, from time to time, be requested by **Virginia Tech**.

5.3 **Licensee** shall assure that the **Licensed Articles** manufactured and sold meet or exceed the quality and specifications of the samples approved by **Virginia Tech**. **Licensee** agrees to remove from public sale or distribution any previously approved **Licensed Articles** to which **Virginia Tech** rescinds approval.

5.4 **Licensee** agrees that any proposed change to a **Licensed Article** involving any **Licensed Mark(s)** or any alteration in the structure, design or quality of the **Licensed Article**, shall be submitted to **Virginia Tech** for written approval prior to any use, sale or other distribution to the public, and **Licensee** agrees to withhold any use, sale or other distribution of such **Licensed Article** until approved in writing by **Virginia Tech**.

5.5 **Licensee** agrees that **Virginia Tech's** representatives may from time to time inspect the manufacturing premises and **Licensed Articles** of **Licensee** during all reasonable hours of operation during the term of this **Agreement** to assure that **Licensed Articles** are being produced in accordance with this **Agreement**.

#### TRADEMARK USE AND OWNERSHIP

6.1 Licensee agrees to use the Licensed Marks only in the form and manner and with appropriate legends as prescribed from time to time by Virginia Tech, and not to use any other trademark in combination with any of said Licensed Marks without the prior written approval of Virginia Tech. Licensee agrees it will not alter, modify, dilute or otherwise misuse the Licensed Marks.

6.2 Licensee agrees that upon request it shall cause to appear on or within each Licensed Article, by means of a tag, label, imprint, or other appropriate device, such copyright, trademark or service mark notices as Virginia Tech may from time to time, upon reasonable notice, designate. Licensee agrees that upon request by Virginia Tech, it will cause all Licensed Articles to bear an "Official Licensed Product" label in a form and manner that Virginia Tech may from time to time, upon reasonable notice, designate, as identified in Attachment C, which is incorporated herein by this reference.

6.3 Licensee agrees to submit to Virginia Tech for approval samples of all tags, labels, and packaging to be used in connection with any Licensed Product and to remove therefrom or add thereto any element Virginia Tech may from time to time, upon reasonable notice, designate.

6.4 Licensee agrees to submit to Virginia Tech copies of any advertisement or promotional materials containing Licensed Marks, for Virginia Tech's approval prior to any use thereof, and to remove therefrom either any reference to Licensed Marks or any element which Virginia Tech may from time to time, upon reasonable notice, designate.

6.5 Licensee acknowledges the ownership of Virginia Tech Trademarks including Licensed Marks in Virginia Tech, and Licensee agrees that it will do nothing inconsistent with such ownership, and that use of the Licensed Marks by Licensee shall inure to the benefit of Virginia Tech. Licensee agrees that it shall not apply for registration or seek to obtain ownership of any Virginia Tech Trademark in any nation.

6.6 Licensee agrees that all artwork, designs, trademarks or any reproductions thereof shall, notwithstanding their invention or use by the Licensee, be and remain the property of Virginia Tech who shall be entitled to use and license to use such artwork and designs, subject to the provisions of this Agreement.

6.7 Licensee agrees that it will not state or imply either directly or indirectly that the Licensee or the Licensee's activities, other than those permitted by this Agreement, are supported, endorsed, or sponsored by Virginia Tech, and upon direction of Virginia Tech, shall issue express disclaimers to that effect. Licensee agrees not to use the name of Virginia Polytechnic Institute and State University or any Virginia Tech Trademarks in its business or affairs except for the use of the Licensed Marks as authorized herein or as may be incidental to its financial and internal reports. Further, Licensee agrees to hold harmless and indemnify Virginia Tech for any actions arising from Licensee's activities.

6.8 Licensee agrees it will use the Licensed Marks only in a fashion authorized by this Agreement and will comply with all appropriate local and national laws in the United States.

6.9 Licensee recognizes the goodwill associated with the Licensed Marks and acknowledges that said goodwill belongs to Virginia Tech.

#### ROYALTIES

7.1 Licensee agrees to pay Virginia Tech a royalty of seven percent (7%) of total Net Sales of all Licensed Articles sold by Licensee. Licensed Articles shall be deemed to have been sold when invoiced, or if not invoiced, then when delivered, shipped, or paid for, whichever is first.

7.2 Royalty payments shall be made in April, July, October and January for the preceding calendar quarter's sales, and no later than thirty (30) days following the end of each quarter. All royalties shall be paid in U. S. dollars, and checks are to be made payable to Treasurer, Virginia Polytechnic Institute and State University and mailed to:

Office of Licensing and Trademark Administration  
324 Burruss Hall  
Blacksburg, Virginia 24061-0310

7.3 No royalties shall be charged for sales of **Licensed Articles** for sales to any department or organization of **Virginia Tech** where said purchaser obtains written permission for royalty waiver from the Office of Licensing and Trademark and submits the permission with the purchase order. This permission must be retained by the **Licensee** as proof of waiver for any future audit. If **Licensee** charges royalties for such sales despite the prohibition herein, the provisions of paragraph 7.1 herein shall be applicable to all such sales. The application of paragraph 7.1 herein to such sales shall not be construed as a waiver of the prohibition set forth in this subparagraph 7.3.

7.4 **Licensee** shall pay **Virginia Tech** an annual minimum guarantee of Two Hundred Dollars (\$200.00) for each calendar year in which this **Agreement** is in effect. Upon signing the **Agreement**, **Licensee** shall pay as a non-refundable advance the sum of Two Hundred Dollars (\$200.00) which shall be credited toward royalties to be paid. Per Section 2.1, renewal of this **Agreement** will be predicated on the payment by **Licensee** of an advance of Two Hundred Dollars (\$200.00) and receipt by **Virginia Tech** of an updated certificate of insurance by July 1 of each year. Failure to meet these terms shall be cause for cancellation of the **Agreement**.

7.5 In the event the royalty payment is not received by **Virginia Tech** when due, **Licensee** agrees to pay **Virginia Tech** interest charges at an rate of one and one-half per cent (1-1/2%) per month. Such interest shall be calculated from the date payment was due until actually received by **Virginia Tech**.

7.6 **Licensee** agrees to pay all costs of collection, including reasonable attorneys' fees incurred by **Virginia Tech**.

#### ACCOUNTING AND REPORTING

8.1 **Licensee** shall submit to **Virginia Tech** quarterly reports of its **Net Sales of Licensed Articles**. Said reports shall be prepared in a format agreeable to **Virginia Tech** and shall itemize all sales of **Licensed Products** by product category, style, units, dollars and customer numbers. Reports of sales made in each calendar quarter shall be submitted within thirty (30) days following the end of each quarter, in April, July, October and January. Each quarterly report shall be accompanied by a statement from the chief financial officer of **Licensee** certifying that the report is correct and complete and prepared in accordance and in compliance with this **Agreement**. If no sales or other use of the **Licensed Articles** are made during any reporting period, a statement to that effect shall be provided to **Virginia Tech**.

8.2 **Licensee** shall keep account books, records and duplicates of all invoices to customers showing the manufacture, sales and other distribution of **Licensed Articles**. Said books, records and invoices shall be maintained for a period of at least three (3) years after the payment of the corresponding royalty and shall be available for inspection and copying by duly authorized representatives of **Virginia Tech** during regular business hours upon reasonable prior notice. **Licensee** shall cooperate fully with **Virginia Tech** in making the inspection.

8.3 At least once during each calendar year in which this contract is in effect, and once after expiration or termination of this contract, upon 10 business days' notice, **Virginia Tech** shall be entitled to an independent audit of **Licensee's** account books, records, invoices and other pertinent data by a certified public accountant or qualified auditor to be designated by **Virginia Tech**. The audit shall be limited to the determination of **Licensee's** sales of **Licensed Articles**, and shall be conducted during normal business hours at **Licensee's** home office. The costs of the audit shall be paid by **Virginia Tech** unless the audit shows that **Licensee** understated sales of **Licensed Articles** by more than ten percent (10%), in which case the **Licensee** shall pay all **Virginia Tech's** costs of the audit.

#### TERMINATION OF AGREEMENT

9.1 Either party shall have the right to terminate this **Agreement** at any time upon ninety (90) days' written notice to the other party provided however, that such termination shall not impair or affect any accrued rights of that other party.

9.2 **Virginia Tech** shall have the right to immediately terminate this **Agreement** by giving written notice to **Licensee** if the **Licensee** does any of the following:

- a. Manufactures, sells, promotes, distributes and/or uses, in any way, any **Licensed Article** without having the prior written approval of **Virginia Tech** as provided for by the provisions of this **Agreement**, or continues to manufacture, sell, promote, distribute and/or use, in any way, any **Licensed Article** after receipt of notice from **Virginia Tech** disapproving or withdrawing approval of same;
- b. Files a petition in bankruptcy or is adjudicated as bankrupt or insolvent, or makes an assignment for the benefit

of creditors, or an arrangement pursuant to any bankruptcy law, or if the Licensee discontinues its business or if a receiver is appointed for the Licensee or for the Licensee's business;

c. Breaches any of the conditions or provision of this Agreement and fails to correct such breach within thirty (30) days after Virginia Tech has given it notice thereof.

9.3 Virginia Tech shall have the right to immediately terminate the portion(s) of this Agreement relating to any Licensed Article in connection with which the Licensee becomes subject to any voluntary or involuntary order of any governmental agency involving the recall of any of the Licensed Articles and/or promotional and packaging material because of safety, health or other hazards or risks to the public.

9.4 Licensee acknowledges that money damages alone are inadequate to compensate Virginia Tech for any breach by Licensee of any provision of this Agreement. Therefore, in the event of a breach or threatened breach of any provision of this Agreement by Licensee, Virginia Tech may, in addition to all other remedies, immediately obtain and enforce injunctive relief prohibiting the breach or compelling specific performance.

#### EFFECT OF TERMINATION

10.1 Upon termination of this Agreement, Licensee agrees to immediately discontinue the manufacture of all Licensed Articles and the use of all Licensed Marks. Within thirty (30) days Licensee shall provide Virginia Tech with a written inventory of all Licensed Articles currently in its stock at the time of termination or expiration. Notwithstanding the provisions of the first sentence of this paragraph, Licensee shall have the privilege of disposing of all approved Licensed Articles within said stock at its normal wholesale price within three (3) months after said termination or expiration. However, all such disposition shall be subject to the terms of this Agreement. After the three (3) month period, Licensee agrees to destroy all remaining unsold Licensed Articles and to report to Virginia Tech the number of each destroyed.

10.2 Licensee agrees that all legal rights and goodwill associated with the Virginia Tech Licensed Marks shall remain the property of Virginia Tech after termination and Licensee shall make no claim thereto.

#### INFRINGEMENT

11.1 Licensee agrees to notify Virginia Tech promptly of any known use of Licensed Marks by others not duly authorized by Virginia Tech. Notification of such infringement shall include all details known by Licensee that would enable Virginia Tech to investigate such infringement.

#### INDEMNIFICATION

12.1 Licensee shall defend, indemnify, and hold harmless Virginia Tech, its officers, employees, and agents from and against any losses and expenses (including attorney's fees), claims, suits, or other liability, including product liability, libel and slander resulting from injury to or death of any person or damage to property arising out of or in any way connected with the exercise of the license granted by this Agreement, provided such injuries to persons or damage to property are due to the acts of commissions or omissions of Licensee, its officers, employees or agents, or the products manufactured or sold by them.

#### INSURANCE

13.1 During the term of this Agreement, Licensee shall maintain in effect insurance for both bodily injury and property damage liability, including product liability, libel and slander in per occurrence limits of not less than One Million Dollars (\$1,000,000.00) for personal injury and not less than One Million Dollars (\$1,000,000.00) for property damage. The policy(ies) shall include an endorsement naming Virginia Polytechnic Institute and State University as an additional insured insofar as this Agreement is concerned and provide that notice shall be given to Virginia Tech at least thirty (30) days prior to cancellation or material change in the form of such policy(ies). Licensee shall furnish Virginia Tech, prior to commencing any performance hereunder, and annually upon contract renewal, certificates of insurance with the endorsements required herein. Virginia Tech shall have the right to inspect the original policies of such insurance.

**SEVERABILITY**

14.1 Should any provision of this **Agreement** be held unenforceable or in conflict with the law of any jurisdiction, then the validity of the remaining provisions shall not be affected by such a holding.

**MODIFICATION AND WAIVER**

15.1 The **Parties** agree that the Attachments to this **Agreement** may be modified from time to time in a writing signed by both **Parties** for the purpose of adding or deleting items therefrom.

15.2 It is agreed that no waiver by either **Party** hereto of any breach or default of any of the provisions herein set forth shall be deemed a waiver as to any subsequent and/or similar breach or default.

**NEGATION OF AGENCY**

16.1 **Licensee** is an independent contractor. Nothing contained herein shall be deemed to create an agency, joint venture, franchise or partnership relationship between the **Parties**, and neither **Party** shall so hold itself out. **Licensee** shall have no right to obligate or bind **Virginia Tech** in any manner whatsoever, and nothing contained in this **Agreement** shall give or is intended to give any right of any kind to third persons.

**LICENSE RESTRICTIONS**

17.1 It is agreed that the rights and privileges granted to **Licensee** are each and all expressly conditioned upon the faithful performance on the part of **Licensee** of every requirement herein contained, and that each of such conditions and requirements may be and the same are specific license restrictions.

**LIMITED WARRANTY**

18.1 **Virginia Tech** warrants it has the lawful capacity to execute this **Agreement**.

18.2 **Virginia Tech** makes no Warranty, express or implied, that **Licensed Articles** will be commercially successful.

18.3 **Virginia Tech** makes no Representations or Warranties with respect to the products manufactured or sold by **Licensee** and disclaims any liability arising out of the sale of **Licensed Articles** sold or use of the **Licensed Marks** hereunder.

18.4 **Licensee** warrants that the products manufactured or sold by **Licensee** under this **Agreement** will be suitable for the purpose for which they are intended to be used.

**ASSIGNABILITY**

19.1 This **Agreement** shall inure to the benefit of **Virginia Tech**, its successors and assigns, but will be personal to **Licensee** and shall be assignable by **Licensee** only with the prior written consent of **Virginia Tech**.

**GOVERNING LAW**

20.1 This **Agreement** shall be construed in accordance with and all disputes hereunder shall be governed by the laws of the Commonwealth of Virginia. The **Parties** hereto consent to the jurisdiction of the courts of competent jurisdiction, federal or state, situated in the Commonwealth of Virginia for the bringing of any and all actions hereunder.

**DISCRIMINATION**

21.1 Both Parties agree not to discriminate against any individual or company on the basis of race, creed, color, national origin, age or sex.

**SURVIVAL OF RIGHTS**

22.1 Notwithstanding anything to the contrary contained herein, such obligations which remain executory after expiration of the term of this Agreement shall remain in full force and effect until discharged by performance and such rights as pertain thereto shall remain in force until their expiration.

**HEADINGS**

23.1 The headings herein are for reference purposes only and shall not constitute a part hereof or be deemed to limit or expand the scope of any provision of this Agreement.

**NOTICE AND PAYMENTS**

24.1 Any notice required by this Agreement shall be deemed to have been properly received when delivered in person or when mailed by registered first class mail return receipt requested to the address as given herein, or such addresses as may be designated from time to time during the term of this Agreement.

**COMPLETE AGREEMENT**

25.1 It is understood and agreed between the Parties that this Agreement constitutes the entire agreement between them, both oral and written, and that all prior agreements or representations respecting the subject matter hereof whether written or oral, expressed or implied, are superseded and are null and void and of no effect.

25.2 All attachments to this Agreement are incorporated herein by reference as if fully set forth in this Agreement.

IN WITNESS WHEREOF, the Parties here have caused this Agreement to be executed in duplicate by their duly authorized representatives and to become effective as of the day and year first above written.

Virginia Polytechnic Institute  
& State University

Licensee

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**LICENSED PRODUCTS**

All products to be licensed must be listed here:

Appendix H  
Certificate of Insurance

**ACORD. CERTIFICATE OF INSURANCE**

ISSUE DATE (MM/DD/YY)  
9/2/92

**PRODUCER**

Ralph C. Wilson Agency, Inc.  
201 W. Big Beaver Road, Suite 1100  
P. O. Box 7003  
Troy, Michigan 48007-7003

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

**COMPANIES AFFORDING COVERAGE**

- COMPANY LETTER A Fidelity & Guaranty Insurance Co. Underwriters
- COMPANY LETTER B "REVISED"
- COMPANY LETTER C
- COMPANY LETTER D
- COMPANY LETTER E



**INSURED**

CAMPUS ORIGINALS, INC.  
21210 Woodward Avenue  
Ferndale, Michigan 48220

**COVERAGES**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	<b>GENERAL LIABILITY</b>				GENERAL AGGREGATE \$ 2,000,000
	X COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG. \$ 2,000,000
A	CLAIMS MADE X OCCUR OWNER'S & CONTRACTOR'S PROT.	BSP 700054014 00	8/1/92	8/1/93	PERSONAL & ADV. INJURY \$ 1,000,000 EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (Any one fire) \$ 50,000 MED. EXPENSE (Any one person) \$ 5,000
	<b>AUTOMOBILE LIABILITY</b>				COMBINED SINGLE LIMIT \$
	ANY AUTO				
	ALL OWNED AUTOS				BODILY INJURY (Per person) \$
	SCHEDULED AUTOS				
	HIRED AUTOS				BODILY INJURY (Per accident) \$
	NON-OWNED AUTOS				
	GARAGE LIABILITY				PROPERTY DAMAGE \$
	<b>EXCESS LIABILITY</b>				EACH OCCURRENCE \$
	UMBRELLA FORM				AGGREGATE \$
	OTHER THAN UMBRELLA FORM				
	<b>WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY</b>				STATUTORY LIMITS EACH ACCIDENT \$ DISEASE-POLICY LIMIT \$ DISEASE-EACH EMPLOYEE \$

**OTHER**

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS**

Certificate Holder is added as Additional Insured in accordance with Endorsement CL/EC 20 10.

**CERTIFICATE HOLDER**

Virginia Tech  
Office of Licensing  
and Trademarks  
324 Burruss Hall  
Blacksburg, Virginia 24061-0340

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

*Ralph D. Carey*

Appendix I

Insurance Deficiency Letter

October 27, 1992

Doug Atkins  
AAA Sports  
2715 Dixie Highway  
Hamilton, OH 45015-1504

Dear Mr. Atkins,

The certificate of insurance we received for your company does not meet the appropriate cancellation requirements outlined in Virginia Tech's licensing agreement. The contract requires that 30 (thirty) days notice be given to Virginia Tech by the insurance company prior to cancellation or material change in the policy. The certificate you submitted lists 10 (ten) days in the cancellation notice section.

Since all other aspects of the insurance policy are correct, we have proceeded with executing your licensing agreement; however, it is necessary for you to have a revised certificate of insurance sent to Virginia Tech's Licensing Office immediately. Failure to comply with this requirement may result in cancellation of your licensing contract.

If you have any questions regarding your insurance, please call Angie Icenhour or me on (703)231-7641 or (703)231-3748. Thank you for prompt attention to this matter

Sincerely,

Martha Giesen Hale  
Licensing Director

Appendix J

Insurance Renewal Letter

October 27, 1992

Doug Atkins  
AAA Sports  
2715 Dixie Highway  
Hamilton, OH 45015-1504

Dear Mr. Atkins,

Our records indicate that your certificate of insurance will expire 10/1/92. Please have it renewed and forward a copy to Virginia Tech. The terms are the same as previously outlined in your contract. If we do not receive a renewed certificate of insurance in the next couple of weeks, you will forfeit your right to use Virginia Tech's name and trademarks.

Thank you for your prompt attention to this matter.

Sincerely,

Martha G. Hale  
Licensing Director

Appendix K

Welcome Letter

October 27, 1992

Doug Atkins  
AAA Sports  
2715 Dixie Highway  
Hamilton, OH 45015-1504

Dear Mr. Atkins,

Thank you for returning your licensing agreement, art files and certificate of insurance to Virginia Tech. Enclosed please find an executed copy of the agreement, copies of your art files with comments and a licensee packet. The licensee packet contains royalty reporting forms, sample specification sheets, labeling information, required product standards, camera-ready art work and an information sheet of commonly asked questions about Virginia Tech's Licensing Program.

Please review your art files to determine any changes that should be made. We have indicated which designs are approved and which designs require changes. You must resubmit all disapproved designs with changes noted to receive final approval.

The enclosed information sheet addresses insurance requirements, the approval process, royalty payments, labeling requirements and other questions that you may have regarding Virginia Tech's Licensing Program. We hope you will take time to review the sheet in detail, as it contains much valuable information.

It is our pleasure to welcome your company to the roster of Virginia Tech Licensees. I look forward to working with you under our new independent Licensing Program. Please feel free to contact my assistant, Angie Icenhour, or me any time you have a question or comment. The Licensing Office telephone numbers are (703)231-7641 or (703)231-3748 and our new fax number is (703)231-3878. We look forward to a long and mutually beneficial relationship.

Sincerely,

Martha Giesen Hale  
Licensing Director

enclosures

**Appendix L**  
**Product Specifications and Standards**

## VIRGINIA TECH LICENSING PROGRAM T-SHIRT AND FLEECE GARMENT STANDARDS

The purpose of these standards is to indicate the minimum quality of T-Shirts and Fleece garments that will be accepted by Virginia Tech's Office of Licensing and Trademark Administration. This guide should be used in submitting samples for approval. The guide is intended to assist licensees in maintaining the quality of garment that is required for imprinting Virginia Tech trademarks.

### FLAMMABILITY

All garments (except children's wear) must meet Class One in the Federal standards for flammability. Manufacturers of their own garments must furnish Virginia Tech with a signed guarantee to that effect containing the name and address of the person by whom the product, fabric, or related material guaranteed was manufactured or from whom it was received. This guarantee is required when a licensee actually makes a garment. When a licensee only inserts its private label into garments from other sources, it must identify the sources. When a licensee only imprints a garment from a well known supplier of blank goods (Stedman, Hanes, etc.), and the source's label remains in the garment, the guarantee is not required. Children's wear requires a higher standard and similar written guarantee, as outlined in the Federal standards.

### T-SHIRTS

The important factors in determining if a T-Shirt meets Virginia Tech standards are: Weight, content, construction, washability and specifications. When considering knit and yarn guidelines for T-Shirts, we are referring to plain jersey stitch. The guidelines for stitches per inch refer to "finished count" yarn size, and not to the "knit count." In addition to count, the single-ply weight per ounce is important.

#### Weight

- |              |   |
|--------------|---|
| 100% Cotton: | T-Shirts must be at least 22 singles, and the weight should be 4.5 to 5.0 per ounce. Examples of acceptable shirts are Hanes, Stedman, Jerzees, Fruit of the Loom, Tee Jays and Oneita. |
| 50/50:       | These must be at least 22 singles, and the weight should be 3.9 to 4.4 per ounce. Examples of acceptable shirts are Screen Stars Best, Stedman Super 50, Hanes and Tee Jays.            |

<b>Construction</b>	Virginia Tech checks the neck opening and drop, and the rib width. The back of the neck opening should be taped. There must be appropriate stretch recovery in the rib neck. The sleeve opening, body width and length and the hem are checked. The length of front and back must be the same and the hem must be neatly finished. All major brand T-Shirts, Hanes, Stedman, Fruit of the Loom, etc., constructed in this way are acceptable.
<b>Washability</b>	For medium weight 100% cotton, no more than 4% shrinkage in width and no more than 10% in length is acceptable. For premium heavyweight, no more than 8% in width and 10% in length is acceptable. Shrinkage on 50/50 should be no more than 2%.
<b>Specifications</b>	See attached size guidelines
<b>Imports</b>	Imported shirts rarely meet our standards, so please do not submit them or use them. These shirts are usually poorly constructed, will shrink, and will not hold up to multiple washings.

### FLEECE

Important factors in dealing with fleece are weight per square yard (not linear yard), blend and construction. Construction is often the main reason that some fleece does not meet Virginia Tech standards.

<b>Content</b>	7 oz., 50/50 blend, raglan or set in sleeve
	9 oz., 50/50 blend or 80/20 blend (cotton to polyester), raglan or set in sleeve
	11 oz., 90/10 or 95/5, set in sleeve
<b>Construction</b>	Virginia Tech checks the neck opening and drop, and the rib width. There must be appropriate stretch recovery in the rib neck. We check the sleeve opening, body width and length, and the hem. The length of the front and back must be the same, and the hem must be neatly finished. There must be appropriate stretch recovery. Examples of acceptable fleece garments are Champion, Lee, Russell, Tultex, Hanes and Pannill.

<b>Specifications</b>	See attached size guidelines
<b>Imports</b>	While there are some acceptable imported fleece, such as from China, most do not meet our standards because of washability and construction.

### IMPRINTING

Virginia Tech requires imprinted samples from a company's inventory. Please do not attempt to make up a Virginia Tech sample for preliminary review, as they cost of making up the screen will be wasted if they graphic does not meet our standards. You may send samples of merchandise produced for other licensees. We are interested in the quality of the printing. Do not send seconds for review, as they will be rejected. Once a design is approved and printed for Virginia Tech, we require a full color print on a pellon for our files.

In reviewing imprinted products, the following points are considered:

<b>Registration</b>	Each color should fit snugly against the other color to form the overall image. Two colors should align perfectly without bleeding into each other.
<b>Clarity</b>	The sharpness of the print is reviewed. Each line in a image should have a clean edge and not be pitted or jagged.
<b>Coverage</b>	The colors should be uniform and opaque, with no spots where the garment shows through. This is particularly important when the body color is dark. Such dark blanks generally require underprinting a layer of white. The ink should not peel or crack when pulled.
<b>Washability</b>	The image should be able to stand normal washing. "Normal washing" means the kind of care suggested by the "care" instructions on the garment.

### GRAPHICS

After a license is granted, Virginia Tech will supply camera-ready art of the approved graphics. We never supply graphics before a license is granted. We do permit original graphics but require you to submit them for approval prior to use. We will accept original graphics by fax, but must see a pellon of the final illustration.

## T-SHIRT SIZE GUIDELINES

## MEDIUM WEIGHT 50/50

## Adult Sizes

Standard Cut	S(32-34)	M(36-38)	L(40-42)	XL(44-46)
Body Cut	16 1/2"	18"	20"	22"
Body Length	27"	28"	29"	30"

## HEAVY WEIGHT 50/50

Full Cut				
Body Width	17"	19"	21"	23"
Body Length	27"	28"	29"	30"

## HEAVY WEIGHT 100%

Full Cut				
Body Width	17"	19"	21"	23"
Body Length	28"	29"	30"	31"

## MEDIUM WEIGHT

## Youth Sizes

Standard Cut	S	M	L	
Body Width	13"	14"	15"	
Body Length	19"	21"	23"	

\*\*\*\*\*

## SWEAT SHIRT SIZE GUIDELINES

## Adult Sizes

Standard Cut	S	M	L	XL
Body Width	18"	20"	22"	24"
Body Length	26"	27"	28"	29"
Full Cut				
Body Width	19"	21"	23"	25"
Body Length	27"	28"	29"	30"

Appendix M

Camera - Ready Artwork

TRADEMARKS OF VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

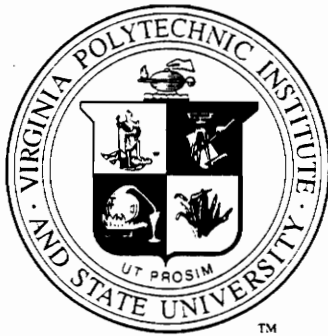
University Seal



- A. VERBIAGE:  
 VIRGINIA POLYTECHNIC INSTITUTE  
 AND STATE UNIVERSITY,  
 VIRGINIA TECH.,  
 HOKIES,  
 VIRGINIA TECH HOKIES,  
 GOBBLERS,  
 FIGHTING GOBBLERS.

B. UNIVERSITY SEAL

The University Seal usually appears in a one color version. Variations are acceptable with prior approval from Virginia Tech's Licensing Office. The TM designation must be used.



C. OFFICIAL COLORS



PMS 165  
(orange)

or



PMS 158  
(orange)

and



PMS 209C or PMS 208U  
(maroon)

TRADEMARKS OF VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

**University Shield Logo**



- A. VERBIAGE:  
 VIRGINIA POLYTECHNIC INSTITUTE  
 AND STATE UNIVERSITY,  
 VIRGINIA TECH.,  
 HOKIES,  
 VIRGINIA TECH HOKIES,  
 GOBBLERS,  
 FIGHTING GOBBLERS.

Page one of two




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B. UNIVERSITY SHIELD LOGO

The Shield may appear in one- or two-color versions, or in two reversed versions. The TM designation must be used. The Shield may be used with or without the full name of the university (see variations below). Variations are acceptable with prior approval from Virginia Tech's Licensing Office.

ONE COLOR VERSIONS

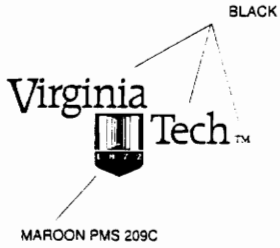


- C. OFFICIAL COLORS
- |   |    |   |     |   |
|---|----|---|-----|---|
|  | or |  | and |  |
| PMS 165<br>(orange)   |    | PMS 158<br>(orange)   |     | PMS 209C or PMS 208U<br>(maroon)  |

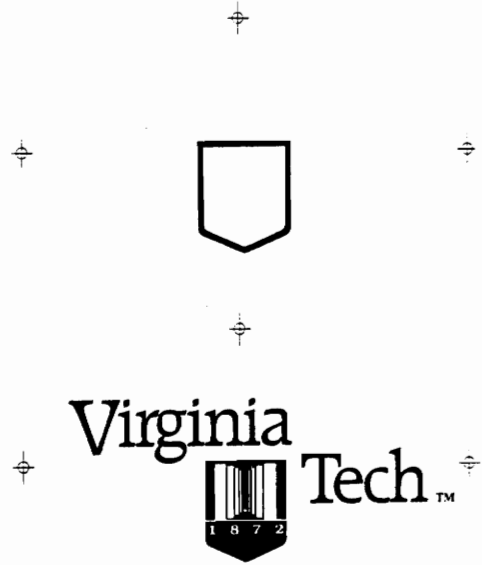
TRADEMARKS OF VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

UNIVERSITY SHIELD LOGO  
Page two of two

TWO COLOR - Version A:



TWO COLOR - Version B:



REVERSED - Version A:






REVERSED - Version B:



The reversed versions of the logo can be reversed out of any color.

C. OFFICIAL COLORS

	or		and	
PMS 165 (orange)		PMS 158 (orange)		PMS 209C or PMS 208U (maroon)

## TRADEMARKS OF VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

**Athletic VT Logo**

TWO COLOR VERSION

## A. VERBIAGE:

VIRGINIA POLYTECHNIC INSTITUTE  
AND STATE UNIVERSITY™

VIRGINIA TECH™

HOKIES™

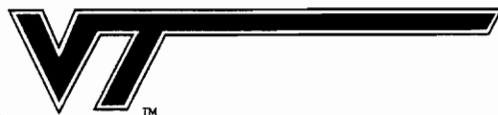
VIRGINIA TECH HOKIES™

GOBBLERS™

FIGHTING GOBBLERS™

## B. ATHLETIC VT LOGO:

The VT may be done in one or two color versions. Variations are acceptable with prior approval from Virginia Tech's Licensing Office. TM designation must be used.



## C. OFFICIAL COLORS

PMS 165  
(orange)

or

PMS 158  
(orange)

and

PMS 209C or PMS 208U  
(maroon)

TRADEMARKS OF VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

**1. Gobbler**



- A. VERBIAGE:  
 VIRGINIA POLYTECHNIC  
 INSTITUTE  
 AND STATE UNIVERSITY,  
 VIRGINIA TECH.,  
 HOKIES,  
 VIRGINIA TECH HOKIES,  
 GOBBLERS,  
 FIGHTING GOBBLERS.

**VIRGINIA TECH™**

**2. Stylized Name**

B. GOBBLER:

The Gobbler may be done in a one color version. Variations are acceptable with prior approval from Virginia Tech's Licensing Office. TM designation must be used.



C. STYLIZED NAME LOGO:

The Stylized Name may be done in one or two color versions. Variations are acceptable with prior approval from Virginia Tech's Licensing Office. TM designation must be used.

**VIRGINIA TECH™**

**VIRGINIA TECH™**

C. OFFICIAL COLORS



PMS 165  
(orange)

or



PMS 158  
(orange)

and



PMS 209C or PMS 208U  
(maroon)

TRADEMARKS OF VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY



**Hokie Bird**

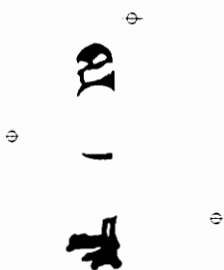
- A. VERBIAGE:  
 VIRGINIA POLYTECHNIC INSTITUTE  
 AND STATE UNIVERSITY,  
 VIRGINIA TECH.,  
 HOKIES,  
 VIRGINIA TECH HOKIES,  
 GOBBLERS,  
 FIGHTING GOBBLERS.

B. HOKIE BIRD GRAPHICS AND COLOR SEPARATIONS:

The Hokie Bird may be done in one, two or three color versions. Other color combinations may be used with prior approval from Virginia Tech's Licensing Office. TM designation must be used.



Maroon 100%  
PMS 209C or 208U



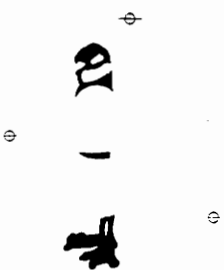
Maroon 60% Screen  
PMS 209C or 208U



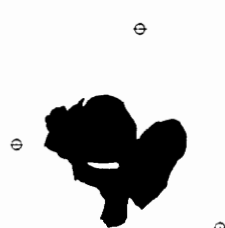
Orange 60% Screen  
PMS 165CU or 158CU



Black 100%



Maroon  
PMS 209C or 208U



Orange  
PMS 165CU or 158CU

C. OFFICIAL COLORS



PMS 165  
(orange)

or



PMS 158  
(orange)

and



PMS 209C or PMS 208U  
(maroon)

Appendix N  
Royalty Remittance Form



VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

**QUARTERLY ROYALTY REPORT**  
*(Report must be filed even if no royalties are due)*

Date of Report \_\_\_\_\_  
 (For quarter ending) \_\_\_\_\_

LICENSEE:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Royalty checks payable to:**  
 Virginia Tech Treasurer

Office of Licensing and  
 Trademark Administration  
 324 Burruss Hall  
 Blacksburg, VA 24061-0310  
 (703) 231-3748

PRODUCT SOLD TO	INVOICE DATE	INVOICE NUMBER	PRODUCT DESCRIPTIONS/STYLE NO.	QUANTITY	PRICE PER UNIT	GROSS SALES FOR LICENSED PRODUCTS

PREPARED BY: \_\_\_\_\_  
 \_\_\_\_\_  
 NAME (Please Print)  
 \_\_\_\_\_  
 TITLE  
 \_\_\_\_\_  
 SIGNATURE (Required)

TOTAL GROSS SALES OF LICENSED PRODUCTS:	\$
LESS: returns and/or transportation charges on returns:	-
TOTAL "NET" GROSS SALES OF LICENSED PRODUCTS subject to royalties:	
ROYALTY PERCENTAGE:	x 7.0%
SUBTOTAL:	\$
LESS: advance royalty balance:	-
ROYALTIES DUE FOR THIS QUARTER:	\$
BALANCE REMAINING ON ACCOUNT:	\$

Complete and return within thirty (30) days after each calendar quarter. THANK YOU  
 1 1/2% SURCHARGE ASSESSED ON LATE PAYMENTS

Appendix 0  
Labeling Requirements



## Style Guidelines Frequent Questions

### Label Color Rules . . . does the label have to be red?

Some Independent Labeling Group member schools have had requests from their licensees to modify label color to black or blue. While we would prefer that the label color is red with blue highlights, as shown on the art sheet, the group feels that the label design itself is more important than the color, and it is acceptable that the color is single-color black or blue.

### Does the Independent Label have to appear on products other than wearing apparel and large products? What about novelty items like key chains and class rings?

No, the label is designed chiefly for soft goods and large hard goods. Small items such as class rings and novelties should be required only to display the label as part of their product display or point-of-purchase support material, such as brochures.

### Must a single label manufacturer be used to print licensee's labels?

No. Any label company may produce labels for a licensor who is part of the Independent Labeling Group. Should a school identify unlicensed goods with the label, then responsibility for stopping that infringement rests on that school or schools whose trademarks are infringed upon.

### Can a licensee combine several group labels on a single hang tag?

Some licensees are moving toward using a hang tag which identifies all of the labels associated with their licenses, including pro sports properties' labels and the Collegiate Licensing Company (formerly CCI/ICE) label. Is this acceptable?

The group feels that this is acceptable for pro sports properties and the Collegiate Licensing Company label. However, those schools who have not joined the independent labeling group AND do not use the Collegiate Licensing Company as an agent, should not have the option to use their own, unique labels on the same hang tag as the independent labeling group. These schools have their own separate and unique label, and this label should not appear in conjunction with the independent labeling group's label.

The rationale for this decision rests in that the independent label is a group label, one that is designed to allow licensees to use one label instead of fifty separate labels. Should the group label be combined on a hang-tag with a single-school label, the single-school would enjoy an unfair competitive advantage in the marketplace relative to those schools who have put their own identifying marks aside for the good of the group and the industry.

---

### INDEPENDENT LABELING GROUP

---

Jane Meyer  
The University of Iowa  
Athletic Department  
Iowa City, Iowa 52242  
(319) 337-8662  
(319) 335-9333 FAX

• O. Jean Barrett  
The Pennsylvania State University  
304 Old Main  
University Park, PA 16802  
(814) 865-0356  
(814) 865-0357 FAX

Liz Kennedy  
• The University of Southern California  
840 Childs Way  
Los Angeles, CA 90089-2540  
(213) 743-8536  
(213) 747-3660 FAX

• Ben Hicks  
The University of Minnesota  
1919 University Avenue  
St. Paul, MN 55104  
(612) 626-1565  
(612) 624-4845 FAX

---



**Is each licensee required to print its name on the group label?**

If a licensee places the independent label on products that do not state the manufacturer of the final, imprinted product, then yes, the label **MUST** state the licensee's name. Should the name of the licensee be prominently displayed elsewhere on the garment, such as on the screenprint or neck tag, then it is **NOT** mandatory for the licensee to print its name on the independent label.

**ORDERING MATERIALS**

Ordering labels, logo sheets and point of purchase materials is easy. The labeling group have the name of two top quality label suppliers with very competitive pricing, plus full color logo sheets for your use. Contact:

Bankers Advertising Co.  
Kelly Kretschmar  
or Brian Johnson  
Box 2060  
Iowa City, IA 52244  
319/354-1020

Marprint  
Brad Buys  
1607 Ninth St.  
White Bear Lake MN 55110  
612/429-7722

In addition, 5"x7" cards which depict the label design have been printed and are available. The cards look great in retail displays. They are perfect for licensees, college bookstores and other retailers to advertise the fact that merchandise is officially licensed.

How to order these support materials? Call Jane Meyer at the University of Iowa (319)337-8662 if you need any of these cards or logo sheets mailed to you. These products are supplied at no charge to licensed manufacturers.

**FURTHER QUESTIONS?**

Please call any member of the labeling task force if you have any questions about the labeling guidelines. Thank you for participating in the Independent Labeling program.

---

**INDEPENDENT LABELING GROUP**

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Jane Meyer  
The University of Iowa  
Athletic Department  
Iowa City, Iowa 52242  
(319) 337-8662  
(319) 335-9333 FAX

• O. Jean Barrett  
The Pennsylvania State University  
304 Old Main  
University Park, PA 16802  
(814) 865-0356  
(814) 865-0357 FAX

• Liz Kennedy  
The University of Southern California  
840 Childs Way  
Los Angeles, CA 90089-2540  
(213) 743-8536  
(213) 747-3660 FAX

• Bob Hicks  
The University of Minnesota  
1919 University Avenue  
St. Paul, MN 55104  
(612) 626-1555  
(612) 624-4843 FAX

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### Independent Labeling Program

This label is to be used for the identification of merchandise licensed by participating schools. Any use of this label on unlicensed merchandise is prohibited. A list of participating schools is available by contacting:

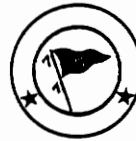
The University of Iowa Licensing Program  
 Athletic Department  
 The University of Iowa  
 Iowa City, Iowa 52242  
 319/337-8662



SAMPLE WITH COMPANY IMPRINT



RED - PMS #200



BLUE - PMS #287



Appendix P  
Licensee Information Sheet

**VIRGINIA TECH LICENSING PROGRAM  
LICENSEE INFORMATION SHEET**

**DESIGN/PRODUCT APPROVAL**

**How do we receive approval for designs?**

The design must be submitted to Virginia Tech's Office of Licensing and Trademark Administration for approval. Actual samples of the merchandise on which the design will be printed must accompany the approval request if the product has not previously been submitted. If the actual product has been submitted, a full color print of the design must be submitted. Black and white copies are acceptable for preliminary approval, as long as PMS colors are designated. A full color pellon should be submitted when the final design is printed. In addition, a specification sheet must accompany each design/sample. **NOTE: If the item is designed for children, an actual product sample is required each time a design is submitted. There are no exceptions to this requirement.**

**If we submitted a sample product to the Collegiate Licensing Company, is that sufficient to cover the sample requirement?**

No. A sample of each type of merchandise you plan to produce must be sent to Virginia Tech. Any sample submitted prior to July 1, 1992 must be resubmitted. Virginia Tech did not receive all samples sent to the Collegiate Licensing Company; therefore, for our quality control efforts, we need actual sample goods submitted to our office.

**What is the approval procedure for printing a previously approved design on a new product?**

The new product must be submitted for approval. If the new product is not listed on your licensing contract, an addendum to the contract is required before you may produce Virginia Tech logos on that product.

**If we have a rush order, may we submit designs on the fax machine to save time?**

Preliminary approval may be received by faxing the design; however, please include the product specification sheet with the design and include PMS designations. Virginia Tech's Licensing Office fax number is (703)231-3878. If the product is for children, the actual sample must be received before final approval will be given.

**Does Virginia Tech have product specification requirements?**

Yes. In your licensee packet you will find product specifications that indicate minimum acceptable quality. Products must conform to these standards. No seconds or inferior goods may be used. In addition, no imported blanks may be used since adherence to safety standards, shrinkage and washability requirements cannot be verified.

**ROYALTY RATES/ROYALTY PAYMENTS****What is Virginia Tech's royalty rate? When are royalties due?**

Virginia Tech's royalty rate is 7%, beginning July 1, 1992. Royalty payments should be made quarterly and the royalty reporting form must be used when submitting your royalty payment. Royalties are due no later than 30 days past the end of each quarter. In the event the royalty payment is not received by Virginia Tech when due, interest charges at the rate of 1.5% per month (18% annually) will be assessed from the date payment was due.

**What if we do not owe any royalties for a specific quarter?**

If no royalties are due, please submit the royalty report form and indicate that no payment is due for that quarter. Failure to report royalty status each quarter is grounds for contract cancellation.

**What if products produced are for Virginia Tech departments, colleges or student organizations and no royalty is due on the order?**

If the order is for a Virginia Tech department, college or student organization and no royalties are due on the order, you must have written permission from the Office of Licensing and Trademark Administration stating that the order is exempt from royalties. If you do not have a letter on file stating the order is exempt, you will be required to pay back royalties when audited. Departments, student organizations and colleges do not have authority to exempt royalty payments without written permission from the Office of Licensing and Trademark Administration.

This same procedure applies to purchase orders received through the Virginia Tech's Purchasing Department. If you do not have a letter stating that royalties are exempt, you will be responsible for royalties on the order.

Letters of royalty exemption must be maintained in your files for audit purposes. If you do not have written documentation of royalty exemption for specific orders when audited, you will be assessed royalties on those orders.

**Does Virginia Tech have a guaranteed royalty per year that must be met by licensees?**

Yes. The royalty guarantee is \$200. It is submitted each July 1 as part of the contract renewal process.

**INSURANCE REQUIREMENTS****What are Virginia Tech's insurance requirements?**

During the term of your license with Virginia Tech, you are required to maintain in effect insurance for both bodily injury and property damage liability, including product liability, libel and slander in per occurrence limits of not less than one million dollars for personal injury and not less than one million dollars for property damage. The policies shall include an endorsement naming Virginia Polytechnic Institute and State University as an additional insured. A certificate of insurance meeting these requirements must be submitted to Virginia Tech. The certificate must state that at least 30 days notice shall be given to Virginia Tech prior to cancellation or material change in the form of the policy. The licensing agreement outlines these requirements in detail. Failure to be adequately insured is grounds for immediate cancellation of your contract with Virginia Tech.

**LABELING REQUIREMENTS****What type of labeling does Virginia Tech require on licensed products?**

Virginia Tech is a member of the Independent Labeling Group. The red and blue rectangular Collegiate Licensed Product label must be used on all merchandise. Failure to use the label on products sold for resale will result in a contract violation and termination of your license with Virginia Tech. Articles not bearing the required label will be considered counterfeit merchandise. Complete labeling information is included in your licensee packet.

**May we use the Collegiate Licensing Company label on Virginia Tech products?**

No. Any merchandise manufactured or shipped after July 1, 1992 should bear the Collegiate Licensed Product label. The Collegiate Licensing Company's label is not acceptable, as Virginia Tech is no longer part of the consortium.

**What is Virginia Tech's policy regarding the licensee's name appearing on licensed items?**

Virginia Tech requires the name of the licensee to appear on the licensed item. In the case of soft goods and items with large screen print, the name of the licensee should appear in the screened art. If it is not possible to add the licensee's name on the design, the name must appear on a hang tag or label.

Appendix Q  
Cash Receipt Log



Appendix R  
Deposit Ticket



Appendix S  
Record Retention Requirements

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**Virginia Polytechnic Institute and State University  
Records Management Department**

**Records Retention and Disposition Schedule**

Division: VIRGINIA TECH

Sub-unit: LICENSING

Department Code:

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This schedule is continuing authority under the provisions of the Virginia Public Records Act, §§42.1-76 et seq. Code of Virginia, for the retention and disposition of the records as stated. This schedule supersedes previously approved applicable schedules. Request approval on Form RM-3, "Certificate of Records Disposal," for the destruction of record series noted in this schedule.

Effective Schedule Date: 11/04/92

Page 1 of 5 Pages

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General Schedule Record Series Number and Title	Scheduled Retention and Disposition
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**General Schedule No. 101, Administrative Records**

2. Administrative Databases	Pending review
3. Agency History Files (includes scrapbooks, photographs, articles, program notes and documentation of events sponsored or funded by agency. Also included are narrative printed, audio, or audiovisual agency histories)	Retain current year plus one in office, transfer to Records Center for four years, then retain permanently in University Archives. Records may be maintained in hard copy and/or microfilm.
8b. Correspondence and Subject Files, Division or department head	Retain current year plus one in office, transfer to Records Center for four years then destroy by shredding, burning, or pulping.
9a. Directives, Master Copy	Retain current year plus one in office, transfer to Records Center for four years, then retain permanently in University Archives. Records may be maintained in hard copy and/or microfilm.
9b. Directives, Copies	Retain until obsolete, superseded or no longer administratively required, then destroy.
10. Directory Listings and Files	Retain until superseded, then destroy.
11. Emergency Plan and Related Records	Retain until obsolete or superseded, then destroy.
15. Forms Files	Retain until superseded, then destroy.
16. Freedom of Information Act (FOIA) Request and Response Records	Retain as long as records are retained, then destroy with records.
17. Grant Records (non-fiscal)	Retain 5 years after expiration of grant, then destroy.

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**Virginia Polytechnic Institute and State University  
Records Management Department**

**Records Retention and Disposition Schedule**

Division: VIRGINIA TECH

Sub-unit: LICENSING

Department Code:

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Effective Schedule Date: 11/04/92

Page 2 of 5 Pages

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General Schedule Record Series Number and Title	Scheduled Retention and Disposition
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**General Schedule No. 101, Administrative Records**

18. Graphic Arts Materials	Retain current year plus one in office, transfer to Records Center for four years, then retain permanently in University Archives. Records may be maintained in hard copy and/or microfilm.
20. Indexes, Checklists, and Control Lists	Retain as long as records are retained, then destroy with records.
23. Minutes, Copies	Retain until obsolete, superseded or no longer administratively required, then destroy.
26. Office Instruction or Procedures (internal use)	Retain until superseded or obsolete, then destroy.
30c. Photographs and Negatives, Other photographic images	Retain current year plus one in office, transfer to Records Center for four years, then retain permanently in University Archives. Records may be maintained in hard copy and/or microfilm.
31b. Policy and Procedures Records, Departmental copies	Retained until superseded or no longer administratively needed, then destroy.
32. Presentation Materials	Retain until obsolete, superseded or no longer administratively required, then destroy.
33. Privacy Act - Information Request and Response Records	Retain as long as records are retained, then destroy with records.
34. Privacy Act - Requests to Amend Personal Information	Retain as long as records are retained, then destroy with records.
36a. Public Information and Public Relations Records (pamphlets, visual aids, news clippings regarding historically significant events)	Retain current year plus one in office, transfer to Records Center for four years, then retain permanently in University Archives. Records may be maintained in hard copy and/or microfilm.
36b. Public Information and Public Relations Records (other items)	Destroy when rescinded, superseded or obsolete.

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**Virginia Polytechnic Institute and State University  
Records Management Department**

**Records Retention and Disposition Schedule**

Division: VIRGINIA TECH

Sub-unit: LICENSING

Department Code:

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Effective Schedule Date: 11/04/92

Page 3 of 5 Pages

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General Schedule Record Series Number and Title	Scheduled Retention and Disposition
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**General Schedule No. 101, Administrative Records**

39a. Records Management Files (approved forms masters with supporting documentation)	Retain until superseded or discontinued, then destroy.
39b. Records Management Files (approved retention and disposition schedules, including corresponding records series appraisals)	Retain until superseded, then destroy.
39c. Records Management Files (approved certificates of records disposal (RM-3))	Retain 5 years, then destroy.
40. Reference Files	Replace material as superseded. Review annually to identify and destroy material no longer administratively required.
41. Reports	Retain current year plus one in office, transfer to Records Center for four years then destroy by shredding, burning, or pulping.
43. Schedule of Daily Activities (convenience diaries, logs, or other schedules)	Retain until obsolete, superseded or no longer administratively required, then destroy.
44. Security Backup Files	Retain off-site current plus five years, then destroy.
46. Staff Meeting Files	Retain until obsolete, superseded or no longer administratively required, then destroy.
48. Surveys, Administrative	Retain current year plus one in office, transfer to Records Center for four years then destroy by shredding, burning, or pulping.

**General Schedule No. 102, Fiscal Records**

4c. Audit Reports	Reference copy. Retain as long as administratively needed and destroy.
8b. Internal Budget Records	Retain three years after the biennium to which the records relate, and then destroy.

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**Virginia Polytechnic Institute and State University  
Records Management Department**

**Records Retention and Disposition Schedule**

Division: VIRGINIA TECH

Sub-unit: LICENSING

Department Code:

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Effective Schedule Date: 11/04/92

Page 4 of 5 Pages

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General Schedule Record Series Number and Title      Scheduled Retention and Disposition

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**General Schedule No. 102, Fiscal Records**

13. Contracts and Agreements: Licenses, one year renewable.	Upon receipt, send security copy to Records Center for one year retention. Retain original in office until one year after expiration; transfer to Records Center for four years storage; then review by University Archivist for historical records. Transfer historical records to University Archives for permanent retention. Destroy surplus records by burning, shredding, or pulping.
26g. Payroll Records	
(1) Salaried Employees, Monthly Leave and Work Report	Reference copy. Retain as long as administratively needed and destroy by burning, shredding, or pulping.
(2) Wage Employee Time Sheets/Overtime Records	Retain current plus 5 years and destroy by burning, shredding, or pulping.
(3) Work Study Employee Records	Retain 5 years after termination and destroy by burning, shredding, or pulping.
28d. Purchasing/Accounting Records	
(1) LVSP0 less than \$1,000 or requisitions and purchase orders with invoices and supporting documentation.	Retain current fiscal year plus one year and destroy.
(2) LVSP0 \$1,001-2,000 with bid attached or requisitions and purchase orders with invoices and supporting documentation.	Retain current fiscal year plus five years and destroy.
 29. Receipts: Cash Receipt Log	 Retain current year plus one in office, transfer to Records Center for four years, then destroy.

**Virginia Polytechnic Institute and State University  
Records Management Department**

**Records Retention and Disposition Schedule**

Division: VIRGINIA TECH

Sub-unit: LICENSING

Department Code:

Effective Schedule Date: 11/04/92

Page 5 of 5 Pages

General Schedule Record Series Number and Title      Scheduled Retention and Disposition

**General Schedule No. 103, Personnel Records**

3. Attendance Records Non-payroll--Non-payroll records that document attendance of classes, meetings, etc.      Retain the current year plus one then destroy by burning, shredding, or pulping.

7b. Classified, Employee Files

(1) Salaried      Retain six months after separation, then destroy by burning, shredding, or pulping.

(2) Wage      Retain 5 years after year of termination.  
**Under review by VSL&A AND DPT**

17. Recruitment and Selection Records      Retain no longer than three years from the date the position is filled, then destroy by burning, shredding, or pulping.

**General Schedule No. 110, Electronic Records**

2. Electronic Databases      Pending review.

Approval signatures:

\_\_\_\_\_  
Department Records Management Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Department Head

\_\_\_\_\_  
Date

\_\_\_\_\_  
University Records Manager

\_\_\_\_\_  
Date

Appendix T

Retail Enforcement Audit Form



Appendix U

Manufacturer Enforcement Audit Form

Company: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

Auditor: \_\_\_\_\_

Company  
Contact: \_\_\_\_\_

Product Samples: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Royalty Reports: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Shipping Invoices: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Artwork Files: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Enforcement Concerns: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Appendix V

Cease and Desist Order



Institutional Advancement

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**West Virginia University**


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Office of the Vice President



September 24, 1992

Mr. Kevin Buckley  
 Executive Editor  
 Playboy Enterprises, Inc.  
 630 North Lake Shore Drive  
 Chicago, IL 60611



Dear Mr. Buckley:

This letter is in regard to the October 1992 issue of the "Big East" issue of Playboy magazine. It has been brought to our attention that Playboy used the West Virginia University logo in this pictorial on pages 135 and 138. However, Playboy does not appear in our files as a licensee for such use.

Please be advised that the West Virginia University logo is registered with the U.S. Patent and Trademark Office under U.S. Registration No. 1,321,952 (See Exhibit A). It is also registered with the Secretary of State for the State of West Virginia (See Exhibit B). It is the sole property of West Virginia University by virtue of first and continuous commercial use as prescribed by common law principles, conclusive evidence of which is the Affidavit of Incontestability per the Lanham Act Section 15 (15 U.S.C. 1065) (See Exhibit C). Any use of the logo without the express written consent of West Virginia University is strictly prohibited.

Playboy's use of the West Virginia University logo is not protected by the First Amendment. The business of Playboy is not immune from all regulation simply because it is an agency of the press. The regulation that would be imposed herein has no relation whatever to the impartial distribution of news. Indeed, the Supreme Court has stated that the "...publisher of a newspaper has no special immunity from the application of general laws. He has no special privilege to invade the rights and liberties of others." Associated Press v. NRLE, 301 U.S. 103 (1937). West Virginia University has exclusive property rights to its logo as set out above. Playboy has no privilege, First Amendment or otherwise, to invade that right.

Neither is Playboy's use of the West Virginia University logo protected by any "fair use" doctrine because while it may serve some descriptive function it is indisputably an attention-getting symbol on the pages of the pictorial. It plays on the good reputation of West Virginia University, and is designed to appeal to the buyer in a targeted market. Traditionally, where one party uses the logo of another as a symbol to attract public attention,

fair use defense has been denied by the courts. Mobile Oil Corp. v. Mobile Mechanics, Inc., 192 U.S.P.Q. 744, 749 (D. Conn. 1976). Clearly, other options were available to Playboy to describe or identify the models as West Virginia University students in lieu of the misappropriation of the West Virginia University logo.

Furthermore, Playboy's use of the West Virginia University logo tarnishes the affirmative associations the logo has come to convey. It suggests a relationship between Playboy and West Virginia University that does not exist. It may lead the public to erroneously believe that the pictorial was an activity condoned or even promoted by West Virginia University.

Finally, Playboy is guilty of reaping where it has not sown. Playboy has, through this misappropriation, preyed on the good name of West Virginia University for its own benefit and financial gain. This is unjust enrichment to Playboy at the expense of West Virginia University and serves to dilute the commercial value of the logo.

At West Virginia University we are extremely proud of our logos and the rich tradition which they represent. The royalty income from our logo program helps support academic scholarships for West Virginia students. Hence, we cannot afford the dilution of the logos, nor can our students. As owners of federally registered logos, Playboy should be able to fully appreciate our desire to preserve the integrity of our logos.

Our expectations in this matter are as follows:

1. Playboy shall cease all unauthorized printing, promotion, sales and other use of the West Virginia University logos (including, but not limited to, the October 1992 "Girls of the Big East" issue of Playboy magazine) upon receipt of this letter until such a time, if ever, as it procures written permission from West Virginia University for such use.
2. Playboy shall provide West Virginia University with an accounting of all sales of its October 1992 "Girls of the Big East" issue of Playboy magazine and shall be prepared to make restitution to West Virginia University for the misappropriation of the West Virginia University logo.
3. Playboy shall provide West Virginia University with an inventory statement listing all products remaining in its stock bearing the West Virginia University logos (including, but not limited to, the October 1992 "Girls of the Big East" issue of Playboy magazine) and shall be prepared to turn such inventory over to West Virginia University for disposal as West Virginia University sees fit.
4. All legal rights and goodwill associated with West Virginia University logos shall remain the property of West Virginia University and Playboy shall make no claim to any rights in them.

Your compliance with these terms is appreciated, as we wish to settle this matter quickly and amicably. We look forward to hearing from you soon.

Sincerely,



Dee Brown  
Assistant Vice President

DB/rpc

cc: Dennis J. Yesalonia, Legal Counsel, Boston College  
Charles R. Canfield, Bookstore Director, University of Miami  
Mary L. Bonach, Licensing Program Director, University of  
Pittsburgh  
Marybeth Schmutz, Trademark Licensing Administrator, Rutgers,  
The State University of New Jersey  
W. James Mastin, Director, Office of Licensing Programs,  
Syracuse University  
Rosalind R. Meyers, Associate Vice President, Business-  
Services, Temple University  
Martha G. Hale, Licensing Director, Virginia Polytechnic  
Institute and State University  
Edward Pastilong, Athletic Director, West Virginia University