Beverly Hills City Council Liaison / Branding and Licensing Committee will conduct a Special Meeting, at the following time and place, and will address the agenda listed below:

CITY OF BEVERLY HILLS 455 N. Rexford Drive Beverly Hills, CA 90210

### TELEPHONIC VIDEO CONFERENCE MEETING

Beverly Hills Liaison Meeting
<a href="https://www.gotomeet.me/BHLiaison">https://www.gotomeet.me/BHLiaison</a>
<a href="https://www.gotomeet.me/BHLiaison">No password needed</a>

You can also dial in by phone:
United States (Toll Free): 1-866-899-4679 or United States: +1 646-749-3117
Access Code: 660-810-077

Thursday, February 4, 2021 2:00 PM

Pursuant to Executive Order N-25-20, members of the Beverly Hills City Council and staff may participate in this meeting via a teleconference. In the interest of maintaining appropriate social distancing, members of the public can view this meeting through live webcast at <a href="https://www.beverlyhills.org/live">www.beverlyhills.org/live</a> and on BH Channel 10 or Channel 35 on Spectrum Cable, and can participate in the teleconference/video conference by using the link above. Written comments may be emailed to <a href="mailto:mayorandcitycouncil@beverlyhills.org">mayorandcitycouncil@beverlyhills.org</a>.

### **AGENDA**

- Public Comment
  - a. Members of the public will be given the opportunity to directly address the Committee on any item listed on the agenda.
- 2. Request for Use of City Shield in Rainbow Color Scheme for Apparel Items by Amiri
- 3. Review of City Trademarks Licensing Earnings Report

Adjournment

Huma Ahmed City Clerk

Posted: February 1, 2021

A DETAILED LIAISON AGENDA PACKET IS AVAILABLE FOR REVIEW AT

WWW.BEVERLYHILLS.ORG

Pursuant to the Americans with Disabilities Act, the City of Beverly Hills will make reasonable efforts to accommodate persons with disabilities. If you require special assistance, please call (310) 285-1014 (voice) or (310) 285-6881 (TTY). Providing at least forty-eight (48) hours advance notice will help to ensure availability of services.

# Item 2



### CITY OF BEVERLY HILLS

### POLICY AND MANAGEMENT

### **MEMORANDUM**

TO: City Council Liaison/Branding and Licensing

**FROM:** Laura Biery, Marketing and Economic Sustainability Manager

Luis Gonzalez, Administrative Intern

**DATE:** February 4, 2021

**SUBJECT:** Request for Use of City Shield in Rainbow Color Scheme for Apparel

Items by Amiri

**ATTACHMENTS:** 1. Proposal by Amiri

2. Agenda Report from August 4, 2020

3. Executed Amiri Licensing Agreement for Use of City Shield

### INTRODUCTION

The City periodically receives inquiries about the use of the Beverly Hills Shield. On August 4, 2020, the City Council approved Atelier Luxury Group dba Amiri ("Amiri") to feature the Beverly Hills Shield in front of the Amiri logo in either pink, black or white print. This item is presented for review as Amiri has requested use of the Beverly Hills Shield in a rainbow color scheme for a series of apparel items to be sold on its online shop and Amiri flagship store on Rodeo Drive.

### **DISCUSSION**

Staff receives inquiries from individuals and businesses looking to use the Beverly Hills shield on products and merchandise. As requests are received, they are referred to the City's branding and licensing consultant CMG Worldwide. The City has contracted with CMG Worldwide since 2013.

Amiri specializes in high end luxury clothing reminiscent of the California rock and roll scene. Amiri opened their Rodeo Drive flagship store in Fall 2020. Items with the shield design are featured in-store and in the online shop.

### Amiri x Beverly Hills

Amiri is interested in using the Beverly Hills Shield in a rainbow color scheme on a series of apparel items. The Beverly Hills Shield would be featured on a series (but not limited to) of tees, hats, and sweatshirts. Previously, Amiri requested to feature the Beverly Hills Shield in front of the Amiri logo in either pink, black or white print.

The City's current agreement with Amiri does not provide guidelines for color of the City Shield; although Amiri previously shared samples to feature the Beverly Hills Shield in front of the Amiri logo in either pink, black or white print.

This item is being brought for review as the City has not previously approved the shield to be presented in a rainbow color scheme. Although, the City has allowed the shield to be used in a solid neon or bright colors for City activities such as BOLD or Next Night, the rainbow color scheme does not appear to be on file as a previously approved color scheme.

The current distribution plan features Amiri's flagship store on Rodeo Drive and online store only. The items proposed for use of the Beverly Hills Shield include the following:

- Hat (MSRP \$320)
- Short Sleeve Tee (MSRP \$390)
- Long Sleeve Tee (MSRP \$450)
- Sweatshirt (MSRP \$690)
- Hoodie (MSRP \$790)

### Proposed Color Scheme





### **Existing Deal Points in Agreement:**

Permission fee: \$10,000 non-refundable advance recoupable against royalties

Term: 1 year and 3 months (9/1/20 - 12/31/21)

Territory: Amiri flagship store Rodeo Drive and online store

Royalty: 8% of gross retail sales paid quarterly

Retail Price: \$320 - \$790

Since the agreement was enacted in September, Amiri has sold over \$160,000 in merchandise featuring the City shield. The City receives 8% of merchandise sales totaling to approximately \$13,000 in royalties. The initial \$10,000 permission fee that was paid by Amiri will be applied to the royalties owed for the next quarterly payment.

Item Description	Units	Sales Total	Royalty Rate	<b>Estimated Royalty</b>
Beverly Hills Hat	57	\$ 16,530.00	8%	\$ 1,322.40
Beverly Hills Hoodie	53	\$ 41,870.00	8%	\$ 3,349.60
Beverly Hills Crewneck	71	\$ 46,052.50	8%	\$ 3,684.20
Beverly Hills Long Sleeve Tee	38	\$ 14,820.00	8%	\$ 1,185.60
Beverly Hills Short Sleeve Tee	124	\$ 43,400.00	8%	\$ 3,472.00
		\$162,672.50		\$ 13,013.80

### **Decision Points:**

• Is a rainbow color scheme an approved use of the Beverly Hills shield for apparel?

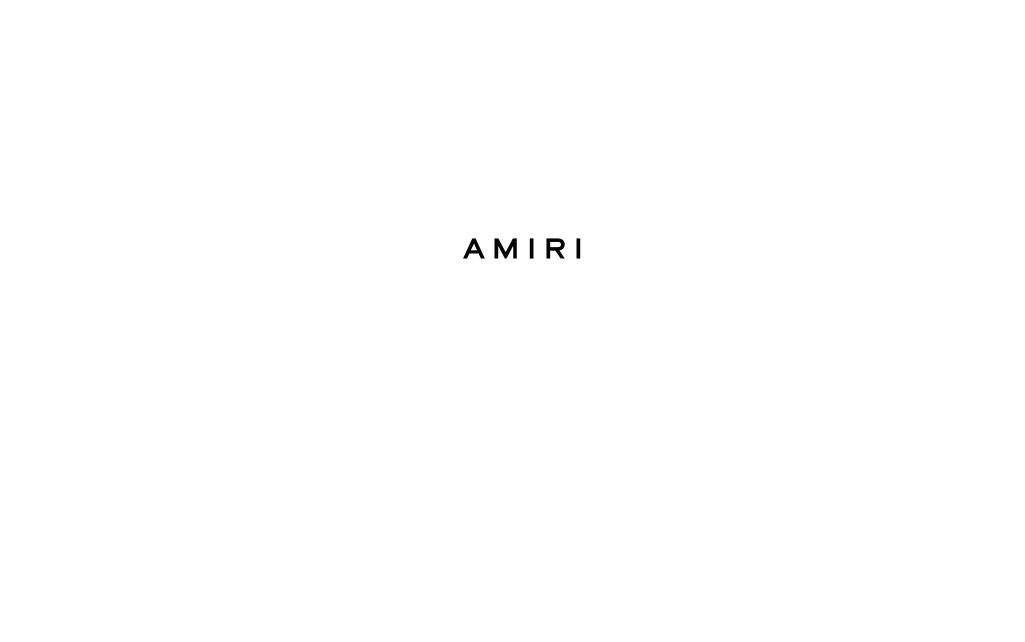
### **FISCAL IMPACT**

There is no fiscal impact of adding the additional color scheme.

### RECOMMENDATION

It is recommended that the City Council Branding and Licensing Committee provide direction regarding use of the Beverly Hills Shield in a rainbow color scheme by Amiri.

# **Attachment 1**











## **LOGO TEE**

- -SUPIMA LIGHTWEIGHT JERSEY
- -RIBBED CREWNECK
- -100% COTTON
- -SCREEN PRINTED GRAPHIC
- -MADE IN LOS ANGELES



# **LOGO HOODIE**

- -SUPIMA HEAVYWEIGHT TERRY
- -100% COTTON
- -SCREEN PRINTED GRAPHIC
- -MADE IN LOS ANGELES



## **HATS**

- -COTTON CANVAS/ NYLON HAT
- -EMBROIDERED ARTWORK
- -MADE IN LOS ANGELES



# LOGO LONGSLEEVE TEE

- -SUPIMA LIGHTWEIGHT JERSEY
- -RIBBED CREWNECK
- -100% COTTON
- -SCREEN PRINTED GRAPHIC
- -MADE IN LOS ANGELES



# **LOGO CREW**

- -SUPIMA HEAVYWEIGHT TERRY
- -100% COTTON
- -SCREEN PRINTED GRAPHIC
- -MADE IN LOS ANGELES

# **Attachment 2**



## **AGENDA REPORT**

Meeting Date: August 4, 2020

Item Number: D-5

**To:** Honorable Mayor & City Council

From: Laura Biery, Marketing and Economic Sustainability Manager

Luis Gonzalez, Administrative Intern

Subject: APPROVE A LICENSE TO ATELIER LUXURY GROUP DBA AMIRI

FOR USE OF THE CITY SHIELD ON APPAREL MERCHANDISE; AUTHORIZE THE CITY MANAGER TO FINALIZE AND EXECUTE

THE LICENSE AGREEMENT

**Attachments:** 1. Proposal by Amiri

2. Amiri Brand Book

### RECOMMENDATION

This item provides a recommendation from the Beverly Hills City Council Liaison / Branding and Licensing Committee (Councilmember Lili Bosse and Councilmember John Mirisch).

It is recommended that the City Council: (1) grant a license to Atelier Luxury Group dba Amiri ("Amiri") for use of the trademarked Beverly Hills shield on various clothing apparel; (2) authorize the City Manager to finalize and execute an agreement between the City of Beverly Hills and Amiri (subject to review by the City Attorney's Office) to manufacture, distribute and market shield-branded apparel to be sold exclusively online and at the Amiri flagship store on Rodeo Drive; and (3) authorize the City the ability to purchase Amiri x Beverly Hills items at cost price for City use if desired that would not be resold by the City.

### FISCAL IMPACT

If the above agreement terms are accepted, the fiscal impact of the Amiri merchandise licensing deal is \$10,000 for the non-refundable permission fee plus royalties of 8% of gross retail sales of the merchandise. The retail price point for Amiri merchandise in the

collection ranges from \$320-\$790. The initial term of the agreement is proposed for a 1 year and 3-month term.

### INTRODUCTION

The City of Beverly Hills is the owner of the Beverly Hills shield design trademark ("Shield"). The City has an agreement with CMG Worldwide to provide exclusive licensing representation to the City by entering into licensing agreements with film and television studios, theme parks, retail and apparel merchandising firms. Amiri has requested to use the Shield to be featured on a series of apparel items.

Amiri specializes in high end luxury clothing reminiscent of the California rock and roll scene. Amiri anticipates opening their Rodeo Drive flagship store in Fall 2020. Items with the shield design would be featured in-store and in the online shop.

### **DISCUSSION**

The Beverly Hills City Council Liaison / Branding and Licensing Committee met on July 23, 2020 to review the licensing agreement request from Atelier Luxury Group dba Amiri ("Amiri"). The Liaisons reviewed the proposed deal points and supported moving forward with a licensing agreement with Amiri as presented at the July 23rd Liaison meeting with an additional request to negotiate the opportunity for the City to purchase Amiri x Beverly Hills apparel at cost price for City use, not to be resold by the City.

### Amiri x Beverly Hills

Amiri is interested in using the Beverly Hills Shield on a series of apparel items. The Beverly Hills Shield would be featured on a series of (but not limited to) tees, hats, and sweatshirts. This collection features the Beverly Hills Shield in front of the Amiri logo in either pink, black or white print. The Amiri brand will join other retailers that represent the elevated and luxury style associated with Beverly Hills along Rodeo Drive.

The distribution plan features Amiri's flagship store on Rodeo Drive anticipated to open in Fall 2020 and in its online store only. The items proposed for use of the Beverly Hills Shield include the following:

- Hat (MSRP \$320)
- Short Sleeve Tee (MSRP \$390)
- Long Sleeve Tee (MSRP \$450)
- Sweatshirt (MSRP \$690)
- Hoodie (MSRP \$790)

CMG Worldwide has negotiated the following deal points that were presented to the City Council Liaisons:

Deal Points		
Permission Fee	\$10,000 non-refundable advance	
	recoupable against royalties	
Term	1 Year and 3 Months (9/1/20 -	
	12/31/21)	
Territory	Online and Amiri flagship store	
	Rodeo Drive	
Royalty	8% of gross retail sales.	

Meeting Date: August 4, 2020

Anticipated Retail Price	\$320-\$790

At the time of royalty payment, Amiri will provide the City of Beverly Hills with a sales report breaking down the royalties per licensed product. During the meeting, the City Council Liaisons requested an additional deal point be negotiated by CMG Worldwide with Amiri.

Additional Deal Point	
City Purchase Option	Ability for the City of Beverly Hills to purchase Amiri x Beverly Hills items at cost price for City use (e.g. gifts for dignitaries), not to be resold by the City.

Gabriella Yap
Deputy City Manager
Approved By

# **Attachment 3**

AGREEMENT NO.

This License Agreement (the "Agreement"), dated August 4, 2020 (the "Effective Date") is between the City of Beverly Hills ("Licensor" or the "City"), % CMG Worldwide, Inc. ("CMG"), located at 9229 Sunset Boulevard Penthouse 950, West Hollywood, California 90069, and Mike Amiri on behalf of Amiri ("Licensee"), located at 1330 Channing Street, Los Angeles, California 90021. Licensor and Licensee each individually a "Party," and collectively, the "Parties."

WHEREAS, Licensor is the owner of all right, title, and interest in, to, and under the Beverly Hills Shield design mark shown below (the "Property"), together with trademark registrations for the mark.



WHEREAS, Licensee desires to utilize said Property, upon the terms and conditions set forth below.

WHEREAS, CMG is the licensing agent of the Licensor in connection with licensing the Property.

NOW, THEREFORE, in consideration of the mutual promises and undertakings herein contained and for other good and valuable consideration, intending to be legally bound, the Parties agree as follows:

#### 1. Grant of License.

- (a) Subject to the limitations set forth in Paragraph 1(c) below and the other conditions of this Agreement, Licensor hereby grants to Licensee the non-exclusive right to use the Property in connection with the manufacture, promotion, distribution, and sale of t-shirts, long sleeved shirts, sweatshirts, hats, and other apparel items subject to written pre-approval by Licensor (the "Goods") from the period beginning on September 1, 2020 and ending on December 31, 2021 (the "Term").
- (b) Market and Territory: The license hereby granted extends to the Amiri flagship retail store in Beverly Hills and the Amiri online webpage only (the "Territory").
- (c) Limitations on License: No license is granted hereunder for the use of the Property for any purpose other than upon or in connection with the Goods. No license is granted hereunder for the manufacture, sale, or distribution of Goods to be used as Premiums (as defined hereafter), for publicity purposes, as giveaways, or to be disposed of under similar methods of merchandising. In the event Licensee desires to sell Goods for such purposes, Licensee acknowledges and agrees that it must first seek and obtain a separate license from Licensor, and that the user thereof must also obtain a separate license from Licensor for such use of Goods. Furthermore, Licensee specifically agrees and acknowledges that making, using, and/or selling any unauthorized goods, articles, and/or promotional materials which use any aspect of the Property, including any variety of elements of Property's likeness, is an infringement of the Property that may result in serious damages, dilution, and tarnishment to the integrity, distinctiveness, and value of the Property, and will constitute material breach of this Agreement. Licensee shall neither contest nor object to immediate termination of this Agreement, and/or the injunctive relief against manufacture, use, and/or sales of any such goods, articles, and/or promotional materials. "Premium" shall mean any article used for the purpose of: increasing the sale of another item; promoting or publicizing any product or service; fundraising or as giveaways; to motivate a sales force, merchant, consumer, or any other person to perform a specific act.

#### Royalty & Guarantee. 2.

- (a) Licensee agrees to pay Ten Thousand United States Dollars (\$10,000 USD), net of all fees and taxes, as a nonrefundable advance recoupable against royalties earned through the Term and payable immediately upon execution of this Agreement.
- (b) Licensee shall recover, within the Term, the advance royalty payment by offsetting royalties earned against said advance until the advance is recouped and shall thereafter make the royalty payments to Licensor as set forth herein.
- (c) Licensee agrees to pay royalties in the amount of eight percent (8%) of Licensee's "Actual Retail Price" (as defined hereafter) for the Goods covered by this Agreement in United States Dollars computed upon the total number of units each Good shipped or otherwise distributed by Licensee or any of its affiliated, associated (including reps and/or distributors) or subsidiary companies ("Related Companies"), without deductions for bad debt, cost of shipping, cost of packaging, advertising or promotional expenses, or other costs. A deduction of not more than five percent (5%) may be taken for actual certified returns. The term "Actual Retail Price" as used herein shall mean the actual invoiced price charged by Licensee, or by any of its Related Companies, directly to customers for sale of the Goods described in Paragraph 1 hereof. Royalties at the stated rate shall be due and payable on all units of Goods shipped or otherwise distributed by Licensee to its Related Companies or to a third party or to Licensee from its Related Companies and irrespective of the actual price charged for such distributed Goods.

- 3. <u>Payment & Reporting</u>. Not later than the thirtieth (30th) day after the close of every calendar quarter during the Term, and thereafter so long as any sales are made by the Licensee pursuant to this Agreement, Licensee shall furnish to Licensor a full and complete statement showing the number of Goods which have been sold by Licensee and the selling price thereof during the preceding month. An item will be considered to be sold when it is ordered and then invoiced or shipped, whichever is sooner. Licensee shall pay to the Licensor, % CMG Worldwide, Inc., via wire transfer to a bank account specified by Licensor, such royalties as the statement indicates are due to Licensor. All late payments shall be subject to a one percent (1%) per month late charge on all such outstanding amounts (i.e. a 12% annual rate).
- 4. Quality. Licensor is familiar with Licensee's business, management, and abilities, and believes Licensee to be fully capable of properly and competently designing, manufacturing, and distributing the Goods in accordance with and subject to the strict quality standards and levels demanded by Licensor in connection with the use of the Property. Licensor agrees that it will not at any time do or cause to be done any act or thing impairing or tending to impair any of Licensor's rights in or to the Property. Licensee acknowledges that if the Goods manufactured and sold by it are of inferior quality in material and workmanship, the substantial goodwill which the Licensor has built up and now possesses in the Property will be impaired. Accordingly, Licensee warrants that the Goods will be of high standard and of such appearance and quality as shall be reasonably adequate and suited to their exploitation and best advantage. Licensee shall submit to Licensor finished samples of all Goods to be manufactured, together with its cartons and containers, including packaging and wrapping material, which shall be approved in writing by the Licensor before the Goods are advertised, distributed, or sold. After samples of the Goods have been approved pursuant to this paragraph, Licensee shall not depart therefrom without written consent from Licensor. In the event there is a departure from the approved sample of the Goods made or distributed by Licensee, or in the event there is an occurrence connected with the Goods which reflect unfavorably upon Licensor, the Licensor shall have the right, in the reasonable exercise of its sole discretion, to withdraw its approval of such Goods, at which time this Agreement shall automatically terminate with respect to such Goods. Thereupon, Licensee shall cease the use of the Property in the sale, advertising, distribution, or use of such Goods immediately upon notice from Licensor, and within ten (10) days thereafter, shall pay all amounts due to Licensor hereunder. If there are other Goods under this Agreement not covered or affected by the foregoing two sentences of this paragraph, this Agreement shall remain in full force and effect as to those other Goods.
- 5. <u>Advertising.</u> All advertisements and promotional material which Licensee intends to use to promote Goods shall be submitted to Licensor for its written approval prior to publication. Licensor shall have fourteen (14) days from the date of receipt of said material in which to approve or disapprove it, such approval not to be unreasonably withheld.
- 6. **Samples.** Licensee shall supply Licensor with ten (10) samples of each of the completed Goods, promptly after completion. Licensor shall have the right to purchase additional samples at the actual cost of the Goods.

### 7. Books & Records.

- (a) Licensee shall keep full, complete, and accurate books of account and records covering all transactions relating to the subject matter of this Agreement. Licensor, through its authorized representative, shall have the right to examine such books of account and records and other documents and material in Licensee's possession or under its control insofar as they relate to the manufacture and sale of Goods. Licensor shall have free and full access thereto at any reasonable hour of the day during which the Licensee's offices are open and in any reasonable manner. In the event an examination of Licensee's books and/or records reveals a deficiency in royalties paid to Licensor of more than Three Hundred United States Dollars (\$300 USD), Licensee shall pay all expenses related to the performance of the examination and shall immediately pay the deficient amount to Licensor.
- (b) Licensee shall ensure that all invoices for the sale of the Goods will include the quantity and description of each of the Goods itemized by version, style, and with the name of Property within the invoice item description.
- (c) For audit purposes, Licensee must provide the auditor the detail of each period's reported net sales and returns, to the invoice/credit memo level, in Excel format. Each sale or return must detail the license number, invoice/credit memo number, date, customer name, ship to address, product number and description, gross sale and discounts, FOB point of shipment, units sold/returned, and royalty rate.
- 8. Goodwill. Licensee acknowledges Licensor's exclusive rights in the Property and further acknowledges the value of the goodwill associated with the Property, that the Property and all ultimate rights therein belong exclusively to the City, and that the Property is famous and has developed secondary meaning and connotes an image of prestige, quality, and exclusivity in the minds of the public. Licensee agrees that the Property is, and shall remain, the property of Licensor and that Licensee obtains no right, title, or interest in or to the Property except for the limited rights to use the Property as set forth in this Agreement. Licensee acknowledges and agrees that any goodwill generated by Licensee's use of the Property shall inure exclusively to the benefit of Licensor. Licensee shall not manufacture, market, or sell any confusingly similar unlicensed products that are intended to, or that consumers would reasonably believe to, trade off the goodwill of the Property licensed hereunder. Licensee shall not, during the Term of the Agreement, or at any time thereafter, dispute or contest, directly or indirectly, Licensor's ownership of the Property, Licensor's exclusive right (subject to valid licenses granted by Licensor) to use the Property, the validity of any trademark registrations pertaining to the Property, or the Licensor's ownership thereof, nor shall the Licensee assist or aid others in doing so. At Licensor's request, Licensee shall cooperate with Licensor in preventing or stopping any

DocuSign Envelope ID: 128AE55A-DE57-41BE-86F3-117EDD5FC665 in the Goods or Property. Licensor shall determine what action, if any, it elects to pursue in regard to preventing or stopping any infringement or unfair use by any third party of the Goods or Property and shall be under no obligation whatsoever to take action at Licensee's request.

### 9. Credit Line.

- (a) Licensor may apply to register trademarks and/or copyrights for any design incorporating the Property on the Goods and/or the Property as may be reasonably necessary, in Licensor's sole discretion, to protect Licensor's interests. All applications for registration of claims to copyright, where applicable, shall identify the Licensor as the copyright proprietor, and all applications to register trademarks shall identify the Licensor as the trademark owner.
- (a) If Licensor requires any specimens of the Goods, or any photographic reproductions of the same, for use in filing copyright or trademark applications, Licensee shall provide the Licensor with the same at Licensee's expense.
- (b) At Licensor's request, Licensee shall execute assignments in favor of Licensor of any and all copyrights, trademarks, or other intellectual property rights of whatever kind relating to the Goods and/or the Property without further consideration and Licensee will, upon the request of Licensor, assign to the Licensor any rights, if any, which Licensee may have acquired through its use of the Property.
- (c) Licensee warrants that it will provide a legally sufficient credit line on the Goods and packaging, wrapping, advertising, and promotional material bearing any reproductions of the Goods or the Property, in the following format:

### The Beverly Hills Shield™ is a trademark of the City of Beverly Hills,

### www.BeverlyHills.org

- (d) Licensee warrants that it will provide a legally sufficient trademark notice by prominently displaying the sign ™ against every occurrence of Property on the Goods and against every occurrence of the Property on packaging, wrapping, advertising, and promotional material for the Goods.
- (e) Licensee warrants that it will take such precautions as are necessary to insure that any promotional materials for the Goods which utilize the Property made by its customers bear the Licensor's trademark notice as provided in Paragraph 9(c) and Paragraph 9(d).
- 10. **Right of Termination**. Without prejudice to any other rights, Licensor shall have the right to terminate this Agreement, or a portion thereof, upon written notice to Licensee, at any time that the following may occur:
- (a) If full and regular production and aggressive marketing has not commenced within three (3) months from the date of this Agreement. Any individual categories of Goods granted in Paragraph 1(a) not in distribution within five (5) months are subject to revocation of production rights. If the Goods are out of production for more than three (3) consecutive months, Licensor may terminate the production rights for the particular category of Goods, that particular Good in a particular territory, or terminate the entire Agreement at Licensor's sole discretion.
- (b) If Licensee shall fail to make any payment due hereunder or to deliver any of the statements herein referred to, and if such default shall continue for a period of five (5) days after written notice of such default is sent by Licensor to Licensee.
- (c) If Licensee is involved in any act of bankruptcy or insolvency, then Licensor shall have the right to terminate this Agreement. Notwithstanding the foregoing, Licensor shall, at any time during the Term of this Agreement, have the option of demanding an assurance from Licensee of Licensee's ongoing ability to perform the provisions of this Agreement. Unless reasonable and adequate assurance is received by Licensor from Licensee concerning Licensee's ability to perform, Licensor shall have the right to terminate this Agreement.
- 11. <u>Sales after Expiration</u>. Upon expiration or termination, for whatever reason, of this Agreement, Licensee shall not be permitted to sell or ship its remaining inventory of Goods following the termination date of this Agreement without the express written consent from Licensor. Upon expiration or termination, Licensee shall provide Licensor with a complete accounting statement of all remaining inventory of Goods. Licensee shall not, without prior written consent of the Licensor, sell or ship any such remaining Goods as distress merchandise, or to unaffiliated third parties for eventual resale, or otherwise than in the ordinary course of business. Licensee shall not stockpile inventory prior to expiration or termination of this Agreement for purposes of sale or shipment thereafter. For purposes of this Agreement, a distress sale shall be defined as one in which the merchandise is sold for less than fifty percent (50%) of the normal wholesale selling price. Licensor shall have the right to buy the remaining inventory of Goods upon expiration or termination of this Agreement.
- 12. <u>Rights Reserved by Licensor</u>. Any and all rights in and to said Property which are not expressly granted to the Licensee are hereby reserved by the Licensor. Any one or more of such reserved rights may be exercised or enjoyed by the Licensor, directly or indirectly, at any and all times.
- 13. <u>Licensor's Claim</u>. Whatever claim Licensor may have against Licensee hereunder for royalties and/or for damages shall become a first lien upon all of said Goods manufactured or produced pursuant to the terms of this Agreement in the possession or under the control of Licensee or its agents upon the expiration or termination of this Agreement.
- 14. **Remedies.** All specific remedies provided for in this Agreement shall be cumulative and shall not be exclusive of one another or of any other remedies available in law or equity. Failure of Licensor to insist upon strict performance of any of the covenants or terms hereof to be performed by Licensee shall not be construed to be a waiver of any such other covenants or

DocuSign Envelope ID: 128AE55A-DE57-41BE-86F3-117EDD5FC665 terms. Should Election be forced to initiate regar action due to Licensee's breach hereof, then all legal costs incurred therein by Licensor shall be recoupable by Licensor.

- Licensee's Indemnification & Product Liability Insurance. Licensee hereby agrees to be solely responsible for, to defend and indemnify Licensor and its respective officers, agents and employees, and to hold each of them harmless from any claims, demands, causes of action or damages, including reasonable attorney's fees arising out of the distribution or use of the Goods. Licensee will obtain and maintain product liability insurance at least in the amount of One Million United States Dollars (\$1,000,000 USD) with a deductible of not more than Ten Thousand United States Dollars (\$10,000 USD), a certificate of which shall be furnished to Licensor, providing adequate protection for Licensor and its respective officers, agents, and employees against any claims, demands, arising out of any alleged defects in Goods or any use thereof. Such insurance policy shall provide that it may not be cancelled without at least ten (10) days written notice to Licensor.
- Licensor's Warranty. Licensor represents and warrants to Licensee that it has the power to enter into this Agreement. Should any third party assert a claim, demand, or cause of action against Licensee contesting Licensor's ownership of the Property in relation to Licensee's use of the Property under this Agreement, Licensor shall have the option to undertake and conduct the defense of any such claim, demand, or cause of action. Licensee may, but shall not be obligated, to join in such defense and be represented by its own counsel. If Licensee elects to be represented by its own counsel, Licensee will pay its own attorney's fees. Licensee agrees that while it may counsel Licensor concerning the disposition of any such action, Licensor shall have the sole and final decision concerning the disposition of any action which involves the Property and has the right to order the Licensee to dispose of inventory and all works in progress as it sees fit. Licensor shall also have the right, in its discretion, to institute and prosecute lawsuits against third persons for infringement of the rights licensed in this Agreement. Any lawsuit shall be prosecuted solely at the cost and expense of the Licensor and all sums recovered in any such lawsuits, whether by judgment, settlement, or otherwise, shall be retained solely and exclusively by Licensor. Upon request of Licensor, Licensee shall execute all papers, testify on all matters, and otherwise cooperate in every way necessary and desirable for the prosecution of any such lawsuit. Licensor shall reimburse Licensee for all reasonable expenses incurred as a result of such cooperation.
- 17. **No Partnership or Joint Venture.** This Agreement does not constitute and shall not be construed as constituting a partnership, agency, or joint venture between Licensor and Licensee. Licensee shall have no right to obligate or bind Licensor in any manner whatsoever and nothing herein contained shall give or is intended to give any right of any kind to any third party.
- 18. **No Assignment**. The license hereby granted is and shall be personal to the Licensee, and shall not be assignable by any action of the Licensee or by operation of the law, and any attempt at such assignment shall be null and void. This Agreement shall inure to the benefit of and shall be binding upon Licensor's successors and assigns.
- 19. <u>Notice</u>. Whenever notice is required to be given under this Agreement, it shall be deemed to be good and sufficient notice if in writing, signed by an officer or an authorized agent of the Party serving such notice and sent by telegram, telefax, or mailed by registered or certified mail, to the other Party at the address stated above unless notification of a change of address is given in writing.
- 20. **Entire Agreement**. This Agreement contains the entire understanding of the Parties. There are no representations, warranties, promises, covenants, or understandings other than those herein contained.
- 21. <u>Disclaimer</u>. This Agreement in no manner absolves Licensee of its responsibility, if any, to procure legally sufficient permission from the copyright owner(s) of any photographs, illustrations, and/or artwork, or any other third party intellectual property rights utilized in conjunction with the manufacture and distribution of the Goods. Licensee agrees to indemnify and hold harmless Licensor and its agent(s) from any and all claims made by third parties with respect to intellectual property utilized in conjunction with the Goods.

### 22. <u>Construction & Jurisdiction</u>.

- (a) This Agreement shall be construed in accordance with the laws of the State of California.
- (b) Nothing in this Agreement is intended to be contrary to the laws of any country or political subdivision thereof. In the event that any of the paragraphs or particular terms or conditions set forth within any paragraphs are held to be unenforceable by a court of record with competent jurisdiction, such paragraph or particular term of condition therein shall be deemed to be stricken from this Agreement within the jurisdiction of such court, and the Agreement shall otherwise remain in full force and effect in such jurisdiction and in its entirety in other jurisdictions.
- (c) Notwithstanding any present or future legal decisions in any jurisdiction, regarding the necessity of Licensee to be licensed hereunder, Licensee agrees to pay royalties as provided herein for as long as it exploits the Property.
- (d) Each Party has cooperated in the drafting and preparation of this Agreement. Hence, this Agreement will be construed neutrally and will not be applied more strictly against one Party than another.
- 23. **Forum Selection Clause**. Both Parties acknowledge and consent that any controversy or claim arising out of, or relating to, this Agreement or the breach thereof, shall be settled within any court located in the State of California, agreeing that

DocuSign Envelope ID: 128AE55A-DE57-41BE-86F3-117EDD5FC665 any Such Court would have exclusive jurisdiction over any dispute, case, or controversy arising under or in connection with this Agreement, and that any such California court shall be a proper forum in which to adjudicate such dispute, case, or controversy. The prevailing Party in any action above shall be allowed to recoup any and all attorney fees, interest, and costs therein.

24. <u>Multiple Counterparts & Facsimile Signatures</u>. This Agreement may be executed in any number of counterparts, including facsimile counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same Agreement. Signatures conveyed by facsimile transmission shall serve to bind the Parties to this Agreement.

IN WITNESS WHEREOF, the Parties hereto have signed by their duly authorized officers as of the day and year first above written.

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Liochicoi		210011000	
George Chavez	<i>01.0</i>	Antho Anto	
george Unavez	_	Mike Amiri	
The City of Beverly Hills		Mike Amiri on behalf of Amiri	

Licensor



### **Certificate Of Completion**

Envelope Id: 128AE55ADE5741BE86F3117EDD5FC665

Subject: Please DocuSign: Amiri License - BH '20.pdf

Source Envelope:

Document Pages: 5 Signatures: 2 Certificate Pages: 2 Initials: 1

AutoNav: Enabled Envelopeld Stamping: Enabled

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Status: Completed

**Envelope Originator:** 

Cindy Owens

455 N. Rexford Drive Beverly Hills, CA 90210 cowens@beverlyhills.org

IP Address: 198.245.188.139

### **Record Tracking**

Status: Original

12/7/2020 11:36:24 AM

Holder: Cindy Owens

cowens@beverlyhills.org

Location: DocuSign

#### **Signature** Signer Events

Mike Amiri

mike@amiri.com

Security Level: Email, Account Authentication

(None)

Mike amiri

Signature Adoption: Pre-selected Style

Using IP Address: 76.91.245.227

# **Timestamp**

Sent: 12/7/2020 11:41:04 AM Viewed: 12/7/2020 2:48:04 PM Signed: 12/7/2020 3:42:36 PM

### **Electronic Record and Signature Disclosure:**

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Cynthia L Owens

cowens@beverlyhills.org

Policy & Management Analyst

City of Beverly Hills

Security Level: Email, Account Authentication

(None)

010

Signature Adoption: Pre-selected Style

Sent: 12/7/2020 3:42:37 PM Viewed: 12/7/2020 3:47:09 PM

Signed: 12/7/2020 3:47:26 PM

Using IP Address: 198.245.188.139

### **Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

George Chavez

gchavez@beverlyhills.org

Security Level: Email, Account Authentication

(None)

George Chavey

Sent: 12/7/2020 3:47:27 PM Viewed: 12/8/2020 11:27:30 AM Signed: 12/8/2020 11:27:45 AM

Signature Adoption: Pre-selected Style Using IP Address: 76.171.129.175

#### **Electronic Record and Signature Disclosure:**

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In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp

**Carbon Copy Events Status Timestamp** Jason Lawrence Sent: 12/8/2020 11:27:46 AM COPIED jlawrence@beverlyhills.org Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign Laura Biery Sent: 12/8/2020 11:27:46 AM COPIED lbiery@beverlyhills.org Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign Michael Dunn Sent: 12/8/2020 11:27:46 AM COPIED mdunn@beverlyhills.org Records and Archives Manager City of Beverly Hills Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign Mikaela Sent: 12/8/2020 11:27:46 AM COPIED mikaela@cmgworldwide.com Viewed: 12/8/2020 11:33:54 AM Security Level: Email, Account Authentication

Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	12/7/2020 11:41:04 AM
Certified Delivered	Security Checked	12/8/2020 11:27:30 AM
Signing Complete	Security Checked	12/8/2020 11:27:45 AM
Completed	Security Checked	12/8/2020 11:27:46 AM
Payment Events	Status	Timestamps

(None)

**Electronic Record and Signature Disclosure:** 

Not Offered via DocuSign

# Item 3



### **CITY OF BEVERLY HILLS**

### POLICY AND MANAGEMENT

### **MEMORANDUM**

TO: City Council Liaison/Branding and Licensing

FROM: Laura Biery, Marketing and Economic Sustainability Manager

Luis Gonzalez, Administrative Intern

**DATE:** February 4, 2021

**SUBJECT:** Review of City Trademarks Licensing Earnings Report

ATTACHMENT: N/A

### INTRODUCTION

The City periodically receives inquiries about the use of the Beverly Hills Shield. The City licenses the use of the City Shield and other City owned trademarks to businesses, entertainment venues, and other entities. This report outlines recent earnings from the licensing of the City Shield and other City trademarks during calendar year 2020.

### **DISCUSSION**

Staff receives inquiries from individuals and businesses looking to use the Beverly Hills shield on products and merchandise. As requests are received, they are referred to the City's branding and licensing consultant CMG Worldwide. The City has contracted with CMG Worldwide since 2013.

CMG Worldwide collects payment on the City's behalf and transfers funds to the City's Finance department. CMG Worldwide retains a portion of the royalties as payment for being the City's branding and licensing consultant.

License Entity	Earnings Received in 2020
Amiri	\$10,000.00
Anto Custom Shirts	\$512.35
Joy to the World	\$1,500.00
Marc Tetro (Settlement Payment for Unapproved Use of the City Shield)	\$5,000.00
Subtotal	\$17,012.35
CMG Portion	(\$5,111.39)
City Portion	\$11,900.96

License Entity	Earnings Received in 2020
Universal Studios Singapore**	\$3,000.00
City Portion	\$3,000.00

<sup>\*\*</sup>The Universal Studios Singapore license agreement was originally negotiated by Bradford Licensing on behalf of the City of Beverly Hills starting in 2010.

# **FISCAL IMPACT**

The total revenue received by the City of Beverly Hills for branding and licensing in calendar year 2020 was \$14,900.96.

# **RECOMMENDATION**

This report is for informational purposes only.