



Division of University Advancement
University of Toronto

2004/2005 Annual Trademark Licensing Report

**presented to
The University Affairs Board of the Governing Council**

**by
Dr. Jon S. Dellandrea, Vice President and Chief Advancement Officer**

Each year many products are produced that bear the name or marks of the University of Toronto or its constituent parts. These products include: clothing sold at the University of Toronto Bookstore; staff uniforms; promotional items ordered by campus student groups; recognition gifts; sport team uniforms; and branded furniture that decorates public spaces.

It is the responsibility of the university to ensure that products, which bear its name or marks, are produced in conditions consistent with the university's mission and values. The University of Toronto has committed to this by passing the Trademark Licensing Policy in May of 2000, and developing the Code of Conduct that supports the policy. This is the fifth annual report on the operation of, and issues associated with, the University of Toronto licensing program.

The report is presented in two parts:

- The first part is a summary of the administration and implementation of the Trademark Licensing Policy and Code of Conduct, and the communication undertaken to strengthen the university's accountability.
- The second part addresses the larger global issues of ethical production of products and, in particular the issues of verification methodologies and monitoring organizations. In this section potential alliances which would advance our understanding of issues regarding the ethical production of products are also discussed.

Administration and Implementation of the Trademark Licensing Policy and Code of Conduct

The administration of the Trademark Licensing Policy and the Code of Conduct continues to evolve. Trademark licensees utilize online artwork approval forms in order to trigger the purchase of products. Upon delivery the licensee submits sourcing information and factory disclosure data. This information is publicly accessible on the university's trademark licensing website http://www.trademarks.utoronto.ca/products/retail_list.html

In 2004 the University of Toronto affiliated with both the Fair Labor Association and the Worker's Rights Consortium. In doing so the university has met it's obligation to facilitate an effective system of factory compliance verification. Factory disclosure information is provided to both the FLA and WRC on a regular basis. Factory disclosure information can also be found on both the FLA and WRC websites by school.

An important distinction in the administration of the trademark licensing program is the difference between retail and non-retail licensees.

Retail licensees are those who supply products to the University of Toronto Bookstore.

Non-retail licensees provide customized products to the divisions of the university.

The university has approximately 26 retail licensees and 46 non-retail licensees. Retail licensees have an ongoing vendor relationship with the university, whereas non-retail licensees provide goods on a one-off basis. The majority of the retail licensees produce apparel created in consistent manufacturing locations. The Fair Labor Association and the Worker's Right's Consortium have focused their attention on apparel manufacturing in administering this program. Over the next few years this focus will expand to include manufacturers of other retail products.

Factory disclosure information for non-retail suppliers is kept on file in the office of marketing and licensing. While this information provides valuable accountability for the university and the non-retail licensee it is nearly impossible to confirm factory information or compliance with our code of conduct. Each licensed supplier of non-retail products may represent over 200 lines of products, each product having a different manufacturing history. Because the university purchases relatively small numbers of products from hundreds of suppliers it is impossible to confirm whether each supplier has taken steps to ensure code compliance. This issue is being discussed widely at universities across North America. The FLA and the WRC have struggled to administer any compliance verification system for non-apparel manufacturers.

The university community has been responsive to the services provided by the office of marketing and licensing programs. Various divisions have participated in purchasing coalitions from licensed suppliers, while others have provided names of potential licensees based on their existing supplier relationships. The Faculty of Physical Education will be providing a complete list of athletic team uniform suppliers, at which point all vendors will be brought into the fold of "licensed" status. The office of marketing and licensing programs continues to be proactive in educating the university community of the need to use licensed suppliers, and to ensure that licensed suppliers are provided with streamlined processes which allow them to effectively service the university community. In doing so we create a service-based continuum that supports the objectives of the Code of Conduct.

National and Global Concerns / Issues

The issues of code enforcement and verification systems are ongoing, complex, and at this point, in their infancy. Solutions to these issues are developing through the collaborative efforts of leading universities across North America as they work closely with international monitoring organizations, social change agencies, NGOs and grass roots student movements. Additionally, opportunities for education through dialogue with manufacturers are a critical part of the learning process.

Consistent with the mission of the university – the office of marketing and licensing has stepped forward as an industry leader and provided leadership to universities and colleges across North America.

- Kyle Winters, Director of Marketing Programs at the University of Toronto is the only Canadian member of the Board of Directors of the **International Collegiate Licensing Association (ICLA)** an organization that brings together trademark administrators from North American Universities
- Winters was named to the post of University Liaison to the Fair Labor Association University Advisory Committee. In this capacity he provides timely reports to the membership of the ICLA and maintains an ongoing understanding of program practices within the FLA.
- The University of Toronto has been active at numerous meetings across the country and advised other universities and colleges on issues pertaining to ethical manufacturing
- In January 2005 UofT hosted the first National Conference specifically focused on revenue generating activities, of which trademark licensing programs is one. This conference was presented in conjunction with the **Canadian Council for the Advancement of Education (CCAIE)**. Over 40 universities and colleges attended this conference, with guest speakers coming from across Canada, the USA and parts of Europe.
- At the CCAIE conference a prototype for a Canadian National Trademark Licensing consortium was presented to attendees. This prototype was developed with the collaboration of both the FLA and the WRC. Executive members of the two organizations presented a unified solution to factory compliance practices in Canada.
- This prototype calls on Canadian universities and colleges to recognize either the FLA and / or the WRC code of Conduct and to administer the collection of factory disclosure information through a consortium based model.
- A communications package is being developed to circulate to Canadian universities, encouraging their participation in this venture.
- In January 2005 Winters met with student leaders from Canadian universities to discuss consortium based monitoring solutions.
- This month Winters will be presenting this same model to members of CAUBO (the Canadian Association of Business Officers)

As we move forward the University of Toronto will continue to capitalize on progressive alliances that better our understanding of labour issues worldwide. These alliances include our relationship with the International Collegiate Licensing Association, Maquila Solidarity Network, the Clarkson Centre for Business Ethics, the United Students Against Sweatshops, the National Association of Collegiate Bookstores, and all monitoring organizations but specifically the Fair Labour Association and the Worker's Rights Consortium. While these issues are complex, the University of Toronto has positioned itself to be an agent of change, a messenger of progressive thinking, and a voice of accountability.