



UNIVERSITY OF
TORONTO

UNIVERSITY ADVANCEMENT

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TO: Members of the University Affairs Board

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DATE: May 14, 2010 for June 1, 2010

AGENDA ITEM: 5

ITEM IDENTIFICATION:

Annual Report on the *Code of Conduct for Trademark Licensees*

JURISDICTIONAL INFORMATION:

The University Affairs Board's areas of responsibility include use of the University of Toronto name. The Board is responsible for policy of a non-academic nature for matters within its areas of responsibility. The *University of Toronto Trademark Licensing Policy* charges the Board with receiving annual reports on the operation of and issues connected with the trademark-licensing program.

PREVIOUS ACTION TAKEN:

The ninth Annual Report on Trademark Licensing 2008-09 was received by the Board at its June 4, 2009 meeting.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

No direct implications.

RECOMMENDATION:

For information.



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2009 / 2010 Annual Trademark Licensing Report

University Affairs Board
Governing Council – University of Toronto
Tuesday, June 1, 2010

Submitted by:
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Introduction

Each year many products are produced that bear the name or official marks of the University of Toronto, or its divisions. These products include: clothing sold at the University of Toronto Bookstore; promotional items ordered by campus student groups; recognition gifts; and sport team uniforms.

It is the responsibility of the university to ensure that these products 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 this policy. This is the tenth annual report on the operation of, and issues associated with, the University of Toronto Trademark Licensing Program, which is administered within the guidelines of the Code of Conduct .



*This report is presented
in five parts:*

- The first part is a snapshot of the ongoing administration in support of the Trademark Licensing Policy and Code of Conduct at the University of Toronto, and an overview of retail activity at the UofT Bookstore
- The second part provides an introduction to the Worker Rights Consortium (WRC) and Fair Labor Association (FLA) – two international labour monitoring organizations with whom the university has affiliated, as well as an update on the Russell Athletics case which was reported in the 2008/2009 Trademark Licensing Report.
- A third part will be presented in person at the University Affairs Board meeting of June 1st - by Mr. Scott Nova, Executive Director of the Worker Rights Consortium. Mr. Nova will discuss the case of Russell Athletics and the involvement of North American universities which lead to significant changes in the Honduran factories producing licensed university apparel.
- The fourth part provides an overview of the past ten years and identifies key achievements, milestones and points of leadership and engagement on issues pertaining to the code of conduct.
- Finally, part five serves as a conclusion of efforts to date.



Information pertaining to University of Toronto trademark licensing activities can be found on the trademark licensing website www.trademarks.utoronto.ca

This information includes:

- UoT trademark licensing policy
- UoT code of conduct
- Listing of retail licensees
- Listing of promotional licensees
- Factory disclosure information
- Resources for licensees to obtain correct artwork
- Links to monitoring organizations

The administration that supports the trademark licensing policy and the code of conduct is based on accountability and transparency. Each process is informed by principles that ultimately contribute to program deliverables.

<i>Process</i>	<i>Principle</i>	<i>Deliverable</i>
Potential licensees must verify knowledge of the trademark licensing policy and the code of conduct.	informed participation	Currently there are more than 80 registered licensees.
Licensees submit e-approval forms in order to use trademarks. This triggers internal accountability process.	product accountability	Over 400 individual artwork approval forms have been received in 2009/ 2010.
Upon delivery of the branded products the licensee submits sourcing information and factory disclosure data.	licensee disclosure	Factory disclosure reports have been received from all licensees.
Factory information is publicly accessible on the university's trademark licensing website – trademarks.utoronto.ca	university disclosure	Factory information is updated quarterly.
Licensee disclosures are forwarded to both the FLA and WRC.	NGO collaboration	The information is available on an ongoing basis through the FLA and WRC websites.
The WRC and FLA monitor factories based on complaints, allegations or international labour trends	compliance	Ongoing monitoring reports are located on both the WRC and FLA websites.
The WRC and FLA provide regular feedback to North American universities with respect to individual cases.	engagement	Annual reports are now being produced by both the WRC and FLA.

Retail Activities – UoT Bookstore

In 2009 / 2010 approximately \$2.5 million dollars of retail product was sold by the Bookstore, generating licensing revenue of approximately \$110,000. Retail licensees produce merchandise that is sold to the University of Toronto Bookstores (licensing fees applicable), whereas promotional licensees produce products for non-retail activities which are sold to divisions of the university (licensing fees not applicable).

The following UoT Bookstore initiatives contributed greatly to the university's trademark licensing program

- Developed a fulfillment program for staff and faculty purchases
- Hosted a launch of the fulfillment program for UoT staff and faculty
- Developed a dedicated alumni web space for alumni products
- Introduced alumni programming initiatives
- Developed a vintage line of fashion clothing
- Introduced several green and CSR initiatives



Factory Monitoring

While the university collects information pertaining to factory locations and code compliance, it utilizes internationally recognized external monitoring organizations to conduct or direct factory inspections which evaluate workplace compliance with university codes of conduct. The University of Toronto is affiliated with both the Workers Rights Consortium and the Fair Labor Association, international labour monitoring organizations which during 2009 / 2010 have conducted numerous factory assessments around the world on behalf of North American universities and colleges. Specific information about these organizations and individual assessments can be found on their respective websites. www.workersrights.org www.fairlabor.org

Update on 2008 / 2009 Profiled Case Russell Athletics – Jerzees de Honduras



During 2009 and 2010, North American universities, the United Students Against Sweatshops (USAS), several international NGOs, and both the FLA and WRC worked collaboratively with licensee Russell Athletics to address serious labour rights issues (and code of conduct violations) in its Honduran operations. This issue was discussed at the 2008 / 2009 University Affairs Board meeting as it pertained to the University of Toronto.

Russell Athletics (Fruit of the Loom) is a licensee of the University of Toronto and its products are sold at the UofT Bookstores. Additionally, Russell Athletics is the official supplier of gameside apparel for the Varsity Blues. Accordingly, the University of Toronto played an active role in engaging the WRC and FLA in constructive dialogue with Russell Athletics to improve workplace conditions. UofT organized face to face meetings between Russell Athletics and other Canadian universities, attended strategy meetings with the FLA and WRC and conducted numerous direct conversations with labor organizations with respect to the Russell situation. Ultimately, UofT chose to remain engaged with Russell throughout the remediation process – and takes great pride in the significant steps that have been taken to improve workplace conditions.

Scott Nova, Executive Director of the Workers Rights Consortium will address the University Affairs Board at its June 1st meeting to discuss the role that the University of Toronto and other North American universities played in changing the labour practices of Honduras' largest employer. The WRC's mission is to monitor the working conditions under which college-licensed products are manufactured around the world. The WRC is a collaboration of educational institutions, students and non-governmental organizations, all of whom share the common goal of promoting greater respect for the rights of workers in the global economy. As a specialist on international trade and investment issues, Mr. Nova has been interviewed in a range of local and national broadcast forums, including CNN, National Public Radio, C-Span and Pacifica Radio; he is a regular guest on the Canadian Broadcasting Corporation's public affairs program, "Counterspin." Mr. Nova has written on international economic issues for the Journal of Commerce, the Los Angeles Times, the Nation, the Miami Herald and many other publications. He is a graduate of Dartmouth College. (source: <http://www.policyinnovations.org/innovators/people/data/0744>)

Information pertaining to this specific case can be found at the following websites:
<http://www.workersrights.org/Freports/JerzeesCholoma.asp>
http://www.fairlabor.org/news_releases_a1.html

2000 – 2010 Highlights

This tenth report to the University Affairs Board builds on past reports, and recognizes the importance of ongoing engagement with licensees who produce branded apparel and products. This report also recognizes the incremental gains achieved through the collaborative efforts of sister institutions, NGOs and external monitoring organizations.

2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
UofT joins International Collegiate Licensing Association (ICLA)	All UofT licensee contracts permitted to expire	UofT hosts Brand Aid (attendees included universities, international NGOs and labour experts)	UofT affiliates with both the Worker Rights Consortium and the Fair Labor Association	UofT provides expertise to Simon Fraser Ethical Production Workshop	UofT initiates joint discussions between WRC and FLA with respect to collaborative factory disclosure	Varsity Blues uniform suppliers brought into licensing program	UofT participates in Cambodia and Thailand factory visits	UofT coordinates multi institutional meetings with Russell Athletics	UofT alumni wear "Me to We" ethical apparel while building a school in Kenya
Associate Director of Trademark Licensing appointed	New licensing contracts contain detailed Code of Conduct requirements	CBC exposes labour issues at Gildan Factory; UofT plays key role in demanding workplace changes	UofT elected to Board of Directors of International Collegiate Licensing Association	Designated Supplier Initiative introduced by United Students Against Sweatshops	UofT hosts Conference 360 – with trademark licensing workshops included in program	Licensing Program presented at university workshops in London and Hong Kong	Varsity Blues develop preferred apparel agreement with Russell Athletics	UofT consulted by City of Toronto on ethical procurement policies	Russell Athletics mediation results in landmark changes to Honduran labour practices

Conclusion

The University of Toronto continues to play a leadership role with respect to monitoring the manufacturing practices of its licensed products, consistent with its Code of Conduct and Trademark Licensing Policy.

- UofT maintains an administrative system that collects factory disclosure information from licensees and posts this information publicly on its website. UofT shares this information with accredited monitoring associations for verification.
- UofT is actively engaged with the FLA and WRC, and attends annual board meetings of both organizations. The university places high value in maintaining active participation in both organizations as this allows for the widest spectrum of insights into issues affecting ethical labour practices and factory monitoring.
- UofT gains additional insight from local, national and international NGOs whose mandates support the rights of workers.
- UofT is working closely with its retail apparel licensees to migrate to the FLA automated factory disclosure system. This system improves licensee accountability and reduces administrative duplication between universities.
- UofT continues to work closely with the UofT Bookstore to ensure that licensed products produced for retail purposes best reflect the institution and the its values. The Bookstore remains a committed partner in the administration of the university trademark licensing program.
- UofT is communicating with student groups to ensure that licensed products which are made in uniquely favourable conditions are brought forward for due consideration (UofT orientation t-shirts for 2010 are being ordered from the Russell Athletics Nuevo Dia Factory in Honduras).
- UofT is a participating member of the International Collegiate Licensing Association, and as such maintains strong relationships with academic institutions, organizations and associations with mutual interests and concerns.