



**David Palmer**

*Vice-President, Advancement*

TO: Members of the University Affairs Board

SPONSOR: David Palmer  
Vice President, Advancement

CONTACT INFO: Tad Brown: 416-978-2796; [tad.brown@utoronto](mailto:tad.brown@utoronto)  
Kyle Winters: 416-978-0151; [kyle.winters@utoronto.ca](mailto:kyle.winters@utoronto.ca)

DATE: May 24 for May 31, 2011

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 tenth Annual Report on Trademark Licensing 2009-10 was received by the Board at its June 1, 2010 meeting.

**FINANCIAL AND/OR PLANNING IMPLICATIONS:**

No direct implications.

**RECOMMENDATION:**

For information.



UNIVERSITY OF  
**TORONTO**

## **2010 / 2011 Annual Trademark Licensing Report**

University Affairs Board  
Governing Council – University of Toronto  
Tuesday, May 31, 2011

Submitted by:  
David Palmer,  
Vice President, Advancement

Tad Brown,  
Counsel, Business Affairs and Advancement

Kyle Winters  
Executive Director, Corporate and Foundation Relations



## 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 eleventh 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 three 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.
- The third part summarizes current practices and identifies **new opportunities** for advancement of the university's trademark initiatives, including: changes in administrative oversight, and improvements in monitoring capacity and opportunities to enter into new markets.

# Administration



Information pertaining to University of Toronto trademark licensing activities can be found on the trademark licensing website [www.trademarks.utoronto.ca](http://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.	<b>informed participation</b>	Currently there are more than 80 registered licensees.
Licensees submit e-approval forms in order to use trademarks. This triggers internal accountability process.	<b>product accountability</b>	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.	<b>licensee disclosure</b>	Factory disclosure reports have been received from all licensees.
Factory information is publicly accessible on the university's trademark licensing website – <a href="http://trademarks.utoronto.ca">trademarks.utoronto.ca</a>	<b>university disclosure</b>	Factory information is updated quarterly.
Licensee disclosures are forwarded to both the FLA and WRC.	<b>NGO collaboration</b>	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	<b>compliance</b>	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.	<b>engagement</b>	Annual reports are now being produced by both the WRC and FLA.

## Retail Activities – UoFT Bookstore

In 2010 / 2011 approximately \$2.6 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 UoFT Bookstore initiatives contributed greatly to the university's trademark licensing program

- Enhancements to an online fulfillment program for staff and faculty purchases
- Ongoing marketing of an online fulfillment program for UoFT staff and faculty
- Introduced secret sale days for staff and faculty
- Expanded product mix on dedicated alumni web space for alumni
- Developed alumni specific products in conjunction with the University of Toronto Alumni Association
- 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 2010 / 2011 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](http://www.workersrights.org)

[www.fairlabor.org](http://www.fairlabor.org)

## 2000 – 2011 Highlights

This eleventh 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	2010/11
UoT joins International Collegiate Licensing Association (ICLA)	All UoT licensee contracts permitted to expire	UoT hosts Brand Aid (attendees included universities, international NGOs and labour experts)	UoT affiliates with both the Worker Rights Consortium and the Fair Labor Association	UoT provides expertise to Simon Fraser Ethical Production Workshop	UoT initiates joint discussions between WRC and FLA with respect to collaborative factory disclosure	Varsity Blues uniform suppliers brought into licensing program	UoT participates in Cambodia and Thailand factory visits	UoT coordinates multi institutional meetings with Russell Athletics	UoT alumni wear "Me to We" ethical apparel while building a school in Kenya	Division of University Advancement reviews function of trademark licensing and proposes move to ancillary services
Associate Director of Trademark Licensing appointed	New licensing contracts contain detailed Code of Conduct requirements	CBC exposes labour issues at Gildan Factory; UoT plays key role in demanding workplace changes	UoT elected to Board of Directors of International Collegiate Licensing Association	Designated Supplier Initiative introduced by United Students Against Sweatshops	UoT 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	UoT consulted by City of Toronto on ethical procurement policies	Russell Athletics mediation results in landmark changes to Honduran labour practices	Improvements in oversight, service, and reach are anticipated through partnership with external licensing admin partner.

## *New Opportunities*

- Following a restructuring of the Division of University Advancement, the Trademark Licensing Program will now be administered by the Office of Ancillary Services, under the direction of the Vice President of Business Affairs.
- In conjunction with this change, the university is currently exploring opportunities to outsource back-office operations as is the industry standard throughout North America.
- This will greatly increase efficiency, accountability and the potential reach of the trademark licensing program.
- Further, the university anticipates introducing new online resources to better equip licensees with high resolution approved artwork for reproduction on products.

## *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 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 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.
- Aspects of the Code of Conducts used by the WRC and FLA have evolved over time; the intent remains consistent with the University of Toronto Code of Conduct and Trademark Licensing Policy. Should any significant change in enforcement or interpretation of the WRC / FLA codes occur, the University of Toronto will review the Trademark Licensing Policy to consider modifications as appropriate.
- The university will continue to provide leadership within the licensing industry and report to the UA Board on its progress, challenges and learning.