



University of Toronto

OFFICE OF THE VICE-PRESIDENT AND CHIEF ADVANCEMENT OFFICER

TO: Members of the University Affairs Board

SPONSOR: Dr. Jon Dellandrea

CONTACT INFO: (Kyle Winters: 416-978-0151; kyle.winters@utoronto.ca)

DATE: May 26 for June 1, 2004

AGENDA ITEM: 3

ITEM IDENTIFICATION:

Code of Conduct for Trademark Licensees: Annual Report, 2004-05

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* (attached) charges the Board with receiving annual reports on the operation of and issues connected with the trademark-licensing program.

PREVIOUS ACTION TAKEN:

The fourth Annual Report on Trademark Licensing 2002-03, was received by the Board at its meeting of June 1, 2004.

HIGHLIGHTS

- Trademark licensees, who utilize online artwork approval forms, are required to submit sourcing information and factory disclosure data.
- In 2004 the University of Toronto affiliated with both the Fair Labor Association (FLA) and the Worker's Rights Consortium (WRC), which gather factory compliance verification on a regular basis.
- The University has approximately 26 retail licensees, which have an ongoing vendor relationship with the University. The majority produce apparel created in consistent manufacturing locations. The FLA and the WRC have focused their attention on apparel manufacturing, but this focus will expand to include manufacturers of other retail products.

HIGHLIGHTS (Cont'd)

- Factory disclosure information for the 46 non-retail suppliers is kept on file in the office of marketing and licensing. While this information provides valuable accountability, 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 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 of Toronto has taken a leadership role in this area. The Director of its marketing program is the only Canadian member of the International Collegiate Licensing Association, and he is the University Liaison to the FLA. In January 2005, the University hosted the first national conference on revenue-generating activities, including trademark licensing. The University helped to advance a prototype, developed in collaboration with the FLA and WRC, to administer the collection of factory disclosure information through a consortium.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

No direct implications.

RECOMMENDATION:

Annual accountability report, for information.