



TO: Members of the University Affairs Board

SPONSOR: Scott Mabury
Vice President, University Operations

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DATE: May 10, 2013 for May 28, 2013

AGENDA ITEM: 9

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 Annual Report on Trademark Licensing 2011 -12 was received by the Board at its May 30, 2012 meeting.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

No direct implications.

RECOMMENDATION:

For information.



Annual Trademark Licensing Report



UNIVERSITY OF
TORONTO

University Affairs Board
Governing Council - University of Toronto
Tuesday, May 28, 2013

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 2000, and by developing the Code of Conduct that supports this policy. This annual report reviews the operation of and issues associated with the University of Toronto's Trademark Licensing Program, which is administered within the guidelines of the Code of Conduct.

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The Trademark Licensing Office

The work of the office includes:

- *Ensuring that suppliers of University of Toronto merchandise are licensed and have signed the university's Code of Conduct*
- *Reviewing and approving artwork for merchandise*
- *Working with university departments and student groups to fulfill special requests for merchandise for events or programs*
- *Working with the university's Bookstore to expand and enhance the selection of University of Toronto merchandise available for sale*
- *Following up on improper use of the university's marks*
- *Maintaining good relationships with labour monitoring organizations, who evaluate workplace compliance with university codes of conduct*
- *Engaging with licensees when workplace issues are identified*

The Trademark Licensing Office is a self-funded unit within the department of Ancillary Services, reporting to the Director of Ancillary Services. Day-to-day management of the program is through the department's Trademark Licensing Coordinator, with administrative support provided by an external licensing agent, Strategic Marketing Affiliates (SMA).

Over the years, the work of the Trademark Licensing office has established the University of Toronto as a leader in collegiate licensing in Canada, and this influence has helped other Canadian schools create and refine programs of their own. Our work with other North American schools and partnership with recognised labour rights NGOs has also helped encourage positive changes to workplaces in developing countries. Given that collegiate licensing is responsible for a miniscule fraction of the production in the apparel industry as a whole, this is clearly impact that goes far beyond buying power.

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Factory Monitoring

While the university collects information pertaining to factory locations and code compliance, it utilizes internationally recognised 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 Worker Rights Consortium (WRC) and the Fair Labor Association (FLA); organizations which during 2012-13 have conducted numerous factory assessments around the world on behalf of North American universities and colleges. These organizations are also engaged in work to encourage systemic change in the global supply chain.

Specific information about the WRC and FLA, as well as individual assessments and annual reports, can be found on their respective websites:

www.workersrights.org

www.fairlabor.org

The university regularly attends membership meetings of these organizations, and seeks advice when issues arise.

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Retail Activities - U of T Bookstore



In 2012-13 approximately \$2.3 million of retail product was sold by the Bookstore, generating licensing revenue of approximately \$90,000. Retail licensees produce merchandise that is sold to the U of T 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 U of T Bookstore initiatives enhanced the Trademark Licensing Program this year:

- Renovation of the Koffler Bookstore on the St. George campus
- Addition of new high profile brands in response to student feedback: Roots, Nike and Adidas



Highlights of 2012-2013

- The first full year of work with SMA was completed and a review undertaken of administrative processes, royalty collection and opportunities for growth of the program.
- Outreach projects to student groups and university departments included a presentation to Orientation Coordinators and a “Campus Services Expo” event.
- In consultation with Student Life, developed a framework for distribution of excess revenues to support the enhancement of student spaces.

Goals for 2013-2014

- Develop specialised line of merchandise that celebrates university heritage and research milestones.
- Work with the Bookstore to implement a direct-to-garment printing operation, which would greatly improve its ability to fulfill small orders as well as significantly reduce lead times, which would be beneficial to university departments and student groups.
- Publish guidelines for university departments related to procedures and costs associated with registering logos and other marks.
- Continue outreach activities through information sessions and special events