

MISSISSIPPI STATE UNIVERSITY
Operating Policy and Procedures
Trademark Licensing

Purpose:

The purpose of this operating policy and procedure is to protect and control the utilization of the University seal, name, logos, slogans, and emblems and to encourage aggressively the proper use of these trademarks to promote the University and produce revenue for its benefit. Mississippi State University is under contract with the Licensing Resource Group (LRG) to assist in the management and marketing of the Trademark Licensing Program. Accordingly, all actions taken by the University must adhere to the terms of the contract.

Policy:

The University shall control the use of its trademarks through a licensing program that encourages proper use that will reflect favorably on the University and will produce maximum revenue for its benefit.

Rules:

- **Licensing Agreement**
Permission to use the University name or trademarks for commercial purposes shall be granted by a nonexclusive license.
- **University Purchases**
The University shall only purchase merchandise that is produced by a licensed vendor.
- **Royalties**
Licensed manufacturers shall pay a royalty for the use of the University trademarks. The royalty rate shall be a percentage of net sales of all products on which any University mark is used.
- **Exemptions**
University purchases for University use - not resale - may be exempted from royalty payments. No other royalty exemptions are allowed.
- **Royalty Income**
All expenses directly associated with the Licensing Program shall be paid from royalty income. Distribution of the royalty income shall be determined by the President and shall be distributed as soon as possible after the closing of the books for the University's fiscal year end of June 30.

Procedures:

- **Inquiries**
All inquiries regarding use of the University marks shall be directed to the Trademark Licensing Office. Proper use of the marks shall be encouraged to promote the University and to produce revenue for its benefit.
- **Trademark Artwork**
Licensed vendors may obtain digital artwork from LRG. Internal departments may request digital graphics from the Trademark Licensing Office.
- **License Agreement**
Applications for license should be submitted to LRG. Contact information for LRG may be obtained from the Trademark Licensing Office.
- **Product Approval**
A representative sample of any product to be produced for sale bearing the University marks shall be submitted for approval prior to production. The manufacturer shall submit a production sample of the product for final approval. Should a product sample be disapproved, the manufacturer may resubmit a conforming or revised sample for approval. Additional products may be submitted for approval during the term of the License Agreement.

Licensed products shall be reviewed periodically to ensure that the manufacturer adheres to the agreed standards, specifications, and characteristics for each product.
- **University Purchases**
A list of licensed manufacturers and licensed products shall be available by contacting either LRG or the Trademark Licensing Office. It is the responsibility of the University department or organization wishing to purchase an item bearing the University marks to contact the Trademark Licensing Office to confirm the product and manufacturer are licensed. The University department or organization shall follow established University purchasing procedures to purchase the item. The Trademark Licensing Office and LRG shall make every effort to license any manufacturer with whom the University wishes to do business.
- **Retail Stores**
A list of licensed manufacturers and other current information on the Licensing Program shall be provided to retailers upon request. Retailers are required to purchase only licensed products. Every effort shall be made to license any manufacturer with whom a retailer would like to do business.

- **Royalty Reports**

LRG collects licensing royalties on a quarterly basis. Reports are due at LRG's office within 30 days after the end of each calendar quarter. Reports received after the 30-day filing period are subject to a monthly late fee and cancellation of license.

- **Exemptions from Royalty Payments**

University purchases of licensed merchandise for University use - not resale - may be exempted from royalty payments. It shall be the responsibility of the University department or organization to request an exemption. The request for exemption shall be submitted to the Trademark Licensing Office and shall include a description of the item to be purchased, the intended use, and the suggested vendor (all purchases must be made from a licensed vendor). The Trademark Licensing Office shall respond to the department or organization with a letter of exemption or disapproval.

- **Deposit of Royalty Income**

LRG shall remit to the University its portion of the royalty income in accordance with the contract between MSU and LRG, along with an itemized accounting of all receipts and deductions. Royalty income from licensing of University marks shall be deposited immediately upon receipt of same.

Review:

This policy shall be reviewed in July, every four (4) years, by the General Counsel.

Reviewed:

<u>/s/ Lesia Ervin</u>	<u>05/30/2014</u>
Internal Audit	Date

<u>/s/ Joan Lucas</u>	<u>05/16/2014</u>
General Counsel	Date

Approved:

<u>/s/ Mark Keenum</u>	<u>07/09/2014</u>
President	Date