

Dear Colleagues:

I am contacting you in order to respond to concerns that have arisen recently concerning use of WKU licensed marks by WKU departments on non-apparel items (i.e. printed material, brochures, key-chains, etc.) and apparel items.

In a letter to you dated July 8, 2008, B.J. Burton explained that WKU has contracted with Collegiate Licensing Company ("CLC") to license and regulate vendors who sell apparel bearing our marks, enforce our registration on marks and logos and collect royalties generated by the sale of apparel from those licensed vendors. Over the past decade, WKU has taken steps to register images / marks / logos (seal, cupola, red towel), words and phrases ("Western," "Top Scholar," "Hilltoppers," "Kelly Autism Program," etc.) and letters ("WKU," "CEC") which have been or may be associated with the University.

The fees charged by CLC are based upon the royalties generated by our marks. CLC collects royalties at the rate of 10%, and retains 3% as its compensation. On average, CLC's fees are \$44,000 per year. WKU receives the balance - the remaining 7%. The net revenues are allocated to WKU Athletics. This allocation has been in place for over a decade, and is based upon the following considerations:

- The Athletic Department paid initial costs to register our marks, and continue to pay the costs to maintain these marks. The Athletic Department also pays all fees to CLC on an annual basis.
- Athletics paid \$40,000 in 2002 for the re-design of WKU marks, including the redesign of the "WKU" mark.
- The majority of the commercial activity and royalties involving our marks are athletic related. For example, between June and October of 2009, 477 "art submissions" (proposed uses of marks) were submitted to Athletics. Of this 477, only 22 utilized a non-athletic logo (5 %.)
- Most colleges and universities have a single full time employee who is responsible for the licensing program. At WKU, approximately 30 percent of B.J. Burton's time is dedicated to this responsibility. B.J. reviews the proposed uses for our marks (the art submissions) and insures they are appropriately depicted and conform to the Usage Manual. Certain times of the year require considerably more attention (mid-fall and mid-spring).

While Athletics gets the benefit of royalties earned, Athletics is also financially and operationally responsible for the uses and creation of the marks that generate revenue and the recurring expenses to maintain and protect their registration.

You should also know that WKU has registered marks, words and phrases where there is no expectation of revenue. These include "CEC," the CEC logo, Kelly Autism Program, I-Media Multi-Media, Top Scholar, Western, Western Kentucky, and the Bell Tower image. The purpose of these registrations is to insure that others do not utilize them in a commercial manner to WKU's detriment. When vendors use our marks and logos, they typically do so because it is "positive" to their commercial activity, and they want to attach to – and make money from -

WKU's good reputation. Registration is the means by which we can prevent this type of activity. The oversight and enforcement process that follows requires continuous vigilance by B.J. Burton, CLC and me.

It also appears that two primary components of our licensing may have caused confusion on campus concerning our licensing program.

First, all WKU departments and affiliated groups must purchase products bearing WKU marks or logos from licensed vendors. Stated another way, unlicensed vendors are prohibited by law from utilizing and/or selling WKU licensed marks.

Second, CLC collects royalties from licensed vendors on the sales of apparel products utilizing WKU marks to the public at large or to other vendors for resale.

Royalties are not and never have been collected from licensed vendors by WKU or CLC on the following non-apparel products. Examples would include:

- Printed material, magazines, brochures, business cards, etc.
- Promotional "give away" items such as card cases, visors, tote bags, key-chains, etc. (i.e. not for resale).
- Signage.
- "WKU" vehicle license plates issued by the state.

Royalties are paid by licensed vendors on the sale of apparel products bearing WKU marks or logos.

However, WKU has the right to, and does, waive royalties on apparel products sold by licensed vendors under certain circumstances.

Apparel products bearing WKU marks or logos that are purchased by WKU departments and recognized affiliated organizations are exempt from the collection of royalties under the following circumstances:

- All apparel being purchased must only be for internal consumption or use only by the Department or organization ( product purchased for "give away" purposes is acceptable; none can be for resale); and,
- All apparel purchased has been or will be paid for with a WKU Purchase Order or Procard.

Apparel purchases for departments or affiliated organizations utilizing payment methods other than a WKU Purchase Order or Procard may request a waiver of royalties by contacting B.J. Burton, Assistant Athletic Director for Marketing, or me:

B.J. Burton  
[b.j.burton@wku.edu](mailto:b.j.burton@wku.edu)  
270 745-2618

Deborah T. Wilkins  
[deborah.wilkins@wku.edu](mailto:deborah.wilkins@wku.edu)  
270-745-5398

There are currently four (4) local vendors that are licensed to screen print and/or embroider WKU marks:

Blue Cotton  
<http://www.bluecotton.com/>  
1.800.536.1435  
1104 Broadway Avenue  
Bowling Green, KY 42104

Signature Signs  
<http://www.signaturesigns.com/>  
1736 US 31-W Bypass  
Bowling Green, KY 42101  
(270) 745-9954

APEKS Apparel  
675 Hennessy Way  
Bowling Green, KY 42101  
(270) 781-4360

Image Ink Screen Printing  
1207 US 31W Bypass  
Bowling Green, KY 42101  
(270) 393-4651

If you or a WKU affiliated organization wishes to purchase apparel with WKU marks or logos, you may go directly to these vendors and present payment with a WKU Purchase Order or Procard. No royalties will be charged to the vendor or collected on the sale so long as no portion of the product purchased is intended for resale.

WKU cannot waive licensing on apparel products that are manufactured for mass distribution and distributed to retailers generally. The costs of these items are determined by the manufacturer and the retailer and may or may not reflect a markup for licensing. However, WKU departments may purchase apparel products that are manufactured for mass distribution at the WKU Bookstore. Purchases made with a Procard are given a 20% discount.

It is essential that we control the use of our own marks. Our failure to do so jeopardizes WKU's legal rights to the marks and logos, and allows vendors to profit from brands and marks that WKU has worked to create and build for over a century.

Please contact me now or in the future if you have any questions concerning this correspondence. I am happy to respond to any questions concerning our licensing program.

Sincerely,

Deborah T. Wilkins  
Chief of Staff / General Counsel