



**Beverly Hills City Council Liaison / Branding and Licensing Committee will conduct a Special Meeting, at the following time and place, and will address the agenda listed below:**

**CITY HALL  
455 North Rexford Drive  
4<sup>th</sup> Floor Conference Room A  
Beverly Hills, CA 90210**

**Friday, December 16, 2016  
2:00 PM**

### **AGENDA**

- 1) Public Comment
  - a. Members of the public will be given the opportunity to directly address the Committee on any item listed on the agenda.
- 2) Beverly Hills Police Vehicle Branding and Logo
- 3) Golden Triangle Apparel Proposal and License Agreement
- 4) Adjournment

A handwritten signature in black ink, appearing to read "Byron Pope".

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Byron Pope, City Clerk

**Posted: December 15, 2016**



In accordance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please call the City Manager's Office at (310) 285-1014. Please notify the City Manager's Office at least twenty-four hours prior to the meeting so that reasonable arrangements can be made to ensure accessibility.

Some time ago, the PD initiated an effort to redesign the current look of our police vehicle's. The old design was not popular amongst the majority of patrol personnel (many thought it cartoonish and gimmicky). See below:



A committee (7 Officers, 2 Sergeants, and 2 Lieutenants) was assembled and several designs were created. Chief Spagnoli and her Command Staff looked at the designs and they preferred the below design which was put on a vehicle for approval:



City Manager Aluzri has seen the vehicle and has recommended that the Branding Committee evaluate the top 3 designs and give final approval. See below:

**#1 (preferred) Design, which was put on the prototype vehicle**



## Design #2



### Design #3



## AGREEMENT

This license agreement (hereinafter referred to as "Agreement") is made and entered into effective as of December 6, 2016 (the "Effective Date"), by and between City of Beverly Hills (hereinafter referred to as "Licensor"), c/o CMG Worldwide, Inc., located at 10500 Crosspoint Boulevard, Indianapolis, Indiana 46256, and Golden Triangle Apparel, LLC (hereinafter referred to as "Licensee"), located at 121 South Crescent Drive, Suite F, Beverly Hills, California 90212.

### **WITNESSETH:**

WHEREAS, Licensor is the owner of all right, title, and interest in, to, and under the Beverly Hills Shield design mark shown below (hereinafter referred to as "Property"), together with trademark registrations for the mark.



WHEREAS, Licensee desires to utilize said Property upon the terms and conditions set forth below.

WHEREAS, CMG Worldwide, Inc. ("CMG") is the licensing agent of the Licensor in connection with licensing the Property.

NOW THEREFORE, in consideration of the mutual promises and undertakings herein contained and for other good and valuable consideration, intending to be legally bound, the parties agree as follows:

### **1. Definition of Terms.**

(a) "Consumer Sales" shall mean sales of Goods by Licensee directly to the consumer (hereinafter "Retail"), or by Licensee directly or through its authorized wholesalers, representatives or distributors to retail establishments for eventual resale to the consumer (hereinafter "Wholesale").

(b) "Premium" shall mean any article used for the purpose of: increasing the sale of another item; promoting or publicizing any product or service; fundraising or as giveaways; to motivate a sales force, merchant, consumer, or any other person to perform a specific act.

### **2. Grant of License.**

(a) Subject to the limitations set forth in paragraph 2(c) below and the other conditions of this Agreement, Licensor hereby grants to Licensee the non-exclusive right to use the Property on the following merchandise (hereinafter referred to as "Goods"):

- Apparel, headwear, and accessories

(b) Territory and Channels of Trade: Licensee shall only make sales of Goods through Consumer Sales. The license hereby granted extends worldwide (hereinafter "Territory").

(c) Limitations on License:

(i.) No license is granted hereunder for the use of the Property for any purpose other than upon or in connection with the Goods.

(ii.) Licensee may not sub-license the rights granted by this Agreement without the express prior written approval of Licensor, and any such sub-license or attempted sub-license shall constitute a material breach of this Agreement.

(iii.) No license is granted hereunder for the manufacture, sale or distribution of Goods to be used as Premiums, for publicity purposes, as giveaways, or to be disposed of under similar methods of merchandising. In the event Licensee desires to sell Goods for such purposes, Licensee acknowledges and agrees that it must first seek and obtain a separate license from Licensor and that the user thereof must also obtain a separate license from Licensor for such use of Goods. Notwithstanding the foregoing, Licensee may distribute 30 pieces of Goods free of charge to the members of the media for press purposes.

(iv.) Licensee specifically agrees and acknowledges that making, using, and/or selling of any unauthorized goods, articles, and/or promotional materials which uses any aspect of the Property, is an infringement of the Property that may result in serious damages, dilution, and tarnishment to the integrity, distinctiveness, and value of the Property and will constitute material breach of this Agreement. Licensee shall neither contest nor object to immediate termination of this Agreement.

### **3. Advance, Guarantee, Royalty.**

Licensee agrees to pay one hundred thousand United States Dollars (\$100,000) as a nonrefundable guarantee, recoupable against royalties earned through the Term of this Agreement, and paid as follows: twenty-five thousand (\$25,000) due immediately upon execution of this Agreement and seventy-five thousand (\$75,000) due on or before December 31, 2018. For avoidance of doubt, should Licensee have reported and paid royalties in the amount of \$100,000 or more by December 31, 2018, no further payment for the guarantee is necessary. Licensee shall thereafter make royalty payments to Licensor as set forth herein.

As of the Effective Date of this Agreement, Licensee agrees to pay to Licensor royalties in the amount of 10% of Licensee's Actual Selling Price for each unit of Goods sold Wholesale or 5% of Licensee's Actual Selling Price for each unit of Goods sold Retail in United States dollars, computed upon the total number of units of Goods sold, shipped, or otherwise distributed by Licensee or any of its representatives or affiliated, associated, or subsidiary. Each of Licensee's representatives and affiliated, associated, or subsidiary companies is referred to in this Agreement as a "Related Company."

Royalties will accrue when the Goods are invoiced or shipped, whichever occurs first, and shall be payable concurrently with the periodic statements required in Section 4 of this Agreement.

A deduction of not more than 5% may be taken for actual certified returns. No other deductions shall be permitted, including, without limitation, deductions for bad debt, cost of shipping, cost of packaging, advertising or promotional expenses, cash or volume discounts, or other costs.

The term "Actual Selling Price" as used herein shall mean the actual price charged by Licensee, or by any of its Related Companies, for sale of the Goods described in Paragraph 2 of this Agreement.

**4. Payment & Reporting.**

Not later than the thirtieth (30th) day after the close of every month during the Original Term and any subsequent renewal period, the Licensee shall pay to the Licensor the amounts described in Section 3 of this Agreement and furnish to the Licensor a full and complete statement showing the number of Goods which have been sold by the Licensee and the Actual Selling Price thereof during the preceding month.

Payments to the Licensor shall be made to CMG Worldwide, Inc., located at 10500 Crosspoint Blvd., Indianapolis, Indiana 46256. All payments shall be made by personal check drawn on U.S. funds payable to "CMG Worldwide, Inc." All late payments shall be subject to a one percent per month (12% annual rate) late charge on all such outstanding amounts.

**5. Term.**

(a) "Original Term" shall mean the period beginning upon the Effective Date and ending on December 31, 2020.

(b) Upon expiration of the Term of this Agreement, except as otherwise provided in this Agreement, all rights shall automatically terminate.

**6. Quality.**

Licensor is familiar with Licensee's business, management, and abilities, and believes Licensee to be fully capable of properly and competently designing, manufacturing, and distributing the Goods in accordance with and subject to the strict quality standards and levels demanded by Licensor in connection with the use of the Property.

Licensee agrees that it will not at any time do or cause to be done any act or thing impairing or tending to impair any of Licensor's rights in or to the Property.

Licensee acknowledges that if the Goods manufactured and sold by it are of inferior quality in material and workmanship, the substantial goodwill which the Licensor has built up and now possesses in the Property will be impaired. Accordingly, Licensee warrants that the Goods will be of high standard and of such appearance and quality as shall be reasonably adequate and suited to their exploitation and best advantage.

Licensee shall submit to Licensor finished samples of all Goods to be manufactured, together with its cartons and containers, including packaging and wrapping material, which shall be approved in writing by the Licensor before the Goods are advertised, distributed or sold. After samples of the Goods have been approved pursuant to this paragraph, Licensee shall not depart therefrom without written consent from Licensor. In the event there is a departure from the approved sample of the Goods made or distributed by Licensee, or in the event there is an occurrence connected with the Goods which reflect unfavorably upon Licensor, the Licensor shall have the right, in the reasonable exercise of its sole discretion, to withdraw its approval of such Goods, at which time this Agreement shall automatically terminate with respect to such Goods. Thereupon, Licensee shall cease the use of the Property in the sale, advertising, distribution, or use of such Goods immediately upon notice from Licensor; and within ten (10) days thereafter shall pay all amounts due to Licensor hereunder. If there are other Goods under this Agreement not covered or affected by the foregoing two sentences of this paragraph, this Agreement shall remain in full force and effect as to those other Goods.

**7. Advertising.**

All advertisements and promotional material which Licensee intends to use to promote Goods shall be submitted to Licensor for its written approval prior to publication. Licensor shall have fourteen (14) days from the date of receipt of said material in which to approve or disapprove it, such approval not to be unreasonably withheld.

**8. Samples.**

Licensee shall supply Licensor with six (6) samples of each of the completed Goods, promptly after completion. Licensor shall have the right to purchase additional samples at the actual cost of the Goods.

**9. Books & Records.**

(a) The Licensee shall keep full, complete, and accurate books of account and records covering all transactions relating to the subject matter of this Agreement. Licensor, through its authorized representative, shall have the right to examine such books of account and records and other documents and material in Licensee's possession or under its control insofar as they relate to the manufacture and sale of Goods. The Licensor shall have free and full access thereto at any reasonable hour of the day during which the Licensee's offices are open and in any reasonable manner. In the event an examination of Licensee's books and/or records reveals a deficiency in royalties paid to Licensor of more than three hundred dollars (\$300), Licensee shall pay all expenses related to the performance of the examination and shall immediately pay the deficient amount to Licensor.

(b) Licensee shall ensure that all invoices for the sale of the Goods will include the quantity and description of each of the Goods itemized by version, style, and with the name of Property within the invoice item description.

(c) For audit purposes, Licensee must provide the auditor the detail of each period's reported Net Sales and Returns, to the invoice/credit memo level, in Excel format. Each sale/return must detail the License number, invoice/credit memo number, date, customer name, ship to address, product number and description, gross sale and discounts, FOB point of shipment, units sold/returned, and royalty rate.

**10. Goodwill.**

Licensee acknowledges Licensor's exclusive rights in the Property and further acknowledges the value of the goodwill associated with the Property, that the Property and all ultimate rights therein belong exclusively to the City, and that the Property is famous and has developed secondary meaning and connotes an image of prestige, quality, and exclusivity in the minds of the public. Licensee agrees that the Property is, and shall remain, the property of Licensor and that Licensee obtains no right, title, or interest in or to the Property except for the limited rights to use the Property as set forth in this Agreement. Licensee acknowledges and agrees that any goodwill generated by Licensee's use of the Property shall inure exclusively to the benefit of Licensor.

Licensee shall not manufacture, market, or sell any confusingly similar unlicensed products that are intended to, or that consumers would reasonably believe to, trade off the goodwill of the Property licensed hereunder. Licensee shall not, during the Original Term of the Agreement or at any time thereafter, dispute or contest, directly or indirectly, the Licensor's ownership of the Property; the Licensor's exclusive right (subject to valid licenses granted by Licensor) to use the Property; the validity of any trademark registrations pertaining to the Property or the Licensor's ownership thereof, nor shall the Licensee assist or aid others in doing so. At the Licensor's request the Licensee shall cooperate with the Licensor in preventing or stopping any infringement or unfair use by any third party of the Goods or Property. The Licensor shall determine what action, if any, it elects to pursue in regard to preventing or stopping any

infringement or unfair use by any third party of the Goods or Property and shall be under no obligation whatsoever to take action at Licensee's request.

**11. Credit Line, Etc.**

(a) Licensor may apply to register trademarks and/or copyrights for any design incorporating the Property on the Goods and/or the Property as may be reasonably necessary, in the Licensor's sole discretion, to protect the Licensor's interests. All applications for registration of claims to copyright, where applicable, shall identify the Licensor as the copyright proprietor; and all applications to register trademarks shall identify the Licensor as the trademark owner.

(b) If Licensor requires any specimens of the Goods, or any photographic reproductions of the same, for use in filing copyright or trademark applications, Licensee shall provide the Licensor with the same at Licensee's expense.

(c) At Licensor's request, the Licensee shall execute assignments in favor of Licensor of any and all copyrights, trademarks, or other intellectual property rights of whatever kind relating to the Goods and/or the Property without further consideration and Licensee will, upon the request of Licensor, assign to the Licensor any rights, if any, which Licensee may have acquired through its use of the Property.

(d) Licensee warrants that it will provide a legally sufficient credit line on the packaging, wrapping, advertising, and promotional material bearing any reproductions of the Goods or the Property, in the following format:

**The Beverly Hills Shield™ is a trademark of the City of Beverly Hills,  
[www.BeverlyHills.org](http://www.BeverlyHills.org)**

(e) Licensee warrants that it will provide a legally sufficient trademark notice by prominently displaying the sign ™ against every occurrence of Property on the Goods and against every occurrence of the Property on packaging, wrapping, advertising, and promotional material for the Goods.

(f) Licensee warrants that it will take such precautions as are necessary to insure that any promotional materials for the Goods which utilize the Property made by its customers bear the Licensor's trademark notice as provided in paragraph 10 (d & e).

**12. Right of Termination.**

Without prejudice to any other rights, Licensor shall have the right to terminate this Agreement, or a portion thereof, upon written notice to Licensee, at any time that the following may occur:

(a) If full and regular production and aggressive marketing has not commenced within three (3) months from the date of this Agreement. Any individual categories of Goods granted in Paragraph 2(a) not in distribution within five (5) months are subject to revocation of production rights. If the Goods are out of production for more than three (3) consecutive months, Licensor may terminate the production rights for the particular category of Goods, that particular Good in a particular territory, or terminate the entire Agreement at Licensor's sole discretion.

(b) If Licensee shall fail to make any payment due hereunder or to deliver any of the statements herein referred to, and if such default shall continue for a period of five (5) days after written notice of such default is sent by Licensor to Licensee.

(c) If Licensee is involved in any act of bankruptcy or insolvency, then Licensor shall have the right to terminate this Agreement. Notwithstanding the foregoing, Licensor shall, at any time during the term of this Agreement, have the option of demanding an assurance from Licensee of Licensee's ongoing ability to perform the provisions of this Agreement. Unless reasonable and adequate assurance is received by Licensor from Licensee concerning Licensee's ability to perform, Licensor shall have the right to terminate this Agreement.

**13. Sales after Expiration.**

Upon expiration or termination (for whatever reason) of this Agreement, Licensee shall not be permitted to sell or ship its remaining inventory of Goods following the termination date of this Agreement without the express written consent from the Licensor. Upon expiration or termination, Licensee shall provide Licensor with a complete accounting statement of all remaining inventory of Goods. The Licensee shall not, without prior written consent of the Licensor, sell or ship any such remaining Goods as distress merchandise, or to unaffiliated third parties for eventual resale, or otherwise than in the ordinary course of business. Licensee shall not stockpile inventory prior to expiration or termination of this Agreement for purposes of sale or shipment thereafter. For purposes of this Agreement, a distress sale shall be defined as one in which the merchandise is sold for less than fifty percent (50%) of the normal Retail or Wholesale selling price. Licensor shall have the right to buy remaining inventory of Goods upon expiration or termination of this Agreement.

**14. Rights Reserved by Licensor.**

Any and all rights in and to said Property which are not expressly granted to the Licensee are hereby reserved by the Licensor. Any one or more of such reserved rights may be exercised or enjoyed by the Licensor, directly or indirectly, at any and all times.

**15. Licensor's Claim.**

Whatever claim Licensor may have against Licensee hereunder for royalties and/or for damages shall become a first lien upon all of said Goods manufactured or produced pursuant to the terms of this Agreement in the possession or under the control of Licensee or its agents upon the expiration or termination of this Agreement.

**16. Remedies.**

All specific remedies provided for in this Agreement shall be cumulative and shall not be exclusive of one another or of any other remedies available in law or equity. Failure of the Licensor to insist upon strict performance of any of the covenants or terms hereof to be performed by the Licensee shall not be construed to be a waiver of any such other covenants or terms. Should Licensor be forced to initiate legal action due to Licensee's breach hereof, then all legal costs incurred therein by Licensor shall be recoupable by Licensor.

**17. Licensee's Indemnification.**

Licensee hereby agrees to be solely responsible for, to defend and indemnify Licensor and its respective officers, agents and employees, and to hold each of them harmless from any claims, demands, causes of action, or damages, including reasonable attorney's fees, arising out of the distribution or use of the Goods.

**18. Licensor's Warranty.**

Licensor represents and warrants to Licensee that it has the power to enter into this Agreement. Should any third party assert a claim, demand, or cause of action against Licensee contesting Licensor's ownership of the Property in relation to Licensee's use of the Property under this Agreement, Licensor shall have the option to undertake and conduct the defense of any such claim, demand, or cause of action. Licensee may, but shall not be obligated, to join in such defense and be represented by its own counsel. If Licensee elects to be represented by its own counsel, Licensee will pay its own attorney's fees. Licensee agrees that while it may counsel Licensor concerning the disposition of any such action, Licensor shall have the sole and final decision concerning the disposition of any action which involves the Property and has the right to order the Licensee to dispose of inventory and all works in progress as it sees fit. Licensor shall also have the right, in its discretion, to institute and prosecute lawsuits against third persons for infringement of the rights licensed in this Agreement. Any lawsuit shall be prosecuted solely at the cost and expense of the Licensor and all sums recovered in any such lawsuits, whether by judgment, settlement, or otherwise, shall be retained solely and exclusively by the Licensor. Upon request of the Licensor, the Licensee shall execute all papers, testify on all matters, and otherwise cooperate in every way necessary and desirable for the prosecution of any such lawsuit. The Licensor shall reimburse the Licensee for all reasonable expenses incurred as a result of such cooperation.

**19. No Partnership or Joint Venture.**

This Agreement does not constitute and shall not be construed as constituting a partnership, agency, or joint venture between Licensor and Licensee. The Licensee shall have no right to obligate or bind Licensor in any manner whatsoever and nothing herein contained shall give or is intended to give any right of any kind to any third party.

**20. No Assignment.**

The license hereby granted is and shall be personal to the Licensee and shall not be assignable by any action of the Licensee or by operation of the law, and any attempt at such assignment shall be null and void. This Agreement shall inure to the benefit of and shall be binding upon Licensor's successors and assigns.

**21. Notice.**

Whenever notice is required to be given under this Agreement, it shall be deemed to be good and sufficient notice if in writing, signed by an officer or an authorized agent of the party serving such notice, and sent by registered or certified mail or reputable overnight courier service (e.g., FedEx, DHL) to the addresses provided above or by email directed as follows:

If addressed to Licensor: Mark Roesler, Mark@cmgworldwide.com & Megan Roach, Mroach@beverlyhills.org

If addressed to Licensee: Vic Ackerman, Vic@goldentriangleapparel.com or Matthew Collembetti, matt@goldentriangleapparel.com unless notification of a change of address is given in writing.

**22. Entire Agreement.**

This Agreement contains the entire understanding of the parties. There are no representations, warranties, promises, covenants, or understandings other than those herein contained.

**23. Disclaimer.**

This Agreement in no manner absolves Licensee of its responsibility, if any, to procure legally sufficient permission from the copyright owner(s) of any photographs, illustrations, and/or artwork utilized in conjunction with the manufacture and distribution of the Goods. Licensee agrees to indemnify and hold harmless Licensor and its agent(s) from any and all claims made by third parties with respect to intellectual property utilized in conjunction with the Goods and not provided herein by this Agreement.

**24. Construction & Jurisdiction.**

- (a) This Agreement shall be construed in accordance with the laws of the state of California.
- (b) Nothing in this Agreement is intended to be contrary to the laws of any country or political subdivision thereof. In the event that any of the paragraphs or particular terms or conditions set forth within any paragraphs are held to be unenforceable by a court of record with competent jurisdiction, such paragraph or particular term of condition therein shall be deemed to be stricken from this Agreement within the jurisdiction of such court and the Agreement shall otherwise remain in full force and effect in such jurisdiction and in its entirety in other jurisdictions.
- (c) Notwithstanding any present or future legal decisions in any jurisdiction, regarding the necessity of Licensee to be licensed hereunder, Licensee agrees to pay royalties as provided herein for as long as it exploits the Property.
- (d) Each party has cooperated in the drafting and preparation of this Agreement. Hence, this Agreement will be construed neutrally and will not be applied more strictly against one party than another.

IN WITNESS WHEREOF, the parties hereto have signed by their duly authorized officers as of the day and year first above written.

**“Licensor”**

**“Licensee”**

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City of Beverly Hills

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Golden Triangle Apparel, LLC



BASICS  
BY  
GOLDEN  
TRIANGLE  
APPAREL





*Fairfox French Terry*

It's a new day...new you, layer on our fashion French Terry. It's amazingly soft with a sexy off the shoulder fit. Your obsession starts and ends here.





*Beachwood Raglan*

Fall in love all over again with our Oversized Raglan. Featuring an incredible hand feel and oversized fit, you'll live in this tee day in and day out.

*Sunset off the Shoulder*

He might call you a flirt, but we'll just call you confident in this Off the Shoulder Raglan. This 1x1 rib long sleeve will give you just the right amount of edge.







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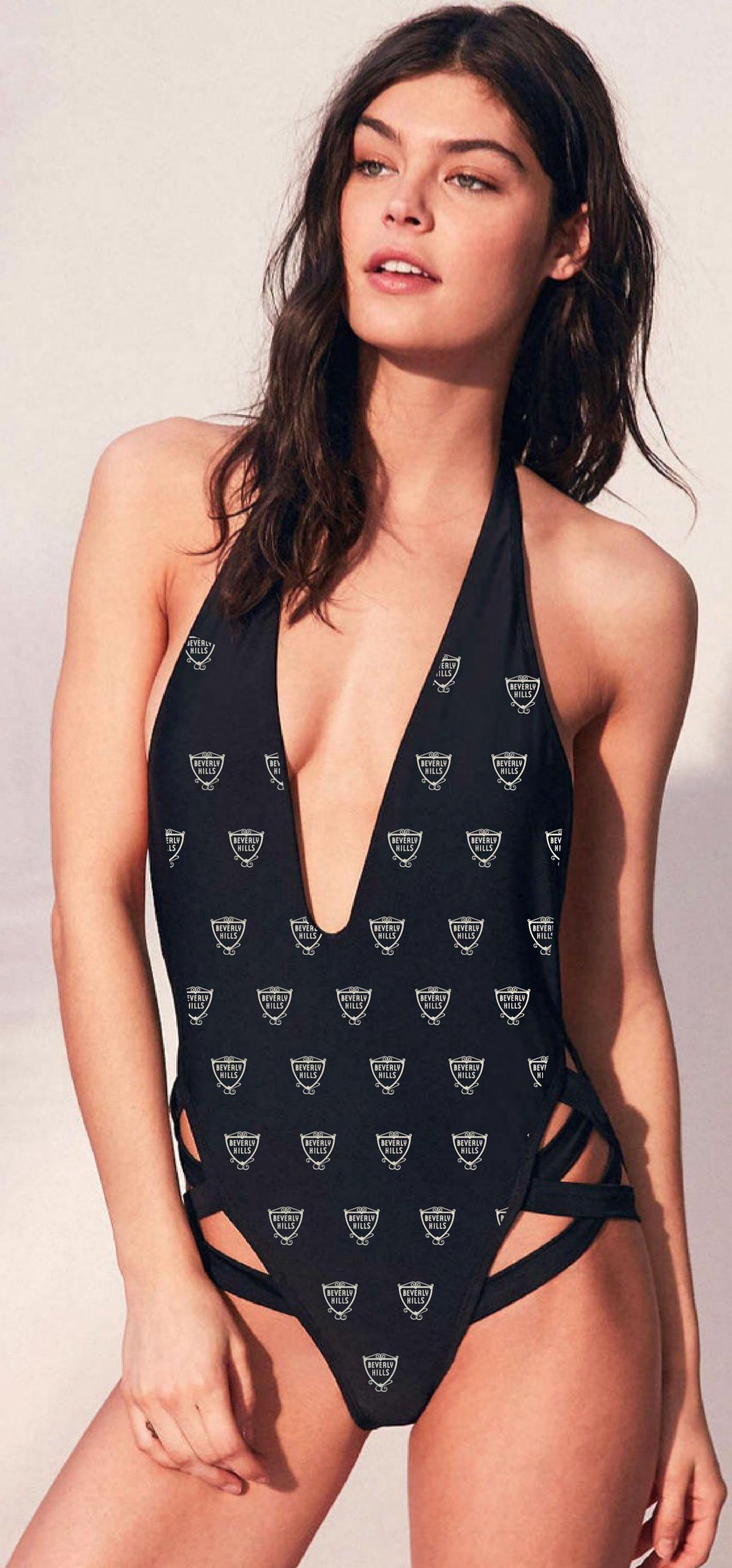




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SNAPBACK  
YUPOONS SINCE 1974



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*Kings*

THE CLASSIC  
SNAPBACK  
SHIPPING 100%

