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 OF BEVERLY HILLS
455 N. Rexford Drive
Beverly Hills, CA 90210

TELEPHONIC VIDEO CONFERENCE MEETING

Beverly Hills Liaison Committee Meeting
https://beverlyhills-org.zoom.us/my/committee
Meeting ID: 516 191 2424
Passcode: 90210
You can also dial in by phone:
+1 669 900 9128 US
+1 833 548 0282 (Toll-Free)

One tap mobile
+16699009128,,5161912424# US
+18335480282,,5161912424# US (Toll-Free)

Monday, May 10, 2021
10:00 AM

Pursuant to Executive Order N-25-20, members of the Beverly Hills City Council and staff may participate in this meeting via a teleconference. In the interest of maintaining appropriate social distancing, members of the public can view this meeting through live webcast at www.beverlyhills.org/live and on BH Channel 10 or Channel 35 on Spectrum Cable, and can participate in the teleconference/video conference by using the link above. Written comments may be emailed to mayorandcitycouncil@beverlyhills.org.

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. Request for Use of City Shield by Skechers Shoes

3. Update from CMG Worldwide Regarding Exploration of Opportunities for Licensing at LAX

4. Adjournment

Huma Ahmed
City Clerk

Posted: May 6, 2021

A DETAILED LIAISON AGENDA PACKET IS AVAILABLE FOR REVIEW AT WWW.BEVERLYHILLS.ORG

Pursuant to the Americans with Disabilities Act, the City of Beverly Hills will make reasonable efforts to accommodate persons with disabilities. If you require special assistance, please call (310) 285-1014 (voice) or (310) 285-6881 (TTY). Providing at least forty-eight (48) hours advance notice will help to ensure availability of services.
Item 2
INTRODUCTION
The City periodically receives inquiries about the use of the Beverly Hills Shield. Since the last City Council Liaison/Branding and Licensing Committee meeting on February 4, 2021, Skechers has requested to use the Beverly Hills Shield on a series of footwear items.

DISCUSSION
Background
Staff receives inquiries from individuals and businesses looking to use the Beverly Hills Shield on products and merchandise. As requests are received, they are referred to the City’s branding and licensing consultant CMG Worldwide. The City has contracted with CMG Worldwide since 2013.

Skechers, based in Manhattan Beach, California, is the third largest footwear company in the world. The company specializes in footwear for casual, sport, work, and general use. Skechers x Beverly Hills limited edition collection will feature the Beverly Hills Shield surrounded by sunsets, palm trees, and bold colors on trendy sneakers, slip-on shoes, and on the FOAMIES clogs line that commemorates Skechers’ California heritage and Beverly Hills.

Skechers is seeking approval for the Skechers x Beverly Hills collection and has indicated that once approved, will explore finding an appropriate local Beverly Hills retailer for partnership for local sales of the shoe.

Skechers California Heritage Collection
Skechers is interested in using the Beverly Hills Shield on trendy sneakers, slip-on shoes, and on the FOAMIES clogs line. The Beverly Hills Shield would be featured on a series of shoes reminiscent of the Beverly Hills lifestyle which includes sunsets, palm trees, and
a bold color scheme. There would be no alteration of the City Shield on the shoe. Skechers would feature the City Shield in standard gold.

Additionally, it should be noted that one of the proposed designs includes a pink/white stripe design along with green palm fronds on the shoe reminiscent of the signature Beverly Hills Hotel wallpaper. While these design elements selected are not identical to the signature Beverly Hills Hotel wallpaper, staff has shared the design with the Beverly Hills Hotel marketing team so they are aware of the proposal from Skechers.

The distribution plan for sales of the shoes includes a possible Beverly Hills local retail partner, Skechers stores and ecommerce globally, and third party retailers. The items proposed for use of the Beverly Hills Shield include the following:

Adult and Kids Footwear

- Trendy Sneakers
- Sketchers Slip On
- Limited Edition Foamies

Initial concepts have been developed for discussion. Skechers will market the collaboration globally and bring attention to the iconic fashion and style of Beverly Hills.

Deal Points:
Permission fee: $10,000 non-refundable advance, recoupable against royalties
Term: 1 year
Distribution: Skechers stores and ecommerce, ecommerce websites, third party retailers, and digital platforms
 Territory: Worldwide
Royalty: 10% of FOB First Costs (FOB First Cost is the cost to the Licensee to manufacture the Licensed Products excluding transportation costs and any applicable taxes or duties).

Decision Points:
- Is Skechers shoes an appropriate use of the Beverly Hills Shield?
- If the City wishes to grant the license, is the license granted under the condition that Skechers seeks a partnership with a Beverly Hills retailer?
- If the City wishes to grant the license, are the terms mentioned above acceptable?

FISCAL IMPACT
If the above agreement terms are accepted, the fiscal impact of the Skechers shoes deal is $10,000 for the permission fee plus royalties of 10% of FOB First Cost of the merchandise. The initial term of the agreement is proposed for 1 year.

RECOMMENDATION
It is recommended that the City Council Branding and Licensing Committee provide direction regarding use of the Beverly Hills Shield by Skechers.
Attachment 1
Brand Overview
REACHING CONSUMERS EVERYWHERE

As one of the most recognizable fashion brands on the planet, Skechers owns an extensive footprint that spans major cities, small towns and even the countryside. From retail stores to wholesale to e-commerce, every touchpoint offers shoppers unique opportunities to experience the many distinct Skechers collections while discovering the styles they love to wear most. We continue to seek out opportunities to efficiently expand our reach both in current and emerging markets around the globe—so more consumers can see and buy our products wherever they live and shop.

As of Year-End 2019:

- Skechers sold in more than 170 countries
- $5.22 Billion Annual Sales
- Nearly 200 Million Pairs Shipped Annually
- 3,000+ Styles
- 16 Subsidiaries
- 7 Joint Ventures
- 6 Continents
- 3,615+ Skechers Retail Stores*

*Company-owned and third-party stores as of June 30, 2020
REGIONS WHERE SKECHERS IS SOLD

REGIONS WHERE SKECHERS IS NOT AVAILABLE
OUR MISSION
To help men, women and kids everywhere look and feel good.

HOW WE DO IT:
Since 1992, we’ve built our business on a foundation of comfortable, stylish, innovative, quality footwear at a reasonable price. Plus, with a range of apparel and accessories, Skechers is a complete lifestyle brand.

We support our products with marketing that spans all forms of media and is translated into multiple languages. Our diverse domestic and international distribution strategy allows consumers to shop at multiple touch points.

It’s all driven by our streamlined operations and logistics—designed to efficiently bring the Skechers experience to consumers year after year.

A public company since 1999, Skechers is listed on the New York Stock Exchange (NYSE:SKX).

SKECHERS IS A MULTI-BILLION-DOLLAR GLOBAL LEADER IN THE FOOTWEAR INDUSTRY.
We design a wide range of footwear, apparel and accessories for men, women and kids. With the extensive depth and variety of our product offering, Skechers has a style to meet the needs of everyone.
The BOBS® charity line helps save the lives of dogs and cats and has donated over 15 million pairs of new shoes to kids in need.

Our vast collections for men and women include stylish boots, casuals, sneakers and sandals.

Comfort comes first with Relaxed Fit®, Arch Fit® and Skechers Memory Foam™.
We lead in kids’ footwear with colors, creativity, light-up features and fun styling.

A cast of globally recognizable characters and brands like Twinkle Toes and Heart Lights headline popular namesake collections.

From bright Ice Lights to lightweight athletic shoes, we have boys and girls covered at any age.
Fashion sneaker designs driven by trendsetters define the hip and cool Skecher Street Collection.

With so many colors and patterns available, there's a perfect Cleo's by Skechers flat for every occasion.

The Mark Nason Los Angeles collection delivers refined style for men and women.

Fashion sneaker designs driven by trendsetters define the hip and cool Skecher Street Collection.
SKECHERS WORK

We designed Skechers Work for those requiring utility and safety on the job without sacrificing style or comfort.

Skechers Work ranks as the top work footwear brand in the United States year after year.

Perfect for men and women working in hospitals, kitchens, construction, office custodial areas, auto garages, warehouses, fields or any other environment with potential slip or toe impact dangers.
Winner of 100+ industry awards, from running to golf. Recent awards include:

America's top walking brand, Skechers GOwalk® delivers convenient everyday comfort.

Elite runners like Meb Keflezighi offer insight on the designs of our Skechers GOrun® collection.

Our roster of golf pros compete and win on tour while wearing Skechers GO GOLF®.

Editor’s Choice

Gear of the Year - Road Running Shoes

Most Wanted - Top 5 Best Spiked Shoes 2019
Complementing that head-to-toe look.

The Skechers apparel collection delivers the same DNA that consumers everywhere have come to expect from the brand—with comfort at the forefront. The activewear and lifestyle garments are designed to directly coordinate with our footwear initiatives.
We partner with prominent companies to further extend the Skechers brand to products that reflect our image and resonate with fans of our footwear. From sunglasses to backpacks, this growing range of gear offers consumers countless unique opportunities to show off their love of Skechers.
MARKETING
Impactful. Informative. Everywhere.

Our aggressive multi-platform and targeted marketing strategies cross all mediums to generate awareness and excitement for the Skechers brand. From store windows to stadiums to social media, every compelling campaign drives consumers to discover and experience our footwear in their favorite stores, catalogs and websites.
Captivating outdoor displays ensure that the brand is front and center.
Major advertising campaigns deliver our consistent message to a mass audience.
ROMANIA  PERU  FRANCE
ISRAEL  UNITED KINGDOM
MARKETING
We create buzz with the star power of celebrities.

Fans interact directly with Skechers via our social media updates, contests and viral initiatives.

Follow us:

Skechers  @Skechers  @Skechersusa  @Skechers

“Skechers” by DripReport became a viral sensation on TikTok with more than a BILLION shares leading to the #MillionMaskChallenge.
Through our BOBS collection, we partner with accounts and charities to donate new shoes to kids in need and save the lives of dogs and cats.

We reach new demographics and gain grassroots exposure by sponsoring or appearing at running, golf and charity events around the globe.

Through our BOBS collection, we partner with accounts and charities to donate new shoes to kids in need and save the lives of dogs and cats.
Attachment 2

Footwear Concepts
#SK-BEV-3
BEVERLY HILLS PROJECT
Foamies Clog

- metal rivets
- small metal chains
- Beverly Hills / Skechers heart tonal print
- micro-injected gold Beverly Hills Bit
- sockbed print
- satin wrap
- strap
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Item 3
The City Council Liaison/Branding and Licensing Committee requested the exploration of opportunities for licensing the Beverly Hills Shield at Los Angeles World Airport (LAX). The City of Beverly Hills branding and licensing consultant, CMG Worldwide, will provide a verbal update during the meeting regarding the status of the request to explore opportunities for licensing at LAX.