March 29, 2011

TO: ASCIP Member Contacts
FROM: Donna Abersman, Deputy CEO
RE: Appropriate Use of School Logos

In the past few weeks, ASCIP has been contacted by several member districts which have expressed a concern about contracts pertaining to the licensing of their school logos. These contracts or “licensing agreements” have been mailed to site administrators rather than to the Districts’ business offices. Specifically, we are aware of two entities, Ohiopyle Prints, Inc. (Ohiopyle) and the California Interscholastic Federation (CIF), which have mailed “licensing agreements,” also referred to as “royalty agreements,” along with nominal checks advising the recipient that the transmitted check represents the beginning of a potential revenue stream which might ensue if a licensing agreement is executed. The Ohiopyle document refers to the option of arranging for an exclusive or non-exclusive option and asks the school to enter into a “more formal relationship with our company and retail partners.” Recipients of the Ohiopyle document have affirmed that no previous agreement whatsoever had existed.

ASCIP is concerned about the procedure reported to us for several reasons:

1. The licensing agreements or contracts have generally been sent to school sites rather than to the designated business officials for the districts. This procedure could result in district employees signing agreements without appropriate district-level risk management or legal review. We believe it is a sound practice for districts to require that a central department review all contracts so that appropriate risk transfer and indemnification provisions may be made and that only individuals who are authorized to legally bind the district are doing so.

2. Potential for the illegal or mischievous use of the school logo exists and may create risk, dangerous situations or liability for a district.

3. Business practices of an entity which implies erroneously that a contract is being “updated,” when no previous contract has existed, are questionable.

It is our understanding that some districts are in or may wish to enter into a revenue producing arrangement with one or more third parties for the use of their logos. ASCIP would advise that the school district’s legal counsel review such contractual arrangements to safeguard the interests of the district; and we would further advise that all agreements be channeled to and executed by a designated central office.

For those districts which do not wish to condone licensing agreements or solicitations for business sent to school site administrators, we have prepared a cease and desist document for the use of our members. If you are interested in obtaining this document for potential use or would like to discuss this matter, please feel free to give me a call.