

From: [John Greeley](#)
To: [Erin Rauch](#)
Cc: [Annie Weed](#); [Beth Monnin](#); [Brad Coley](#); [Cory Moss](#)
Subject: FW: [EXT] Negotiations: GMU-1657-20, Trademark Licensing Services
Date: Monday, September 28, 2020 11:57:35 AM
Attachments: [image001.png](#)
[NegotiationLetter1 GMU-1657-20 CLC.docx](#)

Dear Erin:

Sorry for the slight delay in response. Thank you for your note regarding the start negotiations/clarifications process for Section XV, B of the subject RFP. We are pleased to provide the following response/confirmation of the following in [green](#). Please let me know if you have any additional questions. We look forward to the opportunity to continue our partnership and servicing the George Mason brand in the future.

The university is interested in an elevated commission rate of at least 85% on licensing revenues up to \$200,000 and 90% on licensing revenues from \$200,000 and above, while no changes are made to the program advancement fund.

[CLC made an extremely aggressive financial offer of 80% of the first \\$200,000 and 87% of the all royalties above \\$200,000. In addition, we offered a \\$11K local marketing budget to enhance the sale of licensed George Mason merchandise. Our current offer provides George Mason a notable improvement in revenue share. While CLC is pleased to provide the University with more margin while continuing to invest in enhanced service offerings; we are unable to accommodate any additional commission rate adjustments. However, we remain confident that a continued partnership with CLC will deliver George Mason more net revenues and services than the University could achieve by any other means.](#)

The university would like to clarify that reimbursements from the program advancement fund is to be processed within 10 business days which is noted as the current working process.

[CLC continues to refine/enhance our reimbursement process that should eliminate/drastically reduce the need for University reimbursements. CLC plans to pay all bills/invoices directly from any third party vendors. In the event of the need for such a University reimbursement arises, CLC will provide best efforts to reimburse any expenses occurred from the program advancement fund within 10 business days; however, for contractual purposes we will commit to paying any such expenses within 30 days of receipt.](#)

Responses and Questions to Attachment 5 – Exceptions to Standard Contract & General Terms and Conditions:

IV. Final Contract

Due to the unique nature of the services provided by our company, we would prefer to base the Agreement off of our standard Agency Agreement. The reason for this suggestion is that, over the last several decades of representing collegiate licensing programs from Maine to Texas to California, we've learned that simply pairing the RFP questions with CLC's summary of services is not sufficient to form a clear contract of what a University can and should expect in the agency relationship.

Specifically, for example, the State forms do not contemplate exclusivity; your artwork/product approval rights; the quarterly, non-invoiced payment structure, the royalty-split arrangements, signing bonuses, collaborative marketing fund programs, etc. The Agency Agreement template also provides more specificity regarding the services George

Mason will receive from CLC and also outlines additional rights the University will enjoy in the licensing arrangement.

Mason Response: Mason's Standard Contract from the RFP needs to be used and take precedence over other documents. If awarded the contract, we are happy to send over a Word copy so any needed clauses can be inserted or you are welcome to send additional terms for review that can be an attachment to our Standard Contract.

CLC acknowledges and confirms

V. Additional Users (3rd Paragraph) Clarify the least sentence to read:

"It is understood and agreed that the University is not responsible for the acts or omissions of any entity and will not be considered in default of the contract as a result of any participating entity's actions no matter the circumstances."

Mason Response: Accept

CLC acknowledges and confirms

VII. SWaM Certification Clarify the first sentence to read:

"To the extent applicable, vendor agrees to fully support the Commonwealth of Virginia and Mason's efforts related to SWaM goals."

Mason Response: Accept

CLC acknowledges and confirms

XII. Financial Considerations & Administration

- A. This section is overbroad to say CLC has complete financial responsibility of George Mason's licensing program as we act only as the agent. We propose deleting the first sentence and revising the next sentence to read: "Contractor shall be responsible for such responsibilities including, but not limited to...."

Mason Response: Accept

CLC acknowledges and confirms

- B. As a privately owned company, CLC does not share information regarding our finances; however, we would be happy to provide a bank reference upon request.

Mason Response: Accept

CLC acknowledges and confirms

- D. Due to the lack of predictability of collegiate licensed product sales, CLC is unable to provide a schedule of projected gross royalties for each contract year.

Mason Response: Accept

CLC acknowledges and confirms

H. As a result of recent events surrounding the pandemic, can we clarify that these meetings may occur via a conference call until it is deemed safe for our staff to travel?

Mason Response: Accept

CLC acknowledges and confirms

N. CLC requests the addition of the following verbiage to clarify this section: "Contractor further agrees that such books and records shall be subject to inspection and audit by any person designated by Mason at all reasonable times during business hours to the extent necessary to verify Contractor's compliance with its obligations under the contract and subject to mutually agreeable non-disclosure obligations."

Mason Response: Accept

CLC acknowledges and confirms

Q. Due to our Accounts Payable procedures, CLC wishes to clarify that reimbursements will be processed within 30 days.

Mason Response: See #2 above. Mason wants to continue with current process.

Per our response to #2 above, CLC continues to refine/enhance our reimbursement process that should eliminate/dramatically reduce the need for University reimbursements. CLC plans to pay all bills/invoices directly from any third party vendors. In the event of the need for such a University reimbursement arises, CLC will provide best efforts to reimburse any expenses occurred from the program advancement fund within 10 business days; however, for contractual purposes we will commit to paying any such expenses within 30 days of receipt.

R. CLC requests the addition of the following verbiage to clarify this section: "The contractor will make proper sales tax returns and payments to the appropriate entities. Contractor is responsible for all of its taxes, licenses and fees."

Mason Response: Accept

CLC acknowledges and confirms

XVII. Payment Terms/Method of Payment

This is not applicable as CLC will be paying George Mason University a mutually agreed-upon share of its royalty revenue.

Mason Response: Accept

CLC acknowledges and confirms

XVII. Solicitation Terms & Conditions

A & B. As mentioned previously, we would prefer to base the Agreement off of our standard Agency Agreement.

Mason Response: See above regarding Agency Agreement. If awarded a contract, for all other noted clauses in your proposal, Mason will send our Standard Contract in Word format for your review and any requested markups.

CLC acknowledges and confirms



John M. Greeley

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From: Erin Rauch <erauch@gmu.edu>

Sent: Monday, September 21, 2020 6:02:02 PM

To: Annie Weed <Annie.Weed@clc.com>; Cory Moss <Cory.Moss@clc.com>

Cc: Allie Davison <Allie.Davison@clc.com>

Subject: [EXT] Negotiations: GMU-1657-20, Trademark Licensing Services

Good Afternoon,

Please see the attached negotiation letter for your response.

Thank you,

Erin Rauch, CPPB, VCO, CUPO

Assistant Director | Purchasing

George Mason University

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