



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
4th Floor Conference Room A
Beverly Hills, CA 90210

Friday, December 14, 2018
9:30 AM

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) Requests for Use of Beverly Hills Shield
- 3) Unauthorized Use of Beverly Hills Shield
- 4) Adjournment

A handwritten signature in black ink, appearing to read "Lourdes Sy-Rodriguez".

Lourdes Sy-Rodriguez, Assistant City Clerk

Posted: December 13, 2018

A DETAILED LIAISON AGENDA PACKET IS AVAILABLE FOR REVIEW IN THE LIBRARY AND CITY CLERK'S OFFICE.



In accordance with the Americans with Disabilities Act, Conference Room A is wheelchair accessible. If you need special assistance to attend this meeting, please call the City Manager's Office at (310) 285-1014 or TTY (310) 285-6881. Please notify the City Manager's Office at least twenty-four (24) hours prior to the meeting if you require captioning service so that reasonable arrangements can be made.

Item 2



CITY OF BEVERLY HILLS
POLICY AND MANAGEMENT

MEMORANDUM

TO: City Council Liaison/Branding and Licensing
FROM: Laura Biery, Marketing and Economic Sustainability Manager
DATE: December 14, 2018
SUBJECT: Requests for Use of Beverly Hills Shield
ATTACHMENT: None

INTRODUCTION

The City has received several inquiries about the use of the Beverly Hills Shield since the last City Council Liaison/Branding and Licensing meeting on June 18, 2018. Many of the requests have not come to fruition once the interested party was informed of the licensing requirements. Two parties however are interested in moving forward with a request to use the Beverly Hills shield on merchandise. One request is to use the Beverly Hills shield on slippers and the other is for the use of the Beverly Hills shield on a Swarovski Crystal purse.

DISCUSSION

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 Bill Uglow of CMG Worldwide. The City has contracted with CMG Worldwide since 2013.

Interest calls are vetted by CMG Worldwide and there were two parties that expressed interested in moving forward with a license agreement to be presented to the City Council Liaisons. One request is to use the Beverly Hills shield on slippers and the other is for the use of the Beverly Hills shield on a Swarovski Crystal purse.

DeMario Collection Slippers

The DeMario Collection is interested in using the Beverly Hills shield on a slipper design. The slipper collection would be called the "Beverly Hills Slipper Collection." It is anticipated the slippers will be covered in velvet and suede with an embroidered Beverly Hills shield. The slipper will have a leather sole and stacked wood heel. It is considered suitable for both ladies and gentleman and will be marketed for both daytime and evening wear. The distribution plan is initially to high end boutiques and department stores throughout the U.S. and later abroad.

Deal Points:

Permission fee: \$7,000

Term: 3 years

Territory: Worldwide

Royalty: 11% on wholesale or 5.5% on retail

Decision Points:

- Is the DeMario Collection slipper an appropriate use to partner with?
- If the City wishes to grant the license, are the terms mentioned above acceptable?



Swarovski Crystal Purse

Sara Kazimi is interested in using the Beverly Hills shield on a custom Swarovski Crystal purse design that she has created and would like to sell. The purse is covered in crystals and has the Beverly Hills shield on it made out of crystals. Ms. Kazimi states that the cost for fabrication of each purse is roughly \$100,000. The distribution plan includes domestic and international markets.

Deal Points:

Permission fee: \$15,000

Term: 3 years

Territory: Worldwide

Royalty: 5.5% on retail (not interested in wholesale)

Decision Points:

- Is the Swarovski Crystal Purse an appropriate use to partner with?
- If the City wishes to grant the license, are the terms mentioned above acceptable?



FISCAL IMPACT

If the above agreements are accepted, the fiscal impact of the DeMario Collection slipper is \$7,000 for the permission fee plus royalties of 11% on wholesale and 5.5% on retail sales of the merchandise. The price point for the DeMario Collection slipper sales are unknown at the current time. The initial term of the agreement is proposed for a 3 year term.

If the above agreements are accepted, the fiscal impact of the Swarovski Crystal Purse is \$15,000 for the permission fee plus royalties of 5.5% on retail sales of the

merchandise. The price point for the purse is unknown at the current time. The initial term of the agreement is proposed for a 3 year term.

RECOMMENDATION

It is recommended that the City Council Branding and Licensing Committee provide direction regarding use of the Beverly Hills shield on the the DeMario Collection slippers and Swarovski Crystal purse.

Item 3



CITY OF BEVERLY HILLS
POLICY AND MANAGEMENT

MEMORANDUM

TO: City Council Liaison/Branding and Licensing
FROM: Laura Biery, Marketing and Economic Sustainability Manager
DATE: December 14, 2018
SUBJECT: Unauthorized Use of Beverly Hills Shield
ATTACHMENT: None

INTRODUCTION

The City of Beverly Hills has used its famous Beverly Hills shield for more than forty years in connection with the general promotion of business, community, cultural, municipal, and civic interests, as well as on various goods and in connection with a wide range of educational, entertainment, and community-related, and governmental services. On occasion, unauthorized uses of the Beverly Hills shield are discovered. As a result, a cease and desist letter is sent from the City Attorney's Office.

DISCUSSION

Through the years, the City has developed tremendous recognition and invaluable goodwill in the Beverly Hills shield. In addition to its strong common law trademark rights, the City owns numerous federal trademark registrations for the Beverly Hills shield, as depicted in the photo below:



The Beverly Hills shield has thus become a critically important asset for the City, which takes great care to protect the ability of the Beverly Hills shield to identify the City as the source of high quality products and services provided directly by the City or through very carefully selected partnerships.

The City Attorney's office authors cease and desist letters to individuals or companies that are found using the Beverly Hills shield without authorized permission. The following companies received a cease and desist letter from the City Attorney's office since the previous City Council Liaison Meeting on June 18, 2018:

- **Mon Bel Ami Wedding Chapel – October 29, 2018**



- **The Beverly Hills Store – November 13, 2018**



- **Sunbelt Business Brokers Beverly Hills – December 10, 2018**



FISCAL IMPACT

There is no fiscal impact from the issuance of an initial cease and desist letter.

RECOMMENDATION

It is recommended that the City Council Branding and Licensing Committee receive and file this report.