

The USMC Trademark Licensing Office (TMLO) created this document to provide qualification information to companies interested in licensing Marine Corps Trademarks. Before filling out our license application, please review our licensing criteria to make a self-determination of your company's likelihood of being approved for a license agreement. If your company decides to apply for a license please review the Terms and Conditions described below, and submit the online application form and other required documents to TMLO. We will then review the information and make a determination as to whether your unsolicited proposal qualifies for the Marine Corps Licensing Program. No decision can be made by TMLO until all of your application information meets USMC criteria. An overview of the pre-qualification process is set forth below.

- 1. Our Brand Identity. The USMC's Eagle, Globe, and Anchor emblem and other distinctive symbols represent our illustrious history and our values of honor, courage and commitment. These symbols connect today's Marines to the lineage of warriors who have earned their place among The Few. The Proud®. Our unyielding commitment to protecting the lives of our citizens and the interests of our nation has remained constant since 1775. This service to our nation places the USMC among America's "Most Patriotic" brands according to current Brand Keys studies.
- 2. Desired Licensing Partners. Our ideal licensing partner understands our brand identity and aligns their designs, manufacturing, marketing and business practices with some of the highest expectations in the licensing industry. Our preference is for potential licensees to offer "Made in USA" products. Our "Made in USA" royalty reduction reflects this preference by incentivizing licensees to seek out quality U.S. based manufacturers. *All companies seeking to license USMC branded flags must have them "Made in USA"*.
- 3. How It Works. TMLO represents the United States Marine Corps for the licensing of USMC owned trademarks ("USMC Marks"). Some USMC Marks include the Eagle, Globe and Anchor, Coat of Arms, the words MARINES, MARINE CORPS, U.S. MARINE CORPS, USMC initials, slogans, and unit

insignia (please visit the <u>United States Patent and Trademark Office</u> for more comprehensive information). The pre-qualification process requires that you submit certain information about your company for review. Reviewing these qualification standards is the first step in a process that involves several stages. If the information you submit about your company matches the criteria for the USMC licensing program we will contact you concerning the status of your application. Any such license would be the subject of a separate written agreement between your company and TMLO. *Neither our request for information nor your reply to a request for information constitutes a contract or a solicitation by TMLO to offer a license to your company*.

- 4. Licensing Royalties. TMLO offers two royalty rate categories:
  - a) Made in USA 2.5% retail/direct-to-customer, 3.5% wholesale. The licensed article must be "Made-in-USA" in accordance with Federal Trade Commission (FTC) guidelines. We do not offer a royalty rate reduction for 'Qualified Claims' like, "assembled" or "decorated" in the USA.
  - b) Non-Made in USA 10% retail/direct to customer, 12% wholesale, 14% distributer/FOB/letter credit

Depending on company size and sales volume we also assess a license processing fee (\$500-\$1,000) and an annual minimum guarantee (\$500-\$10,000).

- 5. **Minimum Requirements.** For your unsolicited proposal to qualify for consideration by TMLO, your company **MUST**:
  - a) Demonstrate a firm understanding and control over its supply chain and sourcing practices to include blanks and component parts. Companies will not be selected as potential licensing partners if they source goods from a blanks supplier or distributor who does not manufacture the product directly, unless that supplier holds a license agreement directly with TMLO (Gildan and Fruit of the Loom / Jerzees currently offer pre-approved USMC Blanks). TMLO holds licensees accountable for complying with strict social compliance standards and the use of a blanks supplier does not allow for supply chain transparency and accountability.
  - b) Mitigate risk in the supply chain by not sourcing listed products and component parts from countries that the Department of Labor (DoL) has reason to believe are at high risk of being produced by child labor and or forced labor in violation of international standards. This listing by country and product category appears at; <u>Department of Labor Child and Forced Labor List of Goods</u>. For example, TMLO would not approve a licensee to source garments from Argentina, Bangladesh, Brazil, China, India, Jordan, Malaysia, Mexico, Thailand or Vietnam since "garments" from these sources indicate significant child and/or forced labor issues.

- c) Be a product owner, meaning you are seeking an agreement for products under your control and responsibility
- d) Maintain general commercial liability insurance from a licensed insurance carrier with an individual limit of one million dollars (\$1,000,000.00) per occurrence and one million dollars (\$1,000,000.00) aggregate limit
- e) Be in compliance with all federal, state and local laws and, where applicable, international rules and regulations, including all applicable labor laws
- f) Comply with TMLO's security labeling requirement and artwork submission and approval process through BrandComply
- g) Have a Federal Tax ID Number (EIN) showing your business legitimacy through the IRS
- h) Have an Experian Intelliscore of 70 or higher associated with your EIN, demonstrating financial ability to maintain a license for several years
- i) Be a member of a USMC approved social compliance association such as the Fair Labor Association (FLA) if seeking to source products that are non Made in USA (*DOL listed products will not be approved despite association membership*)
- j) Offer high-quality merchandise as determined by TMLO
- k) Have no history of infringement on Marine Corps Trademarks. Entities who have infringed require a one-year waiting period from the date of last infringement before they may apply
- 6. Application Information. You will be required to submit the following information on your license agreement application:
  - a) A completed trademark license application, which includes detailed information about your company and its officers, financial information, experience, and other information about your proposed use of USMC Marks
  - b) Business history (minimum of 3 years) showing successful sales in the product categories applied for
  - c) Physical product samples showcasing proposed product quality
  - d) Experian Business Profile and Intelliscore
  - e) Manufacturer listing by product category and service rendered e.g. decorator, cut and sew factory
  - f) Proven experience as a licensee with letter(s) of Good Standing from licensors

Note: Upon request, applicants should be prepared to provide a business plan, including distribution channels, financial projections, marketing, etc. to demonstrate how the proposed product(s) supports and enhances the Marine Corps Brand.

- 7. Prohibited Content. When you send us information about your company, do NOT include confidential or proprietary information, such as product concepts, designs, ideas, original artwork, or other original creative materials or suggestions. Such requirements are necessary to prevent possible future misunderstandings when products developed by TMLO employees or licensees might seem to others to be similar to their creative work. You acknowledge and agree that USMC at all times has many products and projects in various stages of development and that the results of these endeavors may be similar or identical to your products or projects. Unsolicited submissions of every kind and nature, throughout the world, shall be entitled to unrestricted use for any purpose whatsoever, commercial or otherwise, without compensation of any kind to the provider of the unsolicited submissions.
- 8. Categories of Products Not Licensed by USMC. We do NOT license USMC marks in the following categories:
  - a) Weapons (typically those that require a permit, such as firearms or that are often illegal, such as switchblades or butterfly knives. Weapon policy does *not* include paintball or airsoft, or fixed-bladed knives or swords, such as hunting knives or ceremonial sabers)
  - b) Tobacco or alcohol products
  - c) Products with sexual references and/or of a sexual nature
  - d) Products promoting violence
  - e) Products that contain political or religious messaging
  - f) Products of a controversial nature
  - g) Products containing harsh and/or offensive language
  - h) Products that promote criminal activity
  - Products which discredit and/or tarnish the image and integrity of the United States or Marine Corps
  - j) Services such as educational, financial, or household
  - k) Charitable and fundraising activities (prohibited under USMC and DoD nonendorsement policies)

- Consumables. In rare instances consumables may be considered by applicants representing major brands i.e. General Mills, Coca-Cola, Kraft
- **9. Submission of Information**. It is important you follow the procedures outlined above. Once you have completed the trademark application form, please mail it and all other requested information to TMLO. We do not accept any fax submissions; all applications must arrive by mail. If the information you submit matches the criteria for the USMC licensing program, you will hear from TMLO within 90 days. If you do not hear from TMLO within 90 days, please be advised your company has not met the criteria for the USMC licensing program established by TMLO.
- **10. Risk of E-mail Communications.** You acknowledge and agree that e-mail is inherently not a secure method of communication, which third parties may access information sent by you to the USMC by e-mail, and that USMC will not be liable for any disclosure to or subsequent use by third parties of confidential information communicated via e-mail.
- 11. Limitations and Restrictions. All information within the online application process must be filled in as directed. Failure to comply with this requirement is grounds for disqualification. Nothing contained in these Terms and Conditions is intended to limit USMC's sole and complete discretion to accept or reject any licensing proposal. *Providing the information requested by USMC in no way implies or guarantees that your company will be granted a license to any Marine Corps Marks.*
- 12. Next Steps. Now that you are familiar with the Licensing Qualification Standards please feel free to apply. Applications are available via our website's "Apply Now" section at <u>www.marines.mil/trademark</u> TMLO offers two license versions:
  - a) Standard Business (1-3yr term) for companies selling product commercially
  - b) Hobbyist (1-2yr term) for individuals utilizing direct sales only, no manufacturers or wholesale authorized, and limited distribution channels

Have more questions?

Contact us:

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