

WEST VIRGINIA®

BRAND LICENSING PROGRAM GUIDELINES

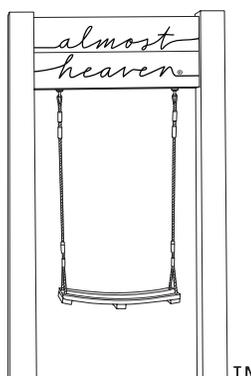
ABOUT THE PROGRAM

Since the launch of the Almost Heaven campaign in April of 2018, the West Virginia Department of Tourism has received an overwhelmingly positive response to this branding initiative. Inspired by John Denver's song, "Take Me Home, Country Roads," the beloved anthem is an ode to West Virginia's scenic beauty and warm hospitality. In an effort to continue the momentum from the success of this campaign, the Department of Tourism has created the Brand Licensing Program as an opportunity to share the use of the trademark "WEST VIRGINIA®" logo, "almost heaven®" script, Country Roads™ script, WV™ icon and Almost Heaven Swing® on consumer goods, including but not limited to apparel, accessories, novelty and specialty items.

To the right is a list of current trademark registrations and applications, along with corresponding designs of each mark. This list will be expanded as we continue to approve trademark uses and apply for registrations on a rolling basis. Periodic updates will be announced to those in the brand licensing program should the status change for any of these marks. Those interested in producing officially licensed merchandise for sale and/or purchase using any of the following marks must apply using the attached application.

Thanks for your interest in helping us spread the good word about West Virginia. We hope you'll take the time to consider partnering with us in this new program!

TRADEMARK APPLICATIONS AND REGISTRATIONS:



BRAND LICENSING PROCESS FOR RETAILERS PURCHASING FROM A WHOLESALER

HOW IT WORKS

Primary responsibilities of a brand marks licensee include:

- Maximize distribution of brand marks products in the retail channels permitted by the license agreement.
- Pay royalties due to the Department of Tourism in a timely and accurate manner.
- Follow West Virginia Department of Tourism procedures throughout the term of the license agreement.

APPLICATION PROCESS

All licensing applications are evaluated on a case-by-case basis and must be approved before the applicant uses the brand marks. The Department of Tourism reviews the application and has sole discretion to approve or reject the application provided.

The application process is quick and easy:

1. The applicant downloads and completes the Brand Licensing Application form and emails a digital copy to tourismreceivables@wv.gov along with a digital proof of the item/s with the trademark.
2. The applicant submits a physical sample of the product for approval to the West Virginia Department of Tourism to the address below:
West Virginia Department of Tourism
Attn: Brand Licensing Program
1900 Kanawha Boulevard, East
State Capitol Complex
Building 3, Suite 100
Charleston, WV 25305
3. Applicant notified of approval or denial. Approved applicants will then be able to order the official West Virginia Tourism Product Tags.

APPLICATION FEES

The West Virginia Department of Tourism requires a fixed fee along with the completed application to be a licensee. Before a licensee receives tags/labels, the standard fee must be paid for the calendar year starting on the issuance date. The standard annual application fee for all licensees will be \$275. The application fee and renewal for non-profit organizations will be waived. Annual fees will be due one year from the contractual date of issuance of the license. Licensees should provide at least 30 days notice before the end of the contract term, if they do not intend to renew their annual renewal. The West Virginia Department of Tourism reserves the right to void agreements if reports are not filed within 30 days.



Note: Approval to use the West Virginia logo and/or Almost Heaven script does not entitle requesting organization use of the lyrics or the soundtrack to "Take me Home, Country Roads."

PRODUCT CATEGORIES & PRICING

An officially licensed vendor who wishes to resell WV licensed goods purchased bearing the brand marks will be required to pay the 10% royalty fee based on the items' retail prices, as outlined below from an approved wholesaler. This license will expire at the end of the 12-month period as indicated by the contract start date for new vendors.

ROYALTIES AND LABELING REQUIREMENTS

ROYALTIES

Approved licensees who produce brand-marked licensed products are required to pay a 10% royalty fee for the total number of products.

EARNED ROYALTIES AND LABELING REQUIREMENT

Royalties will be assessed upfront. As approved vendors prepare to sell their items, partners must order Official West Virginia Tourism Product Tags for all approved products. Royalties must be paid before tags are issued and the amount does not fluctuate with actual sale price. Retail prices cannot be increased after tags are ordered, however prices can be lowered by vendors but refunds or reductions in royalties will not be considered. All items must be tagged with an official "Almost Heaven" tag or sticker. To obtain the official West Virginia Tourism Product Tags, the licensee will purchase tags and stickers at a certain price point, in bundles of 100, at 10% of that amount. Vendors will set their own product prices.

For example, if the officially licensed vendor were to purchase a bundle of tags that they plan to sell at \$15.00, the cost would be \$150.00. The calculation is as follows:

$$\begin{array}{ccccccc} 100 & \times & \$15.00 & \times & 10\% & = & \$150.00 \\ \textit{(Number of Tags)} & & \textit{(Face Value of Each Tag)} & & \textit{(Royalty Rate)} & & \textit{(Royalties Due)} \end{array}$$

For licensees that are considered artisans, tags and/or stickers may be purchased at the price point set by the vendor, in bundles of 10, at 10% of that amount. Note: A licensee is considered an artisan when their licensed product is handmade or produces less than 500 units per year.

ROYALTY REPORTING

Royalty reporting should be presented to the West Virginia Department of Tourism quarterly (March 31, June 30, September 30, December 31) by which participants are required to submit financial or performance reports. This keeps everyone on track and aligned with program expectations. The West Virginia Department of Tourism has the right to review or audit financial records related to the program to verify accuracy and compliance with the program specifications.



The West Virginia Department of Tourism reserves the right to revoke a consumers application if timely reports and application fees are not made or provided.

DISPLAY REQUIREMENTS

MERCHANDISE IN STORES

The licensee understands and agrees that it is an essential condition of validity for products to be produced, promoted, distributed and sold of high and consistent quality subject to on-going approval and continuing supervision and control of the Department of Tourism. The use of brand marks in storefront names or social media handles is strictly prohibited.

STOREFRONT DISPLAYS

As part of the agreement between the licensee and the West Virginia Department of Tourism, licensees who are vendors must display designated signage acknowledging their partnership as an official retailer of the licensor. Signage will be provided by the licensor.

ONLINE STOREFRONT

If a licensee would like to sell items online, they must make this known to and receive written permission from the Department of Tourism. Upon approval, the licensed items may be sold worldwide, including on major online marketplaces like Amazon, Etsy, eBay and similar platforms. The West Virginia Department of Tourism reserves the right to limit or remove listings in certain countries, regions, or platforms (“geo-fence”) if brand guidelines, marketplaces, rules or other terms are not followed. All marketplace listings must accurately represent the licensed products and comply with any content, pricing, or imagery guidelines provided by the department. The use of brand marks in online storefront names or social media handles is strictly prohibited. Certain specifications may be required for the licensee’s online shop to display that they are an official retailer for the Department of Tourism.

The West Virginia Department of Tourism reserves the right to terminate any license agreement at any time, ending the licensee’s right to market and sell products featuring our brand trademarks. However, to ensure transparency and reduce the risk of perceived arbitrariness, we will distinguish between termination ‘for cause’ and ‘without cause.’ Failure to meet branding or production standards constitutes a material breach. We reserve the right to inspect products or facilities as needed. In the case of a non-material breach, a notice will be given and an opportunity to remedy the issue will be provided. To clarify, we hold the legal rights to these trademarks, which are our intellectual property and may only be used with an approved license agreement.

APPLICATION

COMPANY INFORMATION

Company Name: _____

Primary Contact: _____

DBA (if applicable): _____

Street Address: _____

Mailing Address (if different from street address): _____

City: _____ State/Province: _____ Zip: _____

Country: _____

Phone: _____ Fax: _____

Company Website: _____

TYPE OF ORGANIZATION

- Partnership S Corporation Limited Liability Company
 Proprietorship Corporation Other: _____

Company Inception Date: _____

State of Incorporation: _____ Employer ID: _____

Is the company owned by an individual(s) or another company? Yes No

Does your company operate under any additional aliases? _____

Have any of your products even been involved in a product or other liability claim? Yes No

If yes, please explain: _____



SUPPLEMENTAL MATERIALS

(Please submit with application)

- Copy of Liability Insurance
- A sufficient amount will be chosen by the Department on a case-by-case basis.
- Copy of Business License
- Copy of W9

COMPANY CONTACTS

Licensing Contract Contact:

Name: _____

Street Address: _____

Mailing Address (if different from street address): _____

City: _____ State/Province: _____ Zip: _____

Country: _____

Phone: _____ Email: _____

Sales and Royalty Reporting Contact:

Name: _____

Street Address: _____

Mailing Address (if different from street address): _____

City: _____ State/Province: _____ Zip: _____

Country: _____

Phone: _____ Email: _____

APPLICANT SIGNATURE

By signing this Application, the undersigned Applicant acknowledges having received and reviewed a copy of the Brand Licensing Program Guidelines. Applicant hereby accepts and agrees to be bound by the terms of the Brand Licensing Program.

APPLICANT SIGNATURE:

Business Name

Business Representative Name (Print)

Business Representative Signature

Date



BRAND LICENSING PROGRAM GUIDELINES

TERMS AND CONDITIONS

The following Terms and Conditions apply to all licenses issued by the West Virginia Department of Tourism for use of its trademarks.

OWNERSHIP, VALIDITY, AND NON-ASSIGNMENT OF TRADEMARKS

- The West Virginia Department of Tourism retains all right, title, and interest in the trademarks and goodwill derived therefrom.
- The licensee does not gain ownership through this license, but will be granted the right to use the licensed trademarks.
- The licensee will not contest the validity or ownership of the licensed trademarks.
- The licensee will not assist others to contest the validity or ownership of the licensed trademarks.
- All use of the trademark by the licensee inures to the benefit and ownership of the West Virginia Department of Tourism.
- The licensee may not sublicense, assign, delegate, or otherwise transfer the license, or any of its rights or obligations attendant thereto, by operation of law or otherwise, without the prior written consent of the West Virginia Department of Tourism. These provisions apply to distributors, sub-distributors, or other third party permitted to provide the products or services under this license.
- A Change of Control shall be deemed an assignment.

BRAND USE GUIDE AND PRODUCTS

- The licensee agrees to comply with the West Virginia Department of Tourism's Brand Use Guide.
- The licensee agrees to comply with the West Virginia Department of Tourism's requests for sampling rights and inspection rights of products, to ensure that the licensee's product complies with quality specifications.
- Products not conforming to the Brand Use Guide or quality specifications may be rejected at licensee's cost.
- The licensee agrees to retain production records for five years.
- Alterations shall not be made to the products beyond trivial resizing or cropping.

TOURISM PRODUCT TAGS

- Tag bundles representing the payment of prepaid royalties are non-transferable and may not be resold.
- Unused tags shall be returned to the West Virginia Department of Tourism.
- Unless otherwise specified in the licensing agreement, there are no refunds for unused tags.
- The West Virginia Department of Tourism may audit, examine, inspect, and review the licensee's records, tags and other documentation of production and sales.

REPORTING AND ROYALTY PAYMENT REQUIREMENTS

- Failure to comply with reporting requirements or payment of royalties could result in the termination of the licensing agreement.

DERIVATIVE ARTWORK

- All derivative artwork that incorporates the marks owned by the West Virginia Department of Tourism remains the property of the West Virginia Department of Tourism.