



USING THE PA WILDS LOGO

Licensing Program Guidelines

PURPOSE

The PA Wilds Licensing Program provides a way for businesses and organizations to apply to use the PA Wilds logo on saleable and non-saleable products to help them leverage their business and community development efforts.

TWO MAIN TYPES OF USES

Non-Saleable Uses include using the logo on business or event websites, banners, rack cards and other marketing materials not sold in the marketplace. There is no cost for this type of use but a one-page application is required. Approval takes about one week.

Saleable Uses include using the logo on t-shirts, hats and other merchandise to be sold to customers. These types of uses require a contract. A standard royalty is collected (4.5 percent on retail or 9 percent on wholesale). Royalties go to support the work of the PA Wilds Center for Entrepreneurship, a regional non-profit dedicated to growing the region's nature and heritage tourism industry.

ELIGIBILITY

Businesses, organizations and individuals serving the PA Wilds region may apply to use the logo on saleable or non-saleable items. Participants must adhere to standards laid out in the PA Wilds Brand Book.

HOW TO APPLY

Applications for saleable and non-saleable logo uses can be found at www.pawildscenter.org. Click on "**Use the PA Wilds Logo.**"

The PA Wilds Center for Entrepreneurship welcomes the opportunity to meet with companies exploring saleable uses of the PA Wilds logo. Contact us today to learn more about the logo property, to discuss ideas or talk next steps.

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WHAT TYPES OF PRODUCTS ARE ELIGIBLE

All ideas are welcome. Some of the things we look at when reviewing merchandising concepts is if the product fits the Pennsylvania Wilds brand; if similar PA Wilds-branded products already exist in the marketplace; and the marketing and distribution networks the applicant can bring to the table.

PROCESS FOR APPLYING

Non-Saleable Uses

Applicants seeking to use the logo on non-saleable items such as a business website, event banner or rack card should fill out a “Licensee Application – Non Saleable Uses,” which can be found at www.pawildscenter.org. There is no royalty associated with non-saleable logo uses. Typically these requests can be processed within a week. Once approved, applicants will receive via email our Brand Book document and digital images of the logo.¹

Saleable Uses

Applicants seeking to use the logo on saleable products must fill out a “Licensee Application – Saleable Uses,” which can be found at www.pawildscenter.org. There is a royalty associated with saleable uses of the logo (4.5 percent on retail or 9 percent on wholesale). Applicants will be contacted within two weeks of submitting an application but should allow 30-90 days for application review, negotiations, and contracting.

As part of the review process for saleable uses of the PA Wilds logo, the PA Wilds Center for Entrepreneurship will meet with applicants at their business if possible to better understand their operations. If the application is successful, a non-binding Term Sheet should be signed by both parties, outlining the agreed upon terms. Once signed, the Term Sheet will be used to write a long-form License Agreement, a legal document that once signed by both parties will be binding.

The PA Wilds Center for Entrepreneurship welcomes the opportunity to meet with companies interested in licensing the PA Wilds logo for use on saleable products. Serious candidates are encouraged to contact us for an informational presentation about the PA Wilds property and the steps involved in participating in this program. To schedule a presentation, email Executive Director Ta Enos at tbrant@pawilds.com.

HOW ROYALTIES ARE APPLIED

Royalties collected through this program go to support the work of the PA Wilds Center for Entrepreneurship, a regional nonprofit based in the Pennsylvania Wilds.

The PA Wilds Center for Entrepreneurship does not require participants in this program to pay an advance or minimum royalty, or to make additional royalty payments toward a marketing fund. Sublicensing is prohibited.

Royalties under this program are applied to net sales. “Net Sales” for this program are defined as:

*Licensee’s gross sales (the gross invoice billed customers) of Licensed Products, less taxes, shipping charges, quantity trade discounts actually shown on the invoice and, further, less any bona fide returns (net of all returns actually made or allowed as supported by credit memoranda actually issued to the customers.). In no event may the total credit taken by Licensee for all discounts and returns taken during any Royalty Period exceed 10 percent of the gross sales of Licensed Products for such Royalty Period. No credit will be permitted for cash or early payment discounts or allowances. No other costs incurred in the manufacturing, selling, advertising and distribution of the Licensed Products shall be deducted nor shall any deduction be allowed for any uncollectable accounts or allowances.*²

¹ Core partners involved in the Pennsylvania Wilds Conservation Landscape -- PA Wilds Regional Marketing Corp, PA Wilds Planning Team, PA Wilds Center for Entrepreneurship and our state partners PA Dept of Conservation & Natural Resources and PA Dept. of Community & Economic Development – are permitted and encouraged to use the PA Wilds logo on non-saleable materials and do not have to fill out a special application to do so.

² Gregory J. Battersby and Charles W. Grimes, *Licensing Royalty Rates, 2015 Edition* (New York: Wolters Kluwer, 2015), 45.

As a standard practice, royalty rates are provided for the different ways products are sold in the marketplace³. Most companies will fall into the 9 percent on wholesale (Domestic) or 4.5 percent on retail (Direct to Consumer) categories. A brief explanation of these and other categories are described below. If you need assistance identifying where your product fits, please contact us for assistance.

Domestic: Most traditional wholesalers fall into this category. These are products sold on a domestic, landed basis through conventional channels of distribution, typically domestic warehouses to a distributor or directly to a retailer.

Example: A t-shirt printing company obtains a License Agreement to produce men's and women's PA Wilds-branded t-shirts. The shirts are made overseas, shipped to the PA-based company on a domestic, landed basis and printed in PA. The shirts are sold wholesale to retailers in the region. —The royalty is applied to the wholesaler.

Free On Board (F.O.B.): For cases where a retailer takes delivery of their product on a “free on board” basis at their point of manufacture, typically the Far East, and assumes the responsibility and cost for the transportation to their point of sale. In doing so, the retailer is able to negotiate a significant reduction in the selling price of the product.

Example: A t-shirt printing company gets a License Agreement to produce PA Wilds-branded adult hoodies. The hoodies are made overseas. In order to negotiate a lower per unit cost, the company arranges and pays for the items to be shipped to America. The shirts are sold wholesale to retailers in the region. —The royalty is applied to the wholesaler.

Direct to Consumer (Direct): Some licensees sell their licensed products directly to consumers through their own mail order catalogs, stores or websites. Since the retail selling price is typically higher than the wholesale price, the royalty rate is adjusted.

Example: A winery makes a special PA-Wilds branded wine, using the PA Wilds logo front and center on the wine label. The wine is sold directly to customers at their winery location at a retail price. —The royalty is applied to the retail price.

Split: For cases where the PA Wilds logo is a secondary element on a saleable product.

Example: An outfitter makes a scenic calendar with the name of a star natural attraction as the driving graphic element on the front of the calendar. The Pennsylvania Wilds logo is used as a secondary element on the cover, a quarter of the size of the main graphic element. —The split royalty can be applied to a wholesale or retail price of the calendar.

CURRENT ROYALTY RATES:

Domestic: 9 %
Direct: 4.5 %
F.O.B. 12%
Split: 4%

³ Gregory J. Battersby and Danny Simon, *Basics of Licensing: How to Extend Brand and Entertainment Properties for Profit*, 2010 Edition (Norwalk, CT: Kent Press, 2010), 93-97.

HOW ROYALTIES ARE PAID

Royalties will be collected twice a year per the License Agreement. Licensees will not be burdened with a specific royalty reporting format but should provide the PA Wilds Center for Entrepreneurship the information necessary to understand the scope of sales and the earned royalty obligation. Royalties for first and second quarters will be due July 31. Royalties for third and fourth quarters will be due Jan. 31. Checks can be made to the PA Wilds Center for Entrepreneurship.

CREATIVE CONSIDERATIONS

Licensees will be required to submit product designs to the PA Wilds Center for Entrepreneurship for approval prior to starting production. All designs must adhere to the standards defined in the PA Wilds Brand Book. The document can be found at www.pawildscenter.org.

Licensees are prohibited from modifying the PA Wilds logo from its form as laid out in the Brand Book. One exception involves PA Wilds Juried Artisans.

PA Wilds Juried Artisans are skilled artisans who have been vetted through the Pennsylvania Wilds Artisan Trail's peer review process. As members of the Pennsylvania Wilds Artisan Trail, this group is permitted to do artistic renderings of the PA Wilds logo for potential licensing purposes. Such renderings must still meet the spirit of the brand as defined in the PA Wilds Brand Book to be approved for a License Agreement and, ultimately, for production.

SOURCING CONSIDERATIONS

The Pennsylvania Wilds is a premier outdoor recreation destination. It is also a grassroots movement – an effort by dozens of people and organizations to grow the region's nature and heritage industry as a way to create jobs, diversify local economies, inspire stewardship and improve quality of life.

The sourcing of products is an important component of our brand. Where possible, products should be sourced in whole or in part in Pennsylvania or in the U.S.A. Products should be sourced sustainably and responsibly. Products should be eco-friendly and produced in a humane way.

BRAND HISTORY

In 2003, a large partnership effort was launched to grow nature and heritage tourism across 12 ½ counties of rural PA as a way to create jobs, diversify local economies, inspire stewardship and improve quality of life. With more than two million acres of public land, two National Wild & Scenic Rivers, the largest wild elk herd in the Northeast and some of the darkest night skies in the world, the region was in a position to grow this industry, which nationally accounts for about \$650 billion annually in consumer spending.⁴

Working with local partners, the PA Dept. of Community & Economic Development invested more than \$5 million to develop a brand for the region—the Pennsylvania Wilds—and market it in national media.⁵ At the same time, the PA Dept. of Conservation & Natural Resources made major tourism infrastructure investments across the region,⁶ including strategic community grant investments and building new destination facilities to help interpret the region's main attraction: its wilderness. These investments included the Elk Country Visitor Center, Bald Eagle Nature Inn, Sinnemahoning Wildlife Watching Center, Kinzua Bridge State Park Sky Walk and upgrades at many other state park and forest facilities.⁷ DCNR's assets are regularly listed as star attractions in the region.⁸

⁴Outdoor Industry Association, "The Outdoor Recreation Economy: Take it Outside for American Jobs and a Strong Economy." Boulder, CO, 2012. <https://outdoorindustry.org/pdf/OIA_OutdoorRecEconomyReport2012.pdf>

⁵ PA Wilds Planning Team, "Making An Impact: 2010 Update on the Pennsylvania Wilds Initiative," April 2010, p 6.

⁶ PA Wilds Planning Team, "Making An Impact: 2010 Update on the Pennsylvania Wilds Initiative," April 2010, p 3-6.

⁷ PA Dept. of Conservation & Natural Resources. *Outdoor Recreation in the 21st Century: The Pennsylvania Wilds*. Austin, Texas. Fermata, 2005. <http://www.dcnr.state.pa.us/cs/groups/public/documents/document/dcnr_001697.pdf>.

⁸ PA State Tourism Office. *Pennsylvania's Annual Traveler Profile: 2013 Travel Year*. Longwoods International, 2014. 119-121.

A mature framework of local, state and federal partners has grown up around this movement and still carry it on today, offering local businesses and communities an evolving menu of programs related to community character stewardship, entrepreneurship in schools, small business development and more.

In 2007, the Pennsylvania Wilds was established by law as one of the Commonwealth's 11 tourism regions. Between 2008 and 2013, the region had the strongest rate of growth in visitor spending in PA. Travelers spent \$1.7 billion in the region in 2013. 9As the region's reputation as an authentic outdoor recreation destination has grown, so too has interest in producing, selling and buying PA Wilds-branded hats, t-shirts and other merchandise. This has created a new opportunity for businesses to leverage the Pennsylvania Wilds brand through licensing for wealth and job creation. Thoughtful branded merchandise in the marketplace is also seen by partners as an important way to build brand recognition and further cement the region's reputation as a premier outdoor recreation destination.

The PA Wilds Licensing Program was launched in 2015 to seize these opportunities. The program makes it possible for businesses to obtain permission to use the PA Wilds logo, a trademarked and copyrighted property, on saleable products. A standard royalty is collected, which goes to support the work of the PA Wilds Center for Entrepreneurship, Inc., a regional non-profit dedicated to growing the region's nature and heritage tourism industry.

For more information about the Pennsylvania Wilds region or movement, or to learn more about the PA Wilds Center for Entrepreneurship, please visit www.pawildscenter.org.

RELATED MATERIALS

Most studies and reports referenced in these guidelines, as well as all applications and related documents can be found at www.pawildscenter.org.

- Licensee Application—Non-Saleable Uses
- Licensee Application—Saleable Uses
- Pennsylvania Wilds Brand Book
- PA Wilds-related studies and reports