



UNITED STATES POSTAL SERVICE LICENSE APPLICATION



General Criteria

Each use of a USPS trademark, stamp design or other pictorial/graphic image must be licensed from the USPS. In determining whether to grant a license, the USPS considers a number of factors. One of the most important factors is whether the licensee's product and distribution channels support the USPS brand strategy.

All applications for permission to use USPS intellectual property and to produce USPS-licensed merchandise must be filed with the Licensing Group, in Public Affairs and Communications. USPS management has authorized this Group to manage the USPS licensing program and to grant permission to produce USPS-licensed merchandise using USPS marks, stamps, or other images. The Licensing Group also makes the final determination as to who will be allowed to manufacture products bearing trademarks and other images, and as to which channels of trade these products may be sold in.

By completing this preliminary application, applicant acknowledges and agrees that the Postal Service has no obligation to select you as an official licensee of the Postal Service. In addition, applicant acknowledges and agrees that any reliance on Postal Service representations or performance on your part prior to the execution of a USPS Management approved delegated contract, including but not limited to completing this form, is performed at your own risk, cost and expense.

Licensees for the Postal Service Licensing Program are comprised of a select group of manufacturers and/or companies chosen for specific product categories after consideration of the following initial criteria:

- Strategic fit with the goals and objectives of the Postal Service and its Licensing Program
- Ability to maintain and enhance the Postal Service's image and brands
- Prospective licensee's business capability and financial stability
- Ability to produce quality products
- Distribution capabilities in mass market retail channels
- Cogent business and/or marketing plan

The Postal Service may undertake to verify the information on this application. Please answer all questions as fully as possible. When necessary, please use additional paper to supplement any questions.

FAQ's

The licensing policy, along with Frequently Asked Questions about licensing, can be accessed through the USPS website at usps.com/communications/organization/licensing.htm.

Proposition Statement

Please submit along with the completed application a formal Business Proposal that outlines your strategy and makes a case for the U.S. Postal Service to extend a licensing agreement to your organization.

POSTAL SERVICE INTELLECTUAL PROPERTIES

List the brand or brands you are seeking permission to use. _____

ORGANIZATIONAL DATA

A. Overview

1. Discuss the origin/evolution of your business entity. _____

2. Provide a Mission Statement. _____

3. Describe your business entity's goals and objectives.

B. Contact Information and Vital Statistics

Legal Name of Entity: _____ Primary Contact Person: _____
Other Names Used (e.g., d/b/a or a/k/a): _____
Headquarters Street Address: _____
City, State, ZIP + 4: _____
Tel.: (___) _____ Fax: (___) _____ E-mail: _____
Web Addresses: _____
Addresses of Other Offices (please include branches, warehouses etc.): _____

Years in Business: _____ State of Incorporation (if applicable) and states where registered to do business: _____
If not a corporation, please state the type of business entity, state(s) where formed and registered to do business, as well as similar information regarding subsidiaries or affiliates.

Tax Identification Number (required): _____

Type of Business and NAICS Code (Corporation / Sole Proprietor/Minority, etc.): _____

C. Management and Personnel

1. Provide an Organizational chart.
2. Provide a current headcount of the entire organization. _____
3. Provide Summary biographies of senior management, including employment history, service with your organization, and years in current position.

INDUSTRY INFORMATION

A. Industry Category

1. What is the name of the industry(s)? _____

2. What are the NAICS Codes covered by the industry(s)? _____

B. Industry Composition

1. Is the industry cyclical? Seasonal? _____

2. How has the industry performed financially in the past? What is expected for the future? What are the key drivers of demand? _____

3. What are the key inputs to the industry? _____

4. What is the nature of relationships with suppliers in this industry? Customers? Government? _____

5. How are potential distribution channels identified? How are leads developed? _____

C. Size and Nature of Market

1. How big is the overall market served? Both domestic and international? List the total dollar size of the market at present by each product category. _____

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2. What is the overall market annual growth rate for each product category? Both for the past and projected for the future? What will fuel growth in demand? _____

 3. How is the market segmented? What segments are expected to grow most rapidly? _____

 4. What are the leading sources of data on market size, growth rate, and market shares in the industry? _____

D. Competition

1. What are your five largest competitors in this industry? Are there any expected new entries or other potential competitors? _____

2. What is the financial strength of the present competition? _____

3. What is the relative ease of entry into the field? What are the capital and other requirements for entry? What are the barriers to entry in this industry? _____

4. Compare and contrast your organization's product(s)/service(s) with that of the competition. What sustainable competitive advantage does your organization have over the competition? _____

FINANCIAL DISCLOSURE

A. Organization's Sales Information

Most Recent Years:	2002	2003	2004	2005 (Projected)
Annual Gross Sales Volume: \$	_____	\$ _____	\$ _____	\$ _____
% of Sales from Licensed Products:	_____%	_____%	_____%	_____%

B. Historical Financial Statement

1. Attach copies of recent annual and interim audited financial statements (income statement, balance sheet, and cash flow statement) for the last five years, if they exist. Also attach copies of all relevant reports/ memoranda prepared by external auditors.
2. Provide audited financial statements for all major business segments, product lines, or geographical locations, if they exist. Also provide consolidating spreadsheets.

[Do we ask for annual reports anywhere, or want copies?]

C. Insurance Coverage

Identify your current product liability carrier(s) and describe the types and limits of each coverage. Note: USPS requires a minimum liability coverage of \$2,000,000 (aggregate), \$1,000,000 per incident, with no more than 10% as a deductible. USPS may, in its sole discretion, require additional coverage or types of insurance.

OPERATIONS / PRODUCTION

A. Manufacturing / Production Capabilities

1. Describe each of your current manufacturing and distribution facilities and/or capabilities and the number of years each facility or capability has been in operation.

<u>Type of Facility / Capability</u>	<u>Location</u>	<u>Years</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. State the name and location of the manufacturer(s)/source of each proposed licensed product.

<u>Product</u>	<u>Manufacturer</u>	<u>Address</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

B. Product Information

1. Enclose catalogs, price lists, brochures, and promotional materials which illustrate or reference your organization's products.
2. What are your organization's top 10 most successful products and their gross sales over the past 2 years?
 - 1) _____ \$ _____
 - 2) _____ \$ _____
 - 3) _____ \$ _____
 - 4) _____ \$ _____
 - 5) _____ \$ _____
 - 6) _____ \$ _____
 - 7) _____ \$ _____
 - 8) _____ \$ _____
 - 9) _____ \$ _____
 - 10) _____ \$ _____

3) _____ \$ _____ 8) _____ \$ _____
 4) _____ \$ _____ 9) _____ \$ _____
 5) _____ \$ _____ 10) _____ \$ _____

3. What is the most recent product to enter the marketplace? _____
 4. What is the oldest product in the marketplace? _____

5. What is the core demographic for your products? _____

6. Identify any current trademark licenses with other entities, including information about the license (including, licensed products and trademarks, licensor contact persons with address and telephone number, geographical distribution area, annual unit sales volume and annual wholesale dollar sales). _____

C. Proposed Licensed Product Information

Please complete the following table, include all proposed articles for this license.

Brand	Channel	Product Description	Estimated Whole Sale Cost	Suggested Retail Price	Target On-Shelf Date	Units Sold	Projected Revenue

Submit samples of each product on which you would like to use a trademark in order to evaluate quality standards, workmanship, materials and other requirements as determined by USPS in its sole and unreviewable discretion. Unless

otherwise agreed to in writing, all samples submitted will become the property of USPS, and no samples will be returned to applicant.

D. Product Assortment Strategy

In the event USPS elects to grant a license to applicant, please provide what your assortment plan strategy would be based on the assortment plan that is in development and provided to you as it relates to number of introductions for each 12-month period.

ORGANIZATIONAL SUPPORT

A. Design Capabilities

Do you have an in-house design staff, or do you use freelance designers? Please provide the number of persons employed by your organization exclusively for the design function.

B. Product Development

What is the development time to take the product(s) in question from initial concept through final production? Please provide a "critical path" or "milestone" chart for the development process including time needed to complete each step.

C. Sales / Promotions

How many showrooms and how many sales people are currently presenting your line? Please state whether these showrooms/sales people are exclusive to your organization, or if they are members of rep groups.

D. Advertising / PR Plan

Please provide additional information as it relates to the Advertising and PR Plan for each business.

RETAIL INFORMATION

A. Channels of Distribution

Please complete the following table.

Channels of Distribution	% OF YOUR ORGANIZATION' S SALES	STATUS/COMMENTS
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		

B. Customer List

Please list your Top 10 customers below and the number of stores you are selling into.

Top Ten Accounts	Number of Stores
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	

C. Foreign Market

Please list any foreign countries and the channels you currently selling into. Do you intend to sell Postal branded merchandise into that market?

Foreign Country	Channel	Intention on Distribution (Y/N)

This application does not constitute an offer or imply any obligation to grant a license in any category.

By affixing my signature below, I represent and warrant that the information contained in this application is accurate, and that I am duly authorized to bind applicant and duly authorized to release all the materials submitted in this application. Applicant acknowledges and agrees that any reliance on Postal Service representations or performance on applicant's part prior to the execution of a USPS Management approved delegated contract, including but not limited to completing this form, is performed at applicant's own risk, cost and expense.

Submitted By (Signature): _____ Organization: _____

Printed Name: _____ Date: _____

Title: _____

For Internal Use Only

Approved: Disapproved:

Justification: _____

USPS Licensing Evaluator: _____ Date _____

SYSTEMS OF RECORD DO NOT APPLY TO CORPORATIONS, BUT DO APPLY TO INDIVIDUALS. IN THIS CASE, IF APPLICATIONS ARE SENT TO SOLE PROPRIETERSHIPS, THEY MAY REQUIRE ADHERENCE TO PRIVACY REGULATIONS.