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CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: September 1, 2006 Author: Dave Rudberg Phone No.: 604.296.2860

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Meeting Date: September 26, 2006

TO: Vancouver City Council

FROM: General Manager of Olympic and Paralympic Operations

SUBJECT: Non-Commercial Use Agreement with the Vancouver Organizing

Committee for the 2010 Olympic and Paralympic Winter Games

RECOMMENDATION

- A. THAT Council authorize the Director of Legal Services to enter into an agreement (the "Non-Commercial Use Agreement") with the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games ("VANOC") to provide for the use by the City of certain Olympic and Paralympic marks, on terms and conditions acceptable to the Director of Legal Services and the General Manager of Olympic Operations, including an indemnity by the City in favour of VANOC, the Canadian Olympic Committee and the International Olympic Committee;
- B. THAT Council authorize the Director of Legal Services to negotiate and execute agreements with the Vancouver Park Board, the Vancouver Police Department and the Vancouver Public Library to permit such agencies to benefit from the rights granted to the City in the Non-Commercial Use Agreement, on terms and conditions acceptable to the Director of Legal Services and the General Manager of Olympic Operations.

CITY MANAGER'S COMMENTS

The City Manager RECOMMENDS the foregoing recommendations for Council approval.

COUNCIL POLICY

Under the Host City Agreement, the City of Vancouver is obligated to protect the Olympic and Paralympic marks (the "Marks").

Furthermore, on November 2, 2004, Council approved the following motion:

"A. BE IT RESOLVED THAT City Council supports VANOC's obligation to protect Olympic trademarks, copyright and indicia."

PURPOSE

The purpose of this report is to outline the terms and conditions of an agreement entitled the "Non-Commercial Use Agreement" which will allow the City to use the Marks as a part of civic business. In addition to the Non-Commercial Use Agreement permitting the use of the Marks, an administrative process is being established to approve each application as well as to monitor the overall usage. Following the negotiation and execution of separate sublicense agreements, the right to use the Marks will also be extended to the Vancouver Park Board ("VPB"), Vancouver Police Department ("VPD") and Vancouver Public Library ("VPL").

BACKGROUND

Over the past several months, the four government partners (federal, provincial, Whistler and Vancouver) have been negotiating with VANOC and through VANOC, with the International Olympic Committee ("IOC"), for permission to use the Marks in the lead up to and during the 2010 Winter Games. The government partners have sought to use these Marks in a non-commercial manner, in recognition of the contributions made by governments to the planning, building, operation and ultimate success of the Games.

The government partners' use of the Marks is similar to the arrangements made with official sponsors where they provide funding in return for associating their company with the Marks. The major difference is the commercial nature of the official sponsors' use.

The use of the Marks is strictly controlled by the IOC in order to protect and enhance the value of the brand. While the IOC allows VANOC and their partners to use the Marks on a temporary basis, they do so under very strict conditions. The IOC and the Canadian Olympic Committee own the Marks and their use delivers significant revenue from various commercial sponsors. This revenue contributes to a large part of the Games operating costs. As a result, VANOC and its government partners must strictly comply with the conditions on the use of the Marks outlined in the Non-Commercial Use Agreement.

<u>What are the Olympic and Paralympic Marks?</u> On a general level, the Marks are any use of the Olympic or Paralympic words, symbols or logos including reference to the 2010 Games or 2010 Winter Games. Factual references to these terms are permitted but they cannot be used for commercial purposes. For most applications, the government partners will be entitled to

use what is called an "Integrated Logo". For Vancouver, the Integrated Logo is comprised of the VANOC logo and the words identifying Vancouver as the "Host City" as shown below:



How would we use the Olympic and Paralympic Integrated Logo? The City's objectives in using the Marks are to reinforce the fact that Vancouver is the "Host City", and that the City of Vancouver is an important investor in the 2010 Winter Games.

The Corporate Communications Division is currently developing a strategic plan for use of the Marks by the City. In addition to recommending actual uses or applications, the plan will also recommend a timeline that will see a measured but increasing use of the Marks as we get closer to 2010. The Corporate Communications Division will also be working with VPB, VPD and VPL to ensure that their use of the Marks is consistent with the City's objectives and with the Non-Commercial Use Agreement's principles.

Although all applications of the Integrated Logo must be approved by VANOC, the City anticipates using the 2010 Marks for such items as: business cards, letterhead, banners, signage, posters, publications, merchandise and gifts (e.g. lapel pins, umbrellas, etc.), key uniforms, etc.

DISCUSSION

The Non-Commercial Use Agreement has been negotiated between VANOC and the government partners. The basic provisions include the following general terms and principles:

- The grant of a licence to the City to use the specified "Designated Marks" identified in the Non-Commercial Use Agreement for non-commercial, civic purposes.
- A series of conditions which limit the use of the Marks for City purposes and not for third parties, commercial partners or other sponsors without the consent of VANOC.
- A number of conditions which respect Olympic and Paralympic principles and support VANOC's desire to avoid over-saturation of the market in the use of the Marks.
- A listing of the Marks and the graphic standards for their application.
- An approval process for the specific application and administration of the Marks.

- Permission for the City to grant a sublicence to the VPB, VPD and the VPL to allow them to use the Designated Marks. The City will enter into individual agreements with each of these organizations.
- A recognition plan whereby the government partners including Vancouver are recognized for their contributions in the delivery of the 2010 Winter Games. Normal applications include signage, media releases, advertisements and invitations.
- A process for acquiring merchandise or services from approved VANOC licensees.
- A process whereby the City will work with VANOC to create the "Look of the City" in a manner consistent and supportive of the "Look of the Games" around the Olympic and Paralympic venues.
- An indemnity by the City in favour of VANOC, the Canadian Olympic Committee and the IOC for any third party claims arising from the City's use of the Designated Marks.

The General Manager of Olympic and Paralympic Operations will have overall responsibility for ensuring the use of the Marks by the City (including VPB, VPD and VPL) is consistent with the Non-Commercial Use Agreement. The City's Corporate Communications Division and Legal Services will support these efforts by educating, advising, monitoring and enforcing appropriate usage of the Marks.

Workshops have already been organized and further ones will be scheduled with the City staff in an effort to provide an overview on the Intellectual Property issues and restrictions on usage of the Marks.

The City's Corporate Communications Division will also share the logo usage guidelines and terms of agreement with communication and graphic staff throughout the civic organization. Together, the communication groups will monitor the ongoing use of the Marks and will ensure that any new proposed applications are reviewed and approved if they comply.

FINANCIAL IMPLICATIONS

There are no direct financial impacts to the City as a result of entering into the Non-Commercial Use Agreement. There will be financial impacts as the various applications are implemented and these costs will be funded out of existing budgets or if appropriate reported to Council.

CONCLUSION

The Non-Commercial Use Agreement establishes principles and a process whereby the City can utilize the Marks in recognition of our 2010 Winter Games contributions and role as Host City.

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