

LICENSE TO USE TRADEMARK

SINGLE FOOD PRODUCT

This agreement is made on \_\_\_\_\_ (Date), between \_\_\_\_\_, a corporation organized under the laws of the State of \_\_\_\_\_, with headquarters at \_\_\_\_\_ (Address) referred to as licensor, and \_\_\_\_\_, a corporation organized under the laws of the State of \_\_\_\_\_, with headquarters at \_\_\_\_\_ (Address), referred to as licensee.

RECITALS

1. The licensor is the owner of the trademark used for food products and of all good will associated with it. The licensor has the right to use and license others to use such trademark.
2. The licensor wishes to promote a complete line of food products to be marketed nationally and sold through authorized licensees.
3. The licensee wishes to obtain a license under the terms and conditions of this agreement.
4. The licensor is willing to grant a license under the terms and conditions provided herein.

In consideration of the foregoing and of the mutual covenants contained herein and for other good and valuable consideration, the parties agree as follows:

PART I.

DEFINITIONS

The following terms shall have the following meanings:

Licensor means \_\_\_\_\_ (Company), its successors and assigns.

Licensee means \_\_\_\_\_ (Company), its successors and assigns.

Trademark means \_\_\_\_\_, as applied to food products.

Package means an individual carton of the product containing no less than \_\_\_\_\_ (amount) of the product.

Product means \_\_\_\_\_.

Contract year means the period beginning \_\_\_\_\_ (Date) of each calendar year and ending \_\_\_\_\_ (date).

## PART II.

### INTEREST GRANTED

Subject to the terms and conditions specified in this agreement, licensor hereby grants to licensee to \_\_\_\_\_ throughout the entire United States and its territories.

## PART III.

### INITIAL FEE

The licensee will pay an initial fee of (\$\_\_\_\_\_) on execution of this agreement.

## PART IV.

### ROYALTIES

The licensee shall pay a royalty of \_\_\_\_\_ cents for each \_\_\_\_\_ (Package) of the product sold.

1. An advance royalty of (\$\_\_\_\_\_) shall be paid on execution of this agreement.
2. The licensee shall submit within \_\_\_\_\_ days after the close of each quarter during the contract year, a report showing the amount of sales by dollar invoice value and by \_\_\_\_\_ (Package Sales Volume).

## PART V.

### SUPERVISION OF LICENSEE

1. The licensee agrees to provide samples of the product to licensor no less than \_\_\_\_\_ times per month.
2. The licensee shall not, directly or indirectly, license to any other person or firm to use the trademark.

## PART VI.

### DEFICIENCIES

If licensor finds the product to be deficient in quality or packaged in a misleading manner, then the licensor may notify licensee in writing to correct the problems within \_\_\_\_\_ days.

PART VII.

ADVERTISING AND PACKAGING

All advertising and packaging must adhere to the following rules and regulations: \_\_\_\_\_

PART VIII.

ADVERTISING EXPENDITURES

The licensee shall pay \_\_\_\_\_ percent of its total gross receipts for national advertising and promotion of the products. The licensee further agrees to spend for its own advertising a sum equal to \_\_\_\_\_ percent .

PART IX.

REDUCTION OF MINIMUM ROYALTY

If any conditions beyond licensee's control limit sales to less than \_\_\_\_\_ percent of sales in the preceding year, then the royalty payable shall be reduced to \_\_\_\_\_ (\$\_\_\_\_\_).

PART X.

TERMINATION

This agreement shall be in effect until \_\_\_\_\_ (Date). This agreement may be renewed \_\_\_\_\_ (Annually) at the option of licensee. Upon termination of this agreement, the licensee will immediately discontinue use of the trademark.

In witness whereof, the parties have executed this agreement at \_\_\_\_\_ (Location) on \_\_\_\_\_ (Date).

\_\_\_\_\_

Signature Date

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Signature Date