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GENERAL CRITERIA

Each use of a USPS® trademark, stamp design, or other intellectual property must be licensed from USPS. In determining whether to grant a license, USPS considers several factors, including whether the licensee's product and distribution channels support the USPS brand strategy.

All applications must be filed with the Corporate Licensing Group within Brand Marketing. The Corporate Licensing Group makes the final determination as to who will be allowed to manufacture products bearing licensed images, and the retail channels in which these products may be sold.

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

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

- Strategic fit with the goals and objectives of the United States Postal Service and its Licensing Program
- Ability to maintain and enhance the United States Postal Service image and brand
- Ability to expand the United States Postal Service brand to reach new markets, customers, and audiences
- Capability and financial stability of the prospective licensee's business
- Ability to produce quality products
- Distribution capabilities, from mass market to top-tier retail channels
- Cogent business and/or marketing plan to market and sell products

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

Proposition Statement

Please submit the completed application and a formal Business Proposal that outlines your strategy and makes a case as to why the United States Postal Service should extend a licensing agreement to your organization.

Attach a separate document and include the file name here:

UNITED STATES POSTAL SERVICE INTELLECTUAL PROPERTIES

List the properties you seek permission to use.

CONTACT INFORMATION AND VITAL STATISTICS

Legal Name of Entity:

Other Names Used (e.g., d/b/a or a/k/a):

Headquarters Street Address:

City, State, ZIP + 4®:

Primary Point of Contact:

Telephone:

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. Include any similar information regarding subsidiaries or affiliates.

Type of Business (Corporation / Sole Proprietor/Minority, etc.):

INDUSTRY INFORMATION

A. Industry Category

1. What industry(s) does the company conduct business in?

B. Industry Composition

1. Is the industry cyclical? Seasonal?

2. How has the industry performed financially in the past? What are the key drivers of demand?

3. What is expected for the future?

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.

2. What is the overall market annual growth rate for each product category; both for the past and projected for the future? What is your plan to increase growth and fuel 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? List capital and requirements for entry, and barriers to entry in this industry?

4. Compare and contrast your organization's product(s)/service(s) with that of the competition. What does your organization do or have that is different or stands out from the competition?

FINANCIAL DISCLOSURE

A. Organization's Sales Information

Most Recent 4 Years

| | | | | |
|------------------------------------|----|----|----|----|
| 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 three years, if they exist. Attach a separate document with copies of all relevant reports/memoranda prepared by external auditors and include the files names here.

2. Provide audited financial statements for all major business segments, product lines, or geographical locations, if they exist. Also provide consolidating spreadsheets. Attach a separate documents and include the file names here.

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

Describe each of your current manufacturing and distribution facilities, capabilities, and proposed products; the location; and the number of years each facility has been in operation.

| Type of Facility / Capability / Products | Location | Years |
|--|----------|-------|
| 1. | | |
| 2. | | |
| 3. | | |
| 4. | | |
| 5. | | |

B. Product Information

1. What are your organization’s top 5 most successful licensing products and their gross sales over the past 2 years? Or, if a newer company, what are your organization’s top 5 most successful products overall. Enclose catalogs, price lists, brochures, and promotional materials which illustrate or reference those products. Attach a separate documents and include the file names here.

| Products | Gross Sales |
|----------|-------------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

2. What is your most recent product to enter the marketplace?

3. What is your oldest product in the marketplace?

4. What are the core demographic for your products?

5. Identify any current trademark licenses with other entities (including information about licensed products, trademarks, and geographical distribution area).

C. Retail Strategy

Provide your prospective retail strategy, including brick-and-mortar stores and e-commerce, based on the planned product offering that is in development, and the 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?

B. Product Development

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

C. Sales / Promotions

How many sales people are currently presenting your line? Are these sales people exclusive to your organization, members of rep groups, or some other category? Which trade shows do you present at or attend?

D. Advertising / PR Plan

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

RETAIL INFORMATION

A. Channels of Distribution

Complete the following table.

| Channels of Distribution | % of Your Organization's Sales | Number of Stores |
|--------------------------|--------------------------------|------------------|
| 1. | | |
| 2. | | |
| 3. | | |
| 4. | | |
| 5. | | |
| 6. | | |
| 7. | | |
| 8. | | |

If you need additional room, attach a separate document and include the file name here.

B. Customer List

List your Top 5 customers and the number of stores you are selling.

| Top Five Accounts | Number of Stores |
|-------------------|------------------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

If you need additional room, attach a separate document and include the file name here.

C. Foreign Market

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) |
|-----------------|---------|---------------------------------|
| 1. | | |
| 2. | | |
| 3. | | |
| 4. | | |
| 5. | | |

If you need additional room, attach a separate document and include the file name here.

If you have samples of the products you would like to license or have previously licensed that you would like to include, you may enclose them with the other requested materials.

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 release all the materials submitted in this application. Applicant acknowledges and agrees that any reliance on United States 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: |