



U N I V E R S I T Y O F
SOUTH CAROLINA

AMENDMENT NO.2 TO SOLICITATION

TO: ALL VENDORS

FROM: Charles Johnson, Procurement Manager

SUBJECT: SOLICITATION NUMBER: USC-RFP-1592-CJ

EXCLUSIVE AGENT FOR THE OPERATION OF THE UNIVERSITY OF SOUTH CAROLINA AIKEN ,
UNIVERSITY OF SOUTH CAROLINA BEAUFORT, AND THE UNIVERSITY OF SOUTH
CAROLINA UPSTATE CAMPUSES' DOMESTIC TRADEMARK AND LICENSING PROGRAM

DATE: January 8, 2010

This Amendment **No. 2** modifies the Request For Proposals only in the manner and to the extent as stated herein.

BIDDER SHALL ACKNOWLEDGE RECEIPT OF AMENDMENT **NO. 2** IN THE SPACE PROVIDED BELOW AND RETURN IT WITH THEIR BID RESPONSE. FAILURE TO DO SO MAY SUBJECT BID TO REJECTION.

Authorized Signature

Name of Offeror

Date

THE MAXIMUM CONTRACT PERIOD – ESTIMATED CLAUSE IN SECTION I. SCOPE OF SOLICITATION OF THE RFP HAS BEEN CHANGED AND NOW READS AS FOLLOWS:

MAXIMUM CONTRACT PERIOD - ESTIMATED (Jan 2006)

Start date: 03/01/2010 End date: 02/28/2015. Dates provided are estimates only. Any resulting contract will begin on the date specified in the notice of award. See clause entitled "Term of Contract - Effective Date/Initial Contract Period".

THE NUMBER OF COPIES TO BE SUBMITTED ON THE COVER PAGE OF THE RFP HAS BEEN CHANGED AND NOW READS AS FOLLOWS:

NUMBER OF COPIES TO BE SUBMITTED: One (1) Original in Hardcopy and four (4) Hardcopies marked 'Copy' Plus four (4) electronic copies.

THE VOLUME CLAUSE IN SECTION I. SCOPE OF SOLICITATION OF THE RFP HAS BEEN DELETED.

THE MAGNETIC MEDIA – REQUIRED FORMAT CLAUSE IN SECTION II.
INSTRUCTIONS TO OFFERORS – B. SPECIAL INSTRUCTIONS HAS BEEN CHANGED AND NOW READS AS FOLLOWS:

MAGNETIC MEDIA - REQUIRED FORMAT

As noted on the cover page, an original hard copy of your offer must be accompanied by four copies in the following electronic format: compact disk (CD) in one of the following formats: CD-R; DVD ROM; DVD-R; or DVD+R. Formats such as CD-RW, DVD-RAM, DVD-RW, DVD+RW, or DVIX are not acceptable and will result in

the Offeror's proposal being rejected. Every CD must be labeled with offeror's name, solicitation number, and specify whether contents address technical proposal or business proposal. If multiple CD sets are provided, each CD in the set must be appropriately identified as to its relationship to the set, e.g., 1 of 2. Each CD must be identical to the original hard copy. File format shall be MS Word 97 or later.

THE FOLLOWING QUESTIONS WERE RECEIVED FROM VENDOR A

QUESTION 1: What are your objectives for the licensing program? Are the objectives the same for all Senior Campuses?

USC AIKEN ANSWER: **The primary focus would be to safeguard and protect the USCA logo while increasing USCA awareness throughout the region resulting in additional licensed material sales which would provide an additional revenue source for the University.**

USC BEAUFORT ANSWER: **Our objectives are to protect our Sand Shark brand identity and graphic system, to build recognition of the brand within our four county region and the three county Savannah metro area and to capitalize on our unique mascot with online sales nationally. No, the objectives are not the same for all three Senior Campuses.**

USC UPSTATE ANSWER: **Build brand recognition both regionally and nationally, protect unauthorized usage of our logos, and promote sales of our branded merchandise.**

QUESTION 2: What are the current weaknesses of the licensing programs on each Senior Campus?

USC AIKEN ANSWER: **As we currently do not have a licensing program, we know of no weaknesses.**

USC BEAUFORT ANSWER: **Currently, we have no licensing program. We are a rapidly growing campus that just introduced its logo and sports teams. So, we are distributing Sand Shark logo merchandise only through the bookstore—and only a limited number of items and styles are offered.**

USC UPSTATE ANSWER: Because we do not have a licensing program, we know of no weaknesses.

QUESTION 3: What are the current strengths of the licensing program on each Senior Campus?

USC AIKEN ANSWER: As we currently do not have a licensing program, we know of no strengths.

USC BEAUFORT ANSWER: We have no licensing program, but we have a strong suite of logos that have been trademarked and a well-written graphic identity guideline manual. We simply need a licensing partner to capitalize on and help us build even more excitement for the brand in prospective students and in our community. We believe we can generate out of region online sales by giving tourists the opportunity to buy Sand Shark merchandise while on vacation.

USC UPSTATE ANSWER: Because we do not have a licensing program, we know of no strengths.

QUESTION 4: Who do you consider to be the peer institutions for each of the Senior Campuses?

USC AIKEN ANSWER: For USC Aiken, peer institutions would be Augusta State, Lander University and Francis Marion

USC BEAUFORT ANSWER: USCB would consider USC Aiken and USC Upstate as aspirational peers in the size and development of their campuses accomplished over the 30 years since they became baccalaureate institutions. Florida Gulf Coast University is an aspirational peer in its rapid growth after its founding. The College of Coastal Georgia would be a peer institution in their similar geographic location and recent conversion to baccalaureate status.

USC UPSTATE ANSWER: Winthrop University, Lander University, and College of Charleston

QUESTION 5: What is your perception of the “perfect” licensing program?

USC AIKEN and USC UPSTATE ANSWER: **One where the University has little time and no funds invested yet makes money from the licensing program on a continuing basis.**

USC BEAUFORT ANSWER:

- Creative ideas for reaching not only national vendors and distributors with outlets in our region, but also our community and our tourists.
- Specific goals and targets and a written marketing plan.
- Commitment and persistence in implementation—realizing the potential growth that exists-- including specified plan of repeated visits to local vendors in the kickoff phase.
- Profit-maker.
- Ability for us to review design implementation and approve.

QUESTION 6: Who do you consider to be the biggest rival for each of the Senior Campuses?

USC AIKEN ANSWER: **Augusta State**

USC BEAUFORT ANSWER: **We do not have a single, major rivalry at this point. The most likely potential rival would be Savannah College of Art and Design. Other important rivalries are developing with our Florida Sun Conference peers in baseball; Armstrong Atlantic in Savannah; smaller institutions in South Carolina: Lander, etc.**

USC UPSTATE ANSWER: **Wofford, Furman, Clemson and USC Columbia**

QUESTION 7: What is the five (5) year history of gross royalties for each of the Senior Campuses? What is the financial goal for each of the programs?

USC AIKEN ANSWER: **Since USCA does not presently have a royalty program, there is no 5 year history available. The financial goal would be to make as much money as possible.**

USC BEAUFORT ANSWER: We do not have royalty history. Even our bookstore sales would not provide much history since the logo just went into use 2 years ago. Hence, we will look critically at the plan, process and leadership the licensee demonstrates—as well as experience/results with start up programs like ours.

USC UPSTATE ANSWER: Since USC Upstate does not presently have a royalty program, there is no 5 year history available. The financial goal would be to make as much money as possible.

QUESTION 8: Please define how the financial numbers provided in Attachment B – USC Upstate were generated? Are they figures indicating “gross retail sales”? If so, through what establishment were these generated (bookstore, athletic merchandiser, etc.)?

USC AIKEN ANSWER: Not applicable to USCA.

USC BEAUFORT ANSWER: Not applicable to USC Beaufort

USC UPSTATE ANSWER: Bookstore’s gross retail sales of insignia items.

QUESTION 9: What has been the most successful licensing promotion implemented over the last three (3) years on any of the Senior Campuses?

USC AIKEN ANSWER: USC Aiken currently does not have a licensing program so there has not been a licensing promotion implemented.

USC BEAUFORT ANSWER: USC Beaufort currently does not have a licensing program so there has not been a licensing promotion implemented.

USC UPSTATE ANSWER: No successful licensing promotions.

QUESTION 10: Is there a merchandiser that sells at the athletic events for each of the Senior Campuses?

USC AIKEN ANSWER: **Currently no- the USCA Bookstore anticipates selling merchandise at home basketball games this semester.**

USC BEAUFORT ANSWER: **Our bookstore has occasionally sold at baseball games for a few hours. We would welcome a professional proposal to merchandise at home baseball games and at our larger home cross country meets (1) and golf competitions (1-2).**

USC UPSTATE ANSWER: **USC Upstate Bookstore sells at games.**

QUESTION 11: How strong are the on-campus bookstores in promoting the merchandise of each of the Senior Campuses?

USC AIKEN ANSWER: **My experience would be to say moderate as they sell a fair amount of USC Aiken merchandise.**

USC BEAUFORT ANSWER: **Our new bookstore lease, Barnes and Nobles, is just getting started. To date, they have not been active partners in promoting the logo or merchandise on campus or off campus.**

USC UPSTATE ANSWER: **USC Upstate Bookstore is very strong in promoting Upstate merchandises.**

QUESTION 12: What do you think is the perception of the Senior Campuses in the respective local marketplaces?

USC AIKEN ANSWER: **USC Aiken's perception in the community is excellent.**

USC BEAUFORT ANSWER: **We sit between three population centers in Beaufort County and are the only “home team” the entire county can espouse. We are the only university in our region. So, we have the opportunity to build the visibility and recognition of our brand without any direct competition.**

USC UPSTATE ANSWER: Perception is at an all-time high because of excellent continued enrollment growth, recent migration to NCAA Division I; new downtown location for the George Dean Johnson, Jr. College of Business scheduled to open in May, 2010

QUESTION 13: Can you provide a complete list of all current licensees for each of the Senior Campuses?

USC AIKEN and USC UPSTATE ANSWER: Since USCA and USC Upstate do not have a licensing program, there are no current licensees.

USC BEAUFORT ANSWER: None. To produce the items our bookstore buys, we have simply used USC Columbia's approved licensees.

THE FOLLOWING QUESTIONS WERE RECEIVED FROM VENDOR B:

QUESTION 1: Will the RFP be awarded as one master contract or three separate contracts?

ANSWER: The contract awarded from the RFP will be one master contract covering all three senior campuses.

QUESTION 2: A revenue history from the sale of licensed apparel and other products is included for USC Upstate, can you provide a history of revenue for USC Aiken and USC Beaufort?

USC AIKEN ANSWER: USC Aiken clothing sales for FY 08-09 were \$35,557 and "other products" amounted to \$28,531.

USC BEAUFORT ANSWER: Clothing Sales: \$49,224; Gift Sales: \$22,115.

QUESTION 3: Who manages the bookstore on each campus? University? Lease-operated?

USC AIKEN ANSWER: **USC Aiken is self operated.**

USC BEAUFORT ANSWER: **Lease operated.**

USC UPSTATE ANSWER: **The Bookstore is and has been self-operated since the inception of the University. Excellent management over the years has netted good auxiliary revenues for the campus.**

QUESTION 4: Who or what department on each campus will be responsible for management and oversight of the Trademark and Licensing Program?

USC AIKEN ANSWER: **USC Aiken - Athletics**

USC BEAUFORT ANSWER: **Advancement**

USC UPSTATE ANSWER: **Oversight of the program will be by the Bookstore Manager.**

QUESTION 5: The Review Panel for this RFP consists of whom?

ANSWER: **the University is not at liberty at this time to reveal the number and/or names of evaluation committee members for the RFP; that information can be made available in response to FOIA requests only after the solicitation process is completed and Notice of Intent to Award or Statement of Award for the solicitation has been issued.**

QUESTION 6: What is the proposed Royalty Rate for each school? 8%? 9%? 10%?

ANSWER: **The minimum amounts of royalties to each of the three senior campuses is covered in sub item A. Minimum Required Commissions of item 2. Financial Data in Section IV. Information for Offerors to Submit of the solicitation.**

QUESTION 7: Can you inform us of the Top 5 apparel suppliers to each bookstore?

USC AIKEN ANSWER: Oarsman, Nike, College Treads, Jansport, Ouray.

USC BEAUFORT ANSWER: Champion, Legacy, Merge Left, Jansport, & Jones & Mitchell

USC UPSTATE ANSWER: Russell Athletic, Jansport, Jones and Mitchell, Branded Custom Sportswear (Nike).

QUESTION 8: What are two goals each university desires to achieve by establishing a Trademark and Licensing program?

USC AIKEN ANSWER: The primary focus would be to safeguard and protect the USCA logo while increasing USCA awareness throughout the region resulting in additional licensed material sales which would provide an additional revenue source for the University.

USC BEAUFORT ANSWER: Our objectives are to protect our Sand Shark brand identity and graphic system, to build recognition of the brand within our four county region and the three county Savannah metro area and to capitalize on our unique mascot with online sales nationally.

USC UPSTATE ANSWER: 1) Establish a knowledgeable and professional resource who will work for Upstate to promote our products in the community. 2) Generate a new and viable auxiliary revenue stream for the University.