

OVERVIEW

	Licensing	Partnership
General Subject Matter <i>What is the purpose of the contract? What kind of services are being offered in exchange for each party? (50 - 100 words)</i>	Licensing is to ensure that the company has the legal permission to use another person's business or business's property	Club assets, partnership and marketing rights, merchandising rights, first team assets, advertising, digital, legend assets, haikou experience assets
Contract Period <i>How long is the proposed contract term for?</i>	9 months	1 year
Territory <i>What countries can the services be executed?</i>	China and Vietnam	Worldwide
Contract Costs <i>What are the main costs, expenses or charges that are incurred with this contract? How are they calculated?</i>	10% of net revenue - min. £100000 (guaranteed basis) (tax not included)	<ul style="list-style-type: none"> - SEASON 21/22 - €500K - SEASON 22/23 - €1.1M

DETAILED COMPARISON

Partnership Deal		Licensing Deal	
Able to... <ul style="list-style-type: none"> - Make use of clubs IP rights (after approval from BARÇA marketing team) - Right to designate itself as “Global Partner of FC Barcelona” - Access to FCB Content Database - Right to organise one (1) Partnership Launch event with the participation of one (1) Barça management representative in Season 1 - Joint Press Release of the partnership - Receive assistance and advice - Barça Licensing & Merchandising sold on barca and DETERMINANT website - Twenty (20) official autographed jerseys and twenty (20) autographed Determinant shirts per Season - Twenty (20) official jerseys (unautographed) per Season - Buy official merchandise under Official Partners discount (20% off) - Access to images, commercial shoots, greeting videos, marketing channels, meet and greet, tour experience - Behind the scenes content - Promotional content - Tickets (B2B and B2C) 		Able to... <ul style="list-style-type: none"> - Make use of club's trademarks, tradenames, and other intellectual property rights - The design, manufacture, distribution and marketing of club's products - License the use of such rights to third parties 	
Pros	Cons	Pros	Cons
More help, connections, manpower, sets of perspectives	Decisions need to always be agreed upon	“Design” costs have generally been reduced to the licensing.	If no sales are made, you may be in trouble and unable to make the royalty payment due this inability + troubles with reputation
Receive more knowledge in unfamiliar realms	Disagreements will be had and tension will arise (effecting effectivity)	Less inauthentic, nothing as unique or desirable	Lower costs, less risky
Less financial burden and paperwork	Profits made will need to be split	Licensee will not need to incur the costs of producing, promoting, packaging, or selling licensors product.	Limited territory so less sales only can be take place
Items seem more authentic and desirable			Licensee needs to do promotional activities at its own cost

WHY PARTNERSHIP?

When selling products through a partnership, the items seem more authentic and desirable to the audience. It seems more exclusive and adds a lot to the brand's value. Licensing does bring an asset to a brand however people buy licensed football jerseys that are even illegally licensed for a cheaper price, therefore the idea of the "football aspect" may not be as valuable as a company may think due to accessibility of it elsewhere. The partnership will allow uniqueness that other companies can't bring—something that is backed by DETERMINANT's quality items and existing customer base.