



# THE STATE UNIVERSITY *of* NEW YORK

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MEMORANDUM FOR TERRYL BROWN CLEMENS, ACTING COUNSEL  
FROM NICHOLAS ROSTOW

SUBJECT: A.891/S.4249 - AN ACT to amend the labor law and the education law, in relation to prohibiting public universities and community colleges from licensing their trademarks for use on unlawfully manufactured apparel and disclosure of certain information regarding licensees

RECOMMENDATION: Oppose.

A.891/S.4249 would prohibit SUNY state-operated and community colleges and CUNY from entering into a licensing agreement utilizing the college logo trademark with an apparel manufacturer if it is known that the manufacturer was engaged in the unlawful manufacturing of such logo apparel.

Colleges would be provided with vendor/manufacturer information from the Department of Labor which would include a statement that the manufacturer is providing an hourly rate of at least \$9.50 to their employees. The University is further required to disclose all contract information involving the use of trademarks.

It is important to understand that not all SUNY colleges have trademarked logos. Colleges that do not have trademarked logos will have to select and create a logo through a process that can be cumbersome depending on the campus and the student body. Once a campus selects/creates a logo to be trademarked, it must file an intent to use the logo with the Federal Trademark office which can take between six to twelve months to finalize.

The most crucial element of complying with the intent of A.891/S.4249 is verification of the vendor's compliance status. Currently there are only two ways a college can conduct a due diligence review of a vendor's status: contact the Apparel Industry Task Force or consult the NYS Labor Departments Registry to determine whether or not a vendor has any outstanding complaints. The vendor is required to certify in writing that it is compliant.

With the enactment of Chapter 350 of the Laws of 2002, SUNY was required to establish standards for the purchase of apparel which included the manufacturer labor standards regarding working conditions and compensation, employee rights to form unions and the use of child labor. Apparel in these applications includes uniforms and equipment that exhibit the college's trademark and logo.

In addition, A.891/S.4249 would require the SUNY Board of Trustees to ensure that no college will enter into a licensing agreement with a vendor, contractor or subcontractor who procures apparel from a manufacturer who unlawfully produced such goods. This provision is onerous in that there is no way a campus can independently verify the vendor's certification. While the Board of Trustees can pass resolutions and approve of procedures or policies, it has no practical way to assist a campus in the verification of each contractor's manufacturer's process. In many ways this provision attempts to duplicate the intent of Chapter 350 of the laws of 2002 by creating a method of preventing illegal manufacturers to sell apparel to SUNY campuses.

It should be noted that to date, no SUNY college has knowingly entered into a contract for the manufacture of apparel by a "sweatshop" or contractor that violates existing New York State laws and regulations as outlined by Chapter 350 of the Laws of 2002. Finally, Veto 156 of 2003 raised many of the same issues and requirements contained within A.891/S.4249, with many of those issues and concerns remaining unresolved.

The State University respectfully urges that A.891/S.4249 not be approved.