

# LICENSING AGREEMENT (Short Form)

[Licensor's Letterhead]



*Remove all language in italics before using this form.*

1. \_\_\_\_\_ (The "Licensor") hereby grants to \_\_\_\_\_ (the "Licensee") a nonexclusive license to use the image entitled " \_\_\_\_\_ " attached hereto (the "Image") created and owned by Licensor on \_\_\_\_\_ ("Licensed Products") and to distribute and sell these Licensed Products in \_\_\_\_\_ [territory] for a term of \_\_\_\_\_ years commencing \_\_\_\_\_ [date], in accordance with the terms and conditions of this Agreement.

2. Licensor shall retain all copyrights in and to the Image. Licensee shall identify the Licensor as the artist on the Licensed Products and shall reproduce thereon the following copyright notice:  
© [Licensor's name and date].

3. Licensee agrees to pay the Licensor a nonrefundable royalty of \$ \_\_\_\_\_ [or] ( \_\_\_\_\_ %) percent of the net sales of the Licensed Products. "Net Sales" as used herein shall mean sales to customers less pre-paid freight and credits for lawful and customary volume rebates, actual returns, and allowances. Royalties shall be deemed to accrue when the Licensed Products are sold, shipped, or invoiced, whichever first occurs.

4. Licensee shall pay Licensor a nonrefundable advance in the amount of \$ \_\_\_\_\_ upon signing of this Agreement. Licensee further agrees to pay Licensor a guaranteed nonrefundable minimum royalty of \$ \_\_\_\_\_ every month.

5. Royalty payments shall be paid on the first day of each month commencing \_\_\_\_\_ [date], and Licensee shall furnish Licensor with monthly statements of account showing the kinds and quantities of all Licensed Products sold, the prices received therefore, and all deductions for freight, volume rebates, returns, and allowances. The first royalty statement shall be sent on \_\_\_\_\_ [date].

6. Licensor shall have the right to terminate this Agreement upon 30 days' notice if Licensee fails to make any payment required of it and does not cure this default within said 30 days, whereupon all rights granted herein shall revert immediately to the Licensor.

7. Licensee agrees to keep complete and accurate books and records relating to the sale of the Licensed Products. Licensor shall have the right to inspect Licensee's books and records concerning sales of the Licensed Products upon prior written notice.

8. Licensee shall give Licensor, free of charge, \_\_\_\_\_ [number] samples of each of the Licensed Products for Licensor's personal use. Licensor shall have the right to purchase additional samples of the Licensed Products at the Licensee's manufacturing cost. "Manufacturing cost" shall be \$ \_\_\_\_\_ per Licensed Product.

9. Licensor shall have the right to approve the quality of the reproduction of the Image on the Licensed Products and on any advertising or promotional materials, and Licensor shall not unreasonably withhold approval.

10. Licensee shall use its best efforts to promote, distribute, and sell the Licensed Products, and said Products shall be of the highest commercial quality.

11. All rights not specifically transferred by this Agreement are reserved to the Licensor. Any transfer of rights is conditional upon receipt of full payment.

12. The Licensee shall hold the Licensor harmless from and against any loss, expense, or damage occasioned by any claim, demand, suit, or recovery against the Licensor arising out of the use of the Image or the manufacture and/or sale of the Licensed Products.

13. Nothing herein shall be construed to constitute the parties hereto joint ventures, nor shall any similar relationship be deemed to exist between them. This Agreement shall not be assigned in whole or in part without the prior written consent of the Licensor.

14. This Agreement shall be governed by and construed in accordance with the laws of the State of \_\_\_\_\_ [state in which Licensor resides] as applied to transactions entered into and to be performed wholly within said state between said state's residents without regard to principles of conflict of laws. The parties submit exclusively to the personal jurisdiction of the federal district court for the \_\_\_\_\_ District of \_\_\_\_\_ [district in which Licensor resides] and the courts of said state. Licensee waives all defenses of lack of personal jurisdiction and forum non conveniens.

15. All notices, demands, payments, royalty payments and statements shall be sent to the Licensor at the following address: \_\_\_\_\_ and to the Licensee at: \_\_\_\_\_.

16. This Agreement constitutes the entire agreement between the parties hereto and shall not be modified, amended, or changed in any way except by written agreement signed by both parties hereto. This Agreement supersedes all prior or simultaneous representations, discussions, negotiations, and agreements, whether written or oral, between the parties concerning the Image.

17. This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors, and assigns. Licensee shall not assign its rights under this Agreement, in whole or in part, without the prior written approval of Licensor.

In witness whereof, the parties have executed this Licensing Agreement on \_\_\_\_\_ [date]

Licensor \_\_\_\_\_ [company name]

Authorized by \_\_\_\_\_ [name, position]

Licensor \_\_\_\_\_ [name]