

FLOYD COUNTY BOARD OF EDUCATION Danny Adkins, Superintendent 106 North Front Avenue Prestonsburg, Kentucky 41653 Telephone (606) 886-2354 Fax (606) 886-8862 www.floyd.kyschools.us

Sherry Robinson, Chair - District 5 Linda Gearheart, Vice-Chair - District 1 Dr. Chandra Varia, Member - District 2 Rhonda Meade, Member - District 4 Junior Newsome, Member - District 3

Consent Agenda Item (Action Item): Approve agreement between Prestonsburg High School and BumbleBee Team Sports\Adidas.

Applicable Statute or Regulation: Board policy states that only the board of education/superintendent can enter into contract or agreement, policy number 1.11 powers and duties of the local board.

<u>Fiscal/Budgetary Impact:</u> BumbleBee\Adidas will provide PHS with additional 40% discount of retail price on all Adidas stock uniforms and apparel and a 35% discount off Adidas footwear. BumbleBee will provide PHS with rebates at the end of the year based on total purchases from BumbleBee Team Sports. School/Teams/Boosters may purchase from other companies but must also request a quote from BumbleBee.

<u>History/Background:</u> Many of our teams purchase Adidas uniforms and this will allow the school financial benefits of purchases.

Recommended Action: Approve the agreement with BumbleBee Team Sports/Adidas.

Contact Person(s): Lori Bricken, Ricky Thacker

Date: 3.17.2019

The Floyd County Board of Education does not discriminate on the basis of race, color, national origin, age, religion, marital status, sex, or disability in employment, educational programs, or activities as set forth in Title IX & VI, and in Section 504.





Bumblebee Team Sports 125 MacArthur Court Nicholasville, KY 40356

03/20/2019

Prestonsburg High School Lori Bricken

Bumblebee Team Sports ("Bumblebee Team Sports") is pleased to extend this exclusive partnership program to Prestonsburg H/S ("Prestonsburg H/S"). The term of this agreement commences on 07/01/2019 and ends on 06/30/2024 ("Term").

Program Benefits:

The partnership program is in addition to the benefits of the Adidas Prestonsburg H/S Agreement. Bumblebee Team Sports will serve as the direct contact between Prestonsburg H/S and Adidas to assist the Prestonsburg H/S in purchasing Adidas product as well facilitating any Adidas promotion dollars. The program includes discounts on the following Adidas products purchased by the Prestonsburg H/S:

- 40% discount off of suggested retail price on all Adidas Stock Uniforms and Apparel
- 35% discount off of suggested retail price on all Adidas Footwear, Mi-Team Apparel and Accessories
 Adidas Custom Uniforms and Player-Pay Items will be priced separately. Decoration charges are not included in the above discounts.

In addition, during the period referenced above, Bumblebee Team Sports will provide Prestonsburg H/S with an additional rebate at the end of each year based on total purchases. Total purchases include all purchases from Bumblebee Team Sports regardless of Adidas. The period for calculating the annual total purchases will be July 1st – June 30th, purchases will be counted based upon invoice date. The rebate amount will be based on the following scale:

\$50,000.00 - \$99,999.99 = 3.0%

\$100,000.00 - \$149,999.99 = 3.5%

\$150,000.00 - \$199,999,99 = 4.0%

\$200,000.00 - \$249,999.99 = 4.5%

\$250,000.00 + = 5.0%

This rebate will be in the form of product only and calculated at suggested retail price. The rebate dollars may be redeemed on all products provided by Team Sports with some exceptions including special order and modified uniforms, pinnacle mesh, sideline exclusives, and helmet reconditioning.

The following departments/organizations included in the total purchases calculation:

- All Prestonsburg H/S & Athletic Department Purchases
- Faculty and Administration Purchases
- Uniform Shop & Bookstore Purchases
- All Booster and Alumni Organizations
- Any Student Purchases

All rebates are contingent upon the account balances being current for all accounts, i.e. all open invoices must be within the Net 30 day credit terms. Rebates may be used at any time assuming the accounts are current.

Bumblebee Team Sports-Adidas Program Requirements:

Prestonsburg H/S will be responsible for payment of any embellishments it requires on free product. These embellishments and pricing will be negotiated by the authorized representative of Bumblebee Team Sports and the undersigned authorized representatives of Prestonsburg H/S.

Every athletic team of Prestonsburg H/S will wear Adidas uniforms and apparel (where applicable) and the Adidas logo shall be displayed in all areas where Adidas equipment is being used. This includes, without limitation, new Adidas custom modified uniforms. All coaches are to wear Adidas apparel and footwear in practice, competitions, clinics, sports camps, or any sports related appearances involving students of Prestonsburg H/S. Prestonsburg H/S will also work with Bumblebee Team Sports to schedule a shoe day for the Men's and Women's Basketball teams, and the Football teams. The athletes of these teams will have the opportunity to purchase team shoes at discounted Team pricing.

All Prestonsburg H/S varsity sports programs will use Bumblebee Team Sports spirit-wear fundraising program and playerpack programs. These programs will be made available to each sport and can be adjusted to fit its needs. All other programs including club sports and organizations will be encouraged to participate. Pay freight charges on orders where applicable. Prestonsburg H/S has been offered this special opportunity to participate in this partnership program due to its status as a preferred customer of both Bumblebee Team Sports and Adidas. In consideration of the mutual covenants, conditions, rights and obligations contained herein, the undersigned authorized representatives of Prestonsburg H/S and Bumblebee Team Sports agree that none of them shall publish, divulge, disseminate, make known or communicate the terms and conditions of this agreement to any other person, firm, corporation or entity without the full knowledge and written consent of the other parties to this agreement. The failure to keep the terms of this agreement confidential shall constitute a material breach of the agreement and may serve as the basis for the non-breaching parties, at their discretion, to immediately terminate this agreement. At the expiration of the original term of this agreement, should Prestonsburg H/S receive a bona fide third party offer the, Prestonsburg H/S shall submit to Bumblebee Team Sports in writing the specific terms of such bona fide third party offer in its entirety in the form of a true and complete copy which shall be in the offerors letterhead or other identifiable stationary or imprint. Bumblebee Team Sports will have fifteen (15) business days from the date of its receipt of such true copy of the third party offer to notify Prestonsburg H/S if it will enter into a new contract with Prestonsburg H/S on terms no less favorable to the Prestonsburg H/S than the material, measurable, and comparable terms of such third party offer. If Bumblebee Team Sports so notifies Prestonsburg H/S within fifteen (15) day period, Prestonsburg H/S shall enter into new contract with Bumblebee Team Sports.

Date	Lori Bricken Prestonsburg H/S
Date	Jimmy Van Epps – Vice President Bumblebee Team Sports

adidas

This Team Agreement (this "<u>Agreement</u>") is entered into between adidas America, Inc., an Oregon corporation ("<u>adidas</u>"), and [Prestonsburg High School] ("<u>School</u>"), of Prestonsburg, KY effective as of the first day of the Term (as defined below). The parties agree as follows:

- 1. <u>Term.</u> This Agreement starts on July 1, 2019 and ends June 30, 2024, and shall automatically renew for one year each time unless adidas or School terminates according to this Agreement. This is a binding agreement. This agreement includes but is not limited to the following sports and their participants: ALL.
- 2. <u>adidas Products</u>. During the Term, adidas will provide School with merchandise listed below, during each School Year (defined as July 1 through June 30) of the Term. Promotional Merchandise" means orders from the adidas Team Sales Catalog. Unused promotional merchandise amounts, as of 5:00 PM EST June 30, are forfeited by School. As a result, promotional merchandise cannot be carried from one School Year to the next. For each School Year, during the Term, adidas shall provide the following types and values of Promotional Merchandise:
- 3. <u>Products Included</u>: Team adidas Footwear, Apparel, Equipment and Accessories
- 4. <u>Promotional Products</u> provided in exchange for exclusive product purchases as outlined above:
 - a. In each year of this Agreement, the School will receive:
 \$10,000 in retail promotional product annually for Athletics.
 - b. In year one of this Agreement, the School will receive: \$5,000 in retail signing bonus
 - c. Promotional merchandise allocation is the sole responsibility of the Program.
 - d. Unused promotional merchandise amounts, as of 5:00 pm on 6/30 each year of this Agreement, are forfeited. As a result, promotional merchandise cannot be carried from one school year to the next.
- 5. Bonus compensation (merchandise):
 - a. Any Team that wins a State Championship will receive \$1,000 in promotional product at retail value.
- 6. Pricing:
- a. During the term of this Agreement, The School will be eligible to purchase adidas at the following discounts:
 - i. adidas Footwear + Accessories + Mi-Team Apparel

35% off retail price

ii. adidas Apparel

40% off retail price

- 7. Exclusive Use...During the Term, School shall ensure that each Team (including all students, staff, coaches, and athletic administrative staff, which are individually defined as "Participant") exclusively uses and wears adidas Products whenever engaged in any competition events, being photographed or filmed by motion picture or video tape, posting to social media, and conducting or participating in camps or clinics.
- 8. Rights of First Refusal. School shall not enter into an endorsement or similar agreement with a third party without first giving adidas an opportunity to enter into an agreement with School for such rights on the third party terms and conditions, measured solely in terms which are material, measurable and matchable ("Third Party Terms"). School shall notify adidas of the Third Party Terms it receives for any Third Party Deal. Evidence of such an offer must be on the third party's letterhead and a copy thereof must be supplied to adidas. adidas shall have 30 days from its receipt of the Third Party Terms to match such Third Party Terms. If adidas matches the Third Party Terms, then School shall enter into a new agreement with adidas consistent with the Third Party Terms.
- 9. Miscellaneous.
 - <u>Confidentiality.</u> Subject to applicable state public records law, the terms of this Agreement are strictly confidential and neither party may disclose the terms hereof to any third party without the prior written consent of the other party.

- Compliance with Law. Each party shall comply with all laws, rules and regulations applicable to it in the performance of its
 obligations under this Agreement.
- Severability. If any provision of this Agreement is held to be invalid or unenforceable in any respect for any reason, the validity
 and enforceability of such provision in any other respect and of the remaining provisions of this Agreement will not be in any way
 impaired.
- <u>Binding Effect.</u> This Agreement will be binding on and inure to the benefit of the parties and their respective heirs, personal representatives, successors and permitted assigns.
- <u>Assignment.</u> School may not assign, sell or transfer this Agreement or any of its rights, interests or obligations under this Agreement without adidas's prior written consent.
- <u>Construction</u>. The captions used in this Agreement are provided for convenience only and will not affect the meaning or interpretation of any provision of this Agreement.
- School/adidas Relationship. Nothing contained in this Agreement shall be construed as establishing an employer/employee, agency, partnership or joint venture relationship between the parties.
- Entire Agreement. This Agreement, together with the terms and conditions of the adidas Team Sales catalog and of the account or credit application completed in connection with execution of this Agreement, all of which are incorporated into this Agreement by reference, constitutes the entire understanding between the parties with respect to the subject matter hereof and cannot be amended or modified except by an agreement in writing, signed by each of the parties. All previous understandings or agreements between the parties related to the subject matter herein shall have no further force and effect.
- Warranties. adidas shall not be liable for any injury or damage suffered by School or its students from wearing or using adidas Products, and School hereby expressly knowingly and irrevocably waives all such liability, except to the extent such injury or damage is caused by adidas's gross negligence or willful misconduct. ALL GOODS PURCHASED OR OTHERWISE ACQUIRED BY SCHOOL PURSUANT TO THIS AGREEMENT ARE TRANSFERRED AS-IS. ADIDAS HEREBY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND THOSE THAT MAY ARISE BY COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE.
- Representations and Warranties. Each party represents and warrants that such party (i) is not party to any agreement, contract or understanding, whether oral or written, that would prevent, limit or hinder the performance of any of its obligations under this Agreement; and (ii) has the due and proper authority to enter into and perform its obligations under this Agreement
- Mutual indemnification. Each party agrees to indemnify and hold harmless the other party together with their successors, assigns, directors, officers and employees from and against any claim, loss, damages, costs or expenses, including reasonable attorney fees, arising out of or related, directly or indirectly, to this Agreement or the products referred to herein, except for those claims arising from the negligence, act or omission of the other party.
- Termination, adidas may, in its sole discretion, reduce the amount of Promotional Merchandise if the School fails to wear adidas Products as required or spats. The right of termination under this Agreement is not exclusive and is in addition to any and all other rights and remedies available to the parties under applicable law. The termination of this Agreement shall not relieve a party from liability for a prior breach of this Agreement. The provisions of this Agreement that by their context or nature are intended to survive the expiration or termination of this Agreement, including Sections 5 and 6 shall survive the expiration or termination of this Agreement.

IN WITNESS WHEREOF, the undersigned individuals hereby certify that they are duly authorized to execute this Agreement on behalf of the parties.

adidas America, Inc.	PRESTONSBURG HIGH SCHOOL
Name: Greg Beckwith Title: adidas East Regional Manager	LORIBRICKEN
	825 BLACKCAT BLVD. PRESTONSBURG, KY 41653
Name: Jim Watkins Title: adidas Team Services Rep	