



Pike Place Market Preservation and Development Authority (PDA)

OPERATIONS & COMMUNICATIONS COMMITTEE
Meeting Minutes – July 2011 - DRAFT

Thursday July 21st, 2011
4:00 p.m. to 6:00 p.m.
PDA Conference Room

Committee Members Present: Ann Magnano, Patrick Kerr, David Ghoddousi, John Finke, Jackson Schmidt

Other Council Members Present: Gloria Skouge, Bruce Lorig

Staff Present: Ben Franz-Knight, Ryan Yale, Ryan Hostetler, Jennifer Maietta, Scott Davies, Kateesha Atterberry, Teri Wheeler, David Dickinson, Elsie Janson, Brittany Farrow, Matthew Holland, Zack Cook

Others Present: Paul Dunn

The meeting was called to order at 4:04 p.m. by Patrick Kerr, Vice Chair.

Administration

- A. Approval of Agenda
The agenda was approved by acclamation.
- B. Approval of June 16th, 2011 Minutes
The minutes were approved by acclamation.
- C. Announcements and Community Comments
Paul Dunn commented on the proposed Seattle Steam

II. Marketing

- A. Staff Reports
Ryan Hostetler reported on Marketing and stated Farm Season is in full swing meaning marketing materials are hard at work. Scott Davies did a wonderful job distributing nearly 10,000 printed pieces that included \$5 Off Farm Table coupons to local businesses. We have already started to see farmers redeeming them with our cashier even though they have until October to redeem. Full program numbers will be reported in October after all coupons have been redeemed and accounted for within our system.

Radio continued last week with (:15, :10 and :05 second) radio ads that played on KCMS, KIRO am/fm, KMTT, KPLZ, and KZO. The next radio flight is scheduled for the week of Aug 8th.

As part of an effort to market to downtown work force and residents we will have a total of 46 bus kings displaying messages that started being seen July 1st on routes that link Capitol Hill, Queen Anne, Ballard, University District all with downtown.

The West Edge, an extension of the DSA, produced an area map that include a rather extensive listing of the businesses located at the Market as well as a specific Market specific map. 41,080 of these maps were inserted in the June Seattle Weekly, 37,500 will be distributed via Certified Folder in Seattle and the Eastside through September and MID ambassadors will now carry the map.

Ryan stated that the Fruit Fest posters have been created and distributed in local Seattle neighborhoods to promote attendance and activities for the July 24th event. In addition to the posters we have Facebook and Twitter messages circulating our social media outlets and a Press Release has been issued.

Ryan mentioned that our social media presence and reach continue to increase with our Facebook “likes” now at 135,144 and our Twitter followers at 7,917. Two weeks ago our very own Bruce Burger even commented about some wonderful strawberries he found at the SLU Pike Place Market Express.

B. Trademark Issues/Memo

Ben reported on current Trademark issues and stated that the goal of trademark law is to eliminate consumer confusion. Trademark law could not achieve this goal simply by prohibiting marks that are identical; thus, use of similar names and marks in connection with similar goods and services is prohibited because, though not identical, similar marks are likely to deceive consumers. The PDA is committed to enforcing its right to exclusive use of Pike Place Market trademarks. In order to protect the PDA’s interest, the PDA not only prohibits direct copying of the specific, registered trademarks listed above, but also the use of a number of other similar names and marks.

For example, if a non-Market business chose to use the words “Pike Place” to identify its location, goods or services outside of the Market, infringement would occur. Pike Place Street lies wholly within Historic District boundaries and the words “Pike Place” specifically identify the Market. Thus, promoting a business outside the Market with the name “Pike Place” would mislead consumers into the mistaken perception that the business is affiliated with or connected to Pike Place Market. For this reason, use of the words “Pike Place,” though not identical to PDA’s registered trademarks, is still an infringement of the PDA’s trademark rights.

To accomplish the PDA’s objective, the PDA has registered its ownership of the following trademarks:

Word Marks:	THE PIKE PLACE MARKET THE PIKE PLACE PUBLIC MARKET THE PIKE PLACE FARMERS MARKET
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Design Marks:	The graphic representation of the rooftop sign located at the junction of Pike Place and Pike Street. The image includes the sign’s structural framework, the words PUBLIC MARKET CENTER and the clock face; as viewed from all perspectives or as depicted by other letter forms and graphic treatments:
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Ben added that throughout recent years, the PDA has seen an increased interest among local businesses, inside and outside of the Market, attempting to use our trademarks on retail items and for advertising purposes. Previously, the PDA staff has presented trademark agreements to the PDA Council on a case-by-case basis regardless of the scope, complexity or revenue amount. Due to the increase and varying level of these trademark requests, the PDA staff now faces a backlog of smaller contract requests. This backlog and the lack of defined guidelines has resulted in delayed responses, different contract lengths and varied agreement structures. Staff is in the process of reviewing and analyzing our outstanding trademark use requests as well as following up on current contracts to ensure payment and compliance. Following this review and a comparison study of rates and fees charged by like venues, staff will recommend options for managing future trademark licensing requests and contracts. Below is summary of our progress to date.

Ben discussed the current application and billing process and state that staff has created several new documents to better monitor trademark usage. We’ve created a spreadsheet to track trademark applications from the time we receive them through the signing of a Council-approved agreement. We’ve

also created a spreadsheet to track trademark royalties and ensure timely billing and payment and coordinated this effort with Finance.

Several applications from earlier this year have not yet been before Council as a resolution, so we are presenting three trademark licensing resolutions at the July OPSCOM meeting. We have one additional application to follow-up on relating to Lantern Press, and another renewal we received last week for Micks Peppouri.

Ben discussed the current rates and policies of the PDA and stated that staff has discussed the need for a range of rates for various use categories as well as set rates for use by Market tenants and entities outside the Market. We are seeking input from our trademark attorney regarding suggested ranges for royalty rates and are researching the rates and fees charged by similar venues.

One of the options we are considering includes establishing pre-approved uses and rates for both in Market and out of Market sales that would allow staff to internally approve most trademark requests and therefore speed up the trademark process. It would be to our advantage to do so, in that some requests need a quick response that to date we have not been able to offer. For example, Subaru recently wanted to feature the Market clock in a collage of photographs for a sales kit they were developing. It was a great opportunity to reach active car buyers in the Northwest and had the potential to be a lucrative partnership for us, but they needed to know within one week whether they could use the clock or not. We had to deny the use based on their timeframe.

We have a number of merchants who use Pike Place or Pike Place Market as part of their business name; policy recommendations will also include ways to address this consistently moving forward.

Finally, we need policy guidelines on filming and still photography requests that want to include the clock image. Filming uses range from advertising to feature films to other programming like documentaries and food shows. Photography could be for advertising, for a gallery show, for an annual report, or other use. Filming approval and fees already address trademark usage, but having a definitive policy and pricing structure that's pre-approved would greatly help with these types of usage, which are often requested with short turn-around times.

Ben added that the PDA staff anticipates having formal recommendations regarding trademark and licensing policies in the early fall for review and approval of the OPSCOM Committee and full PDA Council.

Action Item: Proposed Resolution **11-63:** Authorization for Non-Exclusive Trademark Licensing Renewal/Agreement with Ingram Books Inc. d/b/a Graphic Arts Books

Ben presented the resolution and stated that Ingram Books agrees that it will use the terms and images related to "Pike Place Market" and the licensed name and trademark in a way that will reflect positively on the Pike Place Market. The PDA has the right to approve or disapprove of any potential design or marketing plans involving the marks, likenesses or trademarked name(s) owned by the Pike Place Market PDA in relation to Ingram Books and "Salt and Pepper at the Pike Place Market" and all related marketing of such. Ben added that Ingram Books agrees to pay the PDA 2.5% of the list price per book for all books in remaining inventory (a total of 755 books) plus any additional reprints of the book during this two year agreement (with automatic renewal as long as the book stays in print. First payment is due upon signing of agreement and will include payment for the current inventory (\$222.25) plus payment of \$58.07 in post-bankruptcy sales, for a total of \$283.32. Ingram Books agrees to notify Pike Place Market at the time any reprint of the book is ordered from the printer, and agrees to pay 2.5% of the list price per book licensing fee for each new print run within 30 days of the books arriving at the Ingram Books warehouse. Ben requested that the PDA Council authorizes the Executive Director or his representative to execute a non-exclusive trademark licensing agreement with Ingram Books for the use of the "Pike Place Market" name and trademarks of Pike Place Market for the book "Salt and Pepper at the Pike Place Market."

Motion to approve 11-63

Jackson moved, Bruce seconded

Approve: Schmidt, Kerr, Magnano, Lorig

Against: 0
Abstain: Ghouddousi

Resolution 11-63 passed by a vote of 4-0

Action Item: Proposed Resolution **11-64:** Authorization for Non-Exclusive Trademark Licensing Renewal/Agreement with Chukar Cherries

Ben presented the resolution and stated that Chukar Cherries agrees that it will use the terms and images related to "Pike Place" and the licensed name in a way that will reflect positively on the Pike Place Market. Ben added that Chukar Cherries agrees to pay the PDA \$500 per year for the 2 year term of this agreement. First payment is due upon signing of agreement and second payment of \$500 is due one year later. Ben requested that the PDA Council authorizes the Executive Director or his representative to execute a non-exclusive trademark licensing agreement with Chukar Cherries for the use of the "Pike Place Market" name on their Northwest Logo Boxes and Pike Market Boxes.

Motion to approve Resolution 11-64
Jackson moved, Bruce Lorig seconded

Approve: Schmidt, Kerr, Magnano, Ghouddousi
Against: 0
Abstain: 0

Resolution 11-64 passed by acclamation

Action Item: Proposed Resolution **11-65:** Authorization for Non-Exclusive Trademark Licensing Renewal/Agreement with Sasquatch Books

Ben presented the resolution and stated that Sasquatch Books agrees that it will use the terms and images related to "Pike Place Market" and the licensed name and trademarks in a way that will reflect positively on the Pike Place Market. The PDA has the right to approve or disapprove of any potential design or marketing plans involving the marks; likenesses or trademarked name(s) owned by the Pike Place Market PDA in relation to Sasquatch Books and Pike Place Recipes and all related marketing of such. Ben added that Sasquatch Books agrees to pay the PDA 2% of the list price per book for all books sold during this 2 year agreement with automatic renewal to continue while the book is in print provided that Sasquatch Books complies with all terms of the licensing agreement. First payment of \$1,840 (one half of the royalty fee of the initial run) is due upon signing of agreement followed by semi-annual accounting of books sold and royalty payments earned due twice each year. Ben requested that the PDA Council authorizes the Executive Director or his representative to execute a non-exclusive trademark licensing agreement with Sasquatch Books for the use of the "Pike Place Market" name and trademarks of Pike Place Market for the cookbook named "Pike Place Market Recipes."

Motion to approve Resolution 11-65
Jackson moved, Bruce Lorig seconded
Approve: Schmidt, Kerr, Magnano, Ghouddousi
Against: 0
Abstain: 0

Resolution 11-65 passed by acclamation

III. Farm Program

A. Staff Reports

Teri reported on the attendance for June and the year and stated it was down approximately 5% due to loss of full time honey farmer. He noted that the average vendor sales are up including the Market at City Hall which is up to \$816 per farmer compared to \$644 last year. In addition, South Lake Union is up to \$491 as compared to \$419 the previous year. The Street Market has also increased in revenue and is up to a daily average of \$802 per vendor compared to \$502 last year. Teri discussed the newly painted Farm truck, which was recently painted and named Harvey. Teri discussed some recent events

at the Market including Mini Cow day, which had nearly 5,000 visitors. Teri added that the chef demos are becoming more and more successful and the chefs have reported the success has exceeded prior expectations. Teri discussed the Washington Farmers map that has been created to highlight where the farmers originate from as well as the physical address and contact information. Teri stated the Senior Center has approached her to rent their kitchen out for our farmers to use as a commercial kitchen for a nominal fee as a value added attribute for the Farmers. Teri invited and encouraged the committee members to sign up to be an honorary Bell Ringer at the Market.

John Finke arrived at 4:29pm

Jackson discussed three motions and resolutions and stated he would like the committee to vote on a needs assessment regarding acquisition of possible farm land. Jackson stated the larger issue that is facing the committee and staff is the amount of time needed to do a needs assessment and/or report. Jackson inquired if we should be considering a new staff member that can deal with projects and research analysis similar to this one. Currently, the PDA does not have the capability to conduct lengthy and in depth analysis and research in order to recommend an informed decision for the committees and Council's approval. For farmland acquisition, the committee should have a needs assessment done in order to identify potential areas for where farmland would be located and the process, if needed, to acquire land in a beneficial way for the PDA and the farmers. This, in turn, should lead to a full feasibility study, which includes having someone to look at specific parcels, research insurance issues, and health codes with an appropriate business plan to follow.

Action Item: Resolution 11-67 - Recommendation for PDA Staff to conduct a Farmland study and submit staff recommendations to PDA Council.

Jackson moved, Bruce Lorig seconded
Approve: Schmidt, Magnano, Ghouddousi, Finke
Against: Kerr
Abstain: 0

Resolution 11-67 passed by a vote of 4-1

Action Item: Resolution 11-69 - Recommendation for the PDA Staff to conduct a needs analysis study on creating a Commercial/Demonstration kitchen for farmers inside and outside of the Market. Staff will then submit their recommendations to the PDA Council.

Jackson moved, Ann Magnano seconded
Approve: Schmidt, Magnano, Ghouddousi, Kerr, Finke
Against: 0
Abstain: 0

Resolution 11-69 passed by acclamation

Jackson inquired from the committee to see if there is a need for Council and committees to have an additional staff member to conduct professional research analysis to address topics and issues facing the Market and PDA. It was suggested that this topic could be discussed at the Council retreat. Prior to the retreat, Ben will return with his recommendation on the possible hiring of another staff member.

IV. Property Management

A. Residential Property Management Report

Elsie reported on Residential management and stated they are currently going through an audit and she updated the Council on the progress. Elsie noted she recently met with the State wide health insurance and benefits advisors to assist with Market tenants. She added that this will allow the tenants to come up with an informed decision on the possible benefits that are available. The advisors will also assist with the new Healthcare changes and submitted a memorandum of understanding. She discussed the first phase of renovation at the Stewart House and noted that construction has begun on the courtyard and scaffolding is going up. The Sanitary Market will have the first move-in of the Market rate

apartments during the first week of August. She added that there have been 8 HUD tenants that have moved into the Sanitary Market.

Closed session began at 4:44 p.m.

The meeting went into closed session at 4:44 p.m.

- B. Closed Session (RCW 42.30.110 [c])
 - i. Review of Lease Proposals
 - ii. Review of Delinquency Report
 - iii. Vacancy Report
 - iv. Current Lease Negotiations

Closed session ended at 5:04 p.m.

C. Approval of Lease Proposals

John Finke motioned to place Resolution 11-66A for the leases associated with BB Ranch, Washington CASH/Ventures, Healthy Bodies, and Moon Valley were placed on the consent agenda for the June 30th PDA Full Council Meeting.

David moved, Ann seconded

Approve: Schmidt, Magnano, Ghouddousi, Finke, Kerr

Against: 0

Abstain: 0

The motion to move the Lease Proposals to the Consent Agenda passed by acclamation

John Finke motioned to place Resolution 11-66B -Mt. Townsend Creamery on the consent agenda for the June 30th PDA Full Council Meeting.

V. Items for the Consent Agenda

Resolutions 11-63, 11-64, 11-65, 11-66A, 11-66B, 11-67, and 11-69

VI. Public Comments

VII. Concerns of Committee Members

VIII. Adjournment

The meeting was adjourned at 5:07 p.m. by John Finke, Chair.

Meeting minutes submitted by:
Ryan Yale, Executive Assistant