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Best Practices for Negotiating Brand Licenses: A Comprehensive, Practice-Focused Guide

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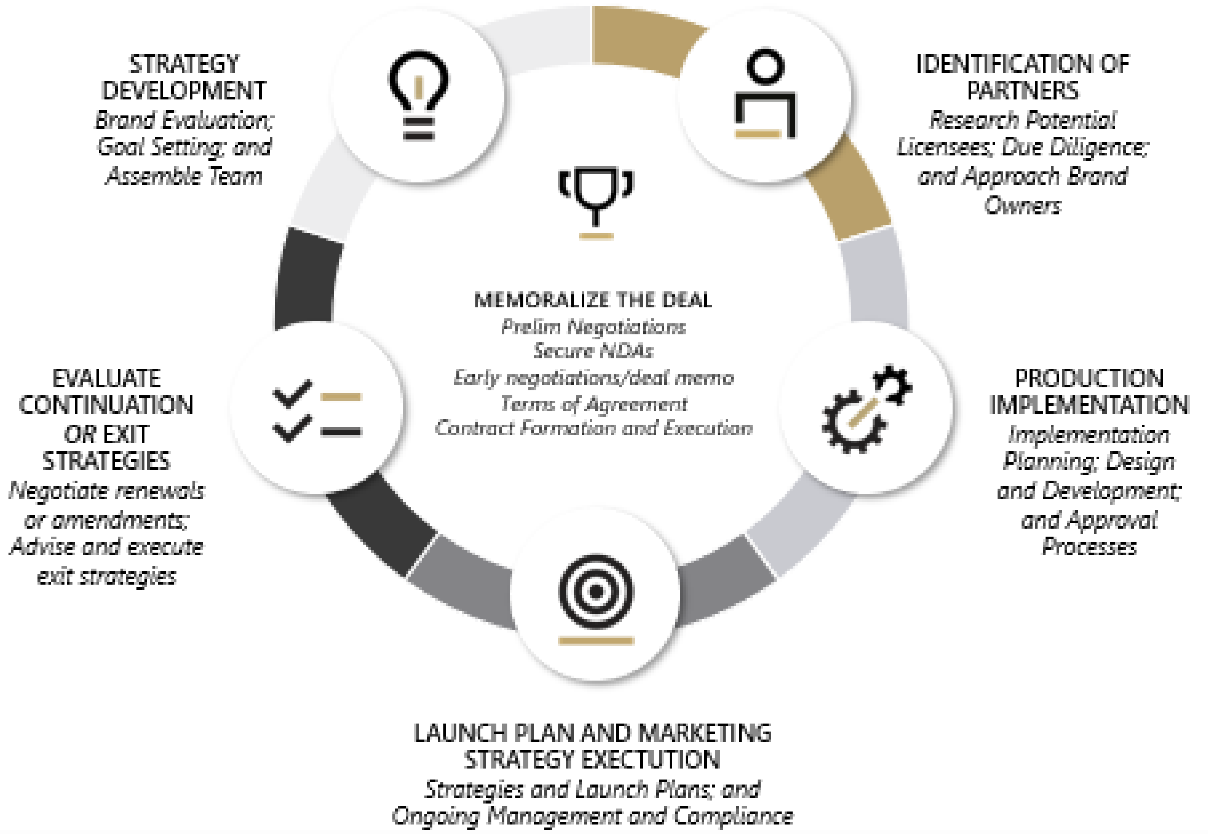
I. Introduction

Brand licensing transactions are simultaneously an art and a science. At their best, these deals unlock new revenue for licensors, accelerate market entry for licensees, and deliver innovative products that delight consumers. At their worst, they can spawn billion-dollar litigation, tarnish reputations, and entangle business partners in years—or even decades—of litigation and acrimony. Recent, highly publicized disputes—from the long-running *Stephen Slesinger v. Disney* saga over Winnie-the-Pooh merchandising rights,[1] or the sudden implosion of major celebrity-driven brand partnerships—remind practitioners that the way a license is negotiated, drafted, and managed will dictate the trajectory of the commercial relationship and, ultimately, the impact on the licensed brand. This article synthesizes those lessons into a holistic, step-by-step framework covering each stage of the brand licensing lifecycle that corporate counsel, outside lawyers, brand managers, and executives can deploy to structure, document, and steward successful licensing arrangements.



II. Crafting a Thoughtful Licensing Strategy

The first—and often overlooked—task is to connect licensing to the company's overall brand strategy. Counsel should map how the contemplated license will further corporate objectives such as category expansion, global reach, demographic diversification, or innovation.

Before engaging the marketplace, be realistic about internal capabilities. Key stakeholders—legal, tax, supply chain, quality assurance, finance, insurance, and marketing—should be trained on the licensing playbook and calibrated to a risk tolerance profile. Uneven messaging during negotiations erodes credibility and elongates deal cycles. Counsel should implement "single-voice" protocols so that business teams route all substantive deal points through designated negotiators.

When negotiating trademark licensing deals, it is crucial to ensure that the scope of trademark rights aligns precisely with the licensing objectives from the outset. Parties should determine whether rights will be granted globally or rolled out market by market, and clearly define permitted sales channels, including any specific carve-outs, to avoid ambiguity that often leads to disputes. Both licensors and licensees should conduct a thorough inventory of existing intellectual property assets and confirm proper chain-of-title to prevent surprises or defective rights later on.

Additionally, financial terms such as royalty rates, minimum guarantees, and marketing commitments should be carefully modeled to account for various economic scenarios, including tariff risks and currency fluctuations, so that the deal remains robust under changing conditions and does not require renegotiation due to foreseeable challenges.

III. Partner Identification and Diligence

Unlike a one-time sale of goods, licensing relationships live in the public eye for years. A mismatch between licensor values and licensee conduct can metastasize into PR crises, making it critical to ensure alignment from the outset. Before approaching a potential licensing partner, substantively responding to an inquiry, or commencing negotiations, thoroughly research the prospect to ensure they are aligned with your overall licensing strategy and are reliable and reputable. Look for red flags such as a history of disputes, inconsistent business practices, or negative feedback from other third parties. Outside counsel can be a valuable resource in this process. The findings from the due diligence process and a thorough understanding of the potential partner's strengths, weaknesses, and reputation, will guide where and whether compromises can be made.

As a best practice, begin substantive conversations with potential partners only after putting a non-disclosure agreement (NDA) in place to protect sensitive information. At the onset of discussions, be prepared to clearly articulate your brand's value and understand the counterparty's needs and objectives. Presenting a compelling case for your brand, including its market reach, capabilities, and the mutual benefits of the contemplated partnership, can bolster your position in negotiations. Also, be proactive in addressing potential challenges by discussing risk mitigation strategies and legal safeguards, as these discussions can build a foundation to justify desired agreement terms as discussions progress.

IV. Memorializing the Definitive Agreement

Below are considerations and best practices when memorializing the terms of brand licensing deals.

a. Defining "Licensed Products" and "Licensed Services"

Clearly define the products or services that are in the scope of the agreement. For example, the agreement may specify that "Licensed Products" are limited exclusively to goods that display the licensed trademarks, and any other licensed intellectual property with any products or services that do not bear the licensed trademark are expressly excluded from the definition of "Licensed Products." A detailed schedule that lists each specific product or service category can also be helpful. By clearly defining the scope of Licensed Products or Licensed Services, the agreement minimizes the risk of disputes regarding which goods or services are subject to royalty obligations.

b. Exclusivity and Competitive Restraints

Exclusivity provisions can serve to prevent the licensor from endorsing or licensing their name, image, likeness (NIL), or other intellectual property in connection with products that compete with those of the licensee. In some cases, these clauses may also restrict the licensor from selling their own products that incorporate the licensed intellectual property. To ensure clarity and avoid future disputes, the agreement should explicitly state whether such restrictions will continue after the agreement's expiration and, if so, specify the duration of any post-termination prohibitions.

In the context of NIL agreements, special consideration should be given to whether the individual—such as a celebrity—should be subject to a "cooling-off" period following the end of the agreement, during which they are prohibited from entering into new partnerships or endorsements. The contract may also restrict the use of certain personal elements, such as signatures, photographs, or other distinctive attributes, both during and after the term of the agreement. Reasonable post-term non-compete provisions can be an effective tool to protect the licensee from immediate, back-to-back endorsements by the licensor for competing brands. Legal counsel should carefully balance the potential for higher royalty rates against the licensor's loss of flexibility and future opportunities.

Exclusivity can be tailored to cover specific product categories, geographic territories, and channels of trade. When imposing restrictions on dealings with "competitive products," the parties may either name specific competitors or define the scope of competition using industry classification systems such as SIC or NAICS codes.[2]

c. Ownership of Existing and Future IP

It is essential for both parties to identify and document the intellectual property each side owns, as well as any additional assets or contributions to the partnership. This includes not only traditional IP such as trademarks and copyrights, but also digital assets like ASIN numbers, Amazon pages, and presence on various online forums and platforms. By clearly defining these elements from the beginning, the parties can minimize the risk of future disputes regarding ownership and usage rights.

The agreement should specify, in detail, who will own any IP created during the term of the license, and under what circumstances each party may use that IP, both during and after the contract period. This clarity is particularly important when the agreement ends, as it helps prevent claims of false association or endorsement that could arise if one party continues to use materials—such as labels, artwork, or other branding elements—previously associated with the licensed property. In cases involving product formulations, such as ingredient-based licenses, the contract should address whether the licensee may continue to use the formulas after termination, and whether the licensor retains any rights to access or use those formulas.

An exemplary case related to the importance of defining ownership and the right to use intellectual property is *Stephen Slesinger, Inc. v. Disney Enterprises, Inc.*[3] The conflict originated from a 1930 agreement in which A.A. Milne granted Stephen Slesinger exclusive merchandising and other rights to Winnie-the-Pooh in the United States and Canada. In 1961, Slesinger's estate transferred these rights to Walt Disney Productions for a share of the merchandising revenue. In 1983, Slesinger acknowledged in another agreement with Disney its transfer and assignment of "rights it had acquired from A.A. Milne to Disney by agreement dated 14 June 1961." The 1983 agreement then revoked the prior agreements and gave Slesinger "all of the rights in the work which were transferred to [Slesinger] in 1930 and amended from time to time," but also transferred back to Disney those and "further" rights. The parties continued to interpret the 1983 agreement differently: Slesinger argued it retained certain rights and that the agreement functioned as a license, while Disney maintained that it had received a full assignment of all rights. Disney, which had acquired the merchandising rights to Winnie the Pooh in 1961, successfully argued that certain items like videos and DVDs were not covered under their original agreement.

This case highlights the importance of clearly defining ownership and control of future intellectual property, including derivative works, adaptations, and new media, as well as the royalty implications for exploiting newly created content.

d. Approval Rights and Quality Control

Quality-control lapses can result in brand damage, making it critical for licensors to maintain rigorous oversight of licensed products. To safeguard their trademarks, licensors often require the right to review pre-production samples, conduct inspections of finished goods, and perform ongoing audits of manufacturing facilities. These measures help ensure that all products bearing the trademark consistently meet the brand's established quality standards.

However, licensees often seek to limit approval rights to objective, clearly defined brand guidelines. This approach helps prevent the approval process from becoming overly burdensome or subject to arbitrary decisions, which can lead to delays and operational inefficiencies. By anchoring approvals to specific, measurable criteria, both parties can streamline the process and reduce the risk of disputes.

Additionally, it is prudent to avoid vague "mutual development" clauses unless they are paired with a binding decision-escalation mechanism. Without a clear process for resolving disagreements, such clauses can create uncertainty and hinder progress. A well-defined escalation procedure ensures that any disputes regarding product development or quality standards are addressed promptly and efficiently, minimizing disruption to the licensing relationship.

e. Morals and Conduct Clauses

A well-drafted morals clause protects brand integrity and mitigates reputational risk, especially in licenses involving celebrities or other high-profile personalities. Licensors and licensees should work together to define with precision the specific types of conduct that will constitute a breach, such as criminal acts, hate speech, public scandal, or any other behavior likely to bring the brand into disrepute. It is important that the clause applies to both on- and off-duty activities, including conduct on social media platforms. The clause should be tailored to the company's risk tolerance, with clear requirements for prompt notice of any alleged breach and a defined process for determining whether a breach has occurred.

To address risks to reputational harm, agreements may include swift termination rights and a detailed public relations and wind-down plan if a breach occurs.

f. Financial Terms

A royalty rate arrangement that may work for both parties is a tiered royalty rate structure that aligns the licensor's compensation with the licensee's sales performance. This approach typically involves setting different royalty rates that apply as net sales cross specified thresholds. For example, a lower royalty rate may apply once annual net sales exceed a certain dollar amount (for example, for annual net sales up to $1 million, the royalty rate is 8% but once net sales exceed $5 million, the royalty rate drops to 4%). This incentivizes the licensee to maximize sales while ensuring the licensor shares in the upside of strong performance. It is equally important to define "net sales" with precision, including a clear list of permissible deductions such as returns, trade allowances, and discounts.

To avoid ambiguity and potential disputes, the agreement should specify whether deductions are calculated before or after shipping costs are applied. For instance, some agreements allow deductions from gross sales prior to the addition of shipping and handling, while others may require that shipping be included in the calculation base. Additionally, the parties may set a cap on the total amount of "approved deductions" that the licensee may claim in any given period. This prevents excessive deductions from eroding the licensor's royalty base and provides predictability for both parties.

Minimum royalty guarantees often serve as a financial baseline, ensuring that the licensor receives a certain level of compensation regardless of actual sales performance. These guarantees are particularly important when the licensor is granting exclusive rights or when the licensee's sales projections are uncertain. However, minimum guarantees must be carefully calibrated to reflect realistic sales forecasts and market conditions. Overly aggressive minimums can strain the licensee's finances and jeopardize the relationship, while guarantees set too low may fail to protect the licensor's interests. The agreement should also address the timing and method of minimum guaranteed payments (*e.g.*, whether they are due upfront, in installments, or as a credit against earned royalties).

To address economic uncertainty and the impact of tariffs, parties may include more robust protective tools such as force majeure clauses that safeguard against unforeseeable disruptions, and flexible payment structures that adjust royalty tiers based on external economic indicators or performance metrics. Payment schedules can also be staggered or deferred to support cash flow during downturns. A carefully defined net sales clause may explicitly exclude tariffs, duties, or other government-imposed costs from royalty calculations. Agreements may also allow for mid-term renegotiation or termination if specific economic thresholds—such as significant tariff increases, currency devaluation, or prolonged recessions—are triggered.

g. Allocation of Promotional Expenses

When drafting agreements involving promotional activities, it is important to clearly define which party is responsible for promotional expenses, including any minimum spend commitments. The agreement should specify ownership and usage rights for promotional materials, and, if both parties contribute, consider establishing a shared marketing fund.

The shared fund can be structured in a number of ways, including as a fixed annual contribution from each party or as a percentage of net sales, and should be dedicated to advertising, promotional activities, and other brand-building initiatives. The agreement should clearly outline the approval process for marketing expenditures, ensuring that all campaigns and materials align with the licensor's brand guidelines. Equally important is specifying the ownership of creative assets developed using the shared marketing fund. The contract should state whether the licensor, the licensee, or both will own the rights to advertising materials, digital content, and other creative outputs. If the licensor retains ownership, the licensee should be granted a license to use these assets for the duration of the agreement. Addressing these issues up front helps prevent disputes over intellectual property and ensures that valuable marketing collateral remains available for future use. Regular reporting on promotional expenditures and activities should also be required for transparency.

h. Termination Mechanics and Sell-Off Period

Clear and unambiguous language regarding the duration of the agreement and the circumstances under which it may end is essential. The agreement should explicitly state the expiration date or the specific event that will trigger its expiration, such as the completion of a project or the passage of a fixed term. In addition, it is important to outline the precise conditions that would constitute a breach of the agreement, such as failure to pay royalties, unauthorized use of intellectual property, or non-compliance with established quality standards. The process for addressing breaches, including any notice and cure periods, should also be detailed to provide a clear framework for resolution.

Careful consideration should be given to whether to include an option or obligation to renegotiate its terms. While parties are not typically required to include a renegotiation clause unless there is a specific business rationale, the language used for such a clause matters, and the distinction between "shall" and "may" should be observed: "shall" imposes a mandatory obligation, whereas "may" confers discretion. For example, stating that "the parties shall renegotiate the royalty rate every two years" creates a binding requirement, while "the parties may renegotiate the royalty rate every two years" merely allows for the possibility without imposing an obligation. "For the avoidance of doubt" language can be used to make clear what is an option versus an obligation.

It is also advisable to incorporate specific external triggers for renegotiation, such as the imposition of tariffs above a certain threshold or other significant economic events that could impact the agreement's commercial viability. Furthermore, the agreement may include a right to terminate if tariffs or other economic changes render performance commercially impracticable or unprofitable for one or both parties. Any such termination rights should be clearly defined, specifying the conditions under which they may be exercised, and should be subject to reasonable notice requirements and, where appropriate, an opportunity to cure the issue or renegotiate the terms. This approach ensures that the agreement remains adaptable to changing circumstances while providing both parties with clarity and protection.

If applicable, the agreement should provide for a defined sell-off period during which the licensee may continue to sell off remaining stock, and address channel permission during the sell-off period, such as whether the goods may be sold through alternative channels such as discount stores. If sell-off is permitted, the contract should outline any restrictions on promotional activity, including bundling, discounting, or use of expanded channels like closeout or discount retailers—potentially subject to the licensor's prior approval. The sell-off period should be subject to ongoing quality control and royalty payment obligations to protect the licensor's interests. Licensors concerned about potential brand dilution or market saturation may require that any deep discounting or promotional sales during the sell-off period receive prior written approval, or may mandate progressive price reductions to ensure that products are cleared in an orderly fashion without undermining brand value.

Playboy v. Play Beverages is a case that underscores that post-term sales can escalate a contract breach into willful infringement, with costly legal and reputational fallout. [4] The nearly $19 million judgment against Play Beverages, a licensee that kept selling Playboy energy drinks after the license expired, highlights the severe consequences of ignoring term and sell-off provisions. By continuing to use the trademarks post-termination, the licensee triggered liability for trademark infringement, counterfeiting, unpaid royalties, treble damages, and attorneys' fees.

i. Post-Termination Obligations and Asset Hygiene

In contemplation of the eventual end, the agreement should clearly define the treatment of both physical and digital assets. This includes return, removal, or transfer of branded materials such as unsold inventory, product listings, advertisements, and digital content like social media posts, websites, and e-commerce ASINs.

For digital content, the contract should specify whether it must be removed, modified, or may remain accessible, and if transfer to the licensor is required, detail the format and licensee's obligations to support a smooth handoff—such as redirecting web traffic, updating metadata, and minimizing consumer confusion.

Ownership and post-termination use of data, analytics, and consumer insights should be resolved upfront, including any required anonymization or non-compete protections. Wind-down obligations, such as transitioning control over digital assets, updating consumer messaging, or assisting with platform transitions, should be detailed with clear responsibilities and deadlines. Finally, the agreement should address user-generated or third-party content—such as influencer posts or fan pages—and clarify whether the licensee must seek removal, cease promotion, or simply certify that all post-termination obligations have been met.

j. Non-Disparagement and Communications Control

The agreement should include a broad yet sufficiently specific definition of "disparagement," clarifying the types of statements, products or services, and individuals that are covered. This clarity helps prevent ambiguity and ensures that all parties understand the scope of the restriction. Additionally, the agreement should specify the remedies available in the event of a breach, providing clear consequences for non-compliance.

To maximize protection, the non-disparagement obligation should extend to all relevant parties, particularly employees, and should explicitly identify all individuals and entities subject to the provision. Consideration should also be given to whether contractors, consultants, or other third parties acting on behalf of either party should be included within the scope of the obligation.

The agreement should clearly state the duration of the non-disparagement obligation, whether it applies only during the term of the agreement, for a specified period after termination, or in perpetuity. It is also important to include exceptions for truthful statements that are required by law, regulation, or court order, such as those made in response to subpoenas or government investigations.

The dispute between the Michael Jackson Estate and HBO in *Optimum Productions v. Home Box Office* over the documentary "Leaving Neverland" highlights the enduring power of non-disparagement clauses.[5] In this case, a 1992 agreement included a non-disparagement provision that survived the expiration of the contract, preventing HBO from making disparaging remarks about Michael Jackson even decades after the original performance. The court enforced this provision, compelling HBO to arbitrate the dispute and underscoring that non-disparagement and confidentiality obligations can bind parties long after a contract's commercial life has ended. By March 2025, the dispute was settled, and "Leaving Neverland" was removed from HBO Max. This case is a lesson on the importance of particularity. Agreements should be explicit about the survival of non-disparagement obligations and duration, consider how the definition of "disparagement" may be tempered by news reports or other sources of fact, and ensure the clause covers all relevant parties and communications, including social media and public statements.

k. Liability Caps and Damage Limitations

Implementing caps on direct damages in commercial agreements enhances predictability and helps parties manage risk. However, to maintain effective deterrence, it is prudent to carve out exceptions for damages resulting from willful misconduct, gross negligence, intellectual property infringement, and breaches of confidentiality. These carve-outs ensure that parties remain accountable for the most serious breaches of the agreement.

A duty to mitigate damages should be included, requiring both parties to take reasonable steps to minimize losses in the event of a breach. For licensors, the ability to seek injunctive relief—particularly in cases of trademark misuse—is often critical for protecting brand integrity. Conversely, licensees may seek to limit the availability of injunctive remedies for minor or technical breaches, such as late reporting, to avoid disproportionate consequences.

The agreement may also clarify that limitations on liability do not apply to indemnification obligations for third-party claims arising from specified conduct. This ensures that parties remain fully responsible for such claims, regardless of any general damages cap.

To further manage potential exposure, parties may be required to maintain appropriate insurance coverage, such as professional liability or intellectual property infringement insurance, especially where liability is otherwise limited. Finally, recognizing that some jurisdictions may not enforce all limitations—particularly those related to gross negligence or willful misconduct—the agreement should include a savings clause to ensure that the limitation of liability remains enforceable to the greatest extent permitted by law.

l. Injunctive Relief and Equitable Remedies

Typically, breaches involving unauthorized use of trademarks, sale of counterfeit goods, or disclosure of trade secrets are considered to cause irreparable harm, as monetary damages alone may not be sufficient to remedy the injury. For these categories of breach, the agreement should expressly state that injunctive relief is available.

Conversely, the agreement may bar equitable relief for breaches that are purely monetary and can be adequately compensated by damages, ensuring that injunctive remedies are reserved for situations where they are truly necessary. To address urgent situations, the agreement can provide for expedited arbitration or "rocket-docket" court filings, allowing parties to seek expeditious relief when time is of the essence.

m. Choice of Law, Venue, and Dispute Resolution

It is important to carefully consider the choice of forum for resolving disputes. For example, a corporation may prefer a forum that is well known for expertise in handling complex commercial matters, including intellectual property and contract disputes, such as courts in Delaware or New York.

To address the varying needs of different types of disputes, parties may consider including a split-forum clause in their agreement. This approach allows for different types of disputes to be resolved in different venues, optimizing the process for each category. For instance, disputes involving requests for injunctive relief—such as stopping unauthorized use of intellectual property—are often best handled by courts, which have the authority to issue immediate and enforceable orders. Routing these matters to a court ensures that urgent issues can be addressed swiftly and effectively. On the other hand, disputes over royalties, accounting, or other financial matters may be better suited to arbitration. Arbitration can offer a faster, more confidential, and potentially less adversarial process than traditional litigation. By funneling disputes most likely centered on confidential information to arbitration, parties can preserve business relationships, protect sensitive information, and avoid the publicity that often accompanies court proceedings.

n. Force Majeure and Material Adverse Change

Parties should modernize boilerplate provisions to expressly address contemporary risks, including pandemics, governmental tariffs, supply-chain breakdowns, and cyber-attacks. These provisions should clearly define the scope of such events as force majeure or excusable delay, ensuring that the contract remains relevant in the face of evolving global challenges.

To further manage risk, parties may incorporate specific thresholds that trigger renegotiation or termination rights. For example, if raw-material costs increase or currency values fluctuate beyond predefined percentages or amounts, either party may have the right to initiate renegotiation of key terms. If renegotiation fails, the contract may allow for termination without penalty. These triggers should be objectively measurable and agreed upon in advance to provide certainty and fairness.

V. Production, Compliance, and Ongoing Governance

The signed contract is only the beginning of the business relationship. To bridge the gap between legal documentation and day-to-day operations, counsel should prepare and circulate a concise, plain-English "deal memo." This summary should distill the essential terms of the agreement, including the execution date, the parties involved, the licensed trademarks, primary contacts, a detailed product list, defined territories, authorized sales channels, contract duration, royalty structures, quality assurance requirements, projected launch timelines, and confidentiality obligations. By providing this accessible reference, product managers and operational teams can quickly understand their responsibilities and key deal points without wading through lengthy, complex contracts.

To ensure smooth execution, leverage project-management software to monitor all contractual deliverables. This includes tracking deadlines for prototype submissions, royalty and sales reporting, insurance certificate renewals, marketing plan approvals, and audit windows. Assign each deliverable a specific owner and a clear due date. Centralizing these obligations in a shared platform prevents important tasks from slipping through the cracks and transforms compliance from a potential source of confusion into a manageable, transparent process.

When licensees manufacture products through third-party factories, the contract may mandate pre-approval of production facilities, regular compliance audits, and adherence to labor laws and sustainability standards. Proactive diligence in this area not only protects brand reputation, but also mitigates legal and operational risks associated with supply-chain misconduct.

Establish a clear reporting schedule and specify the required accounting standards. Reserve the right for the licensor to conduct a specified number of audits per year, and stipulate that if discrepancies exceed a predetermined threshold (for example, a 5 percent understatement of royalties), the licensee will bear the cost of the audit. To balance interests, licensees may negotiate reasonable caps on the lookback period for audits, limiting their exposure to historical claims.

Anticipate potential reputational risks by embedding a joint crisis communications template within the agreement. This protocol should be activated in the event of product recalls, public controversies involving endorsers, or viral social media incidents. Designate specific spokespersons, establish message approval processes, and define blackout periods during which no public statements are made without mutual consent. Having a pre-agreed plan in place enables both parties to respond swiftly and cohesively, minimizing the risk of causing long-lasting reputational harm.

VI. Exit Strategies and Renewal Mechanics

Thoughtful contract drafters recognize that planning for the conclusion of a business relationship is just as important as setting its terms at the outset. Well-crafted exit provisions are not signals of mistrust or invitations to terminate, but rather serve as incentives for both parties to perform at their best. By establishing clear and objective termination rights, the agreement encourages ongoing accountability and ensures that both sides understand the consequences of underperformance. When the partnership is thriving, both parties are typically motivated to renew and continue the relationship; conversely, if key performance indicators are not met, a straightforward exit mechanism prevents the relationship from lingering in uncertainty or dispute.

For licensees entering new markets, the ability to renew the license is often critical to their long-term planning and investment. Licensors, on the other hand, may wish to tie renewal rights to specific performance benchmarks, such as achieving minimum sales volumes, maintaining timely royalty payments, or agreeing to renegotiate royalty rates or escalators. To avoid surprises, the agreement should specify a clear "notice window"—for example, requiring that either party provide written notice of intent to renew or terminate a certain number of days before the agreement's expiration. This advance notice period ensures that both parties have sufficient time to plan for the future, whether that means preparing for renewal negotiations or winding down operations.

License expiration provides a strategic opportunity to revisit and renegotiate key terms. Shifting market conditions, brand value, or performance under the original agreement can justify adjustments to royalty rates, territory, product scope, or quality controls. Rather than defaulting to automatic renewal, licensors and licensees may treat the renewal window as a leverage point to realign the deal with current business priorities and protect long-term interests.

VII. Conclusion

Brand licensing is inherently multidisciplinary, sitting at the nexus of intellectual property, contract law, antitrust, corporate governance, marketing, and public relations. Success depends on rigorous strategic planning, meticulous partner selection, precision drafting, vigilant operational oversight, and disciplined exit execution. By adopting the best practices outlined in this article, practitioners can transform licensing from a potentially risky gamble into a disciplined brand growth engine. The reward is a mutually beneficial partnership that expands consumer choice, generates predictable revenue streams, and preserves the integrity of the underlying brand for future generations.

Footnotes

1 Stephen Slesinger, Inc. v. Disney Enterprises, Inc., 702 F.3d 640 (Fed. Cir. 2012).

2 SIC (Standard Industrial Classification) and NAICS (North American Industry Classification System) codes are systems used to categorize businesses by industry. SIC codes are older, four-digit codes, while NAICS codes are newer, six-digit codes now standard for most federal purposes. Both help organize industry data for research, compliance, and analysis.

3 702 F.3d 640 (Fed. Cir. 2012)

4 Playboy Enterprises Intern., Inc. v. Play Beverages, LLC, 2013 WL 2151557 (N.D. Ill. 2013); *see also* Play Beverages, LLC v. Playboy Enterprises International, Inc., 2018 IL App (1st) 171850 (Ill. App. 1 Dist., 2018).

5 Optimum Productions v. Home Box Office, 839 Fed.Appx. 75 (9th Cir. 2020).