

Karen Artz Ash Talks to *Managing IP* About Being Mindful in Brand License Agreements

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Co-chair and partner of the Intellectual Property department, Karen Artz Ash, spoke to *Managing IP* about how companies need to be careful when selecting trademark licensees in order to ensure a licensee doesn't harm their brand reputation with consumers and maintains company standards for ethical and corporate social responsibility.

"Virtually all responsible and large brands have corporate responsibility components in their licenses," Karen said.

According to Karen, licensees are usually obligated to follow a licensor's corporate social responsibility guidelines, and if a licensor updates those guidelines on occasion, a licensee is expected to follow such changes.

When it comes to disagreements between licensees and licensors, brands also need to determine the best way to handle a dispute. Karen said some brands might prefer arbitration since it is less expensive and not public, but there are also benefits to litigation. She added that it's important for a licensee and licensor to trust each other or have worked with each other before to negotiate a good agreement.

If a licensee involves contractors or sub licensees in the manufacturing process of a brand, it is important for licensees to monitor them, which could include visiting factories or hiring a third party to conduct audits to ensure that sub licensees adhere to brand license requirements, Karen explained

Read, "[CSR brand license clauses need close inspection, lawyers say](#)," in its entirety.

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