

TO: BOARD OF TRUSTEES  
FROM: SUPERINTENDENT

**COMMUNICATION NO. 15-2010/2011-BS**

Prepared by the Office of Vice President Business Services  
for Presentation to the Board of Trustees

July 12, 2010

**SUBJECT: APPROVAL OF EQUIPMENT AND MARKETING MATERIAL LOAN  
AGREEMENT BETWEEN STARBUCKS COFFEE COMPANY AND THE  
ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT**

**A. BACKGROUND**

The Director of Auxiliary Services has been reviewing a plan to integrate beverage equipment and products in the cafeteria. Starbucks Coffee Company will provide the cafeteria with coffee products from the family of Starbucks brands. The Antelope Valley College will purchase Starbucks products, namely, Seattle's Best Coffee. In exchange, Starbucks will provide the brewing equipment, standards, and signage along with marketing materials for use.

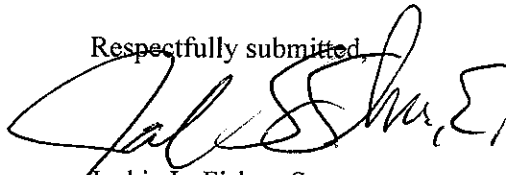
**B. BUDGET IMPLICATIONS**

The attached agreement outlines the requirement for both parties. There is no budget implication for the purchase of the loaned equipment or repair and maintenance. The agreement shall continue until terminated by either party.

**C. RECOMMENDATION**

It is recommended that the Board of Trustees approve the attached equipment and marketing material loan agreement between Starbucks Coffee Company and the Antelope Valley Community College District.

Respectfully submitted,



Jackie L. Fisher, Sr.  
Superintendent/President

Prepared by:



Deborah Wallace  
Vice President Business Services

Office of Business Services

Communication No. 15-2010/2011-BS

July 12, 2010

**APPROVAL OF EQUIPMENT AND MARKETING MATERIAL LOAN AGREEMENT BETWEEN  
STARBUCKS COFFEE COMPANY AND THE ANTELOPE VALLEY COMMUNITY COLLEGE  
DISTRICT**

**STARBUCKS COFFEE COMPANY  
EQUIPMENT AND MARKETING MATERIAL LOAN AGREEMENT**

ACCOUNT NAME \_\_\_\_\_

ACCOUNT NUMBER \_\_\_\_\_

**Welcome to Starbucks! We're looking forward to working with you to provide you and your customers with the finest in fresh roasted coffee and coffee products from the family of Starbucks brands. In connection with your purchase of Starbucks products, we may provide brewing equipment, brewing standards, signage and marketing materials for your use. In exchange, you agree to adhere to our quality standards and to the terms and conditions below:**

**1. Quality Assurance Standards.**

When you use and operate any of the brewing equipment and accessories that Starbucks, at your election, may loan to you on the terms and conditions of this Agreement ("Loaned Equipment") – or any of your own equipment that Starbucks, or its designated representative, has inspected and approved for use ("Your Equipment") – you agree to follow the QA Standards and marketing guidelines that Starbucks establishes from time to time. You may request a copy of the current QA Standards and marketing guidelines at any time from the Starbucks representative who serves your account.

Starbucks personnel may conduct visits to monitor compliance with the QA Standards and marketing guidelines. If you do not adhere to the QA Standards, Starbucks will request corrective action. If the corrections are not made in the time determined by Starbucks, this Agreement may be terminated immediately in Starbucks sole discretion.

**2. Equipment.**

All Loaned Equipment remains the property of Starbucks. The Loaned Equipment is to be used exclusively for brewing and serving the Starbucks branded products which have been selected and approved for your location by a Starbucks representative or authorized agent.

You agree not to cover, tamper with, or remove any markings identifying Starbucks as the owner of the Loaned Equipment and agree to keep the Loaned Equipment free of any liens, claims or encumbrances.

Starbucks recognizes that the types and quantities of Loaned Equipment at your location may change over time and agrees to provide you with a current listing of Loaned Equipment for your location at any time upon request.

Starbucks will repair and maintain the Loaned Equipment at no cost to you, except that damage caused by other than normal wear and tear will be your responsibility. You will reimburse Starbucks for damaged, lost, or stolen Loaned Equipment, up to its replacement cost.

The required inspection of Your Equipment by an authorized Starbucks service provider, and any required maintenance, will be made at your cost. You will indemnify, defend, and hold harmless Starbucks from and against any damage or third-party claim arising from or alleged to arise from any defective condition of the Loaned Equipment or Your Equipment; the installation, removal or use of any Loaned Equipment or of Your Equipment; or any product made using the Loaned Equipment or Your Equipment, including the product's use and handling (e.g. hot coffee spills).

Starbucks is not the manufacturer of the Loaned Equipment and provides such Loaned Equipment to you only at your election. Starbucks makes no warranties whatsoever regarding any of the Loaned Equipment and specifically disclaims any responsibility for any of the Loaned Equipment failing to meet any specifications published by any person or entity. STARBUCKS MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AS TO MARKETABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER MATTER WITH RESPECT TO THE LOANED EQUIPMENT.

**3. Marketing Materials.**

The word "STARBUCKS", the Starbucks siren logo, the trade names Seattle's Best Coffee, Torrefazione Italia and Tazo and the "Serving the Best" and Tazo Tea logos are all registered trademarks. You recognize that use of any of these trademarks or such other marks, slogans or designs as Starbucks may hereafter designate from time to time (collectively, "Trademarks") reflects upon Starbucks brand image. All Trademarks and Marketing Materials must be displayed in accordance with guidelines determined by Starbucks and may be used only in connection with Starbucks branded Products. Marketing Materials may not be altered in any way. Starbucks may stop the supply of products and Marketing Materials to you if you do not follow Starbucks guidelines or instructions about the use of Marketing Materials.

**4. Termination.**

**Either party may terminate this Agreement at any time. Upon notice of termination, you will cease use of the Loaned Equipment, will remove or cover over any Trademarks and Marketing Materials and will surrender them to Starbucks. By signing this Agreement, you will permit Starbucks to enter your location(s) to remove the Loaned Equipment and Marketing Materials at any time.**

**5. Prior Agreements.**

This Agreement comprises the entire agreement of the parties concerning the subject matter hereof and merges and supersedes all prior and contemporaneous agreements, whether oral or written, express or implied. Notwithstanding the foregoing, if the parties have entered into a Supply Agreement for the provision of coffee products in conjunction with this Agreement, it is understood that the terms of this Agreement are intended to complement the terms of the Supply Agreement and not to supersede

**6. Amendments. This Agreement may not be modified or amended except by a written instrument executed by the parties.**

Agreed to by your authorized representative:

Customer/Account Name: Antelope Valley College Cafeteria

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

DATE: \_\_\_\_\_

STARBUCKS COFFEE COMPANY

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_