

PROPOSAL 3

Preservation of Girl Scout Leadership Experience Relating to the Entrepreneurship Program

Submitted by

Girl Scouts of Kansas
Heartland and 25
additional councils.

Proposal

A motion to amend the GIRL SCOUT TRADEMARK section of the *Blue Book of Basic Documents* by adding the following:

Current Wording	Proposed Amendment	If Adopted, Will Read
<p>GIRL SCOUT TRADEMARK Every product sold in connection with a Girl Scout council-sponsored product sale shall bear the Girl Scout name and service mark, either on the product or on its packaging. Every item bearing any of the registered Girl Scout names, logos, or marks purchased or developed for resale², including items to be sold in council-sponsored product sales, shall be purchased (1) from a GSUSA-licensed vendor, (2) from Girl Scout Merchandise, or (3) produced with prior approval from GSUSA when items are not readily available from a licensed supplier. Every item bearing the Girl Scout name and service mark, including items for resale or non-resale³ by councils, shall conform to the Girl Scout Brand Standards published by GSUSA. Items used for both resale and non-resale shall adhere to the stipulations stated above for resale items.</p> <hr/> <p>²“Resale” is defined as any item resold or given away in connection with an event for which a fee, price, or admission is paid. This includes, but is not limited to, product sales. ³“Non-resale” is defined as any item provided, consumed, or used for the promotion and delivery of Girl Scouts program. This includes items given as donor recognitions.</p>	<p>GIRL SCOUT TRADEMARK Every product sold in connection with a Girl Scout council-sponsored product sale shall bear the Girl Scout name and service mark, either on the product or on its packaging. Every item bearing any of the registered Girl Scout names, logos, or marks purchased or developed for resale², including items to be sold in council-sponsored product sales, shall be purchased (1) from a GSUSA-licensed vendor, (2) from Girl Scout Merchandise, or (3) produced with prior approval from GSUSA when items are not readily available from a licensed supplier. Every item bearing the Girl Scout name and service mark, including items for resale or non-resale³ by councils, shall conform to the Girl Scout Brand Standards published by GSUSA. Items used for both resale and non-resale shall adhere to the stipulations stated above for resale items. GSUSA, along with its alliances and relationships with corporations and businesses, shall not sell, license or otherwise provide for sale any food product bearing the Girl Scout name or service mark when related to the flavors, branding, or likeness of Girl Scout Cookies during the designated entrepreneurship program sales period of any Girl Scout council.</p> <hr/> <p>² “Resale” is defined as any item resold or given away in connection with an event for which a fee, price, or admission is paid. This includes, but is not limited to, product sales.</p> <p>³“Non-resale” is defined as any item provided, consumed, or used for the promotion and delivery of Girl Scouts program. This includes items given as donor recognitions.</p>	<p>GIRL SCOUT TRADEMARK Every product sold in connection with a Girl Scout council-sponsored product sale shall bear the Girl Scout name and service mark, either on the product or on its packaging. Every item bearing any of the registered Girl Scout names, logos, or marks purchased or developed for resale², including items to be sold in council-sponsored product sales, shall be purchased (1) from a GSUSA-licensed vendor, (2) from Girl Scout Merchandise, or (3) produced with prior approval from GSUSA when items are not readily available from a licensed supplier. Every item bearing the Girl Scout name and service mark, including items for resale or non-resale³ by councils, shall conform to the Girl Scout Brand Standards published by GSUSA. Items used for both resale and non-resale shall adhere to the stipulations stated above for resale items.</p> <p>GSUSA, along with its alliances and relationships with corporations and businesses, shall not sell, license or otherwise provide for sale any food product bearing the Girl Scout name or service mark when related to the flavors, branding, or likeness of Girl Scout Cookies during the designated entrepreneurship program sales period of any Girl Scout council.</p> <hr/> <p>² “Resale” is defined as any item resold or given away in connection with an event for which a fee, price, or admission is paid. This includes, but is not limited to, product sales. ³ “Non-resale” is defined as any item provided, consumed, or used for the promotion and delivery of Girl Scouts program. This includes items given as donor recognitions.</p>



RATIONALE FOR PROPOSAL 3

What is the issue the discussion topic or proposal is trying to address?

Girl Scout youth participating in the Entrepreneurship Program, as an element of the acclaimed Girl Scout Leadership Experience, are experiencing undue competition from GSUSA and their relationship with corporations and businesses. GSUSA is receiving royalties from food products sold by retailers during the same time period as Girl Scout youth are selling products as a part of the Entrepreneurship Program. Girl Scout youth are put into situations with consumers whereby the youth are expected to answer questions or respond to comments about Girl Scout cookie-inspired products and the cost comparison to Girl Scout Cookies.

Girl Scout councils and their established alliances with businesses in local jurisdictions are experiencing competition from GSUSA and their relationship with corporations and businesses when Girl Scout cookie-inspired food products are promoted, especially during the Entrepreneurship Program sale.

GSUSA is not upholding the guiding principles of cause-related marketing (*Blue Book*, page 19) which includes “• program activities will be enriched; and • the integrity and financial well-being of GSUSA and Girl Scout councils will be maintained or enriched”.

GSUSA is receiving financial gain by producing commercial competition with the girl entrepreneurship program to the detriment of the girl program and councils, and GSUSA is reducing the financial well-being of the councils through competition of council's local marketing partnerships. GSUSA's commercial competition is not upholding the Girl Scout Law as it is not fair or being a sister to the girls or councils. Furthermore, the competition from GSUSA creates barriers to Councils for meeting the CRITERIA AND STANDARDS FOR AN EFFECTIVE GIRL SCOUT COUNCIL (*Blue Book*, Mission Delivery, Standards 1 and 3, page 29) as the Girl Scout Leadership Experience positive girl outcomes are diminished, and it creates barriers to meeting the needs and interests of girls in the jurisdiction.

Are there other ways to address this issue?

An alternative way to address this issue is for Girl Scouts of the United States to provide an equal revenue share of royalties gained through cookies and other food products to councils, so councils can meet the needs of the girls. The royalties could be divided equally by the total number of councils participating in the entrepreneurship program plus GSUSA. Consumers currently have a misperception that they are contributing to local Girl Scouts when purchasing Girl Scout Cookie flavor-inspired products.

How does this proposal improve Movement governance or policy? OR how does this discussion topic inform Movement strategy?

This proposal strengthens policy by protecting the financial stability of individual councils while fully promoting the Girl Scout Leadership Experience.

It is directly related to the Movement strategy of financial stability for GSUSA and all councils.

Does this agenda item have Movement-wide significance? Does it apply to all councils?

This proposal has Movement-wide significance as it protects the Girl Scout Leadership Experience provided locally through the Entrepreneurship Program.



Is this agenda item time-sensitive? What happens if it is not addressed at NCS 58?

This proposal needs to be addressed at the NCS 58 as council financial stability has been greatly impacted due to the GSUSA membership dues increases for which councils are paying financial assistance for girls to participate in Girl Scouting while trying to maintain quality Girl Scout Leadership Experience programs; GSUSA continues to increase the commercialized competition for girl cookie, nut and candy sales; national consumer trends include lowered cookie and snack sales as a part of what is referred to as the “Ozempic Effect” for weight-loss; and girls at cookie booths have to provide customers the reason why purchasing a package of Girl Scout Cookies is more beneficial than purchasing a cookie-inspired product.

FINANCIAL IMPLICATIONS

The potential financial impact to GSUSA and councils has not been determined and cannot be projected as increased details of royalty agreements have not been made public.

GSUSA's 990 through 9/30/2023 indicated \$10,353,004 in royalties received during the fiscal year and commission expenses of \$1,038,901. The 990 through 9/30/2022 indicated \$10,579,898 in royalties received. The 990 through 9/30/2021 indicated \$9,605,776 in royalties received. There is no break-out of what royalties are secured through food related products or sales occurring specific times of the year.

The financial impact on councils is directly related to reduced/strained local partnerships and the reduction in girls' product sales. This financial impact is difficult to quantify across all councils.

An actual example of future potential negative financial impact to a local council is through competition created by the national partnerships with Andy's Frozen Custard and Wendy's for frozen ice cream shake products. The direct competition is with a local partnership where Thin Mints cookies are purchased from the council and are used in a restaurant shake. The competing national partnerships resulted in lowered local restaurant sales contributing to future lowered cookie sales through the council and reduced local Girl Scout marketing. The national competition also created ill-will that the council had to navigate by detailing the partnership entered into by GSUSA.

RECOMMENDATION OF THE NCSAT

The NCS Advisory Team considered this an operational proposal related to complex contract law which would require significant delegate education to ensure that delegates were able to make informed decisions during the NCS. The NCS Advisory Team did not recommend placement on the 58th NCS Agenda.

RECOMMENDATION OF THE NATIONAL BOARD

GSUSA is committed to ensuring financial stability for our Movement. This includes supporting our entrepreneurial programs, which largely generate the revenues that support local Girl Scout troops and councils *and* national licensing product revenue that fund national program resources, which in turn are used to support the Movement overall.

The proposal would jeopardize the cookie and fall product programs, negatively impacting each council, Girl Scouting's brand strength, and ultimately the Movement the proposal seeks to protect.

In making its recommendation, the National Board carefully reviewed the Council Support Survey and the recommendation of the NCS Advisory Team. The council survey revealed that more councils opposed the proposal's inclusion on the NCS agenda than supported it (the proposal did meet the minimum number of votes requiring it to be addressed at NCS or in advance of placement on the NCS agenda).

Given these and other legal and economic risks detailed below, the board opposes the proposal.

There are several consequences to restricting licensing, but perhaps the most damaging is that it weakens our Movement's ability to stop others from profiting from our valuable Girl Scout name, including cookie trademarks.

Limiting trademark licensing creates perceived gaps in the marketplace that invite copycats and infringers to exploit "unclaimed" product categories. By remaining active in multiple product categories, including food and beverage, GSUSA preserves the strength and enforceability of its trademarks. Through licensing, GSUSA has extended its rights beyond cookies, allowing us to challenge infringers in adjacent food categories and prevent misuse of our iconic brands. Exiting the food and beverage market would reduce the reach and strength of our trademarks, making them harder and more costly to defend over time. To effectively protect our marks from commercial exploitation, GSUSA must retain the freedom to use and license them. Expanding the reach of our trademarks—not shrinking it—is the most effective way to maintain control across channels and categories.

Also, as written, the proposal could be interpreted to prevent GSUSA from licensing cookie names to our bakers, which would in turn prevent bakers from selling Girl Scout Cookies and product program items to councils. Ironically, the very program the proposal aims to protect could be put at risk. These risks were shared with the originating council before the 58th NCS Agenda was finalized. Additionally, this proposal relates to complex areas of contract and Intellectual Property (IP) law, which GSUSA's legal team carefully drafts based on deep knowledge and experience in this area of the law to ensure the Movement's interests are protected. In addition to potentially prohibiting the cookie program, the proposal's open-ended language invites amendments that could introduce unintended legal consequences. Drafting legal contract language through National Council debate introduces significant risk for the organization and should not take place on the NCS floor.

The proposal directs GSUSA and its partners to, "not sell, license or otherwise provide for sale any food product bearing the Girl Scout name or service mark when related to the flavors, branding, or likeness of Girl Scout Cookies during the designated entrepreneurship program sales period of any Girl Scout council." As GSUSA shared in its report back to delegates on the December 2025 Secure Tomorrow Discussion topic, this proposal would severely limit GSUSA's ability to license food and beverage products at any time. GSUSA works with the companies that manufacture the licensed products—and retailers ultimately control the timing of product sales. It is impractical and unrealistic to expect that GSUSA can negotiate sales-timing restrictions with a licensee and any attempt to do so would severely curtail GSUSA's ability to find licensing partners willing to operate under restrictions that conflict with their market realities, unintentionally forcing us to exit this market. Furthermore, this language is broad enough that it could also negatively affect fundraising efforts for both GSUSA and councils, including cause-related marketing partnerships¹ (e.g., "When you buy X, \$Y benefits GSUSA or XX Council") with food-industry partners, where the Girl Scout name is used to designate GSUSA or a Girl Scout council as the beneficiary of a product sale. It would also jeopardize other Product Program local revenue generating opportunities, including pairing events and similar collaborations that many councils rely on to support local programming and operations.

¹Any fundraising events must comply with GSUSA and *Blue Book* licensing provisions.



The National Board also recognizes that restricting our licensing program undermines our ability to deliver on Vision 2030. Licensing supports the strategic pillars of Vision 2030, such as Amplify Impact and Secure Tomorrow. It is not just a revenue stream; it is a brand-building strategy that strengthens awareness of Girl Scouting and generates resources for the Movement. Today, GSUSA's licensing program currently contributes approximately \$5 million in revenue annually which GSUSA reinvests into programs available to every girl in our Movement, including updating our programs for girls, the Girl Scout Experience Box, national recruitment campaigns, and operational and program support to every council, including support for our Movement's entrepreneurship programs. Imposing permanent licensing restrictions through the *Blue Book* prevents flexibility in how we use licensing to support our Movement strategy for future growth. As shared in response to questions raised in the December 2025 Secure Tomorrow discussion topic, while GSUSA continues to pursue licensing partnerships with non-food brands, these arrangements are more complex, harder to secure, and unlikely to generate enough revenue to replace lost food and beverage-based partnerships.

Also, the proposal rationale assumes the availability of Girl Scout Cookie-inspired food and beverage products undermines troop cookie sales. As we shared in the report out of the recent independent market research, licensed products actually increase brand awareness and positively influence consumers' decision to buy Girl Scout Cookies. The data does not support that there is a negative correlation between licensing revenue and cookie sales. Additionally, the originating council has not provided any evidence to support the claim that licensed product sales reduce troop cookie sales. In contrast, GSUSA routinely conducts market research to assess the impact of licensing, and this research indicates a positive correlation between licensed products and cookie purchases. Research found that respondents who were aware and/or purchasing Girl Scout licensed products, regardless of category, had stronger brand connection and behaviors and are more likely to buy Girl Scout Cookies in the future. Therefore, removing GSUSA's ability to license these products may harm girl's cookie sales and lower awareness of Girl Scouts' mission among the public. The board appreciates that troops may experience challenges while selling cookies, including instances when customers comment on our licensed products. However, the research data doesn't support the claim that anecdotal cookie booth experiences reflect a national trend.

The proposal could also create immediate contractual exposure. GSUSA has binding agreements with food and beverage licensees, and a blanket prohibition would likely conflict with these obligations. This could create contractual risks, including the possibility that licensees assert claims or remedies which GSUSA would need to manage, including damage to GSUSA's reputation as a reliable partner. Licensing relationships take months or years to develop, and licensees invest significant resources in these collaborations to create not only the product but a fully integrated marketing campaign that marries the best of each brand. A pause or early termination, even if temporary, could discredit GSUSA in the marketplace, making future licensing opportunities, whether in food or non-food, more difficult to secure.

The intellectual property (IP) GSUSA owns in cookie-related names and flavors is a significant asset for the Movement—in terms of the general public's awareness of our organization, and as a community-based source of revenue. This proposal prevents GSUSA from using this asset to support our shared mission and, as worded, jeopardizes the Movement from operating the cookie and fall product programs and other relationships. The complexities of IP and contract law mean that amending the proposal during NCS debate presents significant risk for the Movement. Therefore, the National Board recommends that delegates reject the proposal.

