

**UNIVERSITY OF HAWAI'I
NOTICE OF EXEMPTION FROM CHAPTER 103D, HRS**

The President, University of Hawai'i, is in the process of reviewing the request from (Department/Campus) Office of Intercollegiate Athletics, Manoa, for Women's Cross Country Track & Field Program for exemption from Chapter 103D, HRS, for the following goods, services, or construction:

Exclusive uniform / apparel sponsorship agreement with Nike.

Vendor: Nike
(If known)
Address:

Term of Contract: (If known) From: July 1, 2008 To: June 30, 2011 Cost: \$16,000

Direct any inquiries to:

Department: Intercollegiate Athletics, Manoa, Women's Cross Country

Contact Name/Title: Tiffany Kuraoka, Fiscal Officer

Address: 1337 Lower Campus Road, PE/A, 109
Honolulu, HI 96822

Phone Number:
956-6605

Fax Number:
956-4637

Date Posted: October 9, 2008

Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven (7) calendar days from the date posted to:

Office of Procurement and Real Property Management
1400 Lower Campus Road, Room 15
Honolulu, Hawai'i 96822

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: OFFICE OF PROCUREMENT AND REAL PROPERTY MANAGEMENT

FROM: Office of Intercollegiate Athletics, Manoa - Women's Cross Country, Track and Field Program
(Department/Program)

Pursuant to APM Section A8.220, the Department requests a procurement exemption to purchase the following:

Description of goods, services, or construction:

The UHM Athletics Department wishes to enter into an exclusive uniform/apparel sponsorship agreement with Nike for its Women's Cross Country, Indoor and Outdoor Track and Field Program. Under the proposed Agreement, the University would receive a cash value product allotment each year for the next 3 years. As a condition of its receipt of such annual product allotments, the University would be required to purchase all of its cross country/track and field uniform and practice apparel requirement in excess of the allotted amount from Nike based on wholesale pricing (see attached term sheet).

Estimated Cost: \$ 60,000 over 3 years

(1) Explanation describing how procurement by standard competitive means is either not practicable or not advantageous to the University;

It is impractical to utilize standard procurement procedures for the purpose of soliciting proposals from sports equipment manufacturers for sponsorship and outfitting programs for the University's athletic teams. Manufacturers do not adhere to a common set of requirements and criteria typical of advertised procurement solicitations for purposes of formulating their proposals for each particular college sports team. It is more advantageous in the sports marketing area to solicit such proposals by approaching manufacturers on an informal, one-on-one basis.

(2) Details of the process or procedures to be followed in selecting the vendor to ensure as fair and open competition as practicable;

Other sports manufacturers were solicited for proposals to provide cross country/track and field gear including New Balance, Brooks and Adidas. A total of four proposals were received from Nike, New Balance, Brooks and Adidas. The proposals were reviewed by Carmyn James, Head Cross Country/Track and Field Coach and the Nike proposal was determined to be the most advantageous to the Athletics Department and the women's Cross Country/Track and Field Program. The Nike proposal was considered better than the other proposals based on the the amount of product allotment and the fact that any purchases over the product allotment would be at wholesale pricing. The other proposals gave less product allotment and the pricing was at a higher cost. Carmyn James made the final determination to proceed with the Nike proposal.

(Attach Additional Sheets if Necessary)

(3) A description of the Department's internal controls and approval requirements for the exempted procurement; and

Tiffany Kuraoka, Assistant Athletics Director for Business Operation, and Carl Clapp, Associate Athletics Director for Operations will review and sign every order and purchase requisition.

(4) A list of Department personnel, by position title, who will be involved in the approval process and administration of the contract:

Tiffany Kuraoka - Assistant Athletics Director for Business Operations
Carl Clapp - Associate Athletics Director for Operations

Direct questions to: Tiffany Kuraoka Phone: 956-6505

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT.

Carmyn James, Head Cross Country/Track and Field Coach

Full Name of Principal Investigator, Department Head, or Administrator

Carmyn James Signature Oct 7/08 Date

Tiffany Kuraoka

Full Name of Fiscal Officer

Tiffany Kuraoka Signature 10/7/08 Date

FOR OPRPM USE ONLY

OPRPM COMMENTS:

An exemption for a similar equipment/apparel sponsorship agreement for the UHM softball program was approved in July 2008.

APPROVED DENIED

D. D. McQuinn
PRESIDENT, UNIVERSITY OF HAWAII

10/31/08
DATE

University of Hawaii Track & Cross Country NIKE Proposal
Letter of Understanding: 7/1/08

TERM: Three (3) years commencing July 1, 2008 and expiring June 30, 2011

This is an exclusive Head to Toe (Footwear, Apparel, Uniforms, and Equipment) agreement with the University of Hawaii in the following sports with products that Nike produces for those sports:

Women's: Outdoor/Indoor Track & Field and Cross Country

COMP MERCHANDISE ALLOWANCE \$2000 @ Retail Provided Annually

PURCHASE AGREEMENT:

All Footwear purchased at wholesale

All Equipment purchased at wholesale

All Apparel purchased at wholesale (10% discount if order placed by 12/1 for 7/1 delivery)

All Uniforms purchased at wholesale

Invoice dating will be net 90 days

All orders must be accompanied by a Purchase Order number

SERVICE AGREEMENT:

All sales and service will be a DIRECT relationship between the University and Nike. The University must comply within Nike ordering guidelines, approximately five-six months in advance to guarantee delivery. University will identify one point person for equipment, and identify up to three people authorized to place orders.

NON COMPETE:

Unless otherwise agreed in writing, the University will wear and use Nike products Head to Toe in all sports listed and will not wear or use competitors products on either game day, practice, or during training.

University Administration

Nike USA, Inc.

By _____

By _____

Title _____

Title _____

Date _____

Date _____