



HALLMARK FLOWERS LICENSING FEE

Licensing fees are a part of licensing agreement, like the one FTD has with Hallmark. A licensing fee is paid to Hallmark for each brand name product sold on FTD.com. As a result, the suggested retail prices (SRP) for Hallmark Flowers include additional funds to cover the licensing fee.

The FTD Clearinghouse Statement is used to process the licensing fee.

The licensing fee is 7% of the filling florist's 73% split (or current Clearinghouse rate if different) on each Hallmark Flowers order as shown in the illustration below.

The licensing fee for this order is \$3.07 calculated using the following: $\$59.99 \times 73\% \times 7\%$.

LICENSING FEE FORMULA

ITEM		NEW SRP
FTD.com Suggested Retail Price	×	\$59.99
Florist Percentage	=	73.0%
Dollar amount paid to FTD Filling Florist	-	\$43.79
Licensing fee to Hallmark	=	\$3.07
Net payment to FTD Filling Florist		\$40.72

The total licensing fee will appear on the Clearinghouse Statement as a debit in Section B of the FTD Member Activity Statement. For a breakout of filled (incoming) Hallmark Flowers orders, each separate order will appear in the Combined Report identified by a lower case "h" preceding the operator's initial in the last column of the report.

**If you have any additional questions, please contact
FTD Member Services at 800-788-9000.**