



## AGENDA REPORT

**Meeting Date:** November 12, 2025  
**Item Number:** E-9  
**To:** Honorable Mayor & City Council  
**From:** Joe Evans, Policy and Management  
**Subject:** APPROVAL OF THE RECOMMENDATION OF THE BEVERLY HILLS CITY COUNCIL LIAISON BRANDING AND LICENSING COMMITTEE REGARDING THE USE OF THE BEVERLY HILLS SHIELD BY EREWHON; AND

AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT, SUBJECT TO APPROVAL BY THE CITY ATTORNEY, FOR THE USE OF THE BEVERLY HILLS SHIELD BY EREWHON

**Attachments:**

1. City Council Liaison Branding and Licensing Committee Report from October 31, 2025
2. Proposed Erewhon Memorandum of Understanding (MOU)

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### **RECOMMENDATION**

The Beverly Hills City Council Liaison Branding and Licensing Committee, Mayor Nazarian and Councilmember Wells, recommends that the City Council approve the use of the Beverly Hills Shield by Erewhon and authorize an agreement for a smoothie and tote bag collaboration.

### **INTRODUCTION**

This item seeks City Council approval of the recommendation from the Beverly Hills City Council Liaison Branding and Licensing Committee to approve the use of the Beverly Hills Shield by Erewhon for a smoothie and tote bag collaboration and authorize the City Manager to enter into an agreement, subject to approval by the City Attorney. Under the terms of the agreement, the contract will have a twelve-month term commencing on January 15, 2026. The City will receive royalty payments of \$10 per tote bag and \$2 per smoothie sold during the contract period.

## **DISCUSSION**

Staff receives inquiries from individuals and businesses looking to use the Beverly Hills Shield or its likeness on products and merchandise. As requests are received, they are reviewed by the Beverly Hills City Council Liaison Branding and Licensing Committee (Committee). The Committee met on October 31, 2025, to discuss the use of the Beverly Hills Shield by Erewhon and provided direction. The request was referred to the Committee by the City's branding and licensing consultant CMG Worldwide (CMG) in collaboration with Mayor Nazarian's Innovation Circle. The City has contracted with CMG since 2013.

Erewhon is a Los Angeles based grocery retailer specializing in organic and wellness products. Founded in 1966, it has expanded to 11 stores across the Los Angeles area, including a location on Beverly Drive in Beverly Hills. The company is recognized as a Certified Organic Retailer and a Certified B Corporation, and many of its stores feature cafés and wellness bars. In addition to grocery sales, Erewhon operates as a lifestyle brand, offering limited edition products in collaboration with public figures and maintaining a membership program. Its stated priorities include support for local farms, sustainability practices, and community health.

At the October 31, 2025, meeting, the CMG International representative provided projected sales figures for the proposed Erewhon collaboration. The estimated sales volume is approximately 2,000 smoothies per month, totaling 24,000 annually, which is anticipated to generate approximately \$48,000 in gross royalty revenue for the City from smoothie sales alone. In addition, roughly 1,000 tote bags are projected to be sold, with a \$10 royalty per tote providing an additional source of revenue.

The Committee requested that the City retain review and approval authority over all talent and influencers associated with the campaign to ensure alignment with the City's brand and image. Language will be incorporated into the agreement granting the City final approval rights and establishing parameters for influencer participation. While Erewhon does not intend to compensate influencers for product promotion, the agreement will specify that any paid influencer activity would require the City's prior written approval. No paid advertising is currently contemplated as part of this collaboration.

The tote bag design will be updated to replace the traditional "Los Angeles" marking with "Beverly Hills." Additionally, at the request of Councilmember Wells, Erewhon explored the use of a sustainable, reusable cup for the smoothie. CMG confirmed that Erewhon's current smoothie cups are made from 100 percent reclaimed plastic and meet established sustainability standards.

The original launch date of November 2025 has been revised to January 15, 2026, to allow additional time for coordination between the City and Erewhon in the development of the smoothie flavor and tote bag design. This revised timeline ensures that both products are thoughtfully developed and fully aligned with the City's branding and quality standards. The attached Memorandum of Understanding (MOU) outlines the proposed terms of the agreement. A formal contract incorporating these terms will be subject to review and approval by the City Attorney's Office. Staff will continue to work with CMG International and Erewhon to finalize the agreement language, branding materials, and promotional strategies in preparation for the January 2026 launch.

The table below summarizes the key details of the proposed collaboration between the City of Beverly Hills and Erewhon.

<b>Collaboration</b>	Beverly Hills x Erewhon
<b>Property</b>	City Shield
<b>Products</b>	<ul style="list-style-type: none"> <li>• Smoothies</li> <li>• Totes</li> </ul>
<b>Location</b>	<ul style="list-style-type: none"> <li>• Smoothies – Only available at the Smoothie Bar in the Beverly Hills Erewhon store.</li> <li>• Totes – Sold online; if offered in-store, they will be placed near the checkout area.</li> </ul>
<b>Term</b>	12 Months from execution
<b>Projected Launch Date</b>	January 15, 2026
<b>Marketing and Advertising</b>	Erewhon does not engage in active marketing for products but may utilize influencers to promote following launch
<b>Territory</b>	Erewhon Beverly Hills and Online
<b>Price</b>	<ul style="list-style-type: none"> <li>• Smoothie: \$22 - \$23 Royalty: \$2 per smoothie</li> <li>• Tote: \$60 - \$130 Royalty: \$10 per bag</li> </ul>

**FISCAL IMPACT**

The projected fiscal impact of the Beverly Hills collaboration with Erewhon is anticipated to generate royalty revenue of \$2.00 per smoothie and \$10.00 per tote bag. Based on estimated annual sales of 24,000 smoothies, the City is expected to receive approximately \$48,000 in gross royalty revenue from smoothie sales. Furthermore, the sale of 1,000 tote bags is projected to generate an additional \$10,000 in revenue, resulting in a total projected fiscal impact of \$58,000 over the twelve-month term of the agreement.

Keith Sterling,  
Deputy City Manager  
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Approved By

# **Attachment 1**



**CITY OF BEVERLY HILLS**  
**POLICY AND MANAGEMENT**  
**MEMORANDUM**

**TO:** City Council Liaison/ Branding and Licensing Committee  
**FROM:** Joe Evans, Policy and Management  
**DATE:** October 31, 2025  
**SUBJECT:** Request to Approve Use of City Shield for Beverly Hills × Erewhon Collaboration  
**ATTACHMENTS:** 1. Proposed Beverly Hills × Erewhon Collaboration

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**INTRODUCTION**

The City periodically receives inquiries about the use of the trademarked Beverly Hills City Shield. This report provides the City Council Liaison/Branding and Licensing Committee of Mayor Sharona Nazarian, PsyD and Councilmember Mary Wells (Liaisons) with an overview of the proposal to use the City Shield in a collaboration with Erewhon for a City-approved tote bag and co-created smoothie.

**DISCUSSION**

Staff receives inquiries from individuals and businesses looking to use the trademarked Beverly Hills Shield on products and merchandise. As requests are received, they are referred to the City's branding and licensing consultant CMG Worldwide (CMG). The City has contracted with CMG Worldwide since 2013.

Erewhon is a Los Angeles based grocery retailer specializing in organic and wellness oriented products. Founded in 1966, it has expanded to 11 stores across the Los Angeles area, including a location on Beverly Drive in Beverly Hills. The company is recognized as a Certified Organic Retailer and a Certified B Corporation, and many of its stores feature cafés and wellness bars. In addition to grocery sales, Erewhon operates as a lifestyle brand, offering limited edition products in collaboration with public figures and maintaining a membership program. Its stated priorities include support for local farms, sustainability practices, and community health.

Erewhon is seeking approval for the Erewhon x Beverly Hills collaboration, a concept that originated from Mayor Sharona Nazarian's Innovation Circle, an exclusive advisory cabinet created for the next generation of thinkers, creators, and changemakers. The collaboration will feature two products: a City-approved tote bag and a co-created smoothie. The tote bags, priced between \$60 and \$130 with a \$10 royalty per bag, will primarily be sold online. If sold in-store, totes will be placed at the checkout area. The City Shield will be used without modifications, and the tote design will be subject to City approval.

The smoothie will be jointly developed with City input on flavors and aesthetics. A City representative may participate in creating flavors and colors. The smoothie will be prepared fresh at the Beverly Hills Erewhon Smoothie Bar and retail at \$22 to \$23 with a \$2 royalty per smoothie.

Erewhon does not engage in active marketing for the products but may utilize influencers to post after the launch, consistent with previous collaborations. The collaboration is planned to run for 12 months from execution, with a launch scheduled for mid-November. Smoothies will be available exclusively at the Beverly Hills Erewhon Smoothie Bar, while tote bags will be primarily sold online.

The table below outlines key details of the proposed use of the City Shield.

<b>Collaboration</b>	Beverly Hills x Erewhon
<b>Property</b>	City Shield
<b>Products</b>	<ul style="list-style-type: none"> <li>• Smoothies</li> <li>• Totes</li> </ul>
<b>Location</b>	<ul style="list-style-type: none"> <li>• Smoothies – Available at the Smoothie Bar in the Beverly Hills Erewhon store.</li> <li>• Totes – Sold online; if offered in-store, they will be placed near the checkout area.</li> </ul>
<b>Term</b>	12 Months from execution
<b>Marketing and Advertising</b>	Erewhon does not engage in active marketing for products but may utilize influencers to promote following launch
<b>Territory</b>	Erewhon Beverly Hills and Online
<b>Price</b>	<ul style="list-style-type: none"> <li>• Smoothie: \$22 - \$23 Royalty: \$2 per smoothie</li> <li>• Tote: \$60 - \$130 Royalty: \$10 per bag</li> </ul>

### **FISCAL IMPACT**

If the proposed terms are accepted, the fiscal impact of the approval of the use of the Beverly Hills Sheild by Erewhon will result in royalty revenue to the City in the amount of \$2.00 per smoothie and \$10.00 per tote.

**RECOMMENDATION**

Staff requests that the City Council Branding and Licensing Committee review and provide feedback on the proposed use of the Beverly Hills Shield for the Erewhon x Beverly Hills collaboration.

If approved by the Liaisons, staff will present the proposal to the full City Council for consideration at the next City Council meeting.

# **Attachment 1**



FW 25 COLLABORATION

SMOOTHIE AND TOTE BAG PRODUCT LINE

# EREWHON

*Beverly Hills*



# Smoothie

(001)

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**PROPERTY**

Beverly Hills Shield Trademark

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**TERM**

Launch: Mid November, 2025  
Term: 12 months from execution

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**PRICE**

Retail: \$22 - \$23  
Royalty: \$2 per smoothie

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**LOCATION**

On-site:  
→ Beverly Hills Erewhon  
→ Smoothies will be sold at the Tonic Bar

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**PARTNERSHIP**

→ Joint collaboration  
→ The City may designate a rep to help develop customized flavors and colors

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**MARKETING**

Potential influencer posts, consistent with past practice

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# Smoothie Ideas



"The Beverly Hills Hotel"  
Strawberry Milk Matcha Smoothie



"Rodeo Drive"  
Stracciatella Smoothie



"Coco Couture"  
Toasted Coconut Cocoa Smoothie



"The Crest"  
Mango Charcoal Sesame Smoothie



# Tote Bag

(002)

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**PROPERTY**

Beverly Hills Shield Trademark

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**TERM**

Launch: Mid November, 2025  
Term: 12 months from execution

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**PRICE**

Retail: \$60 - \$130  
Royalty: \$10 per bag

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**LOCATION**

On-site:  
→ Beverly Hills Erewhon  
→ Totes will be placed near the Checkout

Online:  
→ Totes will be mainly sold online

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**PARTNERSHIP**

→ The City retains approval rights in a simple and sleek process.

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**MARKETING**

Potential influencer posts, consistent with past practice.

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# **Attachment 2**

## Memorandum of Understanding

This Memorandum of Understanding (“MOU”) is made as of November 3, 2025, by and between the City of Beverly Hills, care of CMG Worldwide, Inc. (“Licensor”), and Erewhon (“Licensee”). This MOU is intended solely to outline the key terms of a potential business relationship and shall be superseded by a definitive License Agreement. This MOU is non-binding and does not create any legal obligations, except as may be expressly agreed in writing by the parties. The parties intend to negotiate in good faith and execute a definitive License Agreement embodying the terms set forth herein.

1. **Property.** Beverly Hills shield design mark, together with related trademarks for the mark.



TM

2. **Products.**
  - a. Tote Bag;
  - b. Smoothie (co-created).
3. **Term.** The license will commence on the first commercial sale of any Licensed Product (the “Launch Date”), which shall occur no later than January 15, 2026, and continue for twelve (12) months thereafter.
4. **Territory / Locations.** Sales limited to: (a) the Erewhon Beverly Hills retail store; and (b) online sales fulfilled by Licensee to U.S. customers.
5. **Royalties / Fees.**
  - a. No advance.
  - b. Per-unit royalties: \$10 per Tote Bag; \$2 per Smoothie. (Estimated retail: Totes \$60–\$130; Smoothie \$22–\$25.)
6. **Reporting / Payments.** Quarterly sales reports and royalty payments due within 30 days after quarter-end.
7. **Approvals.** The City shall have final approval over (i) Tote Bag design and materials and (ii) Smoothie flavor and ingredients. Licensee will submit all designs/formulations, and there will be a session where the City and its selected representatives may mix and taste perspective formulations.
8. **Marketing / Influencers.** No paid advertising is contemplated. If Licensee proposes any paid influencer activity, it shall require Licensor’s prior written approval (name, content, usage, timing).
9. **Sustainability (Packaging Note).** Smoothie cups to be the same format used by Erewhon and described by Licensee as sustainable (i.e. reclaimed plastic).
10. **Samples.** Tote Bags: 12; Smoothies: 20
11. **Use of Marks.** No use of the Property prior to (i) execution of the definitive License Agreement and (ii) written design approval by the City. No modification of the Shield.
12. **Exclusivity.** None implied unless expressly stated in the definitive agreement.
13. **Conditions.** Any launch is subject to Branding & Licensing Liaison review and City Council approval, and to the parties’ execution of a definitive License Agreement.