

Appendix B
INTERAGENCY PASS MARKETING POLICY
January 2008

A. BACKGROUND

The Federal Lands and Recreation Enhancement Act (REA) allows the government to establish sales and marketing relationships with commercial or non-commercial groups. These third parties may wish to participate in the Interagency program and sell the Annual Pass as a convenience to customers. The following policy has been designed to ensure that all participating agencies manage and market third party relationships consistently.

Third party sales relationships are generally managed at one of two levels:

1. Field, regional, or state office/site level (Local) third party relationships, OR
2. National level by the Interagency Pass Program Office (National) third party relationships.

The size, location and scope of the third party partner will determine at what level the third party relationship is managed, either local or national.

Theoretically there is no limit to the number of third party relationships that can be established, however, administrative manageability, cost effectiveness, and the need to balance central sales with field site sales are considerations in approving new third party relationships.

The following Marketing Policy is for the America the Beautiful – National Parks and Federal Recreational Lands ANNUAL Pass only.

The *Senior* and *Access* versions of the pass as well as the *Decal* all require proof of eligibility and have sales and issuance restrictions. These two passes and the Decal may only be sold or issued by designated Federal personnel.

B. GENERAL GUIDELINES FOR BOTH LOCAL AND NATIONAL THIRD PARTY RELATIONSHIPS

1. An agreement/instrument will be required for each third party relationship.
2. The parameters for local third party relationships will be consistent among agencies. Agencies and individual recreation sites may use their own agreements/instruments as appropriate, following the parameters and business rules in this guideline.
3. Passes must be sold to the public at full face value, no discounts may be offered.
4. Third parties must validate (punch with an expiration date) passes at the time of sale.
5. Third Parties are required to purchase and use a 1/8" hole punch.
6. All agreements/instruments will be reviewed annually.
7. Each agreement/instrument must allow for government revocation or non-renewal based upon changes to legislation.

8. All agreements/instruments shall include a clause that reserves the right to require advance review of any advertising, publicity or other material prepared by third parties for any national or regional promotional campaign for public distribution. In so far as the material reflects upon the Federal agencies or bears agency logos or trademarks, such right of approval shall also be based on whether the material, at the sole discretion of the government, properly reflects agency missions; conveys an educational message; promotes appropriate and responsible behavior at federal recreation sites and/or encourages continued public support and preservation of public lands.
9. No product or service endorsement will be allowed when a pass is sold.
10. The Government reserves the right to select the organizations with which it will partner, and will not allow promotions and marketing materials that are inappropriate in nature.
11. Name Capture, the recording of a customer's personal information in a database for later use by the third party, may only be allowed with national level agreements/instruments. Name capture will be subject to compliance with the Systems of Records Notice, and the Privacy Act.
12. "Value-add" promotions, (passes packaged with other appropriate items) are allowed as long as the value of the pass is not discounted and the add-on item(s) meets the other requirements of these guidelines. Organizations that purchase the passes at a wholesale rate will be allowed to use the difference in price to underwrite costs for value-add items that would be promoted and packaged with the Pass. The following guidance is provided for value-add promotions.
 - a) All promotional materials will be subject to review and written approval by the managing office.
 - b) The third party must absorb all costs of the value add items, and all additional fulfillment costs.
 - c) Items added with the pass must be appropriate for all audiences. Examples of appropriate items are single use cameras, phone cards, certificates for discounts at hotels or retailers, wildlife calendars, etc.
 - d) Items added to the pass must be clearly disclosed as being added by the third party organization, and must not imply any approval or endorsement by the government
13. International third parties approved by the National Pass Program Office are permitted to sell the pass.
14. Refunds will not be issued to third parties for unsold passes, however, there is an exchange program.
15. Previous year's passes may not be sold (i.e. 2009 passes cannot be sold after December 31, 2009.)
16. Retailers must allow up to 4 weeks for delivery of orders.

C. EXCHANGE OF STOCK

1. Local third parties that work directly with a Federal Recreation field site will conduct any stock exchange transactions directly with the Federal Recreation field site.
2. National third parties that order passes from USGS whose agreements/instruments are managed by the National Pass Program Office, will exchange stock directly with USGS.

- a. National Third Parties will be assessed a cost recovery fee as indicated in their agreement/instrument.
3. The exchange policy will be reviewed annually and may be modified or terminated if accountability and manageability problems arise.
4. Only active third parties with a valid agreement/instrument for the following year can exchange stock from the preceding year. (i.e. In order to exchange unsold 2009 inventory with an equal amount of 2010 inventory, the third party must have a valid agreement/instrument for 2010. If a third party does not have a valid partner agreement/instrument for 2010, the third party will not be permitted to return or exchange any unsold 2009 inventory.
5. One exchange will be allowed per agreement/instrument per calendar year. If a third party has more than one sales outlet, the third party is responsible for combining all stock into one return. Additional returns from a third party will not be processed.
6. All annual passes for each calendar year must be received for exchange no later than March 30 of the next calendar year. Returns received after March 30 will not be exchanged.
7. Third parties must properly record and account for all serial numbers of pass stock included in the return shipment. Stock that is submitted without proper documentation will be returned to third party.
8. In years where there is no change or a decrease in pass price, returned passes will be replaced one-for-one with current year stock. (i.e. 2009 passes will be replaced with 2010). If the price of the pass increases, third parties will be responsible for remitting the difference between the price of the old and new passes.
9. Should a third party decide not to participate in the pass program the next year, no refunds of unsold stock will be issued for preceding year. Please follow agency-specific guidelines regarding this issue.
10. If the Interagency Pass Program terminates through Congressional action, refunds will not be provided. If the program changes through Congressional action exchange options may be a possibility.

D. MANAGEMENT LEVELS OF THIRD PARTY RELATIONSHIPS

1. Field or State/Regional Office (Local) Relationships

a) General Guidelines

Field sites and Regional/State offices will be responsible for administering local third party relationships. Local third parties are generally within a 10-25 mile radius of a recreation site and have developed a relationship with a recreation site. They *generally* sell fewer than 100 passes per year, with some exceptions.

Third parties operating under a local agreement/instrument may not offer passes for sale on their website as this competes directly with Interagency central sales.

Local Relationships are classified into three types:

- Local retailer(s)

- Partner Groups (Friends/Coops/Concessions)
- One-time Promotion or Incentive programs

b) Local Retailer(s) - Specific Guidelines

These are businesses that do not have a formal cooperative agreement/instrument or concession contract and could include stores, theaters, hotels, restaurants, outfitters and other businesses that operate in close proximity to a recreation site.

- Passes will not be consigned to Local Retailers.
- Agencies may offer Local Retailers the opportunity to purchase passes at a wholesale rate (-10%).
- Payment is due prior to receipt of passes.
- Minimum order is 5 passes.
- Unsold passes may be exchanged. See Section C, GENERAL GUIDELINES - EXCHANGE OF STOCK.
- Passes must be ordered through the affiliated recreation site
- Shipping/handling and fulfillment costs for local third party inventory may be assessed.
- It will be the responsibility of the Federal recreation site administering the local third party agreement/instrument to account for pass stock and report revenue and sales.

c) Partner Groups - Specific Guidelines

Partner groups are businesses that have a formal cooperative agreement/instrument or concession contract with the local recreation site and could include concessioners, foundations, cooperating associations and other established partner organizations.

Partner Groups may select from one of the two pass sales options:

Option 1: Consignment

- Passes may be consigned by the local recreation site to the partner.
- All unsold inventory must be returned to the local recreation site at the end of each calendar year. The partner will also make final payment due for passes that have been sold. .
- No wholesale discount may be offered on consigned passes.
- It will be the responsibility of the Federal recreation site administering the Partner agreement/instrument to account for pass stock and report revenue and sales.
- Overhead costs (shipping/handling and fulfillment) for inventory may be assessed

Note:

Some or all of the Partner's administrative costs associated with selling the passes may qualify as a donation for tax purposes. Partners should consult with accountants or tax professionals.

Option 2: Pre-pay wholesale discount

- i) Agencies may offer partners the opportunity to purchase passes at a wholesale rate (10% discount).
 - ii) Passes sold at the wholesale rate will not be consigned.
 - iii) Payment is due prior to receipt of passes.
 - iv) Passes cannot be sold via the partner's website
 - v) The minimum order is 5 passes.
 - vi) Unsold passes may be exchanged. See Section C, GENERAL GUIDELINES - EXCHANGE OF STOCK.
 - vii) Passes must be requested through affiliated recreation site.
 - viii) Overhead costs (shipping/handling and fulfillment) for inventory may be assessed.
 - ix) It will be the responsibility of the Federal recreation site administering the Partner agreement/instrument to account for pass stock, report revenue and sales.
- d) **Local One-time Promotion or Incentive Program - Specific Guidelines**
A local one-time promotion or incentive is one that allows the sale of passes to organizations, corporations, public relations firms, or other non-commercial groups for small local promotions or contests.
- i) Agencies may offer partners the opportunity to purchase passes at a wholesale rate (10% discount).
 - ii) Passes will not be consigned.
 - iii) Payment is due prior to the receipt of passes.
 - iv) Promotions must reflect the value of the pass as \$80.
 - v) Passes must be requested through affiliated recreation site.
 - vi) Unsold passes may be exchanged. See Section C, GENERAL GUIDELINES - EXCHANGE OF STOCK.
 - vii) The minimum order is 10 passes
 - viii) The partner must convey pass rules and benefits as part of the promotion, and must not misrepresent the rules in advertisement material.
 - ix) No government services may be packaged with the pass as part of the raffle, giveaway, or prize, except as stated on the pass.

2. National Interagency Pass Program

a) General Guidelines

To maintain equity among the agencies and field sites, larger third parties that have outlets in more than one state, or a headquarters office in one state that manages business on a national or regional level, or that sell passes through an internet site, are required to work with the National Interagency Pass Program Office

Sales of passes through the official pass program fulfillment provider (USGS) are considered central sales. Revenue generated through central sales is used to develop,

produce, market, and fulfill passes and collateral materials for the entire Interagency Pass Program.

b) National Retailer(s) - Specific Guidelines

National Retailer(s) include national chain stores, tour operators, and other businesses that operate on a national scale. Examples include: REI, Cruise America, GI Joes, Dick's Sporting Goods, Travelocity, etc.

- i) Passes will not be consigned to National Retailers.
- ii) National Retailers purchase passes at a wholesale rate (10% discount).
- iii) Payment is due prior to receipt of passes.
- iv) Passes may be sold via the National Retailer's website
- v) The minimum order is 10 passes.
- vi) Unsold passes may be exchanged. See Section C, GENERAL GUIDELINES - EXCHANGE OF STOCK.
- vii) Shipping/handling will be paid for by the National Retailer.

c) National One-time Promotion or Incentive Program -- Specific Guidelines

A national one-time promotion or incentive is one that is offered by large corporations, public relations firms and third parties such as American Express, Loyalty Innovations and others.

- i) Passes will not be consigned for National Promotions.
- ii) National Retailers offering a National Promotion purchase passes at a wholesale rate (10% discount).
- iii) Payment is due prior to receipt of passes.
- iv) Promotions must reflect the value of the pass as \$80.
- v) Pass orders must be placed through the official fulfillment provider.
- vi) Unsold passes may be exchanged. See Section C, GENERAL GUIDELINES - EXCHANGE OF STOCK.
- vii) The minimum order is 10 passes.
- viii) The third party must convey pass rules and benefits part of the promotion, and must not misrepresent the rules in advertisement material.
- ix) No government services may be packaged with the pass as part of the raffle, giveaway, or prize, except as stated on the pass.

d) National Co-Brand Website sales (not available at this time)

A co-brand website sale is one in which an organization's home website provides a link to the official pass sales website and co-branded page for customers to link and purchase a pass.

- i) Agencies may offer co-brand third parties a 10% commission for passes sold.
- ii) Individual co-brand orders will be managed and fulfilled by the National Pass Program's fulfillment contractor (USGS).
- iii) Third party websites are required to clearly identify that they are not official governmental sites.

- iv) Additional terms and conditions will be identified at the co-brand websites are established.

E. SELECTING THIRD PARTY ORGANIZATIONS

1. General Guidelines

- a) Agencies may be asked to provide a list of all current third parties they manage.
- b) Existing and prospective third party relationships will be evaluated and identified within a category as defined in Section D, MANAGEMENT LEVELS OF THIRD PARTY RELATIONSHIPS.
- c) Prospective national third parties must submit:
 - a brief overview of the company; the type of sales mechanism or relationship they would like to establish,
 - the projected number of annual pass sales; and
 - the type(s) of ad and promotional material(s) they expect to utilize.
- d) The National Pass Program Office will review and approve all requests for all national and regional third party relationships.
- e) The local area manager will review and approve local third party relationships.

2. Limitations on Third Party Relationships

- a) The organization and those representing the organization must not be in litigation with any Department of the Interior (DOI) or US Department of Agriculture (USDA) agency and must not have had any criminal convictions.
- b) The organization must properly reflect and align themselves with the mission of the federal land management agencies, promote responsible behavior at federal recreation sites, and encourage public support and conservation of public lands.
- c) The Government reserves the right to disallow inappropriate organizations, promotion proposals and promotional materials.
- d) The organization will not be allowed to endorse its products or services when marketing, issuing, or selling the pass.
- e) The organization will be required to follow all Government business rules and requirements for third party sales.

F. MISCELLANEOUS

In some cases a third party may have more than one agreement/instrument. An example would be a cooperating association that has a local agreement/instrument with a field site to sell passes at that site through their bookstore and a national agreement/instrument for their web sales.

Existing locally managed agreements/instruments between recreation sites and regional or national third parties may continue to be managed locally upon review and approval by the National Pass Program Office. There must be no apparent conflict with other national third party relationships.