



Boy Scouts of the Philippines

National Office

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04 May 2023

NATIONAL OFFICE MEMORANDUM

No. 42, S. 2023

TO: ALL NATIONAL, REGIONAL, AND LOCAL BSP PERSONNEL, LOCAL SUPPLIERS, AND AUTHORIZED DISTRIBUTORS

SUBJECT: GUIDELINES FOR ACQUISITION AND SALE OF BOY SCOUT OF THE PHILIPPINES (BSP) ITEMS

The Boy Scout of the Philippines (BSP) disseminates the enclosed Guidelines for the strict implementation of the rules prohibiting fraudulent buying and selling of Boy Scouts of the Philippines (BSP) uniforms pursuant to Section 10 of Republic Act No. 7278, "An Act Amending Commonwealth Act No. 111, as amended by Presidential Decree No. 460, entitled 'An Act to Create a Public Corporation to be Known as the Boy Scouts of the Philippines, and to Define its Powers and Purposes,' by strengthening the volunteer and democratic character of the Boy Scouts of the Philippines and for other purposes.



DIOSDADO M. SAN ANTONIO

Officer-in-Charge

Office of the Secretary General

NATIONAL OFFICE MEMORANDUM NO:42

GUIDELINES FOR ACQUISITION AND SALE OF BOY SCOUT OF THE PHILIPPINES (BSP) UNIFORMS

I. RATIONALE

Section 4 of R.A. 7278 clearly states that it shall be unlawful for any person to manufacture, sell or distribute or cause to be manufactured, sold or distributed fraudulently or without the official knowledge and written consent or permission of the National Executive Board of the Boy Scouts of the Philippines badges, uniforms, insignia, or any other boy scout paraphernalia; or to use, apply, feature or portray said badges, uniforms, insignia or scouting paraphernalia or the photos or visuals of a boy scout or boy scouts in uniform, or the logo, seal, or corporate name of the Boy Scouts of the Philippines, in any print ad, radio or television commercial, billboard, collateral material or any form of advertisement; or to use the name of the Boy Scouts of the Philippines for any illegal purpose or personal gain. The BSP has been afforded the exclusive right to use its logo, seal, or its corporate name against third parties save for cases where the BSP has allowed such third parties the use of its logo, seal, or corporate name. RA No. 7278 likewise provides penal sanctions for the unauthorized use of the BSP logo, seal, or corporate name.

It is of judicial notice that the operations being undertaken by the National Scout Shop (NSS) give significant fiscal contribution to the Boy Scouts of the Philippines. The proliferation of fake and unauthorized items negatively affects the income generation aspect of BSP by causing a serious drop in its accumulated revenue. These guidelines seek to serve as a basis in responding to the said proliferation.

Employees are given the advantage of a twenty percent (20%) discount for all the BSP items they are purchasing. Aside from this, they are also given the opportunity to be an authorized dealer, BSP's way of giving its employee an opportunity to acquire income. Thus, employees act of directly sourcing its business undertaking with a supplier effectively financially competes with the BSP, thus, creating a conflict of interest, a violation of Republic Act No. 6713 or Code of Conduct and Ethical Standards for Public Officials and Employees.

Under Republic Act No. 8293 otherwise known as the Intellectual Property Code of the Philippines ("RA No. 8293"), the BSP Logo is considered as a mark/trademark of the BSP while the term Boy Scouts of the Philippines is aptly considered as BSP's trade name. Aside from the loss of revenue that this unbounded competition has caused, these guidelines seek to exercise its right over its trademark as well. The BSP trademark is registered from 12 March 2022 to 12 March 2032 as the BSP Logo has been registered with the IPOPHL, by operation of law, BSP is afforded all the legal rights and remedies provided for under R.A. No. 8293 against any violation thereto (e.g. infringement).

II. DEFINITION OF TERMS

1. Original items-refer to all BSP badges, uniforms, insignia, or any other Boy Scout paraphernalia with its logo in it which are sourced from NSS and are duly authorized by the same.
2. Fake items-refer to BSP items not authorized by NSS to be released to the public for sale. These include items produced by both currently authorized and old suppliers.
3. Employees-refer to persons who work for BSP and occupy a position, both permanent and Contract of Service, on National Office and Local Councils.

4. Authorized Suppliers-refer to companies who won the bidding process and entered a contract to supply BSP uniforms solely to BSP.
5. Proprietors- refer to business owners not authorized by NSS to manufacture BSP items.
6. Old Suppliers- refer to companies who have previously won the bidding process but whose contracts were already consummated and/or expired.
7. Authorized Dealers-refer to dealers and employees whose application to be an authorized dealer got approved and to whom the NSS delivers supplies (attached as Annex A).
8. Regional Distribution Centers-refer to Local Councils who entered into a Memorandum of Agreement (MOA) with NSS for the sale/distribution of scout uniforms (attached as Annex B). They enjoy discounts that unregistered local councils do not.
9. Walk-in customers-refer to private individual NSS customers who buy BSP uniforms for personal consumption.

III. ACCREDITATION AS AUTHORIZED DEALER

Accreditation of NSS must be secured by interested business owner before they can lawfully sell BSP items. The steps on how to be accredited are as follows:

1. It can be initiated on two (2) ways:
 - a. Sales and Promotion team of NSS will visit the target area and will find potential business partner.
 - b. Interested business owner will personally inquire and coordinate with NSS
2. Negotiation will be done with the said potential business partner.
3. Qualified individual shall fill out the application form (MOA)
4. Applicants shall submit the enumerated requirements in the form to the NSS Office.
5. This application shall be subject to approval of the Council Scout Executive (CSE), Sales and Promotion Supervisor IV, Secretary General (SG) and NSS Chairperson.
6. Once approved, information of the dealer shall be encoded in the database.

IV. BIDDING FOR AUTHORIZED SUPPLIER

As a Government-Owned and Controlled Corporation, BSP enters into a contract with successful suppliers who have undergone the process of bidding pursuant to R.A. 9184 or Government Procurement Reform Act. The steps on how a manufacturer becomes an Authorized Supplier are as follows:

1. A Purchase Request (PR) (attached as Annex C) shall be prepared by the Division Chief of Property Management and Development Division, certified fund availability shall be signed by the Budget Officer. The SG's recommending approval should be secured before the approval of the National President as the Head of the Procuring Entity (HOPE) may be given.
2. Approved PR will then be forwarded to Bids and Awards Committee (BAC) for their posting/advertisement.
3. Pre-bid conference will be conducted where the introduction of the items involved in the PR take place.

4. Interested bidders shall be required to buy the bidding documents depending on the items in the PR they will be bidding for.
5. Requirements shall now be submitted
6. Bidding proper will be conducted where the opening of envelopes takes place and winner shall be identified.
7. Confirmation of the qualification of the winner will be conducted
8. Post-qualification, where site –visit is involved, will be held.
9. Notice of Award shall be issued to winners.
10. Contract between them and BSP will now be executed together with the Purchase Order (PO) (attached as annex D).
11. Notice to Proceed shall be issued to provide the winners a signal to start manufacturing the items.

V. NSS SELLING AND PURCHASE PROCESS

NSS process in selling the BSP uniforms to its employees is distinct from the process of selling it to private vendees.

A. WALK-IN CUSTOMERS

1. Vendees will relay their orders to the Sales Clerk.
2. Sales Clerk will then gather the orders from the stock and will assist the vendees for payment.
3. Vendees will pay the NSS Cashier the price and will claim their orders.
4. Receipt will be issued pursuant to Section 237 of the Tax Code as amended by the TRAIN Law

B. BSP EMPLOYEES

1. Employees will relay their order/s to the Central Warehouse.
2. The Sales Clerk will then prepare the Sales Order (SO) (attached as Annex E) which will be subject for the approval of the NSS-Accounting based on their outstanding obligations and the previous orders the said employee has made. There will be a limit of five thousand pesos (Php 5,000.00) for each employee for every replenishment of stocks for regulation purposes.
3. The Sales Clerk will forward the approved SO to the Central Warehouse for the preparation of stocks ordered.
4. Approved SO will be forwarded back to the Cashier for the preparation of Sales Invoice (attached as Annex F).
5. Counter-checking will be conducted by the Sales Clerk based on actual items vis-à-vis the Sales Invoice.
6. The Sales and Promotion Supervisor IV will approve the Sales Invoice. Only then the employees will be given their order.

C. LOCAL COUNCIL, REGIONAL DISTRIBUTION CENTERS AND AUTHORIZED DEALERS

1. Orders shall be placed with the duly signed PO:
 - **Local Council & RDC-** CSE, National Treasurer, and Regional Chairperson (Attached as Annex G)

- **Authorized Dealer-** Proprietor/ Purchaser (Attached as Annex H)
2. The Sales Clerk will then prepare the Sales Order (SO) which will be subject for the approval of the NSS-Accounting based on their outstanding obligations.
 3. The Sales Clerk will forward the approved SO to the Central Warehouse for the preparation of stocks ordered.
 4. Approved SO will be forwarded back to the Cashier for the preparation of Sales Invoice.
 5. Counter-checking will be conducted by the Sales Clerk based on actual items vis-à-vis the Sales Invoice.
 6. The Sales and Promotion Supervisor IV will approve the Sales Invoice. Only then orders will be prepared for delivery and sent to the forwarder for their benefit. Shipping of orders below Php 20,000 shall be shouldered by the recipient. Orders above Php 20,000, on the other shall be shouldered by NSS through land or sea freight. For air freight, recipient shall be the one to shoulder the shipping fee difference.

VI. SCOPE AND COVERAGE

These guidelines comprise the establishment of the gravity of the violation the employee committed up to the corresponding penalties that must be given to the violator. On the other hand, Authorized Suppliers, Authorized Dealers, Regional Distribution Centers and Local Councils are bound by its contract with BSP. Walk-in customers can be held liable through the suppletory application of existing statutes.

VII. LIABILITY

A. Criminal

Republic Act 7278 provides the punishment for the violators who fraudulently manufacture, sell, or distribute or cause to be manufactured, sold or distributed BSP Uniforms which are:

“[P]rison Correccional in its medium period to Prison Mayor in its minimum period or a fine of not less than Ten thousand pesos (P10,000.00) nor more than One hundred thousand pesos (P100,000.00), or both, at the discretion of the court.”

1. **EMPLOYEES-** shall be criminally liable for buying and selling fake items.
2. **WALK-IN CUSTOMERS-** shall be criminally liable for buying and selling fake items.
3. **AUTHORIZED DEALERS, REGIONAL DISTRIBUTION CENTERS and LOCAL COUNCILS-** shall be criminally liable and their license to distribute shall be revoked and be will be prohibited from reapplying.
4. **AUTHORIZED SUPPLIERS-** shall be criminally liable for manufacturing fake item and for breach of contract
5. **PROPRIETORS-** shall be criminally liable for manufacturing fake items.

B. Administrative

BSP adopts the 2017 Rules on Administrative Cases in the Civil Service (2017 RACCS) for those employees who will violate R.A. 7278. This shall also be applicable for those employees who will acquire BSP items from the NSS suppliers, both currently authorized and old ones.

The initial step will then be conducted which is the preliminary investigation. Rule 10, Section 50 of 2017 RACCS also provides for the charges which may arise upon the issuance of the formal charge or notice of charge like dishonesty, oppression, grave misconduct, etc. These charges are punishable by suspension of one (1) month and one (1) day to six (6) months for the first offense and dismissal from the service for second offense.

VIII. SEPARABILITY CLAUSE

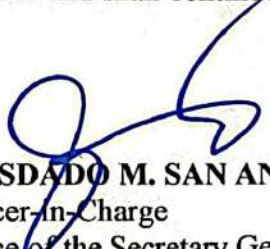
Should any provision of this Memorandum or any part thereof be declared invalid, the other provisions, insofar as they are separable from the invalid ones, shall remain in full force and effect.

IX. REPEALING CLAUSE


Previous issuances of the National Office which are inconsistent with this National Office Memorandum are deemed repealed or modified accordingly.

X. EFFECTIVITY

This Office Order shall take effect immediately upon issuance and posting of the ICT Unit on the BSP Website and shall continue to be in force unless otherwise revoked/amended.



DIOSDADO M. SAN ANTONIO
Officer-in-Charge
Office of the Secretary General



ANNEX A

APPLICATION FOR LICENSE AS SCOUT SHOP RETAILER AND MEMORANDUM OF AGREEMENT

We, _____, a legitimate private business entity
(NAME OF SCHOOL/COMPANY/CORPORATION)
organized and existing in accordance with the laws of the Republic of the Philippines, and
represented herein by its _____, _____, hereby apply for a
(POSITION) (NAME)

License as a Scout Shop Dealer/Retailer of Official Scouting Uniforms and Insignia, Camping Tools and Equipment, and other Scouting Paraphernalia exclusively distributed by the National Scout Shop, Boy Scouts of the Philippines.

Subject to the approval of this application, we agree and bind ourselves to the following terms and conditions:

1. Official NSS Dealers/Retailers are required to procure their inventories of Scout supplies only and directly from the National Scout Shop, Manila;
2. The License shall be for a period of one (1) year from date of approval, renewable at the option of the National Scout Shop, Boy Scouts of the Philippines;
3. Dealers/Retailers agree to subject the store to regular visits to be made by the representative/s of the National Scout Shop, Boy Scouts of the Philippines;
4. Dealers/Retailers agree to display Scouting merchandise in conspicuous area/s in their place of business and allow the installation of merchandising materials when deemed necessary;
5. Dealers/Retailers are advised to follow the official Standard Selling Price of all Scout supplies that will be issued from time to time by the National Scout Shop, BSP;
6. To qualify for free sea/land delivery, all orders must have a minimum value of Twenty Thousand (**P20,000.00**);
7. To avail the 20% Trade Discount given to authorized dealers/Retailers, all orders for pick-up from NSS-Manila must have a minimum value of Five Thousand Pesos (**P5,000.00**);
8. Payment term is strictly on Cash basis only;
9. This agreement shall be subject to the **Penal Provision of Sec. 10 of Republic Act. NO. 7278** – Dealer/Retailer shall not sell, manufacture or cause to manufacture any item or equipment or designating marks and/or phrases used by the Boy Scout of the Philippines;
10. Violation of any of the terms contained herein and failure of the Dealer/Retailer to observe the policies and regulations governing Dealers/Retailers shall be a cause for the immediate cancellation of this Agreement and/or cause to institute legal action for violation of **Sec. 10 of Republic Act. NO. 7278**.

The store and pertinent data thereof for which a Dealer/Retailer License is applied for are:

Registered Trade Name: _____ TIN: _____
Business Address: _____
Type of Store: _____
Contact/Buyer's Name: _____
E-mail Address: _____
Website: _____
Telephone/Fax & Mobile Number/s: _____
Number of Branch/es : _____
Location of Branch/es: _____
Top Supplier with Credit Limit: _____
Contact Person: _____
Contact Number/s: _____
E-mail address: _____

Signature over printed name of Applicant/Owner

DATE

LOCAL COUNCIL ENDORSEMENT

COUNCIL SCOUT EXECUTIVE

DATE

NATIONAL SCOUT SHOP ACTION

Recommending Approval

Business Development Manager

DATE

National Scout Shop Head

DATE

APPROVED

Secretary General
Boy Scouts of the Philippines

Chairman
National Scout Shop Committee, BSP

OTHER REQUIREMENTS:

- Department of Trade and Industry (DTI) or Securities and Exchange Commission (SEC) Certificate of Business Name Registration;
- Mayor's Permit;
- Bureau of Internal Revenue (BIR) Certificate of Registration (COR);
- Latest Income Tax Return;
- If dealer is a school or cooperative, Authorization Letter designating the official representative of the school or cooperative to officially transact business with the National Scout Shop (NSS);
- Letter of Intent to be an authorized dealer;
- Photographs of the business' store.

ANNEX B

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS

This Memorandum of Agreement ("Agreement") made and entered in this ____ day of _____, 2021 in _____, Philippines by and between:

BOY SCOUTS OF THE PHILIPPINES, a public corporation organized under Commonwealth Act No. 111, as amended by Presidential Decree No. 460 and Republic Act No. 7278, and existing in accordance with the laws of the Republic of the Philippines, with principal office address at 181 Natividad Almeda-Lopez Street, Ermita, Manila, acting through its **NATIONAL SCOUT SHOP (NSS)**, and represented herein by its National President, _____ hereinafter referred to as the "**First Party**";

-and-

BOY SCOUTS OF THE PHILIPPINES, _____, chartered by the Boy Scouts of the Philippines National Executive Board, as prescribed under Commonwealth Act No. 111, as amended by Presidential Decree No. 460 and Republic Act No. 7278, with principal office address at _____, and represented herein by its Council Chairman, _____, hereinafter referred to as the "**Second Party**";

WITNESSETH: THAT

WHEREAS, the **First Party** desires to have a more effective distribution of scout uniforms and supplies in the various regions of the Philippines;

WHEREAS, the **Second Party**, on its BSP Local Council Resolution No. 03, s. 2019 requested to be the authorized Regional Distribution Center ("**RDC**") covering the _____ or to be the NSS _____ Regional Distribution Center for the sale/distribution of scout uniforms and supplies and has agreed to use a portion of its office area as a warehouse and sales center of the merchandise;

NOW, THEREFORE, for and in consideration of the foregoing premises, the Parties hereby agree as follows:

I. GENERAL PROVISIONS

1. The **Second Party** shall allocate and/or dedicate a portion of its office as a distribution center/sales/retail store with a floor area of not less than three meters by three meters (3 x 3 m.) for the purpose of sale/distribution of scout uniforms/supplies. It shall also allocate and/or designate a portion of its building as stockroom for warehousing and safekeeping of scout supplies. For these purposes, the **Second Party** shall likewise provide, at its own cost, the manpower/personnel and defray other operating costs required to operate the RDC efficiently. It shall supervise and exercise the necessary administrative functions over the RDC's personnel to ensure a smooth and profitable operation.
2. The **Second Party** shall cater to the needs or orders of its Authorized Dealers following the Standard Retail Price and Discount Rates the National Scout Shop offers using its own Sales Invoices/Official Receipts. The **Second Party** shall also cater to the walk-in customers or other retail customers using their own Cash Sales Invoice/Sales Invoice.
3. The **First Party** shall grant the **Second Party**, in consideration of the services, the following:
 - a. 20% Trade Discount;

- b. 5% Regional Distributor's Discount net of Trade Discount; and
- c. 2% Cash Discount net of Regional Distributor's Discount and Trade Discount, payment shall be made within five (5) days from receipt of the merchandise.

II. WARRANTIES OF PARTIES

1. The **Second Party** shall ensure that such other persons/entities involved in the handling of cash, and the scout uniforms and supplies itself, shall be properly bonded as a form of internal control to safeguard the interest of both Parties. The **Second Party** shall also be responsible for the safekeeping of all accountable forms such as, but not limited to, Cash Sales Invoices and Charge/ Sales Invoices.
2. In the event of loss of and/or damage to scout uniforms and supplies in the possession of the **Second Party** due to fortuitous event, acts of God, or unforeseen occurrence; the **First Party** shall assume no liability whatsoever, while the **Second Party** shall be the primarily responsible and accountable for all of its scout uniforms and supplies. For purposes of this Agreement, a fortuitous event shall include, but not limited to, war, fire, labor strike, extreme weather, or other emergencies.
3. The **Second Party** shall ensure that the RDC is open and operational for eight hours regular daily working period on a five-day regular weekly working days from Monday to Friday except on holidays. The working hours and working days may be extended time as the need arises.
4. The **First Party** has the exclusive authority and responsibility for the procurement, manufacture and distribution of official scout equipment, supplies, badges and insignia from the National Scout Shop as prescribed in Republic Act No. 7278 and the BSP National and Local Council By-Laws.
5. The **Second Party** shall be responsible for the settlement of all complaints/problems/possible defects arising from its sales transaction with its clients, while the **First Party** shall be responsible for the technical matters and pricing and discounting policies.
6. The **Second Party** shall hold the **First Party** free and harmless from any and all forms of claim, demand, or suit filed or sought by its employees, workers for unpaid salaries or benefits due the **Second Party**. No employee-employer relationship shall arise between the employees and workers and the **First Party** by reason of this Agreement.

III. TERMINATION

1. Grounds - Any time after the execution of this Agreement, the same may be terminated at the instance of ANY OR BOTH PARTIES or by reason of default described hereunder without prejudice to any other rights or remedies the other party is entitled to under this Agreement and such other applicable laws.
2. Events of Default - Each of the following events shall constitute a valid ground for default, which, in effect, becomes a ground for the termination of this Agreement:
 - a. Failure, neglect or inability on the part of either of the Parties to comply with any of the terms and/or conditions of this Agreement; and
 - b. Any misrepresentation or breach of warranty made in connection herewith and proven to have been incorrect or misleading as of the time such was made.
3. Procedure - Termination of this Agreement shall be by service to the other party of a written Notice of Termination, which shall take effect thirty (30) days after receipt thereof.

IV. CONFLICT SETTLEMENT AND VENUE OF ACTION

1. In case of conflict in the interpretation or implementation of any provision of this Agreement, the parties shall endeavor to resolve the same peacefully and amicably consistent with the spirit of brotherhood of the Boy Scouts Movement.
2. In case of failure to reach a peaceful and amicable settlement and recourse to the Court of Law is inevitable in order to enforce this Agreement or any of the additional and/or subsequent documents hereto attached, or in connection with any dispute which may arise in the interpretation of this Agreement or in the course of its implementation, the Parties hereby agree to submit to the jurisdiction of the proper court of the City of Manila to the exclusion of all other courts.

**BOY SOUCTS OF THE PHILIPPINES,
NATIONAL SCOUT SHOP**

First Party

Second Party

By:

By:

National President

Council Chairman

SIGNED IN THE PRESENCE OF

Secretary General

Accountant

ANNEX C



Republic of the Philippines
BOY SCOUTS OF THE PHILIPPINES
 National Office
 Manila

PURCHASE REQUEST

Department:		PR No:	
Operating Unit/Office:		SAI No:	Date:
Qty.	Unit	Item/Description	Estimated Unit Cost Total Cost
Total amount			P -
Purpose:			
Chargeable to:			
Requested by:	Certified Fund Available:	Recommending Approval:	Approved:
OIC, Property Management & Development Division	OIC, Treasury & Budget Section	OIC, Secretary General	National President

ANNEX D



BOY SCOUTS OF THE PHILIPPINES
National Office
181 Natividad A. Lopez St., Ermita, Manila Tel. Nos. 527-5317 to 19 Fax No. 5280571
Website: <http://www.scouts.org.ph>

PURCHASE ORDER					
Supplier: Address: Telefax: TIN:			P.O. No.: Date: Mode of Procurement:		
Gentlemen/Please Furnish this office the following articles subject to the terms and conditions contained herein;					
Place of Delivery:			Delivery Term:		
Date of Delivery:			Payment Term:		
ITEM	QTY	UNIT	DESCRIPTION	UNIT COST	AMOUNT
Total Amounts in figures					P
Total Amount in Words		NAME?			
In case of failure to make the full delivery within the time specified above, a penalty of 1% of one percent for every day of delay shall imposed.					
Very truly yours,					
Conformer: _____ Signature Over Printed Name of Supplier			_____ Secretary General		
Date _____					
Funds Available: _____ Accountant I			Amount: _____ ALOBS No: _____		

☐ Supplier's Copy
 ☐ Accounting Copy
 ☐ C OA Copy
 ☐ Procurement Copy

ANNEX E

Boy Scouts of the Philippines

NATIONAL SCOUT SHOP Manila

TEL NO Telfax (632) 404-0350

VAT Reg. TIN

SALES ORDER

Customer :

Customer :

Address :

Customer Note:

S.O. No. :

Date :

Salesman :

Terms :

Ref. No.

Qty.	U / M	Item Description	Selling Price	% Disc.	Disc. Amt.	Net Price	Total Amount
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Net of VAT

VAT Exempt Sales

0.00

VAT Zero Rated Sales

0.00

Value Added Tax

Total

PHP

Prepared by:

Checked by:

Approved by:

RGE-25 Form No. 2-01 (Revised 04/2020)

