



Caring for Our Coast

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October 7, 2026

TO: Supervisor Hilda L. Solis, Chair
Supervisor Holly J. Mitchell
Supervisor Lindsey P. Horvath
Supervisor Janice Hahn
Supervisor Kathryn Barger

From: Gary Jones, Director  for Gary Jones

SUBJECT: **Exploring the Expanded Use of Gladstones Trademarks Owned by County and Reinvesting in Coastal Access to Our Public Beaches (ITEM 66-H, AGENDA OF APRIL 14, 2026)**

Pursuant to a motion by Supervisor Lindsey Horvath on April 7, 2026, the Board of Supervisors directed the Director of the Department of Beaches and Harbors (DBH) to “explore the potential use of the County’s Gladstones trademarks to maximize revenue to the County and ensure the County’s trademarks remain in use, including retention of a broker or other outside vendor to assist DBH in marketing the trademarks for use by third parties, and report back to the Board in six months with the results.”

Background:

Gladstones, open since 1972, is an iconic, well-known, and beloved beachfront restaurant that is an attraction for locals and tourists who want to spend an idyllic day at a Southern California beach enjoying a meal and watching the Pacific Ocean. Gladstones has also become a symbol of the resilience of the Pacific Palisades community as it emerged from last year’s wildfires with minimal damage and has been able to continue to operate on a limited basis as repairs to the remainder of the restaurant continue. Its popularity remains as strong as ever amid continuing fire recovery efforts within the community.

On November 1, 1997, the County and its then-concessionaire, Sea View Restaurants, Inc. (Sea View) entered into the Concession Agreement (Agreement) for operation of the Gladstones restaurant located on Will Rogers State Beach at 17300 Pacific Coast Highway, Pacific Palisades, California. The Agreement was subsequently amended in 1999, 2005, and 2016.



During the negotiations for the Third Amendment in 2016, Sea View agreed, among other things, to transfer full lien-free title and ownership of certain Gladstones trademarks (Trademarks) to the County, subject to the continuing use of such Trademarks to: i) Sea View until the expiration or early termination of the Concession Agreement, and any extension thereof, and ii) any existing licensees. At the time that the Concession Agreement terminated, Sea View had a license agreement with the operator of the Gladstones Long Beach restaurant.

In 2016, the County issued a request for proposals to redevelop the location where the Gladstones restaurant is currently located. In September 2022, the County approved an agreement with PCH Beach Associates LLC, to build a new restaurant to be designed by Frank Gehry and operated by Wolfgang Puck. Once the new restaurant is under construction on the site (currently projected for late 2027), Gladstones restaurant will cease to operate at its current location, but the trademark Gladstones will remain a valuable County asset as it continues to be used in commerce.

Current and potential future use of the Trademarks:

In the County's efforts to increase the use of the trademark, DBH, together with County Counsel, has: i) filed documents to protect the County's right to the trademark; ii) negotiated a fully executed license agreement with the current owner of the Long Beach Gladstones for a new location in San Diego; and iii) collected royalties due from September 2023 through February 2026 from the current licensee in Long Beach, in the amount of approximately \$94,000 (unaudited).

As is typical with licensing agreements, terms of the San Diego Gladstones agreement include an initial \$50,000 licensing fee and a percentage of ongoing sales.

Potential future uses of the Trademarks could include, among other things, licensing of the Gladstones name and trademarks for additional Gladstones locations and merchandise, as well as shorter-term pop-up dining establishments/locations throughout the County and the region. Expiring leaseholds on County-owned property in Marina del Rey could create opportunities for new locations on County-controlled sites.

Funding and Revenue Generation:

As can be seen from the above examples, the County, as owner of the trademarks associated with the restaurant, now has the opportunity to continue to increase its economic potential by licensing or franchising the Gladstones name. In this era of extremely tight budgets and severe curtailments, the potential revenue these assets could generate is vital. Licensing revenue already derived from the Trademarks could provide sufficient funding for the retention of consultants or attorneys to help shape the County's plan for expanded use of the Trademarks. To date, the following sums have been collected and/or are due:

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| • Long Beach location licensing fees | \$94,219 |
| • Development fee for new San Diego location | \$50,000 |
| • Ongoing licensing fees, Long Beach | 1% - 2% of gross receipts |
| • Ongoing licensing fees, San Diego | 1.5% - 3.0% of gross receipts |

These revenues currently flow from DBH to the County's General Fund; however, these, and any future anticipated licensing revenue could be designated for use specifically to help develop a plan for licensing of the Gladstones trademark, without further need for funding, with the goal of establishing a successful, long-term licensing program.

Next Steps:

To accomplish these goals, DBH recommends as follows:

1. DBH be granted authority to retain an attorney, consultant, broker, or other qualified professional(s) to assist DBH in: a) confirming that licensing (as opposed to franchising) is the preferable means for the County to monetize the Trademarks, b) developing a licensing (or franchising, if possible) program to maximize revenue generation from the Trademarks, c) preparing and filing any other trademark documentation, if needed, d) negotiating licensing agreements for use of the Trademarks, and e) marketing the Trademarks for use by third parties.
2. To provide the funding needed to explore the best ways to maximize the Gladstones trademarks in commerce without impacting the County's General Fund, DBH should be authorized to use existing and future revenue derived from the current licensing program to retain the services of any needed attorneys, consultants, and/or brokers, as needed, to explore the best ways to maximize the Gladstones trademarks in commerce.

As steward of the County's beaches and Marina del Rey, DBH has unique opportunities to generate much-needed County revenue from use of the Gladstones trademarks. The foregoing recommendations will ensure that adequate resources are available to support these efforts. We will return to your Board as appropriate with a formal request for authority.

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c: Beach Board Deputies
Marina Board Deputies
Executive Office of the Board of Supervisors
Chief Executive Officer