

I'll Get You An Answer...Next Week

Is it me or is it tough to get an answer these days? We seem to be in a never-ending race to get responses to open issues, proposals, and answers to simple questions. And if you're up against a deadline and want an actual decision, well then, you are really in for a treat.

All this is odd, I find, in a business that is a fast paced market hype driven entity. Over the past two years alone we have seen too many deals wither on the vine waiting for approval, only to go away as the market passes the opportunity. Sometimes this is good.... On the occasions when a client puts in a proposal for a property that they cannot possibly ship in time – and the licensor takes their time in approving the deal so it dies a natural death. Most often, however, this problem is a long torturous game of phone tag, conference calls, and frustration in trying to get a program moving forward. We all know that once the

deal is done, the real work must start. But it seems to me that the deals are developing their own work level, and most, I believe, are way more complicated than they need to be.

Our business is simple. If you can find a solid manufacturer/marketer with vision and passion you have a good licensee, and if that company can see a market opportunity through a particular license, then both parties can be profitable. In today's licensing world, however, too much emphasis is placed on the homogenization of the deals. Licensors bristle at the new faces, yet complain when the same old core of licensees apply their tried and true cookie cutter product development to yet another formulaic property. Why not go with the new guy? He's motivated, he's creative and chomping at the chance to show the market what can be done.

YEAH BABY

The International Man of Mystery is back on the big screen this summer. The movie hits theatres on June 11, and Austin Powers merchandise will be right along side. COLLECTIBLE CONCEPTS GROUP rolls out a unique line of collectibles. Consumers can now own Austin's Shaguar, or his VW Convertible. Join their collector's club for other special Austin merchandise.

"Do I make you horny baby?" The answer lies within BRIEFLY STATED's new line of boxer shorts and loungewear.



Briefly Stated's apparel line is slated to ship in the second quarter with many major mass retailers along with the specialty outlets committing to the program.



©1999 New Line Cinema

MAURICE SENDAK'S

LITTLE BEAR

©1999 Nelvana Communications, Inc.

Maurice Sendak's cute Little Bear is currently in its fourth season on Nick, Jr, airing twice per day. At the recent meeting of Little Bear licensees in New York, Nelvana's Sid Kaufman proclaimed Little Bear as "The #1 regularly scheduled show for kids 2-5 on the #1 kids channel."

The merchandising campaign kicks into high gear in 1999, with several Building Q clients participating in the program. AD SUTTON & SONS rolls

out their full line of kids backpacks and luggage sets in the second quarter. "We are thrilled with the opportunity to work with the staff at Nelvana on such an exciting property." says David A. Sutton, President of AD Sutton & Sons. MODERN PUBLISHING introduces their line of coloring and activity books this year. Mylar balloons from CLASSIC BALLOONS portray Little Bear's sentiments for all occasions. Plush Slippers and a full line of juvenile footwear hits the market from VIDA SHOES. Retailers are fully supporting the program, and say they can't wait for that cute, cuddly Little Bear to appear on their shelves.



Building Q

Licensing / Marketing

Do You Remember Who Gave You Your First Break?

Someone saw something in you once. That's partly why you are where you are today. It could have been a thoughtful parent, a perceptive teacher, a demanding drill sergeant, an appreciative employer, or just a friend who dug down in his pocket and came up with a few bucks.

Whoever it was, had the kindness and the foresight to bet on your future. Those are two beautiful qualities that separate the human being from the orangutan. In the next 24 hours, take 10 minutes to write a grateful note to the person who helped you. You'll keep a wonderful friendship alive.

Matter of fact, take another 10 minutes to give someone else a break.

Who knows?

Someday you might get a nice letter.

It could be one of the most gratifying messages you'll ever read.

This is a reprint of an ad published in the *Wall Street Journal* by United Technologies Corporation, Hartford, Connecticut 06101

WCW/WWF

Let's see. Goldberg and Hollywood Hulk Hogan are in the WCW. Stone Cold Steve Austin and The Undertaker are from the WWF. No matter.

Wrestling product is hot. MODERN PUBLISHING ships its WCW coloring books in the second quarter. "The biggest question I heard during Toy Fair, was How fast can I get them?" Modern VP Ed Lenk

WCW
Where the
Big Boys
Play

said in reference to their highly anticipated line. Sleepwear sets and boxer shorts for boys from BRIEFLY STATED is a line which has received great reaction. Boxer shorts and pajama sets feature action poses, and logos from the WCW.



BUY RITE has been shipping their WWF lanyard keychains since 3rd quarter 98, and continues to keep the line fresh with sayings and logos from WWF stars. If you look closely, you may even see a cameraman wearing a

WWF lanyard around his neck on TV. VIDA SHOES introduces their full line of WWF athletic shoes this year. Boys can now show their WWF Attitude at all times with this exciting line of footwear.

WWF
ATTITUDE

©1999 World Championship Wrestling



Bill Goldberg of the WCW

Client News & Previews

APPAREL, FOOTWEAR AND ACCESSORIES

AD SUTTON & SONS A premier manufacturer of travel, sport, messenger bags, and backpacks AD Sutton is an aggressive company focused on building their licensed product line. Pack for a trip to grandma's with their growing line of pre-school properties. In addition to Little Bear in '99, 2000 includes the introduction of PADDINGTON BEAR and CLIFFORD for backpacks and luggage. AD Sutton is the category innovator in diaper bags and gift sets. They are an item retailers want. BABY SNOOPY items hit the market in 2000.

BRIEFLY STATED The leader in the manufacturing and marketing of fashion boxer shorts, sleepwear, loungewear and neckwear for men and boys in all fabrications. STAR WARS:EPISODE I merchandise leads them this year. WCW WRESTLING remains hot, and their new line of AUSTIN POWERS boxers hit in June. DR SEUSS sleepwear sets for the little ones look great and will ship 2nd Quarter.

BUY RITE Novelty Jewelry & Accessories targeted to a teen and pre-teen audience. Their line of TEEN branded jewelry continues to get great support. Lanyard keychains and novelty items are led by WWF and SOUTHPARK, with ROLLER JAM items coming soon!

GIANT MERCHANDISE The dominant maker of imprinted wearables (T-shirts and fleece) in terms of innovation, creativity, quality product and smart distribution strategies. Distribution into the mass and mid-tier makes Giant a great partner. STAR WARS:EPISODE I leads the way in '99. Look for CRAZY BONES along with continuing favorites: RUGRATS, BLUES CLUES, ARTHUR, and LOONEY TUNES.

COLLECTIBLES

COLLECTIBLE CONCEPTS GROUP Summer 1999 brings a line of AUSTIN POWERS collectibles from the new movie. Take home some of his neat gadgets. Collectible items include Austin's plane, car, and the male and female symbols. This multiple sku line is generating a great deal of excitement while fueling CCG's resurgent growth.

ELECTRONICS

POLYCONCEPT USA An industry leader in the manufacturing of consumer electronics, novelty audio and telephones, lighters, CD and multimedia storage and gift products. Their innovative designs, and high quality products are highlighted in '99 with M&M's telephones and radios. Continuing novelty electronic items include CRAYOLA Children's Electronics. New and exciting electronics items will be introduced at CES in January, 2000.

FOOD

FRANKFORD CANDY & CHOCOLATE COMPANY This Philadelphia based chocolate manufacturer has carved a niche in the mass market with their line of residual value food filled containers. Frankford kicks off their licensed product line with RUGRATS AND CURIOUS GEORGE for '99. Food items that can be sourced to include in the tins are: popcorn, chocolates, gummy bears, lollipops, and more to compliment the license featured on the tin.

FINANCIAL SERVICES

MBNA The leading issuer of co-branded and affinity credit cards, MBNA is looking for licensing partnerships with established mailing lists and well defined enhancements. New programs for '99 include partnerships with the LIONEL GROUP and BIG DOGS.

HEALTH & BEAUTY AIDS

KOSMAKARE INTERNATIONAL The primary mission of KosmaKare International is to develop the private label and children's character bandage business in the United States, providing national brand quality at store brand prices. In addition, KosmaKare International will focus on a number of related first aid and personal care product categories.

PUBLISHING

MODERN PUBLISHING A leading player in children's Coloring & Activity Books, Story, Puzzle and Work Books. Mid-1999 brings the debut of FURBY and WCW coloring books which received great reviews at Toy Fair. LITTLE BEAR follows this fall. Modern's BARBIE and TELETUBBIES line continue to out - perform the market as well, along with continuing favorites - FISHER PRICE, and HOT WHEELS.

SOCIAL EXPRESSION/SEASONAL

CLASSIC BALLOONS Founded by Les Barton, who developed a patent in the 1970's on the mylar process, Classic has built a well-rounded business offering everyday and seasonal product in licensed and non-licensed offerings. They view their product line as a greeting card with air. LITTLE BEAR leads the way in 1999 to go along with proven hits such as NFL, MAJOR LEAGUE BASEBALL, SUZY'S ZOO and BOYNTON.

GEMMY INDUSTRIES One of the country's market leaders of seasonal animation products, with a very successful track record. GEMMY is building their line of licensed figures. The seasonal line is hot with PEANUTS AND CASPER for Halloween. Christmas favorites, RUDOLPH AND FROSTY continue for holiday 1999, with ALVIN AND THE CHIPMUNKS joining the ranks. The seasonal program continues its strong growth with the addition of SCOOPY DOO for 2000.

TOYS AND GAMES

WARREN INDUSTRIES Warren is a market leader of jigsaw puzzles, board games card games, and flash cards. High quality and innovative products are Warren's trademark. Their M&M's games and puzzles are hot for '99, and look for their line of DISCOVERY CHANNEL activity kits. Lines featuring CURIOUS GEORGE, SESAME STREET, LEGO, and COCA COLA, continue to perform well.



Product Development Q (PDQ) works with companies worldwide to design, source and create unique, functional, and fun products. PDQ has worked with a number of top manufacturers assisting their product development endeavors.

SELECT CLIENT LIST

ELECTRIC MOBILITY

Design, develop line strategies and production engineering for motorized vehicles for the handicapped

FISHER PRICE

Engineered bicycle trailer to Mattel QSOP Standards; released to production

HOPE INDUSTRIES

Sourced and obtained Mattel approval for a new Piezo speaker technology for Barbie Talking Watch

MATTEL

Line extensions for Fast Talkin' Bubba

MINNETONKA BRANDS INC.

Licensed, developed and sourced Foamy Friends concept to production

POLYCONCEPT USA

Developed and licensed cigar humidior telephone

RAND INTERNATIONAL

Designed, engineered, sourced Elmo, Barbie, Barney and Hot Wheels Talking Bike Plates. Designed and sourced Reptar Ride-On to production

TOY CRAZE

Designing Next Generation of Crazy Bones, the hottest new toy in the country.

Find out how your company can join our growing roster by calling Lee Volpe, President at 609-424-0605.

Building Q is a marketing consulting company specializing in licensing. We provide a range of services designed to guide manufacturers through the development of profitable licensing programs.

Building Q is a facilitator in the development of strong licensee/licensor relationships.

We provide licensors with a comfort that our clients know the drill and are prepared to work toward the common goal - success of the given property. Our clients understand that the long term equity that we bring to most relationships is built on quality, truthfulness, and the trust that the recommended licensing programs make good sense for their core business.



Marketing Consulting

Building Q is marketing and licensing company that views licensing as a strategic marketing tool. We are in the business day in and day out and understand the idiosyncrasies of this specialized industry. With our strong marketing and product backgrounds, and a thorough understanding of the dynamics of licensing, we can assist companies who want to maximize their licensing opportunities.

One of the best-kept secrets is the pure marketing consulting that Building Q does on a "project" basis. Over the years we have completed a variety of licensing related marketing projects for a variety of companies including Lego, Pepsi, Scholastic, Turner Home Entertainment, Toy Craze, the US Justice Department and the US Postal Service.

We can help you by providing big picture assessments and the small details that enable a licensor to develop a strong program, given their internal resources. We provide the marketing strategy, ongoing advice and the tools to make you knowledgeable. We have a keen understanding of the business which enables us to provide insightful recommendations.

The one thing we do not do is act as "agents" and sell the property.

Consulting services range from developing marketing plans and refining property positioning, to working in tandem with the client on an ongoing basis providing market knowledge, background and referrals to prime industry sources in the areas of legal guidance, independent agents, and design & product development.

For more information on Building Q or our clients contact us at:

Building Q • Plaza 1000, Suite 301
Main Street • Voorhees, NJ 08043
Phone 609-751-2800 • Fax 609-424-0800

C. Woodrow Browne
Gary Schneider