

Building Q Celebrates 23 Years

23 Questions with C. Woodrow "Woody" Browne,
Managing Partner, Building Q, Licensing and Marketing Consultancy

1. You have been in the licensing industry for 35 years; what are some of the biggest changes that you have seen?

Consolidation at retail is the biggest shift. Back in the day, regional discounters could help gestate a program and show the bigger, less flexible chains that something worked. Online sales, specialty channels, and deep discount stores offer some of that now, but it is hard to "tool" for short-term licenses without major support. The "franchise mentality" from licensors adds an element of risk—some are better served with promotional in-and-out tactics, and there are certainly programs offered for licensing that are simply not ready for prime time.

2. Who holds the power in the licensing industry today?

The giant retailers and the giant licensors. Manufacturers have lost their leverage. Non-exclusives have always been a part of the legal language, but deals used to be done with exclusive intent. I understand that licensors' staffs are leaner and meaner, but there has to be a better way to limit the overlaps.

3. How has the move to Colorado changed your business?

My son went to cycling camp here in the '90s, and when my wife flew out with him she phoned me and said, "I think I found our place." When I first moved the business, I think some people thought I had moved out West and retired! While I've had to combat that perception, overall, the business is solid and I have had more clients visit me in Durango in five years than in nearly two decades in New Jersey!

4. How has being a consultant to manufacturers changed?

My product and marketing background gives me a better overview and service platform. A big change today is the niche mentality, and the need to be truly selective with both my recommendations and decisions. It is also about telling the truth.

5. Got a "tell the truth" story?

Years ago, a client called and said he wanted Star Wars, and I told him it was a waste of time—he was the antithesis of a Star Wars licensee. I told him that we would not get to first base, even with my relationship there. He said angrily that he was the customer and he demanded more respect, and that I not talk that way to him. I told him I was simply telling him the truth, and if he wanted me to lie to him he would have to triple my fee. He opted for the truth.

6. What was the first licensed product you remember purchasing?

Ha! When I was about 12, I bought a Peanuts felt banner. It pictured Snoopy dancing with the caption, "I have to start acting more sensible... tomorrow!"

7. During the `90s you were chairman of the Licensing Industry Merchandisers' Association (LIMA). How has that organization changed over the years?

It is much more financially fit today. Shortly after I was elected, the staff had to take a pay hiatus and we had to raise money. The board called members—we were dialing for dollars—offering two years for the price of one if members sent in the dues now! It was a financial storm that we weathered, and with the gala and show growth, it all worked out. I think today the organization is focused on the overall good of the industry and is now better than ever.

8. Are still you a member of LIMA?

Yes, and I recommend membership to each client. The benefits favor licensors, but as a licensee there are still good reasons to be part of the organization.

9. How has your business model changed since you founded Building Q in 1992?

Our purpose and core values remain the same, and we still work within the framework of our clients' objectives to achieve success, using licensing as a marketing tool. One big impact occurred in 2008 when my partner Rebecca became more involved in the business. Rebecca has been attending various trade shows, she has a keen eye for new products, and she brings a fresh perspective to things. She was first to spot Hexbugs and Silly Bandz. She is also my electronics guru and savant on all things technical.

10. How do (new) companies find you?

Most new calls come from referrals—either from clients, licensors, or long lost friends. Even after 23 years, I have not found a way to make cold calls work. 11. Tell me about the "Fun Run" at the Licensing Show.

I had always hoped someone else would start a run—but when they didn't, I did. In the early days in New York City we ran in Central Park. When the show moved to Las Vegas it became an "out-and-back" on the Strip. I have to give props to JJ Ahearn of Licensing Street LLC for helping re-energize the run in Vegas. It is always a great way to start the show.

12. Have you ever done real business during one of the runs?

Indirectly, I think we signed one client—but the real value is having a good time with the folks with whom you do business. The run is pretty mellow—no one actually races—and we all run and talk together to make it social and fun.

13. Is it harder to run in the Colorado altitude?

The hardest part is just getting out the door. For me, running is always tough—I run slowly these days. My best runs seem to be when I forget to wear my watch! 14. What is your biggest "win" in licensing?

I remember in the early '80s, Lester Borden—the guy who ran licensing at Columbia Pictures (before Sony) would comment about earning money to "put my kids through college." I always kept that in mind. My biggest win is that we were able to put our three kids through college without putting them in debt.

15. Do you have any special industry mementos?

I have a Han Solo in carbonite hanging in my house. Actual size. Can't get much better than that.

16. Do you still like what you do?

Yes, most days. I like the work, the research, the meetings, and strategy. I like being a part of my clients' teams. To use a football analogy, I like making the block that lets my client score the winning touchdown. Looking back, I can say I did not enjoy the responsibility of managing a staff and worrying about payroll, insurance, and stuff like that. The back-end can be try-

17. Do you think consultants still have a role as the industry moves to bigger and bigger licensors?

Yes, especially with the bigger guys.

Licensors do not want to have to educate Building Q new licensees—and manufacturers cannot afford to mess around just



to prove they know how to play the game. Consultants can educate their clients on the key issues a licensor is looking for, prepare them for the approval process, and help them make internal changes so they avoid paralyzing mistakes or worse. Because of my history, I can often make a call and solve problems before they have a chance to get out of control. It can be an invisible part of the service, but it saves a lot in the long haul.

18. What's next for Building Q?

I am opening up a chunk of time to mentor other consultants. Sort of a consultant's consultant. I've spoken with so many young people who see this niche, think it is easy, and jump in, only to be troubled when the water gets deep. I have been fielding calls for years; now I have decided to create a business out of it.

19. How will you structure this new offering?

I am taking a page from how personal coaches approach this. We've developed a menu of services based on how much time and attention is needed, with fees structured accordingly.

20. What is the best thing a client ever told you? The worst?

The best is easy: "You're hired." The worst thing (which is etched in my soul) was, "It is cheaper for me to litigate than to pay you your commission."

21. What is some of the best advice you have received?

In 1979, I was put in charge of the Lunch Kit business at Thermos. My boss at the time, Don Eccleston, gave me great advice; he said, "Don't burn any bridges." I haven't burnt any—although it could be argued I have blown up a few!

22. How did Building Q get its name?

Trivia time: It was the location of our first office: Building Q was in a big office campus.

23. How long do you think you will continue working?

About 15 minutes, then I'm getting on my bike. ••••