CLIENT SPOTLIGHTS

Liquid Blue is Rock Solid!

LIQUID BLUE began with humble roots in Grateful Dead parking lots selling hand-made tie-dyes over 25 years ago, and has evolved into a major merchandiser and creative force in the licensing industry. LIQUID BLUE now has it's own 69,000 sq. ft. production plant in Lincoln, Rhode Island where the company designs, dyes, prints and packages product for mass, mid tier, specialty, and online retail distribution channels.

Being fully vertical LIQUID BLUE can attack hot market merchandise distribution in all of these avenues. LB has daily contact with mass merchant buying groups and can facilitate quick market penetration of trend and/or hot market product.

LIQUID BLUE'S reputation within the apparel and licensing industry is held in high regard. The company's financial status is rock solid. The team and their talents are nimble and quality driven. Current licensing relationships include: NFL; MLB; LiveNation; Warner Music, Three Stooges; Popeye; and many more...

United Exchange Corp is World Class!

UEC – United Exchange Corporation began over 20 years ago as a supplier to drug and grocery stores, it has since grown to a major HBA manufacturer of a broad product line with core competencies in product development, testing, and distribution to over 30,000 doors nationwide.

"We have been seeking to grow our program through licensing for quite some time and Building Q understands our approach as we begin this endeavor. Based on the reactions from licensors, there are a number of opportunities on the table," said Eugene Choi, president, UEC.

United Exchange Corporation, based in Los Cerritos, California, currently produces a complete line of HBA products, including pain care, oral care, beauty and hair care products, household items, personal and baby wipes and pet products.

"UEC has a 20 year track record in manufacturing and marketing quality products," said Woody Browne, managing partner of Building Q. "Our goal is to help it take that focus on quality and marry it to 'world class brands' and help expand UEC's reach. It's a market we know well and we are looking forward to executing a strong licensing program."

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NIGHTSTAND

On my nightstand is a lamp, a clock, a pretty picture of my bride, and a pile of books. Yes, a pile. Maybe a better word would be a stack. A stack that would protect me if the roof caved in! Funny that I store the stack there, as I do not read in bed. I heard somewhere that it is a bad habit.

Some people think that you can tell a lot about a person by what they read – politicos, celebrities and even athletes get press on their reading lists. I always wondered about

"Sometimes it is good to read a book that is totally annoying."

that - just because I read a book it does not mean I subscribe to the author's point of view or support his hypothesis. I would be pretty boring if I only read stuff that was in line with my beliefs. Sometimes it is good to read a book that is totally annoying. You've got to have an open mind. That is true of anyone.

I am not sure what sparked this train of thought, maybe the President's reading list; but I thought – what are the books on my nightstand, and what does that say about me?

Probably says I do not read enough if there is a stack there – or I need to learn to put them away or pass them on once I am done – but enough stalling – here is the stack –

The Story of Edgar Sawtelle; by David Wroblewski. I have not read it yet – It is a nice thick book and makes a good doorstop. My pal Neil Werde gave it to me a while ago and it is embarrassing to let him know that I still have not read it. I will.

The Lost Cyclist by David

V. Herlihy. A book set in the 1890's. True story – about a cyclist who tours the world, gets killed by bandits and the story of the search by a second cyclist. The amazing part is just imagining the world tour on bikes so primitive and roads so un-paved. My bike weighs less than a third of their machines and

I get irritated with rough pavement. I'm sure that says something about me?

Unclutter Your Life in One Week, by Erin Rooney Doland. Yes, I hate clutter. Although I am not quite Monk (from the TV show), I thought this book would give me even more

practical advice for getting rid of stuff and how to put things away. Step 1: Put away the stack of books on your nightstand!

Rocky Point Park (Images of America series), by David Betencourt and Stephanie Chauvin. I grew up in Norwich, Connecticut and had a lot of "outings" to Rocky Point. I learned to like clam chowder and clam fritters there. I barely remember the rides; I do remember the huge dining hall overlooking the sea. This book is a photo essay and history of the Park. All the cool stuff you do not even think about as a kid growing up there.

The Snowball, Warren Buffet and the Business of Life, by Alice Schroeder. Another doorstop, but this one I read. Frustrating in that as a kid I shared a lot of Warren's attributes, but obviously not enough. An interesting story and a good read. Recently Warren talked about "shared sacrifice" and the concept of raising taxes on the wealthy as the right thing to do for America. I love this guy even more, now.

Born to Run by Christopher McDougall. I do not care if you run or not, this book is a spectacular story told incredibly well. A great adventure story, a great sports story, and a great running story all in one. I liked these guys better than the guys in "The Snowball"

and share about the same amount of talent - I run like Warren and invest like the Tarahumara.

David Crockett, by Michael Walis. This is the true story of Davy Crockett – who the author points out early never called himself Davy. I loved the book about Kit Carson – Blood and Thunder – and hoped this would be as compelling. It is not. Still a great read and a lot of cool insights on early American history.

Live in a Better Way, by the Dalai Lama. I am a

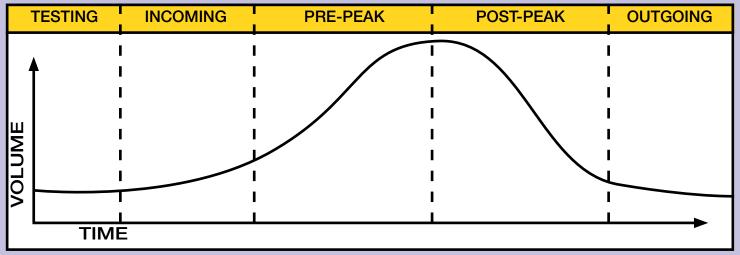
Christian, but Buddhism rocks. My favorite Lama advice- "Even if you cannot help someone, at least don't hurt them."

I have read better books, and enjoy others more, but hey, this is the stack on my nightstand.

Ar. Lama...

PS: "Hey, Mr. Buffet, this is Mr. Lama... Mr. Lama this is Mr. Buffet."

REMEMBER THE TREND CURVE!



The Laws of Trend Merchandising

- Test quickly and effectively.
- The price never goes down pre-peak.
- As long as we own it, know where it sits on the trend curve.
- Observe the competition.
- All trends end.
- Take your markdowns early.

NEWS & NOTES

IN MEMORY OF MURRAY, CO-FOUNDER OF LIMA

I was saddened to hear of Murray's passing on December 2nd. Although over the past several years he and I have not corresponded much, he was always there and remained a friend.

My friendship with him grew through my LIMA (Licensing Industry Merchandisers' Association) membership and serving on the Board as President (now the chairman's position).

With the success of the Association and its worldwide leadership position in the industry, I think few can recall the hardship Murray withstood as he worked hard to get the fledgling organization into a stable situation. He had to manage expectations from a varied group of members; many who thought the association was un-needed or redundant – (most had their own industry organizations that they belonged to). LIMA struggled financially and he and the staff took a pay hiatus to keep the organization afloat – imagine asking your employees to suspend paydays!

What I remember most about Murray was his dogged kindness, his patience to do the right thing for the Association — even when there were loud voices in opposition, and his hard work and sacrifice to create a solid foundation for LIMA that has withstood and flourished after his retirement.

I have always been proud of my association with LIMA, but perhaps proudest of my ability to count on Murray as a friend. I will miss him.



NEW BIZ

With the New Year just beginning, we are already deeply engaged with our two newest clients — **LIQUID BLUE** (T-shirts & Apparel) and **UNITED EXCHANGE CORP (UEC)** (Health & Beauty Aids). See about both on page 4 and for product photos and more on these and all Building Q clients go to www.Buildingq.com.

GETTING PERSONAL

This year I have learned a lot of cool stuff about some of our friends in this fun industry of ours. One friend did stand up comedy — one friend was a guest on The Dating Game; another was a Minor League Baseball Player, and one was in the NFL. One goofy guy appeared on stage with the New York Metropolitan Opera. — I thought it might be cool to get a list of these neat facts and use this space to share them (with permission). So if you have something that you want to share, drop me an email at woody@buildingq.com and let me know — one day we'll have a pretty cool list of personal deeds.

TRADE SHOW SCHEDULE

CES (Consumer Electronics Show) - Las Vegas; January 8th -11th TOY FAIR - New York; February 10th - 13th MAGIC - Las Vegas; February 19th - 21st GPE (Global Pet Expo) - Orlando; February 20th-22nd NHMA (Housewares Show) - Chicago; March 2nd - 5th NATIONAL HARDWARE SHOW - Las Vegas; May 7th - 9th SWEET & SNACK ESPO - Chicago; May 21st - 23rd LICENSING SHOW (LIMA) - Las Vegas; June 18th - 20th

COMIC CON – San Diego; July 18th – 21st
COMIC CON – New York; October 10th – 14th
ABC Kids Expo (All Baby and Child) – Las Vegas;
October 15th – 18th
SEMA (Automotive Aftermarket) – Las Vegas;
November 5th – 8th
PLMA (Private Label Manufacturers Assoc) – Chicago;
November 17th-19th



CLIENT ROSTER

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CLIENT	DISTRIBUTION	CORE PRODUCT LINE	CURRENT LICENSES HELD
APPAREL & ACCESSORIES			
LIQUID BLUE	Mid-Tier, Specialty, Mass	T-Shirts & Apparel	AC/DC, Aerosmith, Allman Brothers, Bon Jovi Felix the Cat, Grateful Dead, Jerry Garcia Jimi Hendrix, Kiss, Led Zeppelin, Lynyrd Skynyrd MLB, Monty Python, Motorhead, NFL, Ozzy Pink Floyd, Pink Floyd The Wall, Popeye, Ramones Rush, Sex Pistols, Slash, Slayer, The Beatles The Moody Blues, The Three Stooges, The Who Woodstock
CONFECTIONS			
HILCO	Mass, Drug, Grocery, Specialty, Dollar Stores, Convenience Stores	Seasonal & Everyday Novelty Confections	Barbie, Batman, How to Train Your Dragon, Justice League, Major League Baseball, Scooby Doo, Superman, The Jungle Book, Turbo, Wyler's
HEALTH & BEAUTY AIDS			
UNITED EXCHANGE CORP (UEC)	Mass, Discount, Off Price, Drug Stores	Pain Care, Oral Care, Beauty and Hair Care Products, Personal and Baby Wipes, and Pet Products	
HOME DÉCOR			
BACK STAGE PASS	Mid-Tier, Specialty, Mass	Barware, Home Décor, Auto Accessories, Musical Instruments, and Impulse Items	Adventure Time, Angry Panda, Annoying Orange Barney, Beavis and Butthead, Care Bears DC Comics, Deadmau5, Domo, Family Guy Gears of War, Ghostbusters, Insane Clown Posey, Nyan Cat, Pac-Man, Popeye, Saturday Evening Post, Scooby Doo, Smurfs, Sonic The Hedgehog South Park, Strawberry Shortcake, Tom & Jerry Wiz Khalifa
SEASONAL			
PRODUCTWORKS	Mass, Drug, Grocery, Specialty, Mail Order, Warehouse Clubs	Lighted Indoor & Outdoor Decorations (Seasonal and Non-Seasonal), Window Clings, Lighted Novelties	Dora the Explorer, Peanuts, Rudolph the Red Nosed Reindeer, Sesame Street, Sponge Bob Squarepants, The Simpsons
TOYS & COLLECTIBLES			
COMIC IMAGES	Mass, Specialty, Convenience Stores, Hobby	Plush Figures, Novelty Golf Club Covers, Novelty Slippers, Figural Backpacks	Star Wars, Marvel Super Heroes, Masters of the Universe, Spiderman, Vamplets of Nightmare Nursery, Moshi Monsters
SPECIAL PROJECTS			
SHERPA	Mid Tier, Specialty, Mass, Department Stores	Soft Sided Pet Carriers and Accessories	
J HOFERT	Home Centers, DIY Stores, Hardware, Specialty & Industrial	Seasonal Lighting	