

Sometimes you are wrong It kinda goes with the territory

I am sitting at my desk today trying to wipe some egg off my face as I call clients to tell them that a property we have been recommending (Los Luchadores) has been canceled. The property does not fit with every client's strategy or needs, but of those that it did, some clients passed, some sat on the fence, and others worked with us to submit proposals. So in the middle of discussing contract terms, we get the news that the program is over. Hmmmmm.

The silver lining is that it is early enough that our guys did not begin product development, did not go out to the sales force and start pitching, but nevertheless I feel bad.

I can take solace in that we always recommend with our clients best interests in mind, and as a company, we feel that it is important to make strong recommendations. If it were our money we'd put it on the table – the ultimate acid test.

Two years ago we took a similar early position with Clifford. Recommending strongly. Fighting against apathy, and a crowded preschool competitive set to generate solid, early, core licensees that would help Scholastic build their success. Not all clients listened then either, but those who did not certainly now wished they did.

Well, the great Arthur Ashe always said that every point was completely independent. Each time you line up, you do your best and let the chips fall where they may. We do the same. And like Arthur Ashe, if we win enough points, we just might take a set here and there. Who knows, we just might win the whole darn match.

MMMM... licensing.

12th season,
Homer and his
family are hotter than
ever. The resurgent licensing
program has made The Simpsons
one of the must have properties over
the last two years. Several Building Q
clients have joined the family of licensees
led by WARREN INDUSTRIES. WARREN'S
Loser Takes All – The Dysfunctional Party
Game hits store shelves this summer.
WARREN will also produce puzzles

featuring your favorite scenes and characters

Now in their

from the show. Plans include 1000 piece puzzles for adults and 300 piece puzzles for the kids and teen market for fall introduction. FRANKFORD CANDY introduces character shaped Jelly Pops featuring all your favorite Simpsons personalities this fall. In 2002, the line grows to collectible tins featuring the entire gang. Also in 2002, BASIC FUN rolls out their line of Simpsons Wind-up toys and collectible Pez Dispenser key chains featuring the gang! GEMMY INDUSTRIES joins the Simpsons family with their line of seasonal animatronics. Decorate your home for Halloween and Christmas featuring the dysfunctional family.

Coca-Cola® World

One of America's most recognizable corporate brands continues its ongoing licensing program in 2001 with Building Q clients sprinkled throughout its licensee list. AD SUTTON AND SONS' line of cooler bags and lunch bags are available now. Keep lunches and Coke ice cold in bags featuring that familiar logo and trademark red color. AD SUTTON'S bags are perfect for packing lunches for school and camp, and the family picnic too!

It's a cooler and it's a radio! It's
POLYCONCEPTS innovative CocaCola® CD Player/Cooler. The cooler
compartment keeps cans and
bottles of Coke ice cold while you
enjoy your favorite tunes from the CD
Player or AM/FM Radio. A perfect poolside

addition for the summer months.

Coke collectors will also enjoy the phones from POLYCONCEPTS featuring the Coca-Cola® Polar Bears. WARREN INDUSTRIES takes the nostalgic old-time look and feel of Coca-Cola® to

puzzle enthusiasts. Look for 500-piece puzzles of these scenes in stores. WARREN also produces 100 and 500 piece puzzles featuring the famous Polar Bears that

kids and adults both love.

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Keep it Simple

Strike three
Get your hand off my knee.
You're overdrawn.
Your horse won.

Yes.

No.

You have the account.

Walk.

Don't walk.

Mother's dead.

Basic events

require simple language.

Idiosyncratically euphustic

eccentricities are the

promulgators of

triturable obfuscation.

What did you do last night?

Enter into a meaningful

romantic involvement

or

fall in love?

What did you have for

breakfast this morning?

The upper part of a hog's hind leg with two oval

bodies encased in a shell

laid by a female bird

or

ham and eggs?

David Belasco, the great

American theatrical producer,

once said "If you can't

write your idea on the

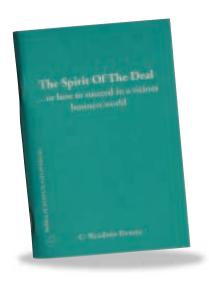
back of my calling

card,

you don't have a clear idea."

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

NEWS & NOTES



Spirit of the Deal – The Sequel:

Spirit Of The Deal was written 5 years ago, and we have received a great amount of feedback on the book. As part of Building Q's 10th anniversary celebration in 2002, a sequel is in the works and we are looking to include input from the licensing community. Email us with a little saying or thought that you live by, and it may be included in the book. All submissions can be emailed to Woody@BuildingQ.com. If you are not familiar with the book, log on to our website at www.BuildingQ.com for information on how to order your copy.

New Business – In March 2001, we welcomed FUN & FUNNY to the Building Q team. FUN & FUNNY is a Hong Kong based toy company that manufactures plastic flying toys. They look to build on their current stable of licenses which currently includes Disney and San Rio for distribution into foreign markets.

June 1, 2001 marks the addition of JARU to the client roster. A toy manufacturer specializing in rack toys, we look forward to a successful relationship with the Jacksonville based corporation.

5 Years & Counting – We salute the following companies who have been with us for 5 or more years.... MODERN PUBLISHING, 9 years and has the distinction of being our very first client. POLYCONCEPTS USA has been part of the team since 1994. Other companies we have worked with for at least 5 years are BRIEFLY STATED, GEMMY INDUSTRIES, and WARREN INDUSTRIES.



to schedule an appointment with any of our clients.



News & Previews

Client	Distribution	Core Product Line	Current Licenses Include (listed alphabetically)
BASIC FUN	Mass, Specialty, Toy	Working Keychains	Barbie, Clifford, Etch - A - Sketch, Hasbro Games, Hot Wheels, M&M's, Nickelodeon, Peanuts, Planet of the Apes*, Pokemon, Powerpuff Girls, Razor Scooters, Spiderman, The Simpsons*, Viewmaster, XOOTR Scooters, X-Men
FUN & FUNNY	Mass, Specialty, Toy	Flying Toys - Seasonal & Everyday	(Foreign Markets) - Disney Standard Characters, Hello Kitty, Mickey & Kids, Monster Rancher, Winnie the Pooh, Toy Story 2
JARU, INC.	Mass, Grocery, Drug	Rack Toys	New to Building Q June 2001
WARREN INDUSTRIES	Mass, Mid-Tier, Toy, Drug	Board & Card Games, Puzzles	Animated X-Men, Cardcaptor Sakura, Clifford, Classic Spiderman, Coca-Cola, Curious George, Discovery, DragonBall Z, Lego, Looney Tunes, M&M's, Monster Rancher, Noah's Park*, Power Rangers, Sabrina, Tama & Friends*, The Simpsons
	CIAL EXPRESSIONS		
GEMMY INDUSTRIES	Mass, Mid Tier, Specialty, Drug	Seasonal & Everyday Animatronics	Alvin & The Chipmunks, Caddyshack,Frosty the Snowman, Grinch, Jaws, Powerpuff Girls*, Scooby Doo, The Simpsons*, Universal Monsters, Wizard of Oz
PUBLISHING			
MODERN PUBLISHING	Mass, Drug, Grocery	Coloring, Activity and Sticker Books	Barbie, Clifford, Digimon, DragonBall Z, Fisher Price, Furby, Hot Wheels, Noah's Park, Teletubbies
НВА			
KOSMAKARE	Mass, Drug, Grocery	Adhesive Bandages & First Aid Products	Powerpuff Girls, Teletubbies, WWF
FOOD			
Frankford Candy Company	Mass, Drug, Grocery	Character Shaped Jelly Pops, Boxed and Wrapped Confections, Retentative Value Containers	Barbie, Beatrix Potter, Brach's Candies, Curious George, Grinch, Hawaiian Punch, Hot Wheels, Peter Pan, Rocket Power, Rugrats, The Simpsons, Sponge Bob Square Pants, The WildThornberrys, Woody Woodpecker
ELECTRONICS			
	Mass, Mid-Tier, Gift, Catalog	Novelty Consumer Electronics	Coca-Cola, Coleman, Crayola, Double Bubble, Koosh, Magic 8 Ball, M&M's, Nerf, Nick & Nora, Nintendo*, NFL*, Slinky
COLLECTIBLES		0.11.111	
COLLECTIBLE CONCEPTS GROUP	Specialty, On-Line, Catalog	Collectibles	Chicken Soup for the Soul, Classic Spiderman, Farscape, Lord of the Rings, Marvel Characters, Planet of the Apes, Spiderman Movie, Terminator, 3 Stooges
COMIC IMAGES	Mass, Specialty	Trading Cards & Trading Card Collectible Games	Final Fantasy, Reservoir Dogs, Slayers, South Park, Tenchi Muyo, WWF
APPAREL & AC	CESSORIES		
	Mid-Tier, Mass, Department Store, Specialty	Backpacks, Travel Bags, Travel Bags, Cooler Bags, Lunch Bags	Clifford, Coca-Cola, DragonBall Z, Franklin*, Jackie Chan Adventures*, Little Bear, NASCAR & Drivers, Tenchi Muyo*
BRIEFLY STATED	Mid-Tier, Mass, Department Store	Boys & Girls Sleepwear, Loungewear, Boxer Shorts,	And 1, Brittany Spears, Curious George, Dragonball Z, Franklin, Korn, Lucky Brand, Playboy, Reboot, Scooby Doo, Spiderman, Sponge Bob Squarepants, Todd Parr Art, Tonka, XMEN
HASELSON INTERNATIONAL	Mass, Mid-Tier	School Uniforms, Men's & Boys Sportswear	Program Building in 2001