

History

I've always lived the philosophy that you keep moving forward, and good things will happen. Rarely does looking over your shoulder pay off. History, however, is different – we can all learn from studying the past -- yet as an industry we seem to lack the same sense of history that the entertainment, advertising, and toy industries muster.

In the ad biz, David Ogilvy, Leo Burnett, Ted Bates all have instant imagery: lasting legacies that provide the new ad professionals with a keel that we lack in our "industry."

Just ask some of the young directors or AE's in licensing about our past. You'll get interesting answers. While our industry is not all that "old", there are some icons that should be remembered, known, and whose work endures to this day.

Jerry Robinson is known by some as an industry stalwart – and a founding member of our trade association. As a young man he really

revolutionized the imprinted apparel biz by being the first to add "licensed" images to his sportswear.

Another "veteran" is Murray Altchuler, a founding member of LIMA. While at LCA (Licensing Corp. of America) worked with a young guy named Dan Romanelli. LCA went on to become Warner Bros. Consumer Products, Dan moved the West Coast, and I think today is in the movie biz or something.

When talking about licensing pioneers, you have to think of Connie Boucher, founder of Determined Productions. Connie saw the potential of Charles Schultz's Peanuts characters and became the "master" licensee, controlling most of the product categories and working integrally with "Sparky" to create one of the most enduring and embraced licensing programs of all time. My first licensed purchase – or at least the one I remember most – was a banner from Determined with a quote from

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A.D. Sutton & Sons

A family run business since 1909, A.D. Sutton and Sons (ADS) enters the new millennium as a major player in the licensed backpack and travel bag business. Led by 4th generation "son" and president, David A. Sutton, the company prides itself for offering "high value" products at competitive price points.

Today's A.D. Sutton product line consists of a myriad of backpacks, travel bags, cooler bags, lunch bags, fannie packs and any other bag variety imaginable. In the early 1990s, A.D. Sutton had just begun dabbling in licensing with product featuring NASCAR's Dale Earnhardt and Jeff Gordon. The success of that line during the next few years convinced management that in order to survive in this ultra competitive category, children's character properties needed to be part of the core product line.

Looking to get in the game, David hired the team at Building Q in time for Licensing Show 1998.

"For the last 6 years, Building Q has been an invaluable part of our business strategy," said David. "At our first Licensing Show together, Woody convinced me that establishing a relationship with Nelvana (by signing Little Bear), would be the perfect entry into the children's market. Now 6 years later, I realize how right he was." *cont. on page 2*



Orange County Choppers

Three Building Q clients will motor onto a new path this year and next with a license truly built for speed: Orange County Choppers. Licensed product makes its debut with merchandise from A.D. SUTTON & SONS, BIO-DOMES AND ODM.

ODM is currently introducing their line of t-shirts to mass, mid-tier and specialty outlets. BIO-DOMES, a hat and headwear manufacturer, and A.D. SUTTON & SONS, a New York-based manufacturer of backpacks, expands their lines with Orange County Chopper products during the Fall 2003 and Spring 2004, respectively.

"The lure of the motorcycle lifestyle continues to broaden, attracting people from all walks of life," said Terry Hess, Director of Marketing, Building Q. "Orange County Choppers is an interesting property as it is perceived to be upscale while reflecting the maverick culture of riding."

Orange County Choppers of Montgomery (Orange County),

New York, began manufacturing custom motorcycles in 1999. Since then it has garnered worldwide praise and recognition for custom motorcycles that are considered by many to be "sculptures you can ride." The company, established and owned by Paul Teutul, Sr. and son, Paul Jr., was recognized as one of the Top 12 builders in the World in 2002 with notable creations such as the "Spider Bike" (recently purchased by Wyclef Jean of the Fugee's) and the Jet Bike, which honors U.S. Armed Forces in Afghanistan.

"We are very pleased to have three quality companies like ODM, BIO-DOMES and AD SUTTON on board as our benchmark partners," said Jim Bell, President, Bell Licensing. "These three companies have shown vision to be on board early and we look forward to working with them."



Snoopy saying, "I've got to start acting more seriously ... tomorrow!" – a comment my mom (and everyone in my life) still makes to this day.

How about Irv Handlesman! Some of us old guys remember Irv – he was an "old guy" when we were kids – as the original licensing agent for Rocky and Bullwinkle! For years Irv called and called. Sold licenses with a handshake and personal visit. If you look up tenacity in the dictionary, you will find Irv's picture. A guy who believed in Rocky and Bullwinkle and the selling power of his license, he would not take no for an answer. Tell Irv "No" and he calls you back 20 times. On call 21 he would talk to your boss, then your boss's boss, until someone understood the value of Irv's property. No application, no marketing plan, no CMA; just a handshake and good product.

You want more recent history? Mark Freedman, quit his job (worked for the agency representing Chipmunks, among others) then on his own began knocking on doors with a silly comic book property that did not have a chance. Finally got a small toy company to sign on as the "master" for a boys action line called Teenage Mutant Ninja Turtles, and went on to become a legend. No style guide, handshake deals, and a never-say-die belief in his program. (Once he told a licensee looking for art guidance "Just go buy some of the toys.")

I don't want to fuel Al Kahn's ego – but Cabbage Patch Kids and Pokemon in one career? And since joining Leisure Concepts

(now 4 Kids Entertainment), he has turned it into the number one independent agency on our biz. To quote Casey Stengel, "If you can do it, it ain't braggin!"

In this wacky history, where does Bernie Loomis fit in? Some of you may know him as the President of Kenner; and you may think he belongs to the toy history file – but here is a toy licensee who signed Star Wars in 1977 – May – and shipped action figures for Christmas! (He shipped empty boxes with IOU's and pictures of the Star Wars figures that Kenner would send to the consumer when they were ready...genius!) Bernie was also responsible for Strawberry Shortcake (the first time) and Care Bears, (the first time). To quote Bernie, "You talk about me for awhile; I'm tired of talking about me."

There are a lot more "characters", shall we say, and each one has a story.

These are the folks who demonstrated every day that our business is more than advances and guarantees, more than licensee applications and common marketing funds. Licensing is people – young and old, cool and square. Through the joy and the lies, the wins and the losses, hug 'em or hate 'em you have to love the people in our biz.

Not a day goes by that I don't learn something new. In many ways I am still a neophyte, but if I can just apply the lessons taught by some of these guys, some of the time, I think I'll be just fine.

A.D. Sutton & Sons

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A.D. Sutton utilized their strong product design and development featuring Little Bear as a stepping stone for other children's licenses in the marketplace. In March 1999, A.D. Sutton was able to secure one of that year's top licenses with the addition of Clifford the Big Red Dog to the product line. The Clifford Line consists of traditional backpacks and travel bags, and their innovative plush Clifford backpack has been a tremendous hit with retailers and consumers.

The teen/tween market was viewed as an untapped area in the industry – and an area David and his team looked to cultivate. In early 1999, ADS landed the DragonBall Z license and continues to enjoy success today with the classic anime products.

In 2003 and beyond, ADS promises to be a major player in the children's backpack business. Their recent consumer introduction of Care Bears and Strawberry Shortcake provides a glimpse into the future of the company. David and his team look forward to the shipping of Blue Jean Teddy, and Orange County Choppers products to the marketplace in late 2003 and 04.

While it may seem like an overnight success story for the uninitiated, those of us who have been along for the ride know that A.D. Sutton has strategically and methodically grown to be a leading force in the backpack and bag category. The company has recently added staff to their marketing, licensing, production and design departments, positioning itself for further growth and assuring that A.D. Sutton and Sons will be a leading choice for licensors for many years to come.



NEW PRODUCTS DEBUT AT THE BUILDING Q BOOTH

Make sure to visit Booth 3553 to see some of the great new product from our clients. New products to be showcased in our booth include: Justice League Flying Toys from FUSION TOYS; PACESETTERS' Blue Jean Teddy Diaper Bags and Gift Sets; the hottest new T-shirt designs from ODM; FRANKFORD CANDY'S new line of Nickelodeon confections; Bey Blade Keychains and Finding Nemo novelties from BASIC FUN. Orange County Choppers merchandise from ODM and BIODOMES will also be on display, along with CADACO'S debut of the updated version of their classic board game, All-Star Baseball.

VOTE FOR OUR LIMA AWARD-NOMINATED CLIENTS

The envelope please... We are all waiting with baited breath to find out if HAPPY DOG TOYS, FRANKFORD CANDY, and/or BRIEFLY STATED will be announced as winners at this year's LIMA Gala. Happy Dog Toys is nominated for their Spongebob Aquarium, while Frankford is on the ballot for the Nickelodeon Candy execution. Briefly Stated is nominated in the soft goods category for its highly successful Spongebob Sleepwear and Loungewear lines.

JUST A RUN IN THE PARK

Join us for our Fourth Annual "It's Gonna Be Huge" Fun Run on Thursday, June 12. Mark your calendars and set your alarm: we start at 6:30 a.m. – the entry fee is \$15 and all proceeds benefit LIMA's charity of choice, The Hole In The Wall Gang for children with cancer and other terminal illnesses. Walkers and runners can participate in a 1.8 or 3.2 mile loop, and t-shirts are free to the first 20 entries. Come on – you can do it!

NEW BUSINESS

We are excited to add these companies to the Building Q Family

- **BIOLAB INTERNATIONAL** – A company that specializes in developing gift products for the cosmetics, fragrance and toiletries industries. Biolab's reputation for innovation and reliability is earned by delivering high quality products.
- **BAKERY CRAFTS** – A leading licensee in the baking category, Bakery Crafts provides a wide variety of quality products to the baking industry. The company offers the best selection of holiday and everyday products including cake kits and toppers, wedding ornaments, cake stands, and food colors. The company currently offers licensed products featuring The Hulk, Scooby Doo, Spiderman, and Cat in the Hat.



IN ACTION



GARY SCHNEIDER, Director of Marketing

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Action Packed Trading Cards, The ScoreBoard, Rickels

Years with Building Q: 6

Years in Licensing: 10

Favorite Movie: Planes, Trains, and Automobiles

Favorite Song: Escape (The Pina Colada Song) - Rupert Holmes

Best Moment In Licensing: Working with and meeting great people from studios, sports leagues, and agencies

Worst Moment In Licensing: Still waiting, hoping it never comes.

Hobbies: Living and Dieing with the New York Jets, Travelling, Softball

Quote You Live By: "Life moves pretty fast. If you don't stop and look around once in a while, you could miss it."

Most Memorable Moment in Professional Career: The Day Woody said "You're Hired!"



WOODY BROWNE, Managing Partner

WOODY BROWNE, Managing Partner

Container Corp of America, Thermos Company, Tonka Toys, Tyco (before that Burger Chef & Thom McCar's Shoes)

Years with Building Q: 10+

Years in Licensing: 23

Favorite Movie: Braveheart, The Adventures of Buckaroo Banzai

Favorite Song: Head Over Heals - Tears for Fears

Best Moment In Licensing: Getting in.

Worst Moment In Licensing: Staying in.

Hobbies: Swim, Bike, Run... and Massages

Quote You Live By: "A slice of heaven every day."

Most Memorable Moment in Professional Career: Landing in SF and renting a mountain bike in San Rafael riding Mt. Tam until almost sunset, the day before a big Star Wars license summit '95. A great hokeyy day if there ever was one.



MICHELLE BROWN, Office Manager

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Tyco Toys, United Biscuits, West Jerisy Health Systems, Great Adventure

Years with Building Q: 1

Years in Licensing: 1

Favorite Movie: Moulin Rouge

Favorite Song: The Joker - Steve Miller band

Best Moment In Licensing: Understanding who Sponge Bob really is

Worst Moment In Licensing: Asking "Who in the hell is Sponge Bob?"

Hobbies: Travelling, Snorkeling, Biking, Bird Watching

Quote You Live By: "The best things in Life are free"

Most Memorable Moment in Professional Career: Chatting with Doogie Hauser during Toy Fair - "I don't get out much."



TERRY HESS, Director of Marketing

TERRY HESS, Director of Marketing

Gimbles, G Fox, National Shirt Shops/His Place, Turbo Apparel, Gore Summerfield, Inc.

Years with Building Q: 2

Years in Licensing: 12

Favorite Movie: Star Wars (the original one), The Matrix

Favorite Song: You've Got A Friend - Carol King

Best Moment In Licensing: Joining Building Q

Worst Moment In Licensing: Staying in retail as long as I did.

Hobbies: Reading, Backgammon, Yoga, Charity/Mended Hearts

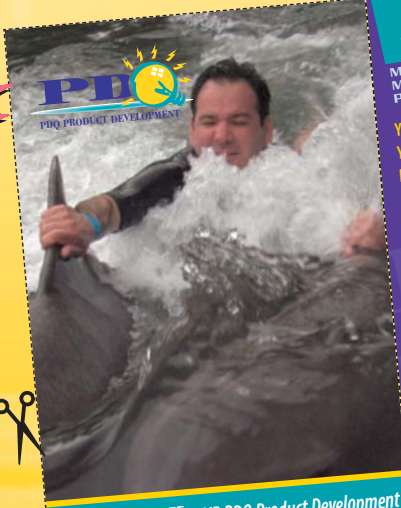
Quote You Live By: "No Act of kindness, no matter how small, is ever wasted."

Most Memorable Moment in Professional Career: Selling the Van Raalte label to Warnaco

COLLECT THEM ALL



- 1** Cut each card along the dotted line
- 2** Glue together
- 3** Fold the card in half



JONATHAN JAFFE, EVP PDQ Product Development

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Mattel Mount Laurel/Tyco Toys, The Franklin Mint, Penwalt Stokes, Electric Mobility, Pemberton Fabricators

Years with PDQ: 3.5

Years in Product Dev.: 24

Favorite Movie: Big

Favorite Song: I want to Hold your Hand - The Beatles

Best Product Worked On: Spongebob Aquarium

Most Frustrating Aspect of Product Development : Trademark Infringement

Hobbies: Radio Controlled Models, Dirt Biking, Ultralight Aircraft, Vehicles, Snorkeling

Quote You Live By: "You only get out of it, what you put into it."

Most Memorable Moment in Professional Career: Getting my first US Patent.



News & Previews

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

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CLIENT	DISTRIBUTION	CORE PRODUCT LINE	CURRENT LICENSES INCLUDE (LISTED ALPHABETICALLY)
APPAREL & ACCESSORIES			
A.D. SUTTON & SONS	Mass, Mid-Tier, Specialty	Backpacks, Plush Backpacks, Travel Bags, Lunch Bags, Fannie Packs, Cooler Bags, Wallets, Coin Purses	Blue Jean Teddy, Care Bears, Coca-Cola, DragonBall Z, NASCAR, Orange County Choppers*, Strawberry Shortcake
BIO-DOMES	Specialty, Mass, Mid-Tier	Hats and Headwear	Budweiser, Bruce Lee, Chevrolet, Corona, The Doors, Fear Factor, Guinness Beer, Metallica, Miller Beer, Orange County Choppers*, Rolling Stones, The Simpsons, The Soprano's
ODM	Mass, Mid-Tier, Specialty, Dept. Store	Men's, Girls, Juniors, Kids T-Shirts and Fleece	Alf, Blue Gender, Bob Ross Art, Cadillac, Chevrolet, Corona, Cowboy Bebop, DragonBall Z, Fear Factor, Gundam, Guinness Beer, Happy Days*, Import Tuner, Initial D, Man Show, Monster Jam*, Orange County Choppers*, Pontiac, Triumph the Dog, Up in Smoke*, Yu-Yu Hakishu
PACESETTER	Mass, Mid-Tier, Specialty, Dept. Store	Bibs, Diaper Bags, Gift Sets	Baby Snoopy, Blue Jean Teddy, Boyd's Bears, Flavia, Hello Kitty, Kolcraft, Little Tikes, Mommy & Me, Noah's Park, Sonia Manzano
SUNWISE SWIMWEAR	Drug, Grocery, Mass, Mid-Tier	UV Protective Swimwear	Coppertone
COLLECTIBLES			
COMIC IMAGES	Mass, Drug, Convenience Stores, Hobby	Trading Cards, Trading Card Collectible Games, Antique Gumball Machines, Bobble Heads, Bobble Pens	24, Betty Boop, Cat in the Hat Movie, Terminator III, The Hulk, Shrek II*, Spiderman, World Wrestling Entertainment
HOUSEWARES			
ALOHA WORLDWIDE	Mass, Mid-Tier, Home Stores, Commercial/Industrial	Portable Heaters, Air Conditioners, Fans, Lighting & Lighting Systems	
FOOD			
BAKERY CRAFTS	Mass, Drug, Grocery	Cake Kits, Cake Toppers, Cake Ornaments, Candles	2- Grrrls, Aaron Carter, Batman, Bear in the Big Blue House, Clifford, Colleges, Harley Davidson, Hello Kitty, NASCAR, NASCAR Drivers, Peanuts, Pokemon, Powerpuff Gilrs, Power Rangers, Precious Moments, Scooby Doo, Sesame Street, Superman, Veggie Tales, World Wrestling Entertainment
FRANKFORD CANDY COMPANY	Mass, Drug, Grocery, Specialty, C-Stores	Seasonal & Everyday Chocolate, Seasonal & Everyday Non-Chocolate Confections, Jelly Pops & Novelties, Retentative Value Food Filled Containers, Novelty Lollipops, Candy Dispensers	Barbie, Beatrix Potter, Bob the Builder, Care Bears, Dora the Explorer, Hello Kitty, Hot Wheels, Peter Pan Peanut Butter, Rugrats, Scooby Doo, Spongebob Squarepants, The Simpsons
HEALTH AND BEAUTY AIDS			
BIOLAB INTERNATIONAL	Department Stores, Mass Market, Grocery, Drug, Salons, Direct Sales, Catalog	Bath and Body Care Gift Sets	
KOSMAKARE	Mass, Drug, Grocery	Adhesive Bandages	Bob the Builder, Jay-Jay the Jetplane, Rescue Heroes, Strawberry Shortcake
PET PRODUCTS			
HAPPY DOG TOYS, INC.	Mass, Specialty, Pet Stores	Dog and Cat Toys & Accessories, Aquariums & Aquarium Accessories	Spongebob Squarepants
PUBLISHING			
MODERN PUBLISHING	Mass, Grocery, Drug	Coloring, Activity, and Sticker Books, 8x8 Story Books, Paint with Water, Workbooks, Board Books	Barbie, Bratz, Bey Blades*, Care Bears, Caillou, Hasbro Games, Jay Jay the Jetplane, Kelloggs, Hot Wheels, Little People, Noah's Park, Rescue Heroes, Teletubbies, The Wiggles
TOYS AND GAMES			
BASIC FUN	Mass, Toy, Specialty, Drug, Grocery, Craft	Functional Keychains, Windup Toys, Impulse Toys, Clip Crafts, Tiny Totes	Barbie, Blues Clues, Bubble Tape, Bey Blades, Cabbage Patch Kids, Disney Princesses, Disney Standard Characters, Dora the Explorer, Dubble Bubble, Duncan, Dymo, Etch-a-Sketch, Fairly Odd Parents, Finding Nemo, He-Man, Hot Wheels, Hulk*, Kirby, Lava Lamp, Lord of the Rings, M&M's, Mad Libs, Magic 8 Ball, Magnetic Poetry, Mr.Potato Head, Monopoly, Muppets, Peanuts, Pez, Rat Fink, Rugrats, Rocket Power, The Simpsons, Slinky Dog, Super Soaker, Spiderman*, Spidey & Friends*, Spongebob Squarepants, Teenage Mutant Ninja Turtles, Transformers, Thomas the Tank Engine, Tootsie Pop, Vortex, Wild Thornberrys, Yu-Gi-Oh
CADACO GAMES	Mass, Toy, Specialty	Board Games, Puzzles, Activity Sets, Chalk and Outdoors, Magic	Care Bears, Lance Burton, Marshall Brodien, Major League Baseball's Cooperstown Collection*
FIBRECRAFT	Mass, Specialty, Toy, Drug, Craft	Craft & Activities	Beatrix Potter*, Peanuts*, Scooby Doo*
FUSION TOYS	Mass, Toy, Specialty, Drug	Tethered Flying Toys & Outdoor Inflatables, Bath Toys	Disney Standard Characters, Disney Princesses, Justice League, Pooh, Peter Pan, Toy Story
JARU TOYS, INC.	Grocery, Mass, Toy, Drug	Impulse Toys	Jackie Chan Adventures
SRM ENTERTAINMENT	Mass, Toy, Drug, Specialty	Light Chasers	Hello Kitty, Jimmy Neutron, Sponge Bob Squarepants, Scooby Doo, Power Rangers

* - Contract Pending