

EVERYTHING OLD IS NEW! by Meyer J Janet
President of Design Plus- A Licensing Consultancy

SO WHAT'S NEW?.....There's no excuse in not knowing. News is everywhere! It's on you pager, palm pilot, desktop, radio and TV and in your paper and magazines. How many news and analysis programs can a person absorb? Why should anyone need to follow news and weather on a 24hour basis? We just keep accumulating data like some demented communications vacuum cleaner.

I really wouldn't mind if all this enquiry and effort made us all that much smarter. But it hasn't. We are just better informed about our confusion and still have insufficient insight to predict future events. So it's once again, as we draw closer to the Licensing Show that I start to wonder what this year's "NEW BIG THING" is going to be. I'm really not sure, but here is my guess anyway.

Last year the real business of the show seemed to be overshadowed by VC money and youthful technocrats, whose Internet solutions were going to change the industry. Well they didn't and whilst it may be interesting to see who has survived and how their business models have changed; it is clear that the air has gone out of that balloon.

Will globalization be the new frontier and will licensors increasingly turn away from domestic markets in search of global reach? Well, firstly it's not really new. Licensors have for many years been moving licensed manufacture offshore and this will, no doubt, continue as long as economics dictate. As for the logistics and hassle of controlling the sale of licensed products in Europe and Asia, that's a different kettle of fish. Major cultural realignments will need to take place before this activity becomes really viable.

So it's my guess that apart from the usual licensing program launches, that hope to capture the consumers' imaginations; there won't be anything new at the show. But that is perhaps as it should be, for as in the rest of the economy

EVERYTHING THAT IS OLD IS NEW and it's time, once again, to concentrate on the old.

We need to go back to basics. Driven by a need to understand the core equity in the licensing program, the relationship with the end consumer and the measures by which results can be evaluated.

The economy of the new millennium has demonstrated that there is no new model or economic paradigm out there. The business cycle exists, profits still count and the consumer remains king. Our only justification to survival is our ability to meet and exceed their expectations. A task complicated by the end consumer's total ignorance of the licensing industry. Apart from avid collectors and fad follower's people do not get up in the morning with an urge to buy "licensed merchandise." It is only through a thorough understanding of the target audience's lifestyle and ongoing close co-operation with the retail sector (customers proxy agents) that licensors can create effective programs that sell through.

And on the home front we still have not earned the respect of brand and marketing people. In times of downturn when marketing money is switched from above the line media to below the line activities, we need to take our place as a viable part of the available mix. The challenge is to develop and present ROI models that make economic sense at the highest board level and demonstrate that licensing is a reasoned extension of the marketing platform.

So whilst it maybe business as usual at the licensing show, it's my hope that it will be marked by re-dedication to the consumers that we serve and increased professionalism on how we appear to colleagues outside of the industry. The results of this approach will really be newsworthy.