

# The Licensing Letter

A trusted companion for over 30 years

*"The Licensing Letter is the single most important tool I have for information, trends, what's happening in the marketplace, and finding licensees. You can't be in the licensing business without it."* - **Cynthia Modders**, Owner, Firefly Brand Management

*"The Licensing Letter is an integral part of our daily business."* - **Lindsay Friedman**, Manager, Licensing & Partnerships, Activision

*"The only honest voice in the licensing business. When people ask me where to go for accurate information about licensing, I always send them to The Licensing Letter."* - **Wes Anson, Esq.**, Chairman, Consor Intellectual Asset Management

*"The only subscription I would never cut back on."* - **Liz Conyngham**, Partner, Creative Properties

*"The Licensing Letter delivers timely insider information you don't get other places. It's my network."* - **M.J. Chisholm**, President, Cabin 5

*"We use the 'Licenses Recently Granted' section and the contact information as valuable prospect lists."* - **John Haesler**, MHS Licensing

# TLL THE LICENSING LETTER

THE DEFINITIVE SOURCE FOR DATA, ANALYSIS, NEWS AND CONTACTS SINCE 1977

## Per Capita Sales Reflect Growth Opportunities in Licensing in Emerging Markets

Per capita spending on licensed merchandise is highest in Canada, followed closely by the U.S. (\$269 and \$268, respectively). The U.K., France and Germany are just above \$100 each, with Australia, Japan, Italy, Sweden, and the Nordic countries in the \$70-\$90 range, according to the just-released 5th edition of International Licensing & Sales Report.

However, as the increasingly tight financial straits cause a decline in per capita retail sales of licensed merchandise, such as McDonald's, Coca-Cola, and Nike, all generate very low per capita retail sales of licensed products — in the case of these three companies, \$35, \$38, and \$40, respectively.

On the other hand, some countries showing an overall growth in per capita sales suggest high

PER CAPITA SALES OF LICENSED MERCHANDISE IN SELECTED TERRITORIES, WORLDWIDE, 2011

Canada	\$269.38
U.S.	\$268.06
U.K.	\$102.54
France	\$101.56
Germany	\$102.54
Australia/Switzerland	\$99.13
Japan	\$79.39
Italy	\$79.39
Sweden	\$79.37
Nordic	\$71.13
China	\$35.00
India	\$38.00
Other	\$40.00

Licensing professionals need hard data to make “hard calls.” *The Licensing Letter* is uniquely positioned to provide the data readers need to make tough planning decisions and cogent presentations.

## Insights This Issue

- Michael Kors On Time.....
- Hot Topic Adds Blackheart.....
- Ohio State Goes One-Stop.....
- Indigenous Products Proliferate.....
- Licensing Professionals.....

# Critical news, trends and proprietary research: Each issue of *The Licensing Letter* will contain information not found anywhere else.



## [TLL] Mapping An Online Retail Strategy: Vendors Offer An Array Services, Insight Into Business Models

Printer-Friendly Format

09-03-12

Online retail: Build it yourself? License someone else to handle it? Some combination in between? Overall, Forrester estimates that 7% of retail sales are online. The figure for licensed merchandise is 7.5% plus 1.5% for TV shopping, according to The Licensing Letter. But what's the best strategy for entering or extending your online retail presence?

The options are myriad, and a host of providers offer every conceivable option. Among the key players, each with a distinct profile, are (in alphabetical order), CaféPress, Delivery Agent, Fanatics, GSI Commerce, SureSource, and Zazzle (see accompanying box on pg. 3 for company profiles).

The short of it: If you're going to license another company to run your online retail operations, you can expect a royalty ranging from 5%-25% of net retail sales. The low end will be for a small, individual property; the higher end will be for a cable network, sports league, or conglomeration of properties.

censees.

OSU currently has over 100 apparel licenses who have been notified that their licenses will expire at the end of this year. OSU anticipates reducing the number of apparel factories J.America and its sublicensees will work with to about 20 from the current 800.

The university anticipates that many of the

up in socially responsible business prac-

erica and Fanatics offered a joint pro-  
re Dallas Cowboys' Silver Star Merch-  
as the second. Silver Star reportedly was  
to propose the concept to OSU, having  
hed a similar agreement with USC. The  
ity would not confirm who the third final-  
e bidding was — though Kaplan indicat-  
l release details of the other proposals in  
re.

ss all categories OSU has approximately  
sees, with the biggest increase in recent  
hardgoods, where "you often have one  
turer making one item, like pool tables,"  
nmer told us in 2011.

## Global Licensing Programs Based On Indigenous Properties Proliferate

A decade ago, the licensing terrain in all but the most mature territories was limited primarily to:

- ▶ High-profile global properties, mostly from the entertainment/character and fashion

# Licensing Opportunities are presented in every issue of *The Licensing Letter*

December 3, 2012

 **licensing news** *Continued from page 6*

## INTERNATIONAL PROPERTIES AVAILABLE OR RECENTLY ASSIGNED

PROPERTY	DESCRIPTION	CATEGORIES AVAILABLE	LICENSING CONTACT
Dino Dan	Children's dinosaur adventure show, now airing on Nick Jr. in the U.S.	All (Central America, Chile, Colombia, Dominican Republic, Ecuador, Peru, Venezuela)	Carlos Carvajal, Kopa Grupo De Licencias
Donald J. Trump Signature Collection	Trump Organization's brand based around mogul Donald Trump and related luxury goods.	Apparel, eyewear, leather accessories, watches (men's) (Brazil)	Mbacir Galbinski, Supermarcas
Muhammad Ali	Name, image and likeness of championship boxer known for bouts in the '60s and '70s.	All (Brazil) All (Mexico)	Glenn Migliaccio, BR Licensing Eduardo Shapiro, License Inc.
Oxford University	Oldest English-speaking university known for diverse publishing portfolio.	Apparel, education, home (UK, Europe, Middle East)	David Ball, Performance Brands Limited
Panama Jack	1970s sun care brand, later appearing on t-shirts.	All (Argentina, Brazil, Chile)	Mbacir Galbinski, Supermarcas
PopCap Games	Mobile/social game developer, known for games Bejeweled and Plants Vs. Zombies; now owned by Electronic Arts.	Apparel, collectibles, housewares, toys (UK)	Rob Corney, Bulldog Licensing

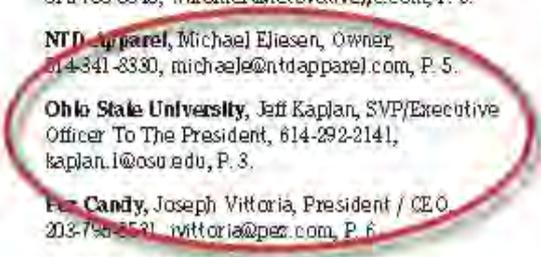
# International and domestic contacts and connections complete the picture, as only *The Licensing Letter* can

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When asked how she used *The Licensing Letter*, one subscriber answered succinctly:

“I read;  
I circle;  
I call.”



*The Licensing Letter* team comes with your membership:

- Our Publisher and Editors have decades of experience in the licensing business, and they are eager and available to talk with you about your specific issues and opportunities. It's like adding a staff of experts, at the price of membership!
- In addition, members automatically get a pass into *The Licensing Letter* [archives](#), a treasure chest of news, ideas, and sales data to provide context to any presentation.

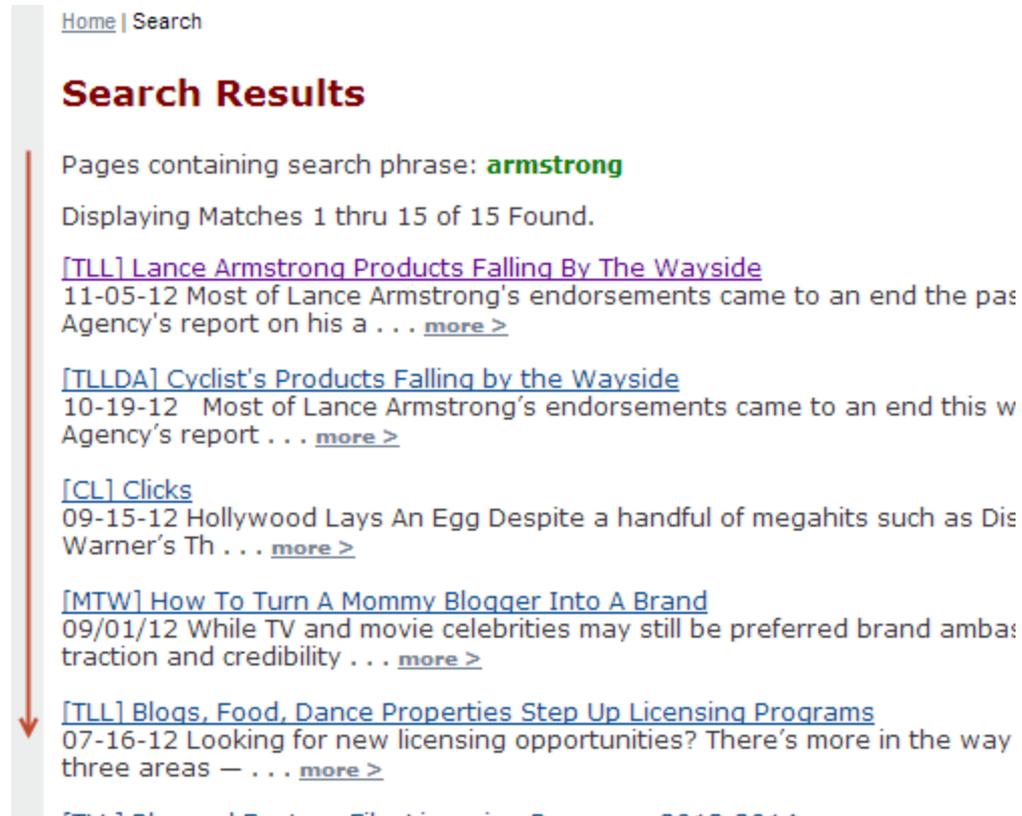
## *How to Access the Archives:*

- At the EPM home page, [www.epmcom.com](http://www.epmcom.com), enter your search terms in the upper left window:



## How to Access the Archives:

- The last four years' of articles are at your disposal:



The screenshot shows a search results page with the following content:

[Home](#) | [Search](#)

### Search Results

Pages containing search phrase: **armstrong**

Displaying Matches 1 thru 15 of 15 Found.

[\[TLL\] Lance Armstrong Products Falling By The Wayside](#)  
11-05-12 Most of Lance Armstrong's endorsements came to an end the past week as the Agency's report on his a . . . [more >](#)

[\[TLLDA\] Cyclist's Products Falling by the Wayside](#)  
10-19-12 Most of Lance Armstrong's endorsements came to an end this week as the Agency's report . . . [more >](#)

[\[CL\] Clicks](#)  
09-15-12 Hollywood Lays An Egg Despite a handful of megahits such as Disney's 'The Sorcerer's Apprentice' Warner's Th . . . [more >](#)

[\[MTW\] How To Turn A Mommy Blogger Into A Brand](#)  
09/01/12 While TV and movie celebrities may still be preferred brand ambassadors, mommy bloggers are gaining traction and credibility . . . [more >](#)

[\[TLL\] Blogs, Food, Dance Properties Step Up Licensing Programs](#)  
07-16-12 Looking for new licensing opportunities? There's more in the way of new licensing opportunities in three areas — . . . [more >](#)

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## Still more benefits for *The Licensing Letter* members

- Licensing professionals get a steady source of sales and marketing data they can rely on for planning, budgeting and presentations;
- Licensing success is all about staying on top of trends and taking advantage of opportunities. Just this week, an anxious member wanted the ownership contact for Psy, the Gangnam-style phenom whose YouTube video just topped ONE BILLION views! (Our editors had the contact.)

# More membership benefits:

- That elusive piece of information that would complete a client pitch is probably in the archives of *The Licensing Letter*;
- A leading licensing authority/editor at *The Licensing Letter* is a phone call away for those hard-to-get answers, with your membership to *The Licensing Letter*;
- Membership in *The Licensing Letter* community entitles you to discounts on all of the companion research, from International Licensing to the popular Sourcebook, from The Market for Apps & e-Properties to Retail Pricing of Licensed v. Non-licensed Merchandise. Custom research is also performed on a contract basis for *The Licensing Letter* members.
- It is highly likely your colleagues (and competitors) are reading *The Licensing Letter*; it makes sense that you should be reading it as well.
- Substantial discounts exist to make it easy to enroll others in your organization. *The Licensing Letter* makes the perfect communications tool, especially for remote or international staff.
- See the following page for how to become a member right now.



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DEC. 3, 2012  
Vol. XXXVI, No. 22

## Per Capita Sales Reflect Growth Opportunities For Licensing In Emerging Markets

Per capita spending on licensed merchandise is highest in Canada, followed closely by the U.S. (\$260 and \$256, respectively). The UK, France, and Japan follow at just above \$100 each, with Australia, Italy, Benelux, and the Nordic countries in the \$70-\$90 range, according to the just-released 7th edition of *International Licensing: A Status Report*.

However, as the accompanying chart demonstrates, some of the fastest-growing territories for retail sales of licensed merchandise, such as Mainland China, Russia, and India, still generate very low per capita retail sales of licensed products — in the case of those three countries, \$3.50, \$1.60, and \$1.45, respectively.

On the other hand, some slower growing and emerging markets per capita sales suggest higher potential despite being relatively smaller markets overall. Among the examples:

- Turkey, with retail sales of licensed merchandise of \$470 million in 2011, is cited by many global licensing executives as a significant growth opportunity with per capita sales of \$10.37.
- Singapore, with overall retail sales of licensed merchandise of only \$40 million has per capita sales of \$17.72.
- Chile, which is a market a fraction the size of Brazil's (\$170 million in retail sales of licensed merchandise in Chile vs. \$2.05 billion in Brazil), has similar per capita sales at \$10.21 and \$6.08, respectively. Mexico, with retail sales of licensed merchandise of \$1.20 billion, has per capita sales of \$31.20, the highest in Latin America.

*International Licensing: A Status Report* has just been published by The Licensing Letter. The 370-page report includes 317 charts, graphs, and tables with The Licensing Letter's proprietary estimates of retail sales of licensed merchandise in 44 countries.

Free with the report are 31 spreadsheets with key data by property type, product category, and

Continued on page 3

### PER CAPITA RETAIL SALES OF LICENSED MERCHANDISE IN SELECT TERRITORIES WORLDWIDE, 2011

<b>U.S. AND CANADA</b>	
U.S. ....	\$256
Canada .....	\$260
<b>WESTERN EUROPE</b>	
UK ....	\$100
France .....	\$100
Germany .....	\$100
Italy .....	\$100
Spain .....	\$100
Sweden .....	\$100
Netherlands .....	\$100
Denmark .....	\$100
Belgium .....	\$100
Switzerland .....	\$100
Austria .....	\$100
Portugal .....	\$100
Central and Eastern Europe	
Russia .....	\$1.60
Poland .....	\$1.60
Czech Republic .....	\$1.60
Slovakia .....	\$1.60
Hungary .....	\$1.60
Slovenia .....	\$1.60
Croatia .....	\$1.60
Bulgaria .....	\$1.60
Romania .....	\$1.60
Ukraine .....	\$1.60
Belarus .....	\$1.60
Latvia .....	\$1.60
Lithuania .....	\$1.60
Estonia .....	\$1.60
Asia	
Japan .....	\$100
India .....	\$1.45
China .....	\$3.50
South Korea .....	\$100
Taiwan .....	\$100
Hong Kong .....	\$100
Singapore .....	\$17.72
Malaysia .....	\$100
Thailand .....	\$100
Philippines .....	\$100
Indonesia .....	\$100
Vietnam .....	\$100
South Africa .....	\$100
Latin America	
Mexico .....	\$31.20
Brazil .....	\$6.08
Argentina .....	\$100
Colombia .....	\$100
Chile .....	\$10.21
Peru .....	\$100
Venezuela .....	\$100
Costa Rica .....	\$100
Guatemala .....	\$100
Honduras .....	\$100
Nicaragua .....	\$100
Panama .....	\$100
Paraguay .....	\$100
Uruguay .....	\$100
Zimbabwe .....	\$100
Other	
South Africa .....	\$100
Other Africa .....	\$100
Other Asia .....	\$100
Other Europe .....	\$100
Other Latin America .....	\$100
Other Middle East .....	\$100
Other Oceania .....	\$100
Other North America .....	\$100
Other South America .....	\$100
Other Western Europe .....	\$100
Other Eastern Europe .....	\$100
Other Asia .....	\$100
Other Latin America .....	\$100
Other Middle East .....	\$100
Other Oceania .....	\$100
Other North America .....	\$100
Other South America .....	\$100
Other Western Europe .....	\$100
Other Eastern Europe .....	\$100

SOURCE: The Licensing Letter

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This is the last issue of 2012; your next issue of TLL will be dated January 7, 2013. We wish all of our subscribers happy, safe, and joyful holidays.



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The Licensing Letter is published 22x per year, and members pay \$467 annually in the U.S., \$527.00 per year internationally.

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