THE LICENSING LETTER

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WELCOME TO Fabulous LAS VEGAS NEVADA LICENSING EXPO

Broad Street Licensing Group

Helping Companies Navigate Uncertain Waters with Targeted Brand Licensing Programs

In today's volatile economic landscape, where global tariffs, shifting consumer loyalties, and market uncertainties are creating formidable challenges, one strategy continues to deliver exceptional results for food and beverage companies: brand licensing.

Behind many of the industry's most successful licensing programs stands one agency that has transformed challenges into opportunities: Broad Street Licensing Group.

The agency consistently ranks in the top 20 licensing agencies in the world and has been solely focused on the food and beverage categories. For the past 29 years, they've created successful licensing programs for brands and manufacturers alike including Subway Restaurants, Hard Rock Café, Rich Foods, Old World Foods and Unilever, just to name a few.

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Challenging Times Create Opportunity



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Brand Licensing's Response to Tough Economic Headwinds

As economic challenges continue to mount globally, the contrast between brands and manufacturers with and without strategic licensing programs becomes increasingly apparent.

"Companies that maintain or increase their licensing and marketing investments during economic downturns consistently emerge stronger when conditions improve," notes Broad Street Licensing Group's Vice President of Strategic Partnerships, Peter Cross. "They maintain consumer mindshare precisely when competitors are retreating, creating opportunities to capture shelf space across the retail landscape and generate new revenue streams; all of which allows companies to hit the ground running, when conditions stabilize."

This forward-thinking approach requires guidance from agencies with track records, who have shown they can navigate companies through previous economic uncertainties. With decades of experience guiding food and beverage brands through challenging market cycles, Broad Street Licensing Group has delivered licensing programs in tough times that generate substantial royalty income, while strengthening brand, consumer and marketplace positioning.

Challenging Times Create Opportunity

The current economic climate has created a perfect storm of uncertainty for food and beverage companies.

With on-again, off-again tariffs, increasing costs, shifts in consumer spending and supply chains facing more disruption, brand loyalty is facing new tests on a near-daily basis. And yet, within this challenging environment, there are companies who are taking a bolder step: pushing forward to expand their retail footprint and strengthen consumer

engagement through expertly crafted licensing strategies.

"The future points to even more intensified competition for consumer dollars and attention. The successful companies and brands will be those who lean into the challenge and create unique ways to grab and amplify that attention," Cross said. "Licensing shouldn't simply be about putting a logo on a product, he added. "It's about strategically extending a brand's essence into categories that create genuine consumer excitement, giving them a value-added reason-to-buy, which in turn will strengthen and open entirely new revenue channels - with minimal capital investment from the brand and a shared risk between the partners."

The results speak volumes. Household names like Subway, Burger King, Hard Rock, and Guinness have all tapped Broad Street's expertise to create licensing programs that have not only weathered economic storms but thrived within them, delivering impressive royalty returns while simultaneously reinforcing brand relevance.

Beyond the Expected: Creating New Consumer Connections

What will make the best brand licensing programs stand out during uncertain times? It comes down to vision and execution.

When global tariffs threatened to impact certain product categories, Broad Street's client brands and manufacturers were ready to pivot.

Instead of cutting back on innovation, they've embraced opportunities to license their brands into categories high on consumers' shopping lists and pushed harder to create innovative "craveable" flavors around them. It's a strategy that will aid their efforts to stay connected to consumers by offering unique and value-added products that end up in their shopping carts.

All Art Licensing Leading Zoonicorn Stampede at Expo



The Zoonicorns and Pancake, the otter, love to sing!

By Gary Symons TLL Editor in Chief

It'll be almost impossible to visit Licensing Expo this year without seeing a LOT of the hit show Zooncorn.

Fresh off the brand's recent global licensing deal with DIY plush company Teddy Mountain, Zoonicorn is making a big splash at the Expo, and by big, we mean 16-feet-tall!

A gigantic inflatable version of the Zoonicorn character Promi will be standing outside the main entrance to the Expo halls and food court, in her own special area dubbed 'Promi's Place.' For the first time there will also be two Zoonicorn mascots walking the show floor.

"You cannot miss Zoonicorn at Licensing Expo," promises J'net Smith of All Art Licensing and Zoonicorn's Brand Director and Master Agent for Global Licensing. "We will be everywhere."

The global preschool brand is coming to Licensing Expo with new deals and expanded streaming territories. This rapid rise to prominence is even more astounding when you consider that the property was created, and remains independently owned, by a single person — Zoonicorn founder, Mark Lubratt.

"Starting out on his own, without the initial backing of a studio or major toy company, Mark has turned Zoonicorn into a global brand, with TV episodes streaming in nearly 100 markets, a master toy license in place and many consumer products now on the market," Smith said. "How did Mark make this happen? By embracing the exact same qualities that are woven into the Zoonicorn content itself — determination, optimism and resiliency."



J'net Smith

Determination, optimism and resiliency has been a part of Mark's DNA for as long as he can remember. It goes back at least as far as his years as a graduate student at MIT, where his teacher and mentor Amar

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Zoonicorn a Pioneer in the MESH Toy and Story Trend

Bose, best known as the founder of Bose Corporation, inspired him by stressing these very same core values.

When Mark started developing the Zoonicorn brand, he had created a really cute zebra-unicorn character. But where to go from there?

Inspiration took hold when he hit on the idea that these essential social-emotional tenets — determination, optimism and resiliency — would fit perfectly into preschool content. This was Mark's 'eureka moment'.

Mark believes that internalizing these cornerstone values at an early age helps young children with their social emotional development. He is passionate that children can learn anything provided they have the right teacher to bring it out of them and that they are willing to put in the effort.

These days, these same foundational values that are an essential part of Zoonicorn are defined and recognized as MESH skills (Mental, Emotional, Social Health), a hot topic in the toy industry right now.

"MESH is the new key term taking over the toy industry," according to an article in the Toy Insider. "These toys help kids cope with big feelings and learn how to identify what they are going through."

Mark saw the need to introduce these social emotional fundamentals to preschoolers years before they rose to prominence.

"We've been focused on these socialemotional values since the beginning," said Smith. "We knew we were ahead of the curve when this very topic was announced as the keynote at the 2024 Kidscreen Summit."

The series, co-produced by Toonz Entertainment and Zoonicorn, LLC, and distributed by Toonz, has become a hit around the world in a very short time, and represents a new opportunity for licensing partners looking for a fresh new brand with global reach.

All Art Licensing Leading the Zoonicorn Stampede

Smith says the animation experience and connections of Toonz Entertainment have been key to the franchise's rapid growth.



Promi gets a new hair do, but reminds the Zoonicorns--it's what's on the inside that counts.

"We were excited to connect with Toonz, which is now our co-production and distribution partner," Smith says.

"They immediately got the importance of what we were doing in the area of optimism and resilience, and they've taken the look and feel of the brand to another



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Zoonicorn's Positive Messaging Resonates With Families

level."

Zoonicorn's Positive Messaging Resonates With Families

"Our strategy has always been a 360-degree approach to distribution; we want to be everywhere kids are watching programming," Smith says.

Wide distribution and a quality show have enabled Zoonicorn to reach millions of children throughout the world, and Smith says a robust licensing program is now the next major step for the franchise.

"With United Smile on board as our master toy licensee, our licensing program is growing as the brand builds through further visibility," Smith says.

"All of this is very satisfying, but Mark's vision goes far deeper. His ultimate goal is to help kids internalize determination, persistence and resilience and to help mold the next generation through these core skill sets."

Licensing Expo comes at a critical time, as the popularity of the series creates demand for apparel, toys, and other products tied to the characters in Zoonicorn.

Smith believes the brand provides a solid and long-lasting basis for a range of different licensing programs.

"Any licensee looking to collaborate with Zoonicorn can be assured of the long-term viability for a partnership," Smith says. "Unicorns aren't going anywhere. They have always been a proven cornerstone of children's content and product mix."

"Zoonicorn benefits from that familiarity, but takes the classic unicorn a step further, by incorporating its own unique twist," she explains.

"Zoonicorns aren't superheroes, they don't have magical powers, and they are relatable. Kids connect to their youthful look and manners. In each episode, the Zoonicorns are discovering important life lessons right along with their young audience."



Pancake becomes Zooniclaus to deliver gifts.

"All of the action involving the Zoonicorns takes place in a dreamworld," Smith adds. "When the other characters wake up, they understand how to tackle whatever problem has been stumping them.

"The Zoonicorns don't fix everything or simply supply answers; they help kids understand how to problem solve and figure out solutions for themselves."

Smith emphasizes that licensing for a values-based children's show can't be only about products and revenue; it also has to be about extending the message behind the story. She says the team is looking for very specific types of partnerships.

"We're looking to build quality products with partners who get us," Smith explains. "Our partners need to share our deep understanding of, and passion for, our core message of optimism, determination and resilience.

"It also means weaving our values into their designs, play patterns and game play. We want experienced partners who have the relationships with key vendors and who can move with us in the class and mass markets, since we fit well into both."

The team behind Zoonicorn wants to

get their message out to every child in the world, which in itself is a tall order, but one that Smith is convinced can be achieved.

"We are fortunate that Zoonicorn so easily cuts across borders and cultures," Smith says. "Kids everywhere love our stories, get our characters and can feel inspired by what they see, so our goal is to have our feet on the ground in every territory in the world.

"As a self-sustaining, profitable brand, we will have the latitude to build on our positive message, not just to kids, but to parents, grandparents, caregivers and educators," Smith adds. "We truly want optimism, determination and resilience to be the zeitgeist of this era, and 'Zooniyay!' to be the cheer heard around the world!

"This is the goal and we are certain it is highly achievable."

Companies interested in licensing opportunities with Zoonicorn can connect with J'net Smith by email at jnet@zoonicorn.com, or set up appointments through Licensing Expo's Meeting Platform.

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