

Good Enough to Eat:

Food Licensing Keeps Growing

BY CHRISTOPHER BYRNE

No two ways about it, food is a central part of our culture. From the restaurants on every thoroughfare, to the classic foods that have become pop icons to some of the most compelling and established brands in the whole consumer products spectrum, few categories are as compelling or evergreen.

Food licensing naturally reflects all of this. Whether it's the audience members who wear Spam-emblazoned t-shirts as camp, the Crayola brand being extended into colorful, creative food or the co-branding of food products to achieve greater impact and perceived value, this is a diverse and dynamic area that is growing and evolving rapidly.

In fact, Ross Misher, president of Brand Central says the greatest surprise is "the explosion in the category in such a short time. Even smaller, niche brands such as Gold Medal and others have leveraged their brands in creative ways."



Party goods assortment from American Greetings

Lisa Marks, president of LMA, Inc., says that food licensing in the current market is all about extending the brand experience and the personality of the brand. She sees the category "expanding rapidly to transcend where they started and take on a bigger persona that's fun, fresh, and vibrant."

Marks is currently taking such classic candy brands as Hot Tamales into a variety of different products. LMA has recently completed new style guides for that brand as well as Mike and Ike and Marshmallow Peeps. Marks says that an awareness of and sensitivity to the marketplace has helped these brands expand into apparel, acces-



Plush assortment from Commonwealth Toy

sories, and developed programs that grow out of a strong strategy for brand extensions.

Fashion, of course, plays a tremendous role in this business. For many young people, food brands can, as with Spam, Campbell's, and even Pillsbury, become ways that they brand themselves. Just look at the t-shirts at any Hot Topic store. Yet fashion is fickle and the ability to ride those waves and see what's ahead means that strategic licensors need to rethink their brands from the perspective of rapidly changing tastes.

So what's hot now? According to Misher, "corporate food logos are also heating up right now on the lifestyle products, especially in the candy and beverage areas." He attributes this to a variety of factors. "There are great pop culture characters from classic advertising that people say 'I loved this as a kid.' It is also a way for consumers to express themselves and interact with the brands in a fun, creative way."

"Consumers can be just as passionate about food products to brand themselves as they are about any other kind of brand," says marketing expert Jennifer Deare, who has put together a number of promotions with food brands over the past years. "Brands like Tabasco have become as compelling as Budweiser or Harley Davidson for certain consumers, so it's not unusual to see the brand on ties and underwear. Our research consistently shows that licensing in this category offers ways for individual consumers to express elements of their personality on a broader scale, precisely because the attributes and personality of these food brands are so well known to the culture at large. People believe that

they can say something about themselves by capitalizing on the brand experience."

Yet there are many ways to expand brands—as many ways as there are individual consumers. Marks points to Campbell's as a perfect example. On one level there is the Campbell's of Andy Warhol, which is pop art. These works (actually a dual license between the Warhol estate and Campbell's) will appear on high-end stationery products from Tri-Coastal. There are also the Campbell Kids and the whole "homey" side of the brand, each equally compelling, but targeting different consumer segments.

Expanding brands also requires playing up on their key attributes. As Misher says, "Many food licenses have great equities in color, taste, and smell that translate into other categories beyond their core businesses. (Cinnabon, for example, has licensed its unique and highly identifiable aroma.)

As Diane Baldovsky, associate manager, licensing for Crayola says, success comes from capturing the core brand experience. "For us what's working is that the Crayola brand on a product gives kids permission to play with their food," she says. That doesn't mean the proverbial food fight, but using the brand to inspire creativity, such as cakes from Mrs. Smith's that kids and



Classic imagery from Kellogg's



Crayola Pops from Cool Brands

families can decorate. With Brand Castle, Crayola has developed a whole line of cooking kits that come with all the required ingredients. “No two products will ever come out the same because it’s based on your imagination,” Bladovsky says.

All of which brings up the issue of co-branding in the food aisle, which everyone interviewed for this article says is not just important; it is a key competitive strategy in the very crowded retail aisles. Understanding how the attributes of the individual brands work together is key. Bladovsky sums it up saying that for Crayola, “we bring the color activity to the table, and they bring the credibility of the food prod-

uct.” Yet it has to be done in a way that makes sense to the consumer. Thus, Edy’s ice cream with M&Ms is potentially more compelling to the consumer because of the equity the two brands with consumers. Debra Joester, president of the licensing agency Joester Loria says, in fact, that she believes that the break out segment for the future of food licensing will be in food-to-food. (See sidebar.)

Nonetheless, consumers will still want to express their affinity for these brands in more durable forms. Misher points to Senario’s line of Hershey’s Kiss or Pop Tarts pillows, and Marks notes that Hot Tamales have been developed into lip gloss.

As with much licensing, finding the right partner is an essential key to success. Licensing attorney Tedd Levine of Baldinger and Levine, says it’s important to make sure that either in licensing or co-branding deals that the brands are supported. Understanding how licensing, and especially co-branding, work is essential for anyone thinking of getting into this business because, he notes, the foremost concern before signing any deal is thinking of the long-term implications for the brand and making choices that will build it.

This is particularly important in a world where supercenters provide the opportunity for diverse products under one roof and where margin pressures could lead one to cut corners.

As Deare points out, food brands for all their imagery and art are still very intimate, keeping that experience constant for the consumer in whatever format the brand appears is the essential element of success in this category.



Mike and Ike Lip Gloss from Lotta Luv