MOVING FORWARD
BY LOOKING BACK

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NOSTALGIA IS DEFINED AS A WISTFUL OR excessively sentimental yearning for or return to some past period.

What groups drive licensing sales? Millennials: a large consumer group composed of those born between the early 1980s and the early 2000s; Generation X: those born right before the millennials, between 1965 and 1981; and baby boomers: parents and grandparents of millennials and Generation X. What do these three groups have in common? Nostalgia.

The yearning for the good ol’ days is not limited to those of Tom Brokaw’s Greatest Generation or the baby boomers. We see a continual trend in licensing for all things nostalgic by those of the millennial generation as well. Millennials, grandchildren of the baby boomers, are the ones driving the trends in licensing, including categories such as fashion, sports, home entertainment, board games, coloring books, and home cooking.

For millennials, Gen Xers, and particularly the newest Generation Z kids (those born since the early 2000s), life has become too technological, too virtual reality-like, too online, too once-removed, too SnapChatty. Yet, while millennials comprise only 25 percent of the population, they manage to achieve approximately 35 percent of all retail spending.

Why are Star Wars, Harry Potter, Disney Classics, Pirates of the Caribbean, and all things Marvel reliably successful entertainment properties? They are nostalgic. Of the more than 150 feature films with licensing potential planned through 2023, almost half are considered remakes or sequels. Also, glancing at the list, you see planned films that are not categorized as either, but are properties that reflect favorites of the past, such as Six Billion Dollar Man, Peter Rabbit, Pokémon, Minecraft, Hello Kitty, Clifford the Big Red Dog, and 20,000 Leagues Under the Sea. Even current popular action heroes are nostalgic, such as Batman, Spider-Man, Wonder Woman, Captain America, Thor, The Avengers, Green Lantern, and the Power Rangers.

With the uncertainty of the future, we find comfort in things that remind us of a simpler past.

ENTERTAINMENT

According to The Licensing Letter’s Royalty Trends Report for 2016, entertainment properties had the highest rise in average royalties, up to 9.84 percent from 9.70 percent in 2015. Much of the uptick is due to movie-specific properties.

Take for instance this year’s Disney live-action remake of the classic Beauty and the Beast. Not only did it have a smash opening as the biggest domestic March debut and the seventh best in history, but it also earned more than $750 million in only two weeks’ time. Disney’s 1991 animated version was a beloved film, and kids who grew up watching the classic tale as old as time returned to the box office as adults. In turn, that popularity translates into more consumer goods, for both the adults and their own children. You get a double-whammy when targeting both parents and their kids, giving the licensed products a multi-generational pull. While there were the typical Beauty and the Beast products aimed toward children, such as dolls and sparkly yellow dresses; items geared toward adult consumers included $700 Juicy Couture track jackets, $500 watches, $280 Le Creuset soup pots, and Twinings tea bags.

There are plenty more nostalgic movie remakes and spin-offs in our future. Disney plans to have live-action remakes of many animated favorites, including Mulan, The Little Mermaid, Snow White and the Seven Dwarfs, The Lion King, Aladdin, Peter Pan, Dumbo, and Winnie the Pooh. Ongoing sequels, prequels, and spin-offs continue for Star Wars, Harry Potter, Pirates of the Caribbean, and all those Marvel characters, keeping millennials in touch with their favorite youthful fantasies. All of these examples have nostalgic elements to them, inspiring multi-generational licensed lines.

TOYS AND GAMES

While nostalgic entertainment properties will naturally bring with them a treasure trove of toy and game products, there is also a desire to relive a time of gather-
ing around the game table with family and friends for some real face time. In our technology-driven world, consumers are looking for ways to connect. As a result, in 2016, U.S. board game sales grew by 28 percent, according to The NPD Group. Euromonitor International reports that globally, board games are a $9.6 billion market.

Classic board games stay relevant by keeping up with today’s social technology. Hasbro held a social media campaign for Monopoly, allowing fans to vote on which iconic tokens to keep or remove, resulting in 4.3 million total votes. Hasbro also partners with other hot properties to create different versions of Monopoly, such as Star Wars, Angry Birds, Disney Princess, and Yo-Kai Watch.

Staying tactile, the current and continual adult coloring book craze is also an indication of yearning for simpler times. USA Today reported that even famous millennial Kate Middleton, Duchess of Cambridge, is a fan of Scottish illustrator Joanna Basford, who has sold millions of adult coloring books. And the coloring phenomenon gains strength through the use of social media, including Facebook groups, Meetups, and Pinterest boards. Crayola also kept itself relevant by starting a social media campaign as it retired one of its iconic 24-pack colors. Dandelion got the boot and now the “Dan D.” Crayon character is taking a retirement tour throughout the U.S. The replacement color has yet to be announced, but apparently will be in the blue family, keeping up consumer interest.

Construction is another strong, tech-free toy category that has been around for decades. While LEGO is the clear leader in the construction space and stays on top through its many co-branded products, Mattel has bulked up its Mega Brands construction building toys, debuting Mega Construx building sets aimed at older kids. Mattel co-branded Mega Construx with its own Barbie, Hot Wheels, and American Girl brands, along with other popular properties, including Despicable Me and Pokémon.

Similar to board games and coloring books, building toys reflect back to a simpler time. For the boomers, it was all about Tinker Toys. Personally, our beloved Slinky continues to spring into our hearts.

**FOOD**

Food licensing may not be the first thing that comes to mind when discussing a trend toward the nostalgic, but tie it in to the concept of home cooking. The meal delivery service industry has grown to a $400 million business in just four years, and, according to The Huffington Post, it is projected to grow tenfold within five years. We believe this growth is part of the nostalgic desire to have and make home-cooked meals. While many of us lead busy lives, we still yearn for a home-cooked meal with family and friends, while sitting in front of the TV set watching Jeopardy. Think of it as upscale TV dinners.

Food brands are getting into the meal delivery service industry, and we expect many more will start jumping into the frying pan. For now, Hershey’s was the first to have branded dessert meal kits by partnering with Chef’d, a meal kit company. Chef’d partners with many other food-related brands, including New York Times Cooking, Atkins, James Beard Foundation, Quaker, Weight Watchers, Paleo Magazine, and many more. Chef’d even offers an American Diabetes Association meal plan. The pioneer meal service Blue Apron partners directly with farmers and artisanal food companies, such as Niman Ranch, Gardiner Farms, Severino, and Vermont Creamery. Services such as Chef’d and Blue Apron—as well as Gobble, Plated, and Southern Living—provide all the ingredients and recipes for dishes such as Chicken Pot Pie. Consumers get the home-cooking experience, plus the convenience of not having to go grocery shopping for every gourmet item.

Lifestyle guru Martha Stewart also entered the meal delivery foray with her Martha & Marley Spoon service. As the website indicates, “Martha Stewart and Marley Spoon have come together to bring Martha’s celebrated recipes and smart cooking techniques to your kitchen. Delivered and designed with easy weeknight cooking in mind, recipes reflect Martha’s love for seasonal ingredients and delicious flavors.” Hey, we can all be home
chefs like Martha, without having to employ extra kitchen help or gardeners in our weekend farmhouse. Momma’s cooking never tasted so good.

PERSONAL CARE AND FRAGRANCES

You may not think nostalgia has anything to do with your personal care or fragrances, but look at the brands that continue to remain popular. Old Spice has been around since 1937, and men still like the traditional manly man image the brand portrays. Chanel No. 5 was the first perfume by Coco Chanel in 1921, and this iconic fragrance remains a desired fragrance for women. Even Chanel’s advertising exudes nostalgic glamorous tones, such as in 2013 when it used a campaign featuring Marilyn Monroe. The hot shave is becoming a hot trend. Men are going back to barber shops or specialty straight-razor boutiques such as The Art of Shaving and The Gents Place. Men have re-discovered the need to have pampering time, much like getting mani-pedis for women. Indulging in personal grooming will continue to become a luxury we don’t want to forget.

FASHION

Borrowing from the past has always been a fashion practice, and current trends continue to be nostalgic. We see everything from folded up leg cuffs to padded shoulders to hippy dippy colorful florals and tie-dye prints. The desire for vintage looks is what’s keeping fashion retail alive. And again, technology helps keep the past alive. With the help of Instagram and Pinterest, past fashion trends stay current with tons of posts and pins. A quick search on Pinterest will show thousands of boards specifically for ‘70s fashion. Not really sure why those bellbottom pants were desirable in the first place, but hey, vintage is luxury.

SPORTS

People feel a deep connection to their favorite sports teams. We live for the big game, the team-themed parties, and the sportswear. We follow our teams, sometimes even taking vacations to follow them on away games. We visit Hall of Fame museums and legendary sports heroes’ monuments. We plan four years in advance to attend the Olympics or the World Cup. Sports fans will continue to revere the great sports legends and buy products to return to that greatness. Mitchell & Ness specializes in old-time vintage-inspired sports merchandise, which has become popular with social influencers. Every sports team has special throw-back uniforms that fans can readily buy at the ballpark or online. And those vintage looks are increasingly aimed toward female fans, who spend 80 percent of sports apparel dollars, according to Sheconomy.

Whether it’s your home team, your college team, or your high school team, being a fan and cheering on “your” team gives the fan a sense of identity. Individuals want to belong to something, and being a sports fan brings us back to a simpler time. While we see other trends in licensing, such as increasing house brands, virtual reality products, and personalization, the desire to gain the comfort of the past is prevalent in all areas of licensing. Think of it as upcycling brands. It’s eco(nomy)-friendly. Recycle and upcycle your goods. Have a dinner party and make your Martha Stewart-inspired home-cooked meal using your Beauty and the Beast Le Creuset pots. Afterward, take out the Star Wars Monopoly game while binge-watching your Disney animated favorites to compare and contrast with the live-action versions. Ahh, the good ol’ days are here again.

When faced with the instability or isolation of current times, we look back for the comfort of our past. Licensees and licensors should continue to find creative ways to satisfy consumers’ yearning for nostalgic products as “comfort goods.”

Weston Anson received his MBA (honors) from Harvard University, later working at Booz-Allen & Hamilton, then as vice president at Playboy Enterprises Inc., and then as senior vice president of Hang Ten International, prior to starting CONSOR more than 25 years ago. Anson is active with international IP groups (ABA, AIPLA, INTA, LESI, LIMA) and is an adjunct professor at the Thomas Jefferson School of Law. He has authored seven books and more than 150 articles on IP.

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