



celebrity licensing

How talent can capitalize on
their stardom to sell products

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Learn From the Stars Perfecting the Art of Merchandise Monetization

There may be no greater sign of the power of stardom than celebrities' ability to extend the love their fans have for them to products far beyond the content they produce. It's all the more remarkable considering this business remains a potent revenue stream for icons of all kinds long after they die.

Celebrity licensing is certainly not a new enterprise, but as we delve into the three case studies featured in this report, it's become something of an art form.

There's no one tried-and-true path, either. The three well-known personalities featured in this report were chosen because they exemplify distinctly different stages of the entertainment continuum: Steve McQueen hails from cinema's storied past; Bethenny Frankel is a present-day TV icon; and Lauren Riihimaki represents a digital future still taking shape. No talent worth his or her salt nowadays isn't exploring mer-

chandising options. It's a trend that's been fueled by the rise of social media, which enables talent to connect with their fans in a way that just wasn't possible 10 years ago.

But there's another, less appreciated trend powering the licensing boom: software to help manage the complexities of licensing, like RoyaltyZone, a product from this report's sponsor, City National Bank (though the company had no hand in shaping its editorial content). Thanks for enjoying this latest VIP report. There's a lot more coming ... relevant to your own business.

Andrew Wallenstein
Co-Editor-In-Chief, Variety



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ABOUT THE AUTHOR

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FRANKEL: JAMIE CODY

Stars With Skill Are Licensed to Shill

For as long as there have been products to sell, there have been celebrities to stand behind them. Mark Twain was one of the earliest American endorsers, affixing his brand to everything from communications technology (think fountain pens) to tobacco (think corncob pipes), noting that “many a small thing has been made large by the right kind of advertisement.”

So it goes in 2020. Licensing is big business — \$293 billion big last year, according to global trade organization Licensing International — and while the celebrity corner is just a tiny percentage of the whole (2%, or \$4.79 billion), the numbers are rising, up 2.67% just from 2018. Increasingly, stars look beyond their day jobs to a 360-degree view of their future, and for the right personalities, that thinking can lead to a bevy of branding deals. Done well, there are benefits on all sides. Celebrities veer into new fields, while consumers, thirsty to connect with the folks they follow, look to those products and services as social lubricants.

Nowadays, both sides of the coin are savvier than ever. The populace, well acquainted with the nature of being bombarded by marketing, has turned away from traditional spot advertising, with a 2017 AdReaction survey by market research leader Kantar Millward Brown, finding some 69 percent of global Gen Z consumers actively avoid ads. Meanwhile, many celebrities have learned the hard way that a poorly paired licensing deal can not only fail to generate revenue but damage their overall image.

“Today’s buzzwords are ‘authenticity’ and ‘transparency,’” says Licensing International SVP Marty Brochstein. “Consumers have ways to see into celebs’ lives, whether real or imagined — certainly more than at any other time — and they can sniff out anything inauthentic.” Robert Strand, partner in brand consultancy the Blake Project, agrees. “Consumers can smell fake pretty quickly. They need to see a real connection. Sometimes, the consumer is smarter than we give them credit for.”

There’s no guaranteed right way to get a licensing deal done, though Strand suggests some key steps for the company and the personality: priming (launching a discovery phase to gauge programs and strategies), finding (targeting the right celebrity or manufacturer), binding (honing the contract so the rubber can hit the road) and minding (overseeing all the details, from ensuring checks get sent to evolving a product one-shot into a partnership). Still, every “activation,” or official product launch, comes with its own nuances.

Not every celebrity is suited to licensing. When the products being hawked are tightly woven into a star’s brand, the hours devoted to making them a success can detract from the time needed to do the thing that made a celebrity famous in the first place. This can lead to “pseudo-licensing” deals that walk the line between full license and endorsement, such as limited-

“Consumers have ways to see into celebs’ lives, whether real or imagined ... They can sniff out anything inauthentic.”

ROBERT STRAND, Partner at Blake Project

edition capsule collections and collaborations with department stores. Startups may offer equity rather than cash to get a personality to support their product.

“Some people see [licensing] as an extension of their career,” says Mike Williams, co-chair of boutique law firm Frankfurt Kurnit Klein & Selz’s entertainment group. “So once they stop acting or modeling, they have a brand they can build on. It’s a way they see of creating value in the work they do.” But determining what works remains elusive. Key performance markers are gauged, but sometimes the goal is just to push the brand while taking a long-term view on actual dollars. Money is never *not* an object, but an investment in a celebrity brand with low payout early can become more lucrative in a star’s second or even third act.

Still, numbers can be hard to track down. As Brochstein notes, there’s a lack of clear financial reporting in the industry overall. “Nobody has to tell anybody anything. These are all private deals — and in house.”

And yet there’s more data than ever available for those in-house accountants tracking the stock keeping

units (SKUs). In part that’s thanks to social media, a relatively new metric that can yield demographics and steer partnerships. Of course, COVID-19 has upended it all, from manufacturing to marquee value to where consumers shop (online rather than brick-and-mortar stores). To Brochstein, the pandemic has “ratcheted up the need for authenticity or transparency.”

Strand echoes the unique considerations of the day, even for stars with proven bankability. “People still have needs and wants,” he says. “Today there’s a lot more fear in our society, and if a celebrity can lend their voice to dispel fear or inspire someone, it will increase the emotional connection with consumers and how they see that celebrity in their lives. Then it’s up to the manufacturer to bring a physical representation of that into people’s homes.”

Regardless of the state of the world, authenticity rules. Celebrities and their reps calibrate what they’ll promote, how they’ll promote it and how closely it hews to how they see their public persona. Each campaign is a unique fingerprint of the star attached to it.

Self-made stars à la Bethenny Frankel find a niche and apply it to wide-ranging products, while burgeoning social media stars such as Lauren Riihimaki — aka LaurDIY — create a persona that blends seamlessly with being a saleswoman. And then there are deceased celebrities, who are no longer cut out of the licensing game. Steve McQueen, for instance, has family and industry experts guiding his estate to continue mining his “eternal cool” status.

Arguably, the desire brands have to hitch themselves to a star is as strong as it was in Twain’s time, though the nuances of 2020 licensing are undoubtedly beyond even his imagining. “Now, celebrities are realizing that with access comes power to cut out a lot of the layers and speak directly to their fanbase,” Williams says. “That’s something we haven’t seen before.”

CASE STUDY #1

Bethenny Frankel

If dictionaries included a photo next to the phrase “force of nature,” they would be well advised to use Bethenny Frankel’s image. Whether you know her from her 2005 entrée into celebrity as runner-up on “The Apprentice: Martha Stewart,” her years on Bravo’s “The Real Housewives of New York,” her Skinnygirl empire or her lifestyle endeavors, there’s a pretty good chance you will walk away thinking the woman is completely, *totally*, on top of things.

This is especially true when it comes to capitalizing on her well-honed reputation. A high-energy, rapid-fire communicator, Frankel charts her own licensing course. It’s a canny move for anyone who can pull it off, as a celebrity who doesn’t hire a firm to cultivate licenses can save as much as 35 percent. Her BB Endeavors keeps it lean and mean: two internal employees, a business manager, lawyer and publicist.

Frankel personally signs off on every single “activation,” meeting with her team every week to discuss

potential trending opportunities to enhance the company’s value. “I’ve learned a lot about this business over the years,” she says. “Partners say celebrities slap their names on brands and don’t want to back it up. I couldn’t be more opposite.”

The on-the-job expertise she has honed in shepherding her brand shows in Frankel’s lengthy list of products, which currently range from jeans and intimates to popcorn and salad dressings. And then there’s the venture that started it all: Skinnygirl Cocktails, initially conceived in 2010 as a low-cal premixed margarita but now an entire line of libations. Often, products she licenses bear the label “Skinnygirl,” a formula that has caught fire. Since 2014, the reps at Jill Fritzo PR say, her various deals have racked up an 81 percent growth in revenue.

The lines are projected to generate sales above \$100 million by 2021, though she declines to verify specific dollar amounts. Celebrity Net Worth values Frankel at \$70 million, a sum that includes TV

TIMELINE

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|---|--|
| 2003 Conceives BethennyBakes (shuttered 2006) | 2015 Activates Skinnygirl salad dressings with B&G Foods (marinades and preserves follow) |
| 2009 Creates Skinnygirl Margarita, precipitating Skinnygirl Cocktails line | 2017 Signs with ONE Jeanswear Group for Skinnygirl Jeans |
| 2011 Sells Skinnygirl liquor brand to Beam Inc. | 2017 Launches Skinnygirl Market Fresh Deli |
| 2014 Activates Dreamwear shapewear line | 2019 Partners with VirMax on Skinnygirl nutritional supplements |
| 2014 Releases Skinnygirl single-cup coffee pods and teas | 2020 Locks the HBO Max competition series “The Big Shot With Bethenny Frankel” |
| 2014 Pairs with ConAgra/Orville Redenbacher for Skinnygirl popcorn | |

appearances, books, DVDs and a podcast, “Just B With Bethenny Frankel,” which launched in July through Endeavor Content. This year, she signed with HBO Max for “The Big Shot With Bethenny Frankel,” an eight-episode unscripted series in which contestants compete to work for her.

But this isn’t a TV or film star who happened to fall into licensing success. The five-time New York Times bestselling author is a businesswoman who used the entertainment industry to get a leg up, and she’s whip-smart about her image. Before signing with Bravo in 2008 for the second incarnation of the guilty pleasure “Real Housewives” franchise, she refused to stipulate that the network would receive a percentage of profits earned from businesses she promoted on the show. They hired her anyway. Now, networks regularly employ something known as the Bethenny clause with reality show participants to cover themselves from losing such income.

Frankel’s prescient move made Skinnygirl Cocktails even more lucrative when she ultimately sold to Beam Global (now part of Suntory) in 2011. The exact amount of the sale has been reported as anywhere from \$100 million to \$120 million, though the liquor company’s SEC filings place the value at \$39 million to \$64 million — with \$25 million in incentives set aside for Frankel based on future performance.

In a key move, she kept ownership of the “Skinny” name. “Everyone thinks I [sold] for the money, but I did it to free up these other categories,” Frankel says of expanding beyond cocktails. “I’m good at business concepts — no one’s better than I am with creative deal structuring.”

And structure she has, locking a run of “activations” with multiple partners, including Conagra popcorn

“Everyone thinks I [sold] for the money, but I did it to free up these other categories,” she says of expanding beyond cocktails. “I’m good at business concepts — no one’s better than I am with creative deal structuring.”

BETHENNY FRANKEL, on her recipe for success

king Orville Redenbacher in 2014 — “they had better kernels” — B&G Foods the following year, the Home Shopping Network in 2017 and, at the end of 2019, Virmax for a line of women’s nutritional supplements.

Frankel acknowledges that she has occasionally had to course correct. Her 2014 Dreamwear shapewear line was initially designed to be lacy and more akin to lingerie, but sales indicated her fans would prefer something more practical, so she dialed down the froufrou. “Retailers want new shiny things, but the customer often wants the original,” she says. Today, that line “is now into the strong eight figures,” with retail sales of some \$12 million, notes business manager Matt Klarberg.

Lest one think a company focus on basics equates to cheap, think again. Aiming for “accessible, care-free, practical solutions for women,” Frankel knows what her customers will pay and sets her price points accordingly. “I see some brands where they [tout] upscale and bespoke, and then you see weird crappy items that have nothing to do with that,” she says. “That’s an example of taking the money and running.”

At roughly \$80 for jeans and \$19 for a bottle of margarita, she says, “It’s not Prada and it’s not caviar, but the same customer will buy all those things.” And so would the creator herself, which echoes a deceptively simple licensing philosophy: Sell only products she would use. “I know every inch and aspect of this business because I live it ... Nothing gets past me. It’s a pain in the ass, don’t get me wrong. That’s who I am.”

Nowadays, Frankel’s biggest challenge is finding the bandwidth to keep up the breakneck pace. After two lengthy stints on “RHONY,” she exited the show in 2019 — but not before expressing her exhaustion on air and positing selling off as much as 50 percent of Skinnygirl. “You want to be a person who doesn’t have to be there all the time and count the money. You want an income that, God forbid, if something happens to me, [it keeps going].”

Meanwhile, the leveraging continues, as she eyes an expansion into cookware and bakeware, wellness and even sunglasses. But if there’s one truism that remains, before anything fresh enters the market with her name on it, it’ll have to pass the Frankel sniff test.

Skinnygirl Margarita

The little bottle that ignited an industry, Frankel's initial premixed margarita became an instant favorite, leaving consumers wanting more.



Skinnygirl Dressings

Living up to the brand, Frankel's toppings for your greens are fat free, gluten free and sugar free.



Skinnygirl Jeans

These high-rise side stripes are just one example of Frankel's pants prowess.



Skinnygirl Popcorn

After signing with Orville Redenbacher, Frankel developed portioned snacks in multiple flavors.



Skinnygirl Leisurewear

This print velour one-piece is a prize of her apparel collection, which ranges from intimates to shapewear.



Skinnygirl Wellness

Frankel partnered with VirMax on a slate of nutritional supplements formulated especially for women.



FRANKEL: SASHA MASLOV



“

It's not uncommon for our teams to be working on over 150 product submissions each day for Marilyn Monroe alone.”

JoJo Dizon

Senior VP, finance
Authentic Brands Group

recognizable by first name alone.

Once the Monroe estate entrusted ABG with the star's legacy, the company knew that the licensing of her images, personality, avatars and memorabilia had to be perfectly curated, wisely administered, and accounted for down to the last penny.

That last detail has been the sticking point for many an entrepreneur, as one-time licensee Lou Ellman — who became the founder of RoyaltyZone and is currently the VP Consumer Products Solutions at FilmTrack — was well aware. “Royalty reporting used to be filling out a paper form, and writing a check and licking a stamp and putting it in the mail. Around 2005, I thought, ‘It's time for this to be on the internet. If no one else is going to do it, I'm going to go for it.’”

He was determined to develop software that would solve the entire range of license management needs. It would be simple to use; adaptable, so products could be uploaded, worked over and approved all in one place by all involved parties; and web-based, so that licensors, licensees and agents could work cooperatively with licensing proposals, royalty reports and digital assets, avoiding emails and paper.

The result was RoyaltyZone, about which Ellman boasts: “All the moving pieces of license agreements are managed and monitored and automated by the system in an online way.” Upon coming to the attention of ABG, RoyaltyZone began playing its part in bringing the management of the 20th century Monroe legacy into the 21st century.

RoyaltyZone's first arena of opportunity concerned the organization of an extensive photo library to which worldwide third-party licensees, clamoring to put Marilyn on T-shirts

SOME LIKE IT AUTOMATED

How RoyaltyZone helped ABG become a brand management titan.

By **BOB VERINI**

In the course of a single decade, Authentic Brands Group (ABG) has become one of the world's most robust brand owners and managers.

RoyaltyZone helped make it happen.

Here's how they did it.

A year after the 2010 unveiling of ABG by founder, chairman and CEO Jamie Salter, the company scored a major coup with the acquisition of complete rights to the image of Hollywood's all-time great screen goddess: Marilyn Monroe, one of the rare public figures

and such, sought ready access from one central digital location. At the same time, the software needed to facilitate ABG's ability to confirm users' authorization and ensure that they conformed to the images' approved purposes.

As Jojo Dizon, ABG senior vice president of finance, tells it, "We looked into different alternatives, but we drilled down to RoyaltyZone because of that capability in terms of storing the digital assets. And then later on, as our licensees submitted their products for approval, that system was very helpful to us as well."

"It's not uncommon for our teams to be working on over 150 product submissions each day for Marilyn Monroe alone," says Dizon.

Upon the acquisition of more legends recognizable by single names — Elvis, Ali and Shaq — RoyaltyZone helped ABG work through the approval process for hundreds of additional proposals, and at the back end, check painstakingly for contract compliance.

"The ongoing interest in Elvis is, of course, tremendous," Dizon says. "With such a multitude of partners, it's hard to imagine how we would be able to keep track of all of the facets of the brand — royalties, contract terms and partner requests — if it weren't for RoyaltyZone."

In the end, though, as Dizon explains: "We have to make sure that we understand and monitor our contracts, for purposes of accounting and also to manage our cash flows. We have to make sure we collect our money."

So while the heart of the system is the database of licensing agreements, it also serves financial purposes, particularly in billing



ABG owns and manages rights to some of the biggest names in entertainment, including Marilyn Monroe and Elvis Presley. RoyaltyZone has been an important tool during the company's growth.

and royalty reporting. At first, ABG's clients resisted using software, concerned it would be too complicated.

RoyaltyZone assuaged those fears. "We have a lot of licensees using the system right now," he says. "They understand it. It's easy for them to use it. That's a good thing for us, because it means we're able to get reports automatically, and we get the benefit of the system checking the royalty reports for us."

Dizon also points out that "RoyaltyZone set the system up specifically for the licensing business. "Because of his background in licensing, Lou knows what a company like ABG would need in this process.... Lou is able to address my concerns, and make sure

that he's able to keep up with the needs and demands of our organization."

That includes requests for new features, updates and enhancements, which have been handled even more robustly since RoyaltyZone's acquisition by FilmTrack in 2016. FilmTrack was then acquired by City National Bank in 2019.

"That changed the game, actually," Dizon notes. "Today we meet up with them on a quarterly basis. We have an assigned customer relationship person who inquires about our needs, our concerns, and how we move forward with the relationship."

The collaboration with RoyaltyZone has evidently been a win-win — and one might throw in a third "win" for the manufacturers, retailers and customers of quality merchandise commemorating some of the biggest stars in the galaxy.

As Dizon puts it, "RoyaltyZone was able to keep up with us, with our pace, our continued demands and requirements. And I think they've grown a lot as well. Our types of needs will never go away. ... We always ask for a high level of service and attention, and they've been able to perform to that expectation."

Looking ahead, he appears confident that they will move together toward greater enhancements, and even greater success.

"I want 'One click, and we're done!'" Dizon laughs as he says it, but it wouldn't be surprising to learn that their engineers were working on exactly that.

For more information, please visit royaltyzone.com or call 866-605-2219.

RoyaltyZone is an offering of FilmTrack. FilmTrack is an RBC Company and subsidiary of City National Bank Member FDIC. City National Bank is a subsidiary of Royal Bank of Canada.



CASE STUDY #2

Steve McQueen

From the late 1950s until his death in 1980, Steve McQueen captivated Hollywood as the quintessential blue-eyed bad boy, the well-acknowledged King of Cool who did his own stunts, vroomed into car and motorcycle racing lore and always made the ladies swoon. But more than his legend remains, as the McQueen estate has become a licensing blockbuster, regularly landing him in Forbes' list of highest-paid dead celebrities.

In the world of A-list branding, image truly is everything, and death is no barrier to relevancy. In fact, "delebrities," as Urban Dictionary has labeled them, are a whopper of a cottage industry.

Deceased celebrities didn't have much leverage until 1985, when agent Roger Richman helped pass California's Celebrity Rights Act to protect the rights of famous estates, when they'd previously expired upon death. McQueen's name hadn't been affixed to many campaigns prior to Richman taking him on (aside from

TIMELINE

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|---|---|---|---|
| 1973 Airs promotional video for 1973 Honda CR250M Elsinore motorcycle | 2003 Becomes brand ambassador for Tag Heuer watches | 2010 Swiss bank UBS launches a starry tie-in with Formula 1, with McQueen as "The Coolest" | 2011 Barbour spotlights McQueen in apparel line, after he wore brand while racing |
| 1984 California Celebrity Rights Act passes, enabling a personality's rights to survive death | 2005 Toys McCoy creates McQueen-branded apparel, complete with a "Great Escape"-themed action figure | 2011 McQueen promotes Triumph Motorcycles after racing a TR6 Trophy in "The Great Escape" | 2014 Hero 7 creates casual wear inspired by star's film and racing success |
| 1993 Archival shots of McQueen personify Gap's "Who Wears Khakis?" campaign | 2006 Absolut Vodka crowns McQueen "The Absolute Man" | 2011 American Crew debuts a line of McQueen-branded men's toiletries | 2016 Rugged McQueen featured in Super Bowl ad for Jeep's 75th anniversary |
| 2001 Ford Mustang ad airs with simulated McQueen speeding through a cornfield (updated in 2008 and 2018) | 2007 Ballantine's Scotch Whisky embraces the King of Cool | 2011 Star electrifies line of Persol sunglasses | 2019 MMC Eyewear kicks off a line of opthalmic glasses spotlighting the McQueen mystique |
| | 2007 Dolce & Gabbana does a McQueen collection (continues through 2015) | | |

a Gap campaign in 1993), but once the agent stepped in to represent the estate in 1997, the product activations began to build.

Licensing agent Greenlight — a division of Branded Entertainment Network — bought Richman's eponymous company in 2005, and success rolled in with campaigns for Absolut (2006), Triumph Motorcycles (2011), Barbour International (2011) and Jeep (2016), to name just a few. And with every deal, the essence of effortless masculine chic that McQueen cultivated on stage and screen when he was alive permeated the brands he repped after his passing.

Now overseen by son Chad and granddaughter Molly — whose mother was McQueen's late daughter, Terry — the licensing arm of the McQueen estate under Greenlight has grown some 200% in just the past five years, capitalizing on its namesake's lingering reputation as the hellraiser with a heart.

Many of those early activations continue today, in addition to deals with Tag Heuer, Barbour, Persol and Ford for a gamut of menswear and accessories. Last year, his estate launched the Steve McQueen Eyewear Collection for MMC Eyewear, and in 2018 Molly McQueen stood with Ford at the Detroit Auto Show for the reveal of the 2019 Mustang Bullitt, a redo of the limited-edition muscle car that stole the show in the star's 1968 actioner "Bullitt."

Greenlight must walk a fine line when it comes to choosing companies with which the estate will associate. For Ryan Kernan, Greenlight's VP of rights representation and merchandising licensing, the yardstick is simple: "If Steve walked into our office tomorrow, would he pick this up and think it's cool?"

Genuineness is critical for anyone looking to make bank from their brand, but a deceased celebrity faces unique challenges. On one hand, for a marquee magnet who passed 40 years ago, there's no danger of shock factor. Whatever tabloid fodder there might've been has long disappeared, and he'll never veer off on any inciting social media rants. On the other hand, the



Persol Sunglasses

The poster boy for too-cool-for-school shades — in film and in life — McQueen was a magnet for luxury eyeglass makers.



MMC Eyewear

McQueen's masculine elegance inspired the upscale French company to release an eponymous line of ophthalmic glasses

Tag Heuer Watches

The King of Cool was the ideal embodiment of the venerable watchmaker's timeless appeal



celebrity can't weigh in on or contribute to potential deals. In McQueen's case, Greenlight filters all offers through the next best thing — family.

Fortunately for the bottom line, theirs is a fairly streamlined approach. While Greenlight notes other McQueen relatives are occasionally involved, many celebrity estates' rights are split between a larger group, and they all want a say. "Depending on how the estate is set up, you could have multiple fighting family members with different opinions who all have some level of approval, working with a trustee attorney," says Robert Strand, partner with brand consultancy firm the Blake Project. "It's sometimes the same level of risk as [would be present] if the client was living."

For a McQueen deal to be made, potential licensing partners complete an application and submit a financial proposal. Products are vetted for quality and references checked before anyone signs on the dotted line. Monies generally come in as an advance plus a minimum guarantee based on sales projections. If those minimums are surpassed, additional royalties are paid. That, of course, is the goal.

Though the estate is the final arbiter, Greenlight reps say part of its job is to educate the heirs about the marketplace. "We have to keep abreast of retail trends and where the market is moving," Kernan says. "The retail landscape has shifted so dramatically in the past 10 years we've worked hard to create an openness to the estate when it comes to exploring additional distribution channels."

Contrary to what one might assume, oftentimes that means expanding the representation of McQueen's unflappable swagger beyond luxury brands to include products at price points and in locations that are a bit more accessible to the Everyman. Successful expansions can be seen in the estate's partnership with Barbour. The McQueen Collection with the top-tier British lifestyle brand kicked off in 2011 with 20 SKUs

"Greenlight has to walk a fine line when it comes to choosing companies with which the estate will associate ... The yardstick is simple: If Steve walked into our office tomorrow, would he pick this up and think it's cool?"

RYAN KERNAN, VP of rights representation and merchandising licensing

of jackets, as the actor had donned Barbour in a high-profile motorcycle race in 1964.

Today, it's a robust apparel line of over 100 SKUs, having added sweaters, T-shirts and other casual wear. In another step away from "luxury" representation, 30 Macy's department stores began selling McQueen Barbour items in 2019. "It's a dance," Kernan says of the delicate balance needed to ensure the proper associations, "and it's not unique to us."

But when selling the estate of a deceased celebrity, there is one unique wrinkle: Licensing is a subset of maintaining legacy. Part of what Greenlight does is keep McQueen's image in front of a public that is aging away from him. Step ahead a couple generations, and many in the public may not recognize him, even when his visage looms floor to ceiling in an advertisement for the Tag Heuer Monaco watch — as it does at LAX and Paris' Charles de Gaulle Airport. Still, the man's-man appeal shines through.

In the airport activation, McQueen is a brand ambassador for the watch and doesn't get a piece of the sales. But it's not always about a bottom line, Kernan

notes, adding sometimes the focus is to ensure a long-gone celebrity stays alive for those coming up. "There's something to consumers finding the product — and through the product learning about Steve."

Nowadays, that operational theory translates to the must-have social media and website: Obviously his dad isn't tweeting, but Chad McQueen's grandchildren manage the icon's online presence, giving his accounts — Instagram, 91K followers; Facebook, 79K — a current feel. Interspersed with product announcements are vintage photos from his film and racing careers, all designed to whet the curiosity of a key younger demographic with disposable income.

When he was alive, Steve McQueen didn't really sell himself, beyond a commercial for Honda in the 1970s. But in today's Hollywood, image moves faster than the actor turned racer could have ever dreamed. And thus far, the strategy seems to be having the desired effect.

"Almost weekly, GQ or Vogue refers to [McQueen's] jacket or shoes," says Kernan. "Everyone in the fashion scene is looking for inspiration, and he's still inspiring today's designers. It's classic American style."

CASE STUDY #3

Lauren Riihimaki

Anyone looking to glimpse the future of celebrity licensing should consider the case of Lauren Riihimaki — or as she's better known to millions of crafters, LaurDIY. At 27, Riihimaki has turned a love for do-it-yourself projects into a multimillion-dollar empire that includes a fashion line with hundreds of stock keeping units (SKUs), the HBO Max series "Craftopia" and a slew of profitable brand integrations and licenses.

And she started it all as a teenager in Toronto, primarily harnessing the forces of a little engine known as YouTube. The result thus far: People are calling Riihimaki the Millennial Martha Stewart. "Turning my name and persona into a brand is absolutely not something I planned for nine years ago when I was uploading [my first] YouTube video," she says via email. "You — and your ego — learn a lot about yourself and find ways to stay grounded, sane and grateful for turning your passions into a brand and business."

As of September 2020, the LaurDIY channel had nearly 9 million subscribers, with around 100 new subscriptions daily, and her videos have notched close to 1.3 billion views to date. LaurDIY posts new videos two to three times a week, earning an average of 250,000 views from multiple outlets. With a top-end daily advertising revenue of around \$1,250 per day, that translates to about \$460K annually just from the ads that run ahead of the videos (though YouTube of course, takes a cut).

That would be quite the tidy income for any twenty-something, but when you factor in Riihimaki's increasing licensing deals since hiring licensing stalwart the Brand Liaison to represent her in 2016, the numbers shoot up. Her net worth isn't publicly available, but multiple industry sources estimate it's between \$3 million and \$4 million.

Industry experts are taking notice, as Riihimaki has tapped into a niche that generally doesn't churn out celebrities (household name Martha Stewart aside),



TIMELINE

- | | |
|---|--|
| 2012 Riihimaki uploads first craft video to YouTube | 2018 Hits 1 billion views of her YouTube videos (now over 1.3 billion) |
| 2017 Launches PopSockets Grips line | 2020 Grows PopSockets activation with PopSockets Nails |
| 2017 Releases grown-up onesies for Canadian retailer Ardene (with additional lines in 2018 and 2019) | 2020 Lands coveted slot on HBO Max's "Craftopia" kids' reality competition show |
| 2018 Pairs with Mattel for craft kits line | 2021 Plans under way for crafting products and kits geared to an older audience |
| 2018 Creates dog toy/apparel line with Pets First | |

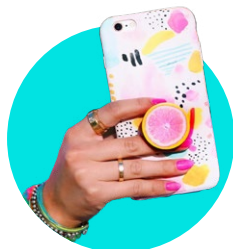
Rainbow Dog Toy

True LaurDIY devotees love their plushies, especially when they're for man's best friend and they come in all colors and styles



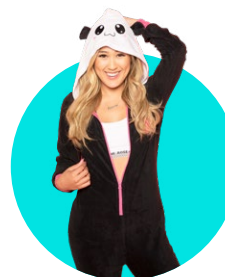
PopSockets

LaurDIY's initial deal with the phone-grip maker led to color-coordinated PopSockets Nails



Mattel Lamp Kit

Riihimaki's craft kit with the revered toymaker wowed Target shoppers and led to an expansion



LaurDIY x Ardene

Riihimaki's four *kawaii* onesies for the Canadian retailer grew to include PJs, bracelet sets and accessories



LaurDIY Loungewear

Fans were so enamored of the Ardene collection a line of athleisure, featuring comfy sweats, was born in 2019



Moosie Onesie

Riihimaki's beloved mini bull terrier has inspired his own line of canine wear, including this cute cover-up

“One of the beauties of working with someone in the influencer stage is they can directly promote their product across their main social feeds, which is where they live and where their celebrity nature is.”

LAURIE SMITH, Brand Liaison VP of strategic licensing initiatives

and almost none under 30. But thanks to the force of her bubbly personality and love for her art, Riihimaki is forging an organic connection with her audience that now extends out of crafts emporium Michael's and into comfortable, whimsical apparel and even pet products. The cachet has even spilled over to her mini bull terrier, Moosie, who has his own Instagram — and nearly 800K fans.

Unlike many other celebrity licensors, Riihimaki is uniquely placed with her fans, having created a near ideal loop of platform and product. “One of the beauties of working with someone in the influencer stage is they can directly promote their product across their main social feeds, which is where they live and where their celebrity nature is,” says Brand Liaison's Laurie Smith, VP of strategic licensing initiatives. “Lauren is passionate about ensuring that any product she licenses is something her audience would want — and she would want.”

And that connection is clear, as exemplified by a crafting kit she developed with Mattel in 2018, sold at Target. Two new kits were added in 2019 after products sold out faster than anticipated, with sales spiking demonstrably after Riihimaki did some demonstration videos. Fan feedback serves as the creator's guide to future licensing deals, and the marker of success can be gauged in real time, she says, “by customer satisfaction and excitement.”

With such granular input, Riihimaki has been able to respond nimbly to opportunities that come her way. PopSockets, a grip for smartphones, initially connected

with LaurDIY with a deal for four grips designed by Riihimaki. They sold so well the contract was renewed several times, eventually extending into PopSockets Nails — so your manicure can match your cell.

While the resulting “Mani-Phoni” collection isn't branded LaurDIY, there's a royalty component for Riihimaki when she shares how much she loves the products in her videos. Such flexibility demonstrates the level of collaboration companies are eager to have with the up-and-comer.

Now Riihimaki is focusing on turning her passions into products. A love of onesies and *kawaii* — “cute” in Japanese — animals led to an “activation” with Canadian retailer Ardene in 2017 for a line of cozy patterned loungewear. What started as four onesies expanded the following year into pajamas, necklace and bracelet sets, bathrobes and slippers, and by 2019 an athleisure line was born. Moosie, meanwhile, has been busy as well, inspiring Pets First in 2018 to partner up for a full line of canine toys, T-shirts and, yes, even onesies.

But not every product offer is accepted. “Merchan-

dise is gravy,” says Smith of ideas for LaurDIY. “She doesn't saturate her messaging.” In one instance, a potentially lucrative deal with a yarn supplies manufacturer was passed over because Riihimaki doesn't prefer that particular crafting staple.

Evolution is the key. Both Riihimaki and her trend-attuned audience are growing, and a key to the brand's long-term survival is being able to adapt. She and several other young YouTubers landed “Craftopia,” a kids' craft competition show on HBO Max, which will include a line of products. “It's crafting for a more mature audience,” says Smith. “It gives her another touchpoint.”

New-style content creators are in the forefront of celebrity licensing, assuming they can turn a trend into an evergreen. And Riihimaki is well on her way.

“Ten years ago, you didn't go to Michael's for celebrity-endorsed products,” says licensing consultant the Blake Project's Robert Strand of YouTube-inspired branding. “Here, as soon as your product is ready to be manufactured, you can go live. You don't have to wait for the seasons. Social media influencers have a great opportunity to capitalize on all of this.”

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