

The Dealmakers

How The Beanstalk Group and Nancy Bailey & Associates finally came together. By Bryan Joiner

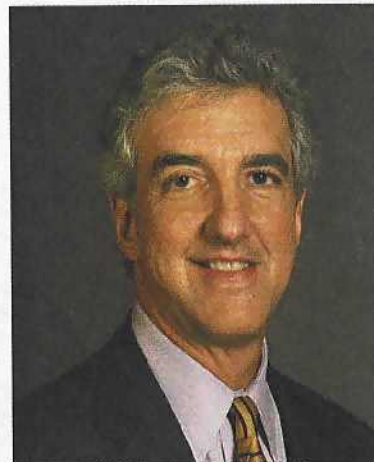
The partnership didn't happen overnight, or even over a series of several nights. It had been discussed for years—or, more to the point, Michael Stone, president and CEO of The Beanstalk Group, had played the role of the kids in the backseat on the family trip, asking Nancy Bailey, chairman of Nancy Bailey & Associates (NBA), "Are we there yet?" (though with considerably more professionalism and tact, one assumes.)

The "there" in "Are we there yet?" was the moment that two of the nation's oldest corporate brand licensing agencies, The Beanstalk Group and NBA, would join forces. The answer, from Bailey, was always

"no." Until last month, when it wasn't anymore, and Omnicom, Beanstalk's parent company, acquired NBA to become a division of Beanstalk.

Among the many synergies the deal brings to the industry is the consolidation of many brands associated with Procter and Gamble's domestic licensing business, which were handled by NBA, with its international business, which were handled by Beanstalk. The ability for the "lean and mean" Atlanta-based NBA to expand further internationally was a major selling point to the deal, according to Nancy Bailey.

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AT LEFT, AT&T PHONE BY VTECH



"THIS ISN'T A CASE OF ONE PLUS ONE EQUALS TWO. IT'S MORE LIKE ONE PLUS ONE EQUALS THREE OR FOUR."
— NANCY BAILEY, CHAIRMAN OF NBA
AT RIGHT, MR. CLEAN ENDCAP WITH PRODUCTS BY BUTLER HOME PRODUCTS



two," she said. "It's more like one plus one equals three or four."

Bailey and Stone said they saw opportunity for growth in the celebrity, food, and home licensing categories. They said home licensing was a target area due to the effects of the recession, which has the effect of "cocooning" consumers and their dollars indoors.

Other major clients for Beanstalk include The Ford Motor Company, Jack Daniel's, Jaguar, and AT&T, while NBA's client list includes Energizer, Travelocity, Mr. Clean, and Nesquik.

Tom Harrison, CEO of DAS, praised the deal. "Nancy Bailey & Associates and Beanstalk are without question the two pre-eminent brand licensing agencies in the world. Together, they form the biggest, most experienced, successful, and innovative licensing agency in the world," he says.

The timing of the deal didn't materialize out of nowhere. As the licensing landscape has changed over the past three years, so have strategies for getting products to market. The "new normal" is here, and adjusting takes cooperation.

"I can't tell you how great it is to just be able to pick up the phone and call Nancy and talk about the industry," Stone says. "In the past, we couldn't tell each other everything, but now we can."

Some of these conversations turn to the wistful, and Stone's desire for a flux capacitor-enabled DeLorean—à la Back to the Future. When asked about the company's goals for 2011 and 2012, he said, "My goal for 2011 is for it to be 2007 again."

There is no going backward, of course. The new normal is here, and Beanstalk and Nancy Bailey are there to face it together.