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**Building for the Long-Term**

# CASE STUDY



# Building for the Long-Term

Entertainment One is a nimble entertainment organization that is taking its portfolio of preschool properties to every major market in the world, with an eye toward sustainability.

by AMANDA CIOLETTI

**E**ntertainment One is an increasingly unique company in a world dominated by entertainment power players and licensors.

The organization, which does not define itself as a formal entertainment studio in the traditional sense, reported \$1.1 billion in revenue last year across its various units that include film, television, music and family brands, and ranked at No. 44 on *License Global's* Top 150 Global Licensors report, with \$1.3 billion in retail sales of licensed merchandise in 2016.

Its relatively small size affords it luxuries that larger studios and production houses may not be able to enjoy or capitalize on.

With a mantra of “Bringing the Best Content to the World,” eOne is devoted to bringing quality entertainment offerings to a global market and the organization is meeting that demand in every corner of the Earth.

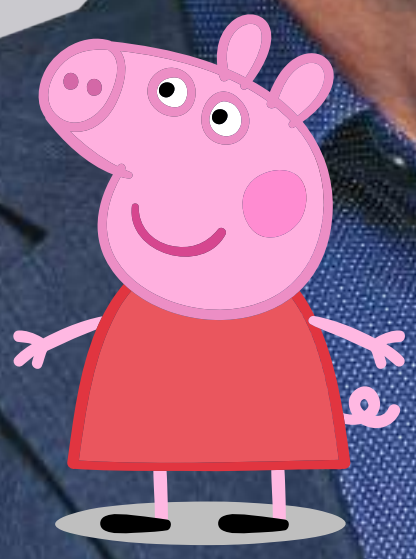
Consumer products are one such area where eOne Family, its children’s content division, is

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**ANDREW CARLEY**

*head of global licensing, Entertainment One Family*

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truly benefiting from the size and scope of the organization.

“We recognize that we work in a very different way than major studios, and there is strength in that which gives us a very different profile, particularly in the kids’ arena, where it is to our advantage—we don’t want to lose that,” says Andrew Carley, head of global licensing, eOne Family. “While the organization has grown, we do have a very entrepreneurial, nimble mentality, and it is something that we aim to keep a hold of.”

eOne is further set apart by its integrated approach to brand licensing that holistically addresses the life cycle of an entertainment property. All divisions are aligned and work closely together—from creative to product development, its commercial arms and marketing—from the very earliest stages of an IP to create long-term, sustainable propositions.

“We all sit closely together and think very deeply about how we can make a show as effective as possible on all of the various levels,” says Carley. “You end up with sort of a jigsaw puzzle where no one piece is more important than another and together they make for a very compelling story.”

With two major hits in its portfolio—the evergreen “Peppa Pig” and the on-fire “PJ Masks”—as well as new IP in development, eOne is positioned well to concentrate its efforts to fully support and bolster its work in key markets on almost every continent.

## Small, But Mighty

Headquartered in Canada and with consumer products operating largely out of the U.K., eOne’s brand licensing efforts are helmed by Carley.

“eOne Family is all about building content from the ground up, aimed at children. Our business has grown up over the past 10 years, certainly on the back of ‘Peppa Pig,’” says Carley.

Carley joined eOne a decade ago to manage and build

up licensing programs and infrastructure to support the then burgeoning U.K. IP “Peppa Pig.” A preschool animation (in partnership with animation studio Astley Baker Davies) about a precocious little pig and her piggy family, “Peppa” debuted in the U.K. market where it stayed for several years, maturing and finding its footing in the landscape of children’s animation.

“When I first started 10 years ago, ‘Peppa’ was predominantly a U.K. business, and we rode that wave until about seven or eight years ago, when it began to grow into a global business,” says Carley. “On the back of that global business we have created an infrastructure with the belief that if we want to develop long-term, sustainable properties—and that is certainly our aim—we need to have people on the ground in territories around the world to build that business.”

Under Carley’s tenure, eOne’s consumer products business has grown exponentially—what started out centralized in London with just a few employees, has now grown to include continually expanding teams in North America, Asia Pacific, China and Latin America.

Carley recognizes that it takes a close, symbiotic network within all corners of the organization to create a successful, long-term proposition, and it’s a tactic the eOne Family team takes to heart.

“The shows that we work on such as ‘Peppa Pig’ and ‘PJ Masks’ have teams that all work together and are able to input and make decisions with an eye to building a campaign that takes into account the various different elements—we take great pains to not work in silos,” he says. “If you can avoid doing that, and you’re able to bring in the knowledge from the various teams, that connects for the long-term.”

## Market by Market

Each global market is unique, but the goal is similar: to bring quality children’s



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global head of brands and  
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Family



entertainment to an engaged audience.

And with properties such as “Peppa Pig” and now “PJ Masks,” as well as up-and-coming properties like “Ben & Holly’s Little Kingdom,” setting the stage and template for property rollout around the world, eOne is arming each territory with boots on the ground to encourage sustainable properties that reach multiple segments of the market.

Each territory is managed by a division head. They are:

- Katie Rollings, head of licensing, U.K.
  - Joan Grasso, senior vice president, licensing, North America
  - Ami Dieckman, head of licensing, international (all territories outside of the U.K. and North America)
  - Rebecca Harvey, global head of brands and marketing
- “Our U.K. team is the biggest licensing team, and often what is done in the U.K. is used as a best practice template to be rolled out in other territories,” says Rollings.

Within the U.K., where eOne’s biggest hit “Peppa” took off, the market is mature, and the property is what many would consider an evergreen. Globally, “Peppa Pig” is considered one of the top performing preschool properties. The series is broadcast in 180 countries and translated into 40 languages.

For product, it has more than 800 licensees in place in all major markets, and has a strong retail presence in the U.K., Australia, New Zealand, the U.S., Iberia, France, Central and Eastern Europe, Latin America, Russia and Asia.

“Peppa Pig’s’ core age group is 2- to 4-year-olds, but it is now such a household name and so mature in the U.K., that its reach spans generations and most children, parents and grandparents as part of its wide-ranging audience,” says Rollings. “The first children to watch ‘Peppa Pig’ are now reaching an age when they can engage with it nostalgically.”

Brand extensions for “Peppa” in the U.K. are ongoing. Last spring, the film *Peppa Pig My First Cinema*

*Experience* hit U.K. theaters and has grossed more than £3.4 million to-date. Toy sales in the region continue to grow as well, with a 12 percent rise thus far in 2017, and more than 87 licensees on board in support, says eOne.

Activity in the U.K. looks a bit different than it does in North America, for example, where “Peppa” is rather new. In fact, North America was the last market “Peppa” entered. On the flip side, in Australia, “Peppa” launched not long after the U.K.

“In Australia, we’ve been in the marketplace for as long as in the U.K.,” says Dieckman, but notes that the market took a bit longer to take hold because the “magic formula” was not in a place-critical broadcast positioning that Dieckman feels ensures a winning program.

“We launched in Australia with okay coverage and some support, but once we clicked in that magic formula of 20 minutes of programming, twice a day in a prime time slot, ‘Peppa’ really began to gain traction,” says Dieckman.

eOne says Australia is now one of its most successful markets, as is Brazil, where the show airs daily on Discovery Kids and has sold more than 2 million toys and more than 2.5 million books; China, where it’s supported by 25 licensees; and Russia, which saw merchandise debut in October 2014 and now has 35 partners across toys, apparel, accessories, publishing, live events, homewares and FMCG. This month, “Peppa” will launch into Japan with broadcast.

“Globally, everybody has their nuances and everybody has their challenges, it seems now more than ever,” says Dieckman. “But in the last five years, we’ve opened offices in Hong Kong, Australia and Brazil because we see an opportunity. We see a chance to get into the market. We know our content is right, that it’s strong, and if you have faith in that, you can build a program around it.”

In the U.S., “Peppa” will grow its product assortments with new variations on the property that diversify its offerings.

“This fall, we are very excited about the first theme that we have ever done for ‘Peppa,’ and that is a princess theme, that is being executed in a very organic way,” says Grasso. “We have a great product line that soft launched recently from some of our key partners including Jazwares, Scholastic and Happy Threads. Out of the gate, products are performing phenomenally well.”

In the territory, the property is also further enhanced by an upcoming DVD release and on-air support from network partner Nick Jr., as well as a fully-integrated marketing campaign.

“Peppa Pig” is currently in development on season eight, which will include 117 new episodes scheduled to launch in markets globally beginning in 2019, coinciding with the brand’s 15th anniversary. Significant plans are

underway to celebrate the milestone, including major campaigns and merchandise that will support the celebration that will continue through 2020 and 2021.

### **‘PJ Masks’ Offers New Opportunities**

A co-production between eOne and Frog Box, in collaboration with French animation studio TeamTO, along with Disney Junior and France 5, “PJ Masks” is based on the French picture book series *Les Pyjamasques* by Romuald Racioppo, and is about a group of friends that masquerade as superheroes come nightfall. It hit television screens in 2015 first in the U.S. on Disney Junior. Quickly, a consumer products assortment rolled out in fall 2016, led by master global toy partner Just Play. Thanks to infrastructure put in place to meet “Peppa” demand around the world, eOne was easily able to meet the needs of the runaway “PJ Masks” phenomenon.

The success of the series, which now airs in more than 85 countries worldwide, has transformed the eOne business, giving the company two global preschool hits in its portfolio and has opened up new opportunities with partners around the world.

“We launched the ‘PJ Masks’ licensing program two years ago in the U.S., and it has taken us by surprise with the speed in which it’s expanded around the globe,” says Carley. “Thankfully, we’ve got a strong infrastructure in place that is able to manage it. Now, it’s all about building the program into something that is long-term and sustainable with all of the various stakes and partners, and looking to the future, it’s about creating a pipeline of content.”

Season two of the series will hit airwaves in the U.S. early next year, and in EMEA in spring, both on Disney Junior. The new series will introduce exciting new characters and locations that will give licensees and retailers fresh inspiration for product lines.

A third season is also in development.

“Retailers have been very excited about the brand, and are wanting to do more and more,” says Grasso. “Internally, we are excited that season two will be launching early next year. We feel that the TV show and our consumer products program will be brought to the next level as the new content extends beyond the core.”

Grasso says that in-store retail events and custom character appearances also bring the brand additional exposure.

Now, the series has merchandise in-market or coming to market around the world including the U.K., Germany, Austria, Switzerland, Benelux, the Nordics, Central and Eastern Europe, Turkey, the Middle East, Latin America, Asia and Australia.

Beyond Just Play, licensees on board for the program include Bandai (wooden toys and puzzles,

Japan), Amscan (dress up, U.K.), Sambro (stationery, U.K.), Parragon (publishing, Australia), Froebel-kan (publishing, Japan) and The Entertainment Store (character appearances, Australia), and many more; while agents have been secured in territories such as mainland China (Medialink), South Korea (Dianos), India (Bradford Licensing), Mexico (Bandai), Brazil (DTC) and others.

### **Experiential Drives Growth**

In addition to the core product ranges for its properties, experiential marketing and promotional partnerships are key drivers of fan engagement and essential to building the brands’ profiles around the world, driving sales and cutting through the clutter at retail

“We think of experiential as giving the consumer that hook to the brand that is so long-lasting—much more so than almost anything else,” says Carley. “The child who visits a theme park will experience it in a way that they can’t on other products. People want to see and experience the real thing. We take great pains to ensure that the experience is one that enhances the brand and is valuable. It needs carefully thought out, and, when it’s managed right, it is a very powerful tool.”

Carley says eOne very much recognizes the importance of live experiences to the modern marketing plan for all brand extensions, and that the company is building a standalone division to focus purely on the channel, which will sit within eOne Family.

“Experiences and activations are a huge focus,” says Harvey. “It’s so important for the preschool audience to immerse themselves into the brand beyond the screen, and experiential and live event activities give them unique opportunities to feel as though they are part of the characters’ world, that they belong with them, and it stimulates so many senses. We are committed to executing a wide range of experiences globally.”

For “Peppa Pig” in the U.K., multiple charity partners have





been engaged to create experiences and raise awareness on a host of issues that affect children around the world.

Campaigns such as Save the Children Muddy Puddles with the Save the Children organization, which organized a walk that raised more than £228,000, and Bath Book Bed in partnership with the BookTrust, which distributed more than 450,000 booklets to children's centers and libraries, do more than just raise the profile of the perennial children's property but also serve important community functions.

Last month, Paulton's Park, a theme park based in Hampshire, England, unveiled details of a significant new expansion to Peppa Pig World. The attraction now includes two new rides, The Queen's Flying Coach Ride and Grampy Rabbit's Sailing Club. Both will open to the public in May 2018. The brand also has a permanent attraction at Milan, Italy's Leolandia.

Live shows have been a solid driver for eOne Family, as well. "Peppa Pig's Big Splash," the first live show starring Peppa, debuted in the U.S. and Canada in 2015 and saw more than 150-plus sold out shows and did more than \$13 million at the box office. The next leg, "Peppa Pig's Surprise!," is currently on tour in the U.S. and Canada through spring 2018.

"We've found that these extensions to live entertainment, particularly for 'Peppa,' have worked really well for us," says Grasso. "We'll continue to look to potentially run the show for years to come with new themes."

"PJ Masks" is also kicking off a live show, "PJ Masks: Time to Be a Hero," this fall in the U.S. and will run through December. An international tour is planned for next year and will include stops in South America, the U.K., Europe and Australia.

China is also a major focus for experiential activity, says eOne. The brand had significant mall activity in China with 10 immersive retail activations planned for 2018, as well as in Brazil.

### The Digital Component

Digital activity is also growing, says Harvey.

"The digital environment is constantly shifting, and we are always exploring new options and opportunities across a variety of channels," she says.

In China, eOne is utilizing the "WeChat" platform to engage fans. Its "Peppa Pig" account has amassed more than 190,000 followers in just one year, says eOne, and to capitalize on this, the company created bespoke emojis for "WeChat" during China's Children's Day and Chinese New Year festivities. More than 13 million "Peppa Pig" emoji sets were downloaded over a nine month period.

The company sees YouTube, which acts as a hub for

the "PJ Masks" brand with varied content available via its dedicated channel to its more than 170,000 subscribers, as another platform to facilitate deep fan engagement around the world, along with Facebook and Twitter.

For "PJ Masks," a new app, "Time to Be a Hero," launched in July and has since garnered 110,000 downloads. The app is one of many, which Harvey says have amassed 13 million downloads around the world.

The brand also capitalizes on short-form content such as music videos to continue to build awareness via its network partnerships internationally, and which have been viewed more than 48 million times.

"These are fantastic fillers but also incredibly engaging as they show off our heroes' characteristics, powers and are completely unique, as opposed to taken from the episodes," says Harvey.

A complete "PJ Masks" album debuted early this year on iTunes, Google Play and Amazon, garnering more than 8,000 visitors each month, says eOne.

eOne has also created bespoke 90-second animations for Disney, as well.

eOne is additionally working with influencers such as bloggers and vloggers, which serve as VIP ambassadors, in all major markets for the "PJ Masks" brand.

### More in the Pipeline

eOne has other content in its portfolio as well, including "Ben & Holly's Little Kingdom."

"Ben & Holly" is a really special story for us," says Dieckman. "It's created by the producers of 'Peppa Pig,' and has the same appeal and feel, but with a slightly more sophisticated story line."

The 11-minute series currently has two seasons and skews to a slightly older preschool audience thanks to its themes that center on imaginative play.

A diverse consumer products program began to roll out in the U.K. this summer that includes partnerships with licensees such as Naturelly for "Magic Jelly" fruit pouches; master toy partner Character Options for figures, accessory packs and play sets; and Jolly Roger for coin-operated rides.

In the U.S., a program launched in August at Target that included toys from Jazwares and publishing from Scholastic, as well as apparel from Happy Threads available on Target.com.

The property continues to grow in Asia with Pro Pacific preparing to launch Character Options' toy range in Taiwan, and Viacom18 has been named the brand's licensing agent in India with an array of new video-on-demand broadcast deals in place for the region.

As the series matures and audience share grows, so will product programs. ©