



Dear Inventor:

Thank you for your recent inquiry regarding the services Anjar Co. provides. Anjar is an international licensing agency, representing new product concepts to leading manufacturers throughout the world. On the next page you will find a partial listing of the more than 800 items Anjar has licensed.

In your New Concept Submission Package, you will find:

- An informative introduction to *New Concept Licensing* and what makes a new idea marketable
- The Ten Most Commonly Asked Questions and Answers about Anjar
- A *New Concept Submission Form* for you to describe and officially document your idea

Prior to our reviewing your submission, we ask that you fill out the enclosed New Concept Submission Form - please be sure to read and sign the Disclosure Statement at the bottom. Return the completed form, along with any models or artwork, to the attention of the *New Concept Submission Department*. Please also enclose a check or money order in the amount of one hundred, ninety-five U.S. Dollars (\$195) to cover our costs for handling and reviewing your concept. This amount will be refunded to you in the event that Anjar enters into a licensing agreement for your new concept. We cannot review your concept until we have received a completed Submission Form and fee. **Please do not send either a working or non-working prototype to us unless we specifically request one.**

Following our receipt of your new concept, Anjar will analyze your submission to determine its uniqueness and marketing potential. Ideas that complete this study satisfactorily are then further developed and presented to the appropriate companies for licensing. If we do not believe your new concept is licensable, we will return all submitted materials to you immediately following our analysis.

Please read all of the enclosed documentation thoroughly before making your submission. If you have any questions, please call our New Concept Submission Department at +1 (203) 321-1023, fax us at +1 (203) 321-1079, or email us at submissions@anjar.com.

A Sampling of Items Licensed by Anjar Co.

Airhead Hockey & Soccer (Irwin Toys) · Amazing Kreskin's Celtic Oracle (Fundex) · Baby Blocks (Playskool) · Baby Get Well (Tyco) · Barbie 'Really Works' Appliances (Mattel) · Battle Dome (Parker Bros., Tsukuda) · Bop Bop 'N Rebop (Hasbro) · Breaking Point (Ideal) · Bug- Off (Western Publishing) · Busy Play Ball (Blue Box) · Cave Horror Puppets (Applause) · Cat & Mouse (Educa) · Champagne (Really Useful Games, Schmidt Spiele) · Colorpillar (Hasbro) · Crystal Power (Mattel) · Dekkolinks (Pastime) · Disney Tricky Trikes (Monogram) · Doraemon Action Game (Tsukuda) · Dotty Spots (Spear Games) · Elmo's Trike (Tyco) · Fibber (Waddingtons) · Fireball Island (Milton Bradley) · Flip Out (Mattel) · Flipsiders (Milton Bradley) · Flying Circus (Peter Pan) · Gawkers (Applause) · The Generals (Ideal) · Ghost Busters Boo-Loon Busters (International Games) · GI Joe Earthquake (Hasbro) · Go Bananas (Action GT) · Go For Broke (Milton Bradley) · Goops (Milton Bradley) · Got A Minute (Selchow & Righter) · Grabbin' Dragons (Hasbro) · Grand Master (Tsukuda) · Hip Hoop (Tsukuda) · Hi-Q Take 5 (Gabriel) · I.F.O [Interactive Flying Object] (Irwin Toys, Tsukuda) · Indoor Soccer (ToyBox) · Land Before Time Puppets (Pizza Hut) · Leonardo DaVinci Models (AMT) · Kaboomers (Ideal) · Macro Machines Smash-Ups (Galoob) · Match II (Ideal) · Mickey Mouse Puzzle Wheel (Hasbro) · Micro Machines Mini Boomerang (Galoob) · Nerf Ping Pong (Kenner) · Othello (Mattel, Radica) · Passport Games (Applause) · Pathfinder (Milton Bradley) · Pistachio (Parker Bros.) · Pop Attack (Hasbro) · QED Games (Bluebird) · Quick Quiz (Schmidt Spiel) · Rollees (Vulli) · Safecrack (Selchow & Righter) · Sand Formers (Hasbro, Tomy) · Ship Ahoy (Hasbro) · Shirt Pocket Scrabble (Selchow & Righter) · Sliders (Milton Bradley) · Sonic Cyclone (Tomy) · Sound F/X (Ace Novelty) · Space Attack (Educa) · Sparkle Art (Colorforms) · Spintrek (D.S.I.) · Squasp (Brio) · Super Balloon (Wham-O) · Super Mario World Game (Nomura) · Teenage Mutant Ninja Turtles Sewer Saucers (Milton Bradley) · Ton Kick (Nomura) · Travel Game Classics (Lakeside) · Ur – Royal Game of Sumer (Selchow & Righter) · Whiplash (Peter Pan)

An Introduction to New Concept Licensing

What Makes a New Idea Marketable?

Have you ever wondered where the idea for a new product comes from? In some cases, an individual designs a product and brings it to the market him or herself. They might invest thousands of dollars or more on research and development, packaging, advertising, etc. But buyers are reluctant to place orders with new companies and commit their valuable shelf space to a business that may not be around in six months.

In other cases, the developer of a new concept will attempt to interest a manufacturer in marketing their product in order to save themselves the effort and expense of producing it independently. However, most major manufacturers will accept submissions only from reputable agents, not individuals, and the smaller companies that will accept submissions from independent inventors usually don't have the resources to properly promote a new concept.

Most inventors, however, will bring their new concept to a *licensing agency*, which will present their idea to manufacturers and negotiate a license agreement on their behalf. Obviously, choosing the right agency is one of the most important decisions an inventor has to make.

What is Licensing? A *license* is an agreement between an inventor (or their agent) and a manufacturer that grants the right to make and sell an invention in exchange for payment (called *royalties*). The license agreement details the *terms* of the license, such as *advance payments* (how much the manufacturer will pay upfront for the license), *royalty rate* (the percentage of the manufacturer's selling price that the inventor receives), and *report schedule* (how frequently the manufacturer will send an accounting of all pieces sold, along with a royalty check).

What is an Invention? For the purposes of licensing, an invention is any *new concept* that is commercially marketable. This might be an all-new concept (the telephone, for example), a combination of two or more concepts merged together in a unique way (the telephone/answering machine) or an improvement on an existing concept (the push-button telephone).

What makes an Invention Marketable? This, of course, is the most difficult question of all. First, it must be determined what group of consumers your invention is intended for. Is it a unique woodworking tool aimed primarily at hobbyists? Or perhaps it's an idea for a new toy or game, appealing to children and

families. Next, the competition, or *state of the art*, must be examined. Is there anything substantially similar already available on the market? Is there a place in the market for another product in that category?

Finally, consumer demand for the concept needs to be evaluated. Is there a need or desire for this type of product? How much would the prospective consumer be willing to pay?

Even given a full understanding of all these elements, it's nearly impossible to predict which products will be blockbuster hits, which will sell moderately and which won't sell at all. It costs a manufacturer a great deal of money to introduce a new product. There are cost and marketing studies, tool and packaging production, promotion expenses like TV and print advertising, and the production of inventory. Regardless of how good the economic conditions are, no manufacturer takes the plunge with a new product unless they feel sure they will see a sizable return on their investment. That's why they rely on the presentations and recommendations of Anjar Co.

Most major manufacturers know about Anjar's thirty-year commitment to bringing new and innovative product concepts to the market. That's why thousands of inventors are referred to Anjar each year by our licensees throughout the world. They know that we'll carefully analyze each submission we receive to find the ones that are just right for them. They know that we've done all of the necessary preliminary work and our presentation will be smooth, thorough and professional. And they know when it comes time to hammer out the finer points of a license, we're tough but we're fair.

What now? Complete and sign the *New Concept Submission Form* and return it with a check or money order for \$195 (please add \$50 if outside the U.S.) to:

Anjar Co.
New Product Submission Dept.
42 Russet Road
Stamford, CT 06903

The New Concept Analysis process takes approximately four to six weeks to complete. If we feel that your idea is licensable by us, we will send you a partially executed *Standard Agreement of Representation* for you to sign. This will give us the right to represent your invention and proceed on your behalf to pursue a license.

The Ten Most Commonly Asked Questions & Answers

Q: How much does it cost to have my idea evaluated?

A: The fee for reviewing your New Concept is \$195, payable by check or money order included with your submission. This amount will be *refunded in full* if Anjar subsequently enters into a licensing agreement for the item. There are no other charges to you.

Q: Do I need to submit a model of my New Concept?

A: No. We will accept a written description of your idea, sketches, drawings, photographs, etc. Please do not send either a working or non-working prototype to us unless we specifically request one. If you'd like, we'll be happy to refer you to a qualified model maker.

Q: What does the review process consist of?

A: Your New Product Concept will undergo a series of tests to determine its licensability, including a comparative analysis with existing and previously marketed product, play-testing and cost analysis.

Q: Do I need to have a patent, trademark or copyright before I submit my idea for review?

A: No. In fact, the vast majority of products licensed by Anjar are not patented. However, a qualified attorney – an expert in toy-related legal matters – will review your New Concept to determine what, if any, protection is recommended.

Q: How do we share the royalties?

A: The inventor receives 60% of all royalties and advances earned from licenses; Anjar retains 40% as its fee.

Q: How much money can I expect to earn from my New Concept?

A: Of course, it's impossible to predict the success of any particular item. While many items will enjoy moderate success, in some cases, Anjar has paid out over a million dollars in royalties for a single idea.

Q: What happens if you don't think my New Concept is licensable?

A: We will report to you the reason(s) for our decision and any suggestions we may have for improvements. If you have submitted any prototypes, models or samples, per our request, they will be returned postpaid.

Q: Are you a manufacturer?

A: No. Our job is to represent the best interests of your item to manufacturers.

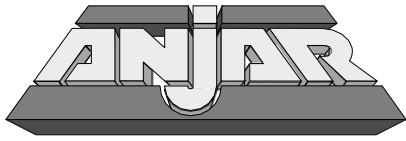
Q: How is Anjar different from those "inventor submission" companies?

A: In many ways we are different. Anjar Co. has licensed over five hundred new concepts and our principle source of income (over 97%) comes from royalties that are shared with the inventors we represent. Some idea submission companies make virtually all of their money from fees charged to inventors. In many cases, the inventor is contacted after submitting their idea and pressured into paying up to thousands of dollars for useless "marketing reports". Before you submit your ideas to any company, be sure to ask what products they have successfully licensed in the past.

Q: What does Anjar stand for?

A: Arto, Neil, Jonathan and Roger - the names of Jim Becker's four sons. James R. Becker founded Anjar in 1969 after retiring as president of a major U.S. toy and game manufacturing company. Over fifty years in sales, manufacturing, and licensing gave Jim Becker his special ability to spot a good product and "marry" it to just the right company. Under the leadership of Jonathan Becker, an attorney with over thirty years of experience in the toy industry, Anjar continues to stand up for the rights and interests of hundreds of inventors around the world.

Good luck with all your ideas!



New Concept Submission Form

Anjar Co. - 42 Russet Road - Stamford, CT 06903 - Tel: 203.321.1023 - Fax: 203.321.1079

Name	What is the name of your New Concept?
Address	
	Please briefly describe your New Concept.
Email	
Phone	

Use this space to document your submission. You may draw a representation of your New Concept, or describe it in full. Check here, if you have: enclosed a model, or attached additional documentation to this Submission Form.

A large rectangular area filled with a fine grid pattern, intended for drawing or describing the new concept in detail.	
W-09252001	

Disclosure Statement: You agree that this Submission has not been solicited by Anjar and that it is made voluntarily. Anjar Co. is expected to give this Submission such consideration as agreed to in the accompanying literature. Anjar Co. is not expected to assume any further obligations with respect to your submission other than to say whether Anjar may be interested in acquiring rights in your New Concept for licensing. You acknowledge that you have the right to offer this Submission for the purposes stated herein.

Please sign	Date
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