

WHEN DOES NO MEAN NO?

no \ˈnō\ *adv* **1-Used as a function word to express the negative of an alternative choice or possibility; 2-an act or instance of refusing or denying.**

Webster's Ninth New Collegiate Dictionary

No. The word has a rather negative sound. Even if you did not speak English, said in an authoritative manner, or said at a rather high decibel level, most likely you can grasp its meaning. But, no does not necessarily mean no, unless of course it is yelled three inches from the flanges of your nostril. Just when do you take the hint they are not interested in buying the (insert product category here) licensing rights to your property?

The obvious answer to that question is when they (as in the potential licensee) mouth a short crisp “no.” The well-bred are more likely to voice it as “no thank you,” and the truly enlightened might state it in the plural – incorporating the strength of the almighty (or kinsmen) in their reply making it -- “We thank you, but no.”

No matter how the word is communicated, the point is it has been flung at you, and now what? Do you pack up the pile of presentation materials over which you labored for hours to make perfect and slink off to wherever it is one slinks to? You heard a “NO” and it is time to move on – well maybe yes or perhaps not; the trick is to know when that no is simply the prelude to the possibility of a yes.

Licensing in some ways is much like the sport of baseball. More than likely every time the batter steps up to the plate the player is more likely to make an out (in licensing that means getting a “no”) than to get on base. The odds of making a hit are against the player each and every time at bat, and so are the odds of the licensor to land a licensee at any given presentation.

Licensing like baseball is a percentage business, and the odds favor failure as the likely outcome each time you pitch your property. The question is can you increase the odds of achieving success – of hearing that sweet sound of “yes?” Unless you are a masochist or a rejection junkie finding some twisted satisfaction in failing, there are a number of steps you can take to improve the odds of achieving success, and the likelihood of achieving success begin well before you utter the first words of your presentation.

The first step in attempting a positive response to your presentation is to possess an excellent understanding of the property you represent. Simply having the ability to spew property facts, although important, is not good enough. To achieve an understanding of your property requires

your willingness to examine it from the point of view of the potential buyer – the potential licensee. Does the property really fit the needs of the prospective buyer? Is the property you are offering a comfortable fit with the type of products the company produces? Will your property appeal to the typical consumer to whom the manufacturer caters? Does your property offer the prospective licensee some form of marketing advantage that warrants the payment of royalty? Even if yes is the prevailing response to all of these questions, will the terms sought by the licensor (advance, guarantee and royalty rate) be acceptable.

Next, how is the property presented? It is easy to achieve a negative response to most any property by simply presenting it badly. This can be realized in a number of ways: trivialize the property; present the material in a boring and/or confusing manner; and/or failure to demonstrate how the property connects to the product line of the company being pitched. One or more of these factors will usually illicit a rejection.

Presenting a property properly requires some thought and planning. Even armed with all the necessary facts, the right presentation materials, and proper amount of enthusiasm may not generate the desired results if your timing is poorly planned. Too many times, I have witnessed (and myself having been guilty of) using the opportunity of a chance encounter to perform an “on the fly” presentation. Often, when you let opportunity dictate timing of a presentation most likely it is neither the right time or place. It is important to remember that the willingness of the other party to receive your information is as important as the information you are attempting to communicate.

Lastly, know what you want to accomplish. A presentation that does not clearly present its objectives can result in confusion or disinterest from the party being pitched. In addition to presenting the property in a clear concise manner, it is equally important clearly state how the property is advantageous to the potential buyer. Failure to provide examples of how the property can be applied to the company’s product line means that the other party is forced to make that determination. Therefore, will the other party make the necessary effort to relate the property to its product line, or will it be the right or best application of license, is unknown. Never assume that the listener will exercise such efforts, or do so correctly. It is your job to provide this information.

I also strongly advise you not conclude a presentation by asking for a response from the other party. Asking for a response as to their level of interest in the property should be avoided. Unless the other party volunteers to express a positive or negative interest in the property, it is wise to conclude your presentation by acknowledging that it may require some analysis of the property in order to provide a response means you are content to wait for an answer.

Even the best planned and executed presentation can result in a NO. However, as stated in the title of this article, is that no really a NO? What is likely to determine if a no can be transformed into a yes is often based on the reasons given. Interpreting the other party’s response is a critical

factor in achieving success. By understanding correctly the factors that generate a no, may provide you with the opportunity to address these issues and counter them. For example, if a no is a result of the financial conditions, then push for a counter offer of terms that would be acceptable. If objections have to do with elements such as the level of current exposure, or the lack of a significant number of committed licensees, address the property's points of strength.

While there is no argument that a negative response can be off-putting, unless you fully understand the reasons behind a no my suggestion is to question such response. The conclusion may in fact be that no meant NO. However, your failure to explore fully the reasons behind a no may mean you passed up the opportunity to achieve a yes.

Wishing you happy licensing,

Danny Simon