

04-26-1999

REGISTRATION FORM COVER SHEET U.S. DEPARTMENT OF COMMERCE

TRADEMARKS ONLY

Patent and Trademark Office



101019030

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

D

86.22.99

1. Name of conveying party(ies):

Yellow Brick Publishers, Inc.

- Individual(s)
- Association
- General Partnership
- Limited Partnership
- Corporation-State California
- Other

Additional name(s) of conveying party(ies) attached?

Yes No

3. Nature of conveyance:

- Assignment
- Merger
- Security Agreement
- Change of Name
- Other

Execution Date: November 13, 1997

2. Name and address of receiving party(ies):

Name: MGM Grand Merchandising, Inc.

Internal Address:

Street Address: 3155 W. Harmon Avenue

City: Las Vegas State: NV ZIP: 89103

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State Nevada
- Other



84-09-1999

U.S. Patent & TMO/TM Mail Rcpt Dt. #61

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from Assignment)

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark registration No.(s)

1,909,480

1,809,172

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Whitney Thier, Esq.

Internal Address: Suite 500 North

Street Address: 3773 Howard Hughes Parkway

City: Las Vegas State: NV ZIP: 89109

6. Total number of applications and registrations involved:

2

7. Total fee (37 CFR 3.41): \$

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Whitney Thier

Name of Person Signing

[Handwritten Signature]

Signature

3122/99

Date

Total number of pages comprising cover sheet:

8

OMB No. 0651-0011 (exp. 4/94)

04/23/1999 DNGUYEN 00000289 1909100

Do not detach this portion

01 FC:481
02 FC:482

Mail documents to be recorded with required cover sheet information to:

40.00 DP
25.00 DP
Commissioner of Patents and Trademarks
Box Assignments
Washington, D.C. 20231

Public burden reporting for this sample cover sheet is estimated to average 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011).

TRADEMARK
REEL: 1887 FRAME: 0886

K. G.
Yellow Brick
Road

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement ("Agreement"), consisting of 22 pages, is made and entered into this 13th day of November, 1997, by and among MGM GRAND MERCHANDISING, INC., a Nevada corporation with offices at 3155 West Harmon Avenue, Las Vegas, Nevada 89103 ("MGMGM"), YELLOW BRICK ROAD PUBLISHERS, INC., a California corporation with principal offices at 73091 Country Club Drive, Suite A-4-40, Palm Desert, California 92260 ("YBR"), and ROGER S. BAUM and CHARLENE S. BAUM, individuals, of 73091 Country Club Drive, Suite A-4-40, Palm Desert, California 92260 ("Baum").

RECITALS

- A. YBR is the exclusive publisher of the work of author Roger S. Baum, the great-grandson of L. Frank Baum, author of the world-famous Wizard of Oz. Roger S. Baum is the author of SillyOZbuls of Oz, SillyOZbul of Oz and Toto, SillyOZbul of Oz and the Magic Merry-Go-Round, Rewolf of Oz, Lion of Oz and the Badge of Courage, and Longears and Tailspins Adventures in Candy Land (hereinafter the "Roger Baum Oz Books").
- B. YBR is the sole and exclusive owner of certain trademark rights in certain trademarks and logos, including "Yellow Brick Road Oz Club" and "Silly OZbul," and related rights and indicia in the marks.
- C. MGMGM is the primary retail seller of books and additional media published and distributed by YBR through its Emerald City Gift Shop and

other retail outlets and believes that the acquisition of YBR's assets and intellectual property rights, including but not limited to copyrights, trademarks, trade dress, logos, licensing rights, and other related indicia, will provide for the long-term benefit of sustaining the "Oz" legacy and reputation and will further enhance the guest experience for visitors to the MGM Grand Hotel & Casino in Las Vegas.

- D. Roger and Charlene Baum, as officers and directors of YBR, further wish to promote and sustain the name and reputation of "Oz" and that of Roger S. Baum's great-grandfather, L. Frank Baum, and wish to enter into an agreement whereby they can assist MGMGM in promoting and preserving the name and reputation of "Oz," and therefore wish to assist MGMGM in the promotion and sales of YBR merchandise, through personal appearances by Baum at the MGM Grand.
- E. YBR wishes to convey and transfer its existing book inventory, publishing rights in YBR Books, licensing rights, and related intellectual properties in YBR Books, to MGMGM for the further development and exploitation of the intellectual property rights in order to further the "Oz" legacy.
- F. MGMGM desires to maintain and promote Roger S. Baum's reputation and notoriety as the author and originator of the Oz Books specified herein, as such is in the best interest of MGMGM for the future marketing and promotion of the books and to ensure successful sales.

Based upon the foregoing and the mutual promises and covenants contained herein, the parties agree as follows:

1. **Assignment and Conveyance of the YBR Assets.** Subject to the existing agreements for Dorothy of Oz, The Lion of Oz and The Badge of Courage, YBR hereby assigns, conveys and transfers its full right, title and interest in the following rights, assets and interests:

1.1 Existing Works. The copyrights in all books, writings, publications, texts, graphics, artworks and materials specifically identified in attached Exhibit A including but not limited to "The Rewolf of Oz", "The SillyOZbuls of Oz," "The SillyOZbul of Oz and Toto," "The SillyOZbul and the Magic Merry-Go-Round," "Longears and Tailspins Adventures in Candy Land," "The Lion of Oz and the Badge of Courage," including the right to publish, perform, publicly display, copy, and create derivative works based upon these materials.

In the event that MGMGM fails to maintain an inventory of any Roger Baum Oz Books for sale and fails to reprint the book for more than one (1) year, from notice from Baum of the depletion of inventory such that unless said book is reprinted it will no longer be available for sale within six (6) months, Baum, or others on his behalf, may request permission from MGMGM to publish such book, which permission shall not be unreasonably withheld or delayed. If MGMGM grants such permission, it will not be obligated to pay royalties on any such book published by Baum or a third party of his choice. The foregoing notwithstanding, MGMGM's consent shall not be construed as a waiver, relinquishment, or forfeiture of its rights to publish the same book at a future

date or any other of Baum's Oz Books. MGMGM will make all possible efforts to ensure that each reprinting of the Oz Books shall credit Roger S. Baum as the originator and author of the text.

1.2 Future Works. YBR's interest, right, title and options in the acquisition, copyrights, and publishing rights of any and all future OZ-related works authored, co-written or edited by Baum. MGMGM shall pay an advance for each new book which MGMGM agrees to accept and publish. Any advance shall not exceed MGMGM's reasonable calculation of the first year's annual royalty payable to Baum at the contractual royalty rate. All said sums shall be treated as an advance against future royalties payable to Baum at the rate of [REDACTED] percent of the retail sales price, less returns and taxes to the extent any are actually paid by MGMGM on the sale of books.

MGMGM shall have a thirty (30) day right of inspection prior to taking any and all new books written by Baum. If MGMGM elects to publish the text, the parties shall, within the next thirty (30) days after said election, negotiate the amount of the advance against royalties. If MGMGM elects not to acquire the new text, or if the parties cannot agree upon the amount of the advance, then Baum may offer the book to third parties for publication, or he may elect to publish the text himself.

"The Rewolf of Oz" text is part of the inventory acquisition contemplated by this Agreement, however, the book has not yet been printed. The parties acknowledge and agree that YBR will cause "The Rewolf of Oz" to be printed and available within six (6) months of the date of execution of this Agreement, and, at such time, MGMGM will purchase up to six thousand five hundred (6,500) books for the sum of Two Dollars and

Ninety-One Cents (\$2.91) per book. No monies shall be paid for defective books. The total printing revenue may increase as the total number of books delivered by no more than ten percent (10%).

1.3 Trademarks and Service Marks. The registered trademarks, "Yellow Brick Road Oz Club," and "The SillyOZbul," and, to the extent that such exist, the common law rights in "The SillyOZbul of Oz and Toto," "The SillyOZbul and the Magic Merry-Go-Round," "Longears and Tailspins Adventures in Candy Land," "The Rewolf of Oz," "The Lion of Oz and the Badge of Courage," together with all goodwill associated with each such mark, and as more fully set forth in attached Exhibit B.

1.4 Licensing Rights. YBR's licensing rights in any and all merchandise, materials and paraphernalia, which is licensed, authorized, approved, or sponsored by YBR, as set forth in attached Exhibit C, subject to any existing agreements with third party publishers and Sony and existing CD-Rom with Multicom.

1.5 Development Rights. Any and all rights which YBR may have to further develop, exploit, license or promote the "Oz" legacy as it relates to the books in any and all mediums and media in perpetuity, worldwide, subject to existing third party rights and to Baum's continued involvement.

1.6 Rights of Publicity. All rights of publicity YBR may have to Roger S. Baum as they relate to the Roger Baum Oz Books, including but not limited to the right to use, promote and incorporate in any and all media worldwide in perpetuity, his name, images, likenesses and personae for the purpose of further promoting and exploiting the assets identified in Section 1 of this Agreement.

EXHIBIT B

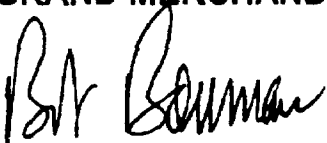
List of Trademarks and Service Marks

"Yellow Brick Road Oz Club"

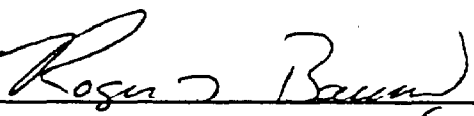
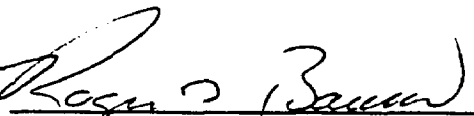
"SillyOzbul"

term or conditions in this Agreement, the parties agree to resolve such dispute by submitting the dispute to binding arbitration before the American Arbitration Association in Las Vegas, Nevada, unless injunctive relief is necessary. The decision of the Arbitration shall be conclusive and enforceable by any court of competent jurisdiction. The prevailing party shall be entitled to its reasonable attorneys' fees.

MGM GRAND MERCHANDISING, INC.

By 
By BOB BOWMAN
Title President

**YELLOW BRICK ROAD PUBLISHERS,
INC.**

By 
Title Vice President

ROGER S. BAUM


CHARLENE S. BAUM, PRESIDENT

js/H:\CLIENTS\MGMYBR7.AGT