

Fisher-Price®



THE MARKET

Fisher-Price is dedicated to creating toys that help every child reach their full potential at their own pace. Fisher-Price is the market leader in infant and preschool toys worldwide, and in Australia. While the Australian birthrate has remained relatively stable, the market has grown marginally. Yet Fisher-Price continues to build market share well above the rate of growth of the total market. This continued growth - upwards of 12% per year - has been achieved by understanding and responding to the needs of today's parents.

During the early years, infants develop vital cognitive and coordination skills. Fisher-Price understands the important role that toys have in this developmental process. Fisher-Price toys are designed to encourage problem solving, develop motor skills and unlock the child's imagination.

ACHIEVEMENTS

For decades, the Fisher-Price name has been synonymous around the world with quality and durability. Equitrends, a US-based study that annually identifies the 200 best-known worldwide consumer brands, ranks Fisher-Price at number nine. Consumer research conducted in Australia on the infant and preschool toy market has identified Fisher-Price as holding the leading position in top of mind awareness.

It was a continuing quest for excellence that led to the establishment in 1968 by Fisher-Price of the toy industry's first ever Child Research Centre. The original idea behind the Centre was simple. Fisher-Price wanted to allow toy designers and engineers easy access to direct and instant feedback about their inventions from children. In these "play laboratories", anything goes. Children are free to drop, bang, cuddle or even ignore the toys. While they play, teachers, designers and researchers look for ways in which to modify or improve their products.

This unique centre tests hundreds of new toy ideas every year. Thousands of children are involved in the program, with babies as young as one month helping to provide information through their reactions. From this patient observation of children at play, Fisher-Price is able to learn more about how children

think, what is important to them and what they like. The centre is also utilised for special projects, such as assessing how disabled children interact with toys.

HISTORY

Even back in 1930, the toy industry in the USA was fiercely competitive. But it was in the shadow of the Great Depression that Herman G. Fisher and Irving L. Price, together with Helen M. Schelle, recognised the need and the potential for a new line of quality toys. Thus, Fisher-Price was born.

Early Fisher-Price toys were fashioned from ponderosa pine and decorated with non-toxic lithographs. Solid steel parts were incorporated into the design for durability. The range consisted largely of mobile or pull-along toys and included Disney characters, beginning in 1935.

The early 1950s saw the dawn of the plastic era. Fisher-Price presciently recognised the potential of plastics for the construction of toys and acquired Trimold Inc., a plastics manufacturing company. The plastic revolution unlocked an exciting new era of product development and the Fisher-Price plastic division was pivotal to the manufacturing operations of the time.

Over the next decade, the Fisher-Price range of toys expanded to include household names such as 'Play Family', (known today as 'Little People'), 'Chatter Telephone', and 'Little Snoopy'.

In 1969, the Quaker Oats company acquired Fisher-Price. Under the Quaker stewardship, the manufacturing capabilities of Fisher-Price were expanded internationally to include Mexico, California, Texas, Belgium and England.

In 1974, the company diversified its product



range to include a line of Crib and Playpen products for very young children. It was an astounding success. One year after the introduction of these new "baby" toys, they became America's best-sellers. Encouraged by this success, Fisher-Price developed more product lines. A licensing agreement with Jim Henson, creator of the Muppets, led to an especially popular range in 1978.

In late 1993 Mattel merged with the Fisher-Price company, giving new balance to the business mix. Today, Fisher-Price is the world's largest maker and marketer of infant and preschool toys.

THE PRODUCT

Every product that bears the Fisher-Price name comes with a promise that it will be well thought out, well made and good value for money.

Herman Fisher's Five-Fold Creed is the cornerstone of manufacturing for Fisher-Price. He believed that all Fisher-Price toys must have:

- 1) Intrinsic play value
- 2) Ingenuity
- 3) Strong construction
- 4) Good value for money
- 5) Action

During the past 67 years, Fisher-Price has designed and manufactured well over 4,000 different toys for children from birth to five years of age. Many have become classics, remaining popular playthings handed down to the next generation.

The company has always aimed to develop products that differ from the competition. Children have responded to the intrinsic play value of the toys and parents the world over applaud their functionality and durability.

Each year Fisher-Price evaluates around 5000 ideas for new toys. Of these, only around 125-150 ever make it through to production.

RECENT DEVELOPMENTS

Rescue Heroes is one of the newest segments within the Fisher-Price range of toys. With the violent nature of most action toys a growing concern to parents, Rescue Heroes offers a "non-violent" option for their preschooler.

Rescue Heroes are based on positive and



aspirational role models. They are "good guys" who don't possess weapons or "super-human" powers. Rather, they accomplish their goals by use of such traits as courage, perseverance, resourcefulness and non-violent problem-solving. Aimed at preschool boys aged from three to five years, these cool action good guys are designed to help build character and compassion through play.

In Australia, the Fisher-Price brand is also expanding to offer consumers a wider portfolio of products for children from birth to six years of age. With a goal to be the number one children's brand, Fisher-Price has begun an extensive licensing programme in Australia. Leveraging the core brand strengths of quality and durability, the Fisher-Price name will be extended to infant and children's apparel, footwear, feeding accessories, nursery goods, books and software.

As a result of the merger with Mattel Pty Ltd, Magna Doodle, one of the world's most recognised creative activity toys, has been added to the Fisher-Price product portfolio.

PROMOTION

In 1998, Fisher-Price launched a powerful new creative and promotional platform, underpinned by a new positioning: "It's a great age for Fisher-Price."

"It's a Great Age for Fisher-Price" is about the partnership between Fisher-Price and Mum. It acknowledges that Fisher-Price is 'there for her' every step of the way. That it knows what she is going through in caring for her family. That rais-

ing her child is a wonderful and joyous experience. Whether her child is one day old, five years old or any age in between, Fisher-Price celebrates her world and the joys and realities of the childhood experience. Fisher-Price enhances her everyday experiences by providing all the different types of toys and other products for each age of childhood. It's not just about the important milestones but rather the everyday moments that she shares with her child. There is an emotional benefit to the consumer by having Fisher-Price be part of her and her child's life.

The imagery used in the "great age" campaign reflects fun and emotion, reality and humour.

BRAND VALUES

Fisher-Price is dedicated to bringing parents and children together for adventure and learning, creativity, pretend, and fun. Trends come and go, but Fisher-Price fun never goes out of style. The product range is convincing evidence of this. It is designed for open-ended play and long term value, with lots of imaginative details and plenty of surprises.

In addition to safety and durability, there are certain characteristics that are fundamental to Fisher-Price toys. They must stimulate creativity and imagination; encourage inquisitiveness and resourcefulness; be a tool for learning; be interesting and fun to the child; be challenging, yet not frustrating; foster child interaction; and invite repeated use.

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THINGS YOU DIDN'T KNOW ABOUT FISHER-PRICE

- The first Fisher-Price toy ever sold was Dr. Doodle, which sold for under US\$3 in 1931. Today, in excellent condition, Dr. Doodle can sell for well over US \$1,000!
- If stacked on top of one another, the 40 million plus Rock-A-Stacks sold since their launch in 1960 would reach almost 6,000 miles into the sky.
- The Fisher-Price Chatter Telephone has been the first telephone for over 26 million children since 1962.
- East Aurora, a tiny town in New York State, is still the centre of Fisher-Price. The company opened its doors there in 1932 with 15 employees. Today it employs 800 people in East Aurora and the town is extremely proud of the fact that this is a place that brings so much joy to the children of the world.
- Fisher-Price Little People will celebrate their 40th birthday in 1999!

