



Still Bouncing High After 40 Years

Imperial Toy Remembers Its Roots as It Expands Beyond Bubbles and High Bounce Balls

by Jackie Breyer

Imperial Toy was founded on April Fool's Day in 1969 by Fred Kort, a holocaust survivor who came to this country and turned a high bouncing ball into a legacy. Imperial started out very much as a novelty company, moving from bouncing balls to a line of bubbles, and grew from there, adding seasonal and other low-priced items along the way. Kort brought in his sons Steven and Jordan as vice-president of sales and marketing and as executive vice president, respectively. Kort set a precedent for Imperial as a family-run company, and while the Korts no longer own Imperial, the company still has a family feel.

Imperial Toy's current co-presidents, Art Hirsch and Peter Tiger, understand the importance of being true to a company's roots, but have taken the company a long way in the past four years.

"We still maintain our basic core categories, which are spring and summer goods, bubbles, and basic toys," says Hirsch, "but the company has changed drastically starting when we acquired it in December 2005."

Hirsch and Tiger have progressed the company in several positive directions, bringing in more licenses for their products, expanding globally, and even acquiring a small company, Seasonal Sensations, which specializes in seasonal merchandise.

Licensing has been part of Imperial's toy lineup for years. In the mid-'80s, the company licensed popular properties such as Madballs, Godzilla, Kool-Aid, the Jetsons, and the Garbage Pail Kids for its bubbles, bounce balls, and back-to-school items. Today, the company boasts top properties from Nickelodeon and Marvel, as well as Little Tikes, Strawberry Shortcake, Care Bears, Hello Kitty, and Transformers.

"Licenses give you the opportunity to get on the store shelf," says Tiger. "With shrinking retail space and a lot more of it devoted to branded licensed product, it's the entrée to get onto the shelf and it's promoted and supported, and kids want that."

In addition to expanding its licensed product, Hirsch and Tiger are focused on expanding Imperial's brands. The well-known Miracle Bubbles line now includes Super Miracle Bubbles, which were introduced about five years ago. The bottles have been retooled to be more sustainable—now made from PET material—and the solution itself has been improved as well. The company will introduce a new line of bubble toys for 2010.

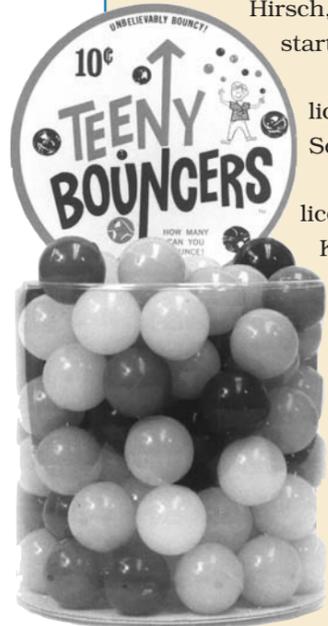
Beyond bubbles, Imperial recently acquired Seasonal Sensations, a company that specializes in seasonal merchandise year round. Imperial partnered successfully with Seasonal Sensations last year for Easter baskets. Seasonal Sensations will be brought in-house and maintained as a division of Imperial.

"We have a wide variety of products that tie into the seasonal category and they have the expertise of the seasonal area, so the synergies are good," says Hirsch.

As Imperial expands its presence on shelf, it is also expanding around the world. According to Tiger, the pri-



Above, Woody Woodpecker Bubble Pipe, circa late 1980s; Left: Bubble Blowing Godzilla, circa 1985



vately held company has approximately doubled its international sales since he and Hirsch took over, leveraging all of the company's product categories in Europe. An office was opened in Italy in 2006 and from there distribution has expanded into Eastern Europe, the Middle East, South America, South Africa, and Australia. With Europe's additional requirements and safety standards, product testing becomes more rigorous, not to mention costly.

"We've jumped through hoops to get certified, qualified, work with good makers, and have product that people are looking for," says Tiger.

Stateside, Imperial is known for its speed to market. The company emphasizes its domestic supply chain with facilities in San Diego, Memphis, and Mexico, and the company's three large warehouses allow the company to react speedily to customer demands.



Miracle Bubbles through the years

success. A goal for the future is to build the company's brands through innovation and creation of proprietary items.

"I think we're pretty well branded to the industry, but to the consumer not so much," says Hirsch. "Outside of our Miracle Bubbles I don't know how well the consumer knows us."

With retailers pushing for more branded and licensed merchandise, that seems the logical route for Imperial to take. And even as the company grows and becomes more successful, Hirsch and Tiger refuse to rest on their laurels.

"We have to bring more exciting toys that people want and know about and drive traffic to retail," says Tiger. "And we have to make the toy business relevant again with the challenges of electronics and iPhones and all that other stuff. Shrinking retail is the biggest challenge that we have to overcome and how do we do that? We have to make toys exciting. We have to bring much more intensified innovation."

As Imperial celebrates 40 years, it is mainly a celebration marked by hard work and determination to build the company bigger and stronger than ever before. The company created a high bounce ball with the logo and "1969-2009" printed on it, and will distribute lanyards for the badges at Fall Toy Preview in Dallas. Because they still strive to maintain the essence of a family-run business, employee celebrations were held in honor of the anniversary as well. However, as far as literally maintaining a family-run company, Hirsch and Tiger won't hear of it.

"The kids come here and we chase them away," says Tiger. Hirsch adds, "We both have daughters who started college this year and we joke that if they ever wanted to do that we would chase them away because of the challenges these days."

If their daughters are anything like them, Hirsch and Tiger may be wise to reconsider. A combination of family tradition and innovative new ideas have proven to be a successful combination for Imperial for 40 years—here's to 40 more.



co-presidents Peter Tiger (left) and Art Hirsch

"When something is performing we can deliver it and that's what we're known for," says Tiger. "That becomes ever more critical with the push to turn inventories and keep people in stock. That's a direction that's always been in the company history and we stick to that."

As Hirsch and Tiger push the company to grow bigger and stronger, they maintain that innovation is key to the company's continued

