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# TOY BOOK®

SERVING THE GLOBAL MARKET

## Everything I Know About Business I Learned from Playing with Toys

Every time someone asks what I do for a living, and I tell them that I am a toy inventor, the response is always the same: "That must be fun, playing with toys all day," or "Just like in that movie with Tom Hanks?" (*Big* is the movie they invariably reference).

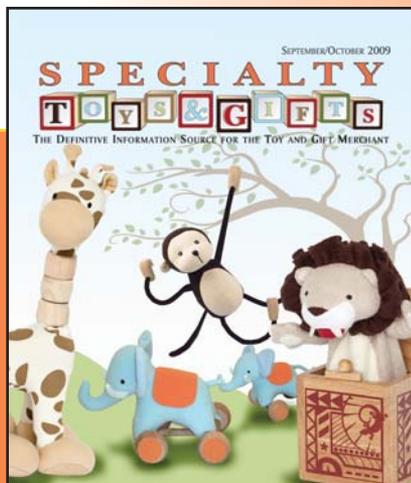
Generally, however, I tell people that a year in the toy industry is like seven years in a dog's life—if you can do the math on that—to help them appreciate just how darn difficult it is to do what we do. Poor me.

by Bruce Lund

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Well, yes, I am here to tell you that it really is fun, exciting, challenging, and all-in-all the very best way in the world to spend my days, to make a living, and to make a contribution to society. After 30 years of inventing, developing, and licensing toys, I still love it.

Everything we do is speculative. No one pays us for anything until they like it enough to invest their own, hard-won dollars—often millions of dollars, in the case of a TV-advertised toy—to develop and bring to market one of our products. I think my father-in-law viewed it as something like being a riverboat gambler.

Not having enduring brands that generate income for us reliably year after year, we have to start all over every year to create new products that can be licensed to sustain ourselves for another year. The life of our products is typically six months. On shelf in the fall, and closeout in January. Repeat. For 30 years and counting.

For most people who think that they would like to be a toy inventor, I would tell them they should run, not walk, away. Being an outside inventor, creating products on spec, not knowing if, what, or when you will ever sell something is the last thing in the world most people would want to do for a living. The frustration of being told "no" day after day is too much to endure for most people.

But for a precious few, this is the only thing in the world they should be doing. For those who can learn to love the word "no," and be motivated by it to be better, smarter, and faster; for those who have an insatiable need to create, explore and tinker, to experiment, and to discover things that amaze themselves and others, this is IT. This is the thing, the very thing, the one and only thing that they should be doing. For that few, it is in their DNA, and their reason for being. I am one of those people. I have had the privilege of working with many others, and I am responsible for bringing dozens of them into this industry and training them as inventors.

The processes of imagination and creation are fascinating to watch and participate in. We get to see wonderful new toys take shape first in our minds, then, sometimes, as sketches, as proof-of-concept models that prove we are not crazy, and prove that what we imagine can actually be done. Usually. It is in prototyping that imagination first becomes reality.

There is an exciting sense of discovery when we see something for the first time—something that perhaps no one on Earth has ever seen—such as our Hydrogen Fuel Rocket, an entirely new toy technology and the first new toy rocket system in 50 years. We have several discoveries of that sort in our offices right now, each looking for an application and a home. We are looking for a good home for our inventions and discoveries, kind of like an animal shelter.

There is pride in craftsmanship when a prototype ends up looking like a production product or a work of art. And each prototype we create is just that: a vision made real, each a valuable work of art to be archived and cataloged like pieces in a museum, then shipped to viewers and decision makers around the world.

There is a sense of pride at accomplishing something no one would have thought possible, and no one else would even attempt. Some of the most satisfying moments are when we do something even *we* think can't



be done, or when what we make ends up being so much better than what we had imagined at the outset.

Take our classic game Fireball Island as an example. Today there are at least two websites devoted to it exclusively, and it is considered by some to be the best board game of the '80s. The initial inspiration was a 3-D vacuum-formed map that I imagined could and should be a game board the minute I saw it in a catalog. Catalogs are great sources of new product ideas, by the way.

The process of turning that inspiration into a successful product took a bit more time and effort. It was one of our first products when I started out on my own long ago.

With my own hands, I sculpted a 3-D game board surface of clay and struggled with it a long time before coming up with the (now obvious in hindsight) idea to use gravity as the "mechanism" or "technology" in the game. We vacuum formed our own board, painted and decorated it, and played it again and again, and it was the most boring game I had ever played. Something was missing.

A good friend suggested ladders and obstacles, which ultimately became bridges and caves. And suddenly it was addictively fun to play. If you have never played Fireball Island, you are in for a treat. It is an exciting game to the very last roll. It turned out far better than I had expected, and it was one of our first big successes.

Another example of the invention process would be the genesis of the mechanism that enabled a red furry character to bring laughter to millions and walk away with the TIA TOTY Award for Toy of the Year, and that should be listed in the Guinness Book of World Records for the fastest-selling toy of all time. TMX Elmo was one of our most elegant mechanisms, and created infectious laughter wherever and whenever anyone played with him.

It all started years earlier in an idea session, one on one (the best kind I have found) with one of our veteran designers. We were studying Billy the Bass, which my



friend Joe invented. Lying down, Billy the Bass bends in half, and looks like a doll sitting up. Our young genius inventor colleague went back to his desk and created a mechanism for a doll we later sold as "Baby Go Boom," with my daughter's voice on it. The doll wobbled unsteadily, and then fell on her bum.

Oh, I almost forgot, Baby Go Boom might have become a famous red plush character had we not already licensed it as a doll. That was a big mistake. But the makers of famous red plush character toys kept this mechanism in mind for the future. (In a novel, this might be considered foreshadowing).

In late summer of September 2001, when Baby Go Boom first hit the shelves and was selling like hotcakes, a doll with the word "boom" in the name was too painful to bear, in light of the tragedies of the 11th day of that month, and Baby Go Boom was done, sales dropping off precipitously.

From Baby Go Boom we developed Hop Along Katie, a doll that jumped and spun on a pogo stick and rode a stick horse singing the Lone Ranger theme song, again in my daughter's voice. As a follow up to Baby Go Boom, we used the Baby Go Boom mechanism and tooling for a second doll with a new set of actions and play patterns. Our goal was to make it cheap, easy, and fast for the company to bring a second feature doll to market.



Not so fast, however. They did bring it to market, they just didn't license it from us. Rather, they took our idea and our prototype to Toy Fair where it was very well received, manufactured it, and sold it without ever paying us a single dime—an oversight perhaps, or just common thievery. Then they filed for bankruptcy taking our money and our dolls with them. Curses!

Such is the life of an everyday toy inventor. This was our first—but not our last—painful experience with losses experienced with companies we worked with going belly up and not paying us.

Then we wondered if we could make a doll that could

roll over, stand up, and walk, and we created Baby Get Up and Go, shown at Toy Fair but never shipped, along with Somersault Sara. Each year we posited several challenges to ourselves: "I wonder if I can make a doll do..." and each year for about five years we created doll and plush mechanisms that did more and more.

Since imitation is the sincerest form of flattery, we were delighted (no, not really) when we learned that somewhere in China, someone is making and selling our Baby Go Boom doll, unlicensed, unauthorized, and of course, uncompensated. And because of that we cannot license it to anyone outside of the U.S., because they can simply buy it far cheaper from some pirate vendor. Shiver me timbers... foiled again.

One fortuitous day we wondered what "extreme laughter" would look like. The world has all kinds of other extreme things—extreme sports, etc. So why not extreme laughter? We combined Baby Go Boom with Baby Get Up and Go, mashing them up with several of our other mechanisms and actions into one version of a red, furry famous plush character, and it was indeed pretty cool, and very funny. Not immediately, but after a while, they loved it.

It had every laugh action from every slapstick movie and Saturday morning cartoon that I had ever seen, almost. Belly laughs, bend over laughs, falling down on the ground laughs. But not thigh-slapping laughs. As I recall, the toy company wanted us to add the hand slapping the thigh. A very nice touch. And we were challenged to make it work with a simpler and less expensive mechanism, which we thought was impossible, but we went ahead and did it anyway. The result was spectacular, and laughter was heard 'round the world.

But it took years of study, experimentation, and a good dose of luck to create this bit of mechanical magic, as you can see.

Another day, another one-on-one idea conversation, we were looking for a new way to launch a vehicle to store energy—not a flywheel, not a spring, something new—and hit upon making Hydrogen from water—H<sub>2</sub>O if you recall from seventh grade science class. I was the one that sat up front with the thick glasses and pocket protector. I love this stuff.

We tried it, running the "juice" from several D-cell batteries through water, just like in science class, using a barbecue grill spark mechanism to ignite, and Boom!!!! It explodes. Wow, or rather, "Eureka!"—as one is supposed

to exclaim at such moments—that was cool. Hmmmm, what can we do with that?

We had been here once years before, and not answered this question, or maybe we failed to even ask the question at all. But this time it seemed instantly obvious. A rocket! In an afternoon or so, we had the world's first hydrogen-powered toy rocket, and within weeks we had it licensed to Estes, known for selling black powder rockets pretty much since the Chinese first invented them. It was the quickest we'd ever licensed a product, and for one of the biggest advances we had ever received.

The advance was over a million dollars. Actually that is not true, but it was quick, and it was a large advance. Our Hydrogen Rocket system sold for years, until the factory flooded, and the tooling was lost. (Dang it. Never had that happen before.) It introduced a brand new technology to the toy industry, nominated for a TOTY award, and I believe it was the first consumer product of any kind to create and use hydrogen as a source of energy, or technically as a means of storing energy for instantaneous release.

Some of our products are licensed to the first company that sees it, and others take many years to find a licensee. We have thousands of product concepts in prototype form that we have yet to sell. Some we will never license, but many others will find a home in a year or two, though it could take a decade or more after their creation. Our motto is "You can run, but you can't hide." We will find you and sell you a product. There is no escape. And if we haven't found you yet, we will. ■

*Bruce Lund is the founder of Lund and Company Invention, LLC.*

