

Toy Makers See Good Sales in '58; Count on Science, Education Items

Many Manufacturers Expect '58 Volume to Top '57 Despite the Recession

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—America's toy makers figure they'll have a good year in 1958 despite the business recession.

Many manufacturers at the 55th annual American Toy Fair, which ends its nine-day stand here Wednesday, reason this way:

They're pinning their hopes on new toys—many keyed to the current emphasis on science and education—to push sales ahead of last year. Toy men also believe that parents don't like to cut down spending on their children, and some say many adults turn to such hobbies as model-building to get their minds off business worries.

Retailers sold an estimated \$1.5 billion of toys last year, but that figure is open to debate. Only a handful of the some 1,200 manufacturers displaying their products here report sales and earnings publicly. The Toy Manufacturers of the U.S.A., Inc., industry trade association, last December estimated that 1957 retail sales would be up 11% over 1956 to \$1.5 billion, and it's sticking by its guns. But that estimate was greeted by one of the association's biggest members with a succinct: "Baloney."

A sizable number of manufacturers questioned at the fair say 1957 was better than the year before, and believe 1958 will top both years. Robert W. Muessel, president of the trade group and also head of South Bend Toy Manufacturing Co., South Bend, Ind., agrees.

Two Classes of Buyers

"We have two classes of buyers in this business," he comments. "One class comes into town, looks over the stocks and buys. The other class looks things over, and then goes home and thinks things over before buying. If the economy picks up at mid-year or a little later, the second class will put in orders that will put us ahead of 1957."

Revell, Inc., Venice, Calif., maker of model kits and electric trains, expects a rise in sales as a "reaction to recession thinking." The company foresees sales of \$20 million this year, up about 9% over 1957. Revell's trains appeal to hobbyists, a company spokesman says, and it has found a majority of them is in the "middle executive" class. These people are feeling the recession; business isn't good and their bosses are pushing them hard at work. "So a guy finds great satisfaction in building his own railroad empire at home, and running it to please himself." He also notes that, with less overtime work, men have more time at home with their children. The company thinks this helps its model kit business.

W. A. "Bill" Sethre, who manages the permanent showroom of A. C. Gilbert Co., one of the nation's largest makers of electric trains and scientific toys, thinks people will keep right on buying good toys for their children. "A family takes a look at the economy and decides not to buy a new car. But they'll use some of the money they saved that way to buy toys." Mr. Sethre also thinks the current demand for more scientists will help A. C. Gilbert's sales. "Last year, our top-end \$27.95 chemistry set was the first to sell out, and I wouldn't be surprised if it does again this year," he said.

Charles Shea, vice president of Milton Bradley Co., of Springfield, Mass., one of the country's largest makers of games, agrees the emphasis on education is helping sales. Many of Milton Bradley's games are adapted from educational aids it sells to schools; the latter accounted for about 50% of the company's \$7,695,585 in sales last year. "People may cut down on other expenses," he smiles, "but they'll do most anything to help their children's education."

Soft-spoken William R. McLain, president of Kusan, Inc., Nashville, Tenn., just points to a sign posted over a display of his new electric Satellite Train, when asked how he thinks 1958 business will be. The sign reads: "Sorry. 1958 Production Sold Out." Kusan had sales of \$3,094,270 in 1957, about one-third of it in toys, and Mr. McLain expects total sales to hit \$4,500,000 this year, with toy sales rising proportionately.

To be sure, not all manufacturers see gains this year. "Our business is about equal to last year, and we think that's pretty good, considering business in general," says Saul Robbins, president of Remco Industries, Inc., Newark, N. J.

Even more emphatic is Melvin Helitzer, advertising manager of Ideal Toy Corp. "Nobody's panicked, but plenty of buyers are saying, 'I'll give my order later.'" Then he asks: "How can anybody in his right mind make a prediction business will be better than last year?"

And C. E. Hjelte, of Louis Marx & Co., one of the giants of the industry, as is Ideal Toy, says bluntly: "It's much too early to say (what business will be in 1958)."

Trudge along with a reporter through the widely-scattered buildings in which the wares of the toy makers are on display, and see the kind of special items manufacturers are counting on to bring in sales dollars this year. Space-age toys, of course, are much in evidence. Kusan's Satellite Train is an example. As the train starts to move its circular track, a small white styrofoam ball—the satellite—rises from its resting place on the second car. As the train picks up speed, the ball climbs a foot above the train and bobs along with it.

President McLain, grins and says: "It took us six months to get the ball an inch off the train. Then we hired an aeronautical engineer and it took him another six months to get it up the other 11 inches. I settled for that."

Secret of the train, which will retail for about \$45, is a compressor in the second car, which blasts a funnel of air upward. The funnel not only puts the ball into the air but keeps it in place.

A number of companies have brought out "satellite launchers," which fire disks into the air. Louis Marx's launcher, which retails for \$2.98, not only fires two flying saucers, but also carries a rocket gun, which can be shot at them.

Tiger's Head

On the sixth floor of the New Yorker hotel, a tiger glares from the room of Precision Plastics Co., Philadelphia. The tiger, stuffed, is a come-on for the company's new model kit—a 9-inch scale model of a tiger's head, mounted on a plaque. The kit comes with 55 plastic parts, which are fitted together to form the head, and then painted. The kit, which retails at \$2.49, was sold out in mid-show.

Twenty-five years ago, Ideal Toy brought out the Shirley Temple doll, modeled after the moppet who then was the rage of the screen. "It really saved us in the depths of the depression," Ideal's Mr. Helitzer says. Last year Miss Temple's old movies were released to television, and this year she made her personal debut on TV, and the Shirley Temple boom seems to be starting all over again. Ideal is bringing out a 12-inch version of its famous doll, to retail at \$3.98. The company expects it to be a big seller. Miss Temple, herself, will be in New York today to kick off promotion of the doll.

Probably the most lively of all the showrooms at the fair is on the 12th floor of the New Yorker. The small room of E. Joseph Cossman & Co., of Hollywood, Fla., is jammed with people and ants. Mr. Cossman sells Ant Farms plastic cases, containing sand and ants, the latter busily engaged in tunneling through the sand. Cossman & Co. says it has sold 600,000 of the 6-inch by 9-inch sets, with retail at \$2.95 with 15 ants—that's 9,000,000 ants—since the set was introduced last fall. At the fair it brought out a 10-inch by 15-inch set, with 35 ants, to sell for \$6.95.