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Electric Trains, Science Items Important

A.C. Gilbert Expects 1961 Gains; Pushes Summer Toys and Research

By Dow Jones News Service

NEW YORK—A.C. Gilbert Co. expects 1961 sales to rise 8 to 15 per cent over 1960, Harvey E. Rath, vice president, said yesterday.

He said any increase greater than 8 per cent "would mean substantial increases in profit."

In 1960 the toy manufacturer had sales of \$12.5 million and net of \$378,937 or \$1.26 a share. These figures represented declines from 1959 when Gilbert had sales of \$13 million and income of \$670,375 or \$2.23 a share.

Mr. Rath said the biggest contribution to the anticipated sales gain will be made by the Auto-Rama, a new toy transportation system in which electric-powered trucks and cars travel on highways, and by science toys.

Gilbert's most significant new science toy this year, Mr. Rath said, is a zoom microscope which can be modified to examine extremely large objects as well as extremely small ones. The company also is offering this year a new refractory or "pirate" type telescope.

Seeking Bigger Share

A. C. Gilbert is "seeking a bigger share of the market" for electric trains, Mr. Rath said.

The company has effected production economies and has substantially reduced prices of its trains and track.

Reductions have also been made this year in the prices of science sets, science toys and erector sets.

Gilbert is "just starting to talk" to several toy manufacturers with an eye to acquisition or merger, Mr. Rath stated.

He said the company is seeking "toys that would have an opposite selling season from our Christmas line."

This would include such toys as outdoor and water items and juvenile sporting goods equipment, Mr. Rath said.

Works on Counter-Seasonal Items

The company also is doing its own product development work designed to produce "counter-seasonal" toys. Mr. Rath pointed to a child's sextant, introduced last year, as one result of this effort.

He said Gilbert is sharply increasing its distribution through the chain store market and may also seek supermarket outlets.

The company has developed new packaging, designed especially for self-service retailing, Mr. Rath

stated.

European markets currently are being explored, he added.

These probably would be developed through licensing agreements with European toy manufacturers, he said.

Gilbert also is interested in ob-

taining licensing agreements for the domestic manufacture of European toys.

Mr. Rath said Gilbert's product development and engineering expenditures will rise this year to approximately 4 per cent of sales compared with 3 per cent in 1960.