



# TOY FAIR 2008

## SPECIALTY GEARS UP FOR NEW OPPORTUNITIES BY CHRISTOPHER BYRNE

When we set out to gauge the state of the specialty toy industry heading into 2008, the No. 1 question we were asked was, “What is ‘specialty’ anyway?” Today, the specialty market is much more than the estimated 1,200 or so independent retailers in the U.S.; it’s also catalogs, websites, and virtually any channel of distribution that isn’t defined as “mass.”

Moreover, while there are always people who want to predict the demise of the sector, many companies have targeted it successfully—both as a launching pad to broader distribution (as has happened with brands such as Webkinz) or a unique channel of distribution for higher-end goods (for such brands as K’s Kids.) Specialty is also the booming market for targeted retailers addressing the needs of young mothers who may include toys on a longer list of purchases.

So, specialty today is as diverse as the companies involved. We asked many of them to share with us their insights about the market. For the specialty market, Toy Fair is the most important show of the year where, unlike their mass-market colleagues, orders still get written and the show is a critical part of their marketing plan. Here are the insights of those who responded to our requests, listed alphabetically.

LAURA RANGEL, PRESIDENT,  
KIDSGIVE (MANUFACTURER OF  
KARITO KIDS)

There are always certain buzz words that surface in any industry. Talk to any manufacturer today who is targeting ages 4+ and you’ll hear “interactive” and “social networking.” The reality is today kids are computer savvy and connected. This connectivity enables kids to communicate all the time with their peers and be entertained. As adults, we need to recognize that this doesn’t replace the face-to-face interaction, but rather enhances it by giving kids more friends and more time playing with one another. What has also resulted from this online activity is the ability to interact and communicate with peers worldwide, opening their eyes to new cultures and trends. Thus, technology and global awareness are the consumer trends that should influence product development. Karito Kids, a new brand developed and launched in August 2007, was founded based upon the positive support of educating our children about other countries and cultures as well as social responsibility to their peers worldwide.

As we end on that positive note, it’s clear that the specialty market is a healthy, diverse segment ready to serve a variety of consumer needs.