



## **Mattel: Creating the Future of Play**

### **Listening Questions 1:**

1. Where did the name "Mattel" come from?
2. What was Ruth Handler doing when she thought of creating dolls that looked like adults?
3. Where did she find a product similar to what she wanted to make?
4. How much revenue did Mattel earn in 1965?

### **Listening Questions 2:**

1. What are 2 toy manufacturers that Mattel acquired?
2. In 2014, what were Mattel's net sales? Did they increase or decrease from 2013?
3. How much does an American Girl doll cost?
4. Which Mattel subsidiary focuses on toys for babies and infants?

## Transcript 1:

Mattel, the toy manufacturer, was founded in 1945 in El Segundo, USA. The name Mattel is a combination of the first names of two of its founders Matt Matson and Elliot Handler. The third founder was Elliot's wife Ruth. Initially, the company sold wooden picture frames. The company had its first hit toy in 1947 with a ukulele for kids called a "Uke-A-Doodle."

Ruth helped create one of the company's most successful toys ever. In the 50s, while watching her daughter Barbara play with dolls, Ruth thought that girls might enjoy playing with dolls that looked like women instead of like babies. Later, while travelling with her children in Germany, she saw a doll that was similar to what she had envisioned. That doll was called Bild Lilli and she bought 3 of the toys, 1 for her daughter and 2 to take back to Mattel. She and an engineer at Mattel designed a similar doll and named it *Barbie*, after Barbara's nickname. The company's sales skyrocketed from \$26 million in 1963 to over \$100 million in 1965 partly due to the strength of Barbie sales.

Barbie went on to be a hugely popular toy line with dolls that look like numerous ethnicities, a variety of accessories, and playsets.



## Transcript 2:

Over the years, Mattel acquired several other toy manufacturers that gave Mattel control of popular toy brands including the toy car brand *Hot Wheels* and doll brand *American Girl*. The company also has licensing agreements with companies such as Disney and DC Comics so it can make toys of characters like Disney Princesses, Batman, and Superman.

In 2014, the company's worldwide net sales were approximately \$6.02 billion, which was a 7% decline from the year before, with 46% of it coming from its international business. Mattel's net income for the year was just under \$499 million.

The *American Girl* doll brand is quite different from the *Barbie* doll brand. An *American Girl* doll sells for \$115 whereas a *Barbie* doll sells for \$10 to \$35. Also, *American Girl* dolls represent eight to eleven-year-old girls, not adult women like Barbie.

Fisher-Price, a toy company that Mattel acquired in 1993, focuses on toys for babies and infants.