

ChannelSurfing: Out of the Box

BY ALYSON GRALA

Multichannel e-tailer Ty's Toy Box is challenging traditional retail formats one brand at a time.

Online distributor Ty's Toy Box (www.tystoybox.com) was born out of necessity when President and Founder Ty Simpson couldn't locate any *Wiggles* merchandise for his daughter. Since then, Ty's Toy Box has operated steadily from its Erlanger, KY, office, distributing brands such as *The Wiggles*, *Doodlebops*, *LazyTown*, *Teen Titans*, *Strawberry Shortcake*, *Ben 10*, *The Backyardigans*, *Thomas & Friends*, *Bob The Builder*, *Barney*, *Caillou*, *Max & Ruby*, and *John Deere*. To bolster brand awareness for Ty's Toy Box, the e-tailer also sells through additional retail sites such as eBay and, more recently, Amazon.com, resulting in a true multichannel business format.

"Spin Master was one of the first companies to embrace the concept," says Simpson, who notes that Ty's launched a successful Website for *Mighty Beans* in holiday 2003. But, he continues,

"Licensing Show 2004 marked the first time we began talking to licensors. In the face of retail consolidation, we present an attractive alternative.

One thing that sets us apart is that we purchase by brand, as opposed to having a shoe buyer or an action figure buyer. It's a much more comprehensive approach to the brand."

Of particular note is the e-tailer's *Doodlebops* product line. "The partnership with Cookie Jar has been a real driving force for this company," says Ty's Toy Box Vice President of Business Development and Marketing George Stolpe. "In June of last year, Cookie Jar agreed to an early merchandising program. As a result, we were able to bring product to market at least a full year before it hit traditional

retail shelves." This month, the *Doodlebops* toys from Mattel are launching exclusively with Ty's Toy Box, which means, says Simpson, "that product will be available both through our Website and Amazon.com." The deal, which runs through the end of the year, marks the first time a major toy company exclusively launched a line with an online retailer. "We're also working closely with Cookie Jar and Mattel to conduct an integrated marketing campaign," says Stolpe. "This month, Cookie Jar is launching a sweepstakes on www.doodlebops.com that will award an all-expenses-paid trip to see the *Doodlebops* live in concert. Mattel also is allotting co-marketing dollars to the venture."

Ty's recently signed an agreement with VIZ Media, LLC, whereby it will handle VIZ' e-commerce fulfillment operations, including responsibility for the technology, merchandising, warehousing, fulfillment, and customer care for VIZ' online marketplaces. The first store, <http://narutostore.viz.com>, launched September 12 to capitalize on *Naruto*, which airs on Cartoon Network in the U.S. and YTV in Canada. As of press time, launch plans for <http://store.viz.com> were set for early October, followed by dedicated marketplace sites for brands such as *Inuyasha*, *Zatch Bell!*, *Deko Boko Friends*, and *Shonen Jump Bleach*.

As an online retailer, it's important to have good product descriptions, says Simpson. "We thought footwear would be a tough category, because of the need to try on sizes. But it actually was the opposite. Today, 27 percent of our business is in footwear and apparel, which even beats out toys and games."

Ultimately, says Simpson, "we want dozens of marketplaces online, whether it's official stores, Amazon.com, or tystoybox.com. Essentially, we want to be the 'go to' place for character-driven products. Every brand has its own story. At the moment, there is a lack of retail interest in the brand itself, which is shocking to me. Every brand has the opportunity to be the next *Sesame Street*." ©

