



Welcome!

2024 Annual General Meeting of the Association

Inspiring Generations of Play

“ Our mission is to be a unifying force for members’ creativity, responsibility and global success, advocating for their needs and championing the benefits of play. ”





Partners & Affiliations



Today's Board Speakers – welcome your questions



Aaron Muderick, Founder and Executive Chairman, Crazy Aaron's - The Toy Association Chairperson Emeritus



Skip Kodak, Regional President Americas, The LEGO Group – The Toy Association Board Chairperson Emeritus & 2022-2023 Nominating Committee Chair



Sharon Price John, President & CEO, Build-A-Bear Workshop – The Toy Association Board Chairperson 2024-2026

Today's Staff Speakers – welcome your questions



Andy Keimach, Interim President & CEO, The Toy Association



Kimberly Carcone, EVP, Global Market Events, The Toy Association



Ed Desmond, EVP, Global Government & Regulatory Affairs,
The Toy Association



Robert Heins, SVP, Finance & Administration, The Toy Association



TODAY'S AGENDA

1. Report of the Departing Chairperson
2. 2024 Chairperson's Award – Steven Aarons, Child's Play!
3. Report of the Interim President & CEO
4. Los Angeles Fall Preview 2024 / Toy Fair 2025
5. Global Government & Regulatory Affairs
6. Association Financial Report
7. Nominating Committee and 2024 Election – member electronic voting
8. Remarks by the Incoming Chairperson
9. Member Questions

**Please use the Zoom
Q&A button to submit
your questions
anytime**





Aaron Muderick

Founder and Executive Chairman, Crazy Aaron's
Board Chairperson Emeritus, The Toy Association



2024 Chairperson's Award
Presented to Steven Aarons
Founder, Child's Play Toys & Books
Washington, DC



Andy Keimach
Interim President & CEO
The Toy Association



The Toy Association's mission is to be a **unifying force** for members' **creativity, responsibility,** and **global success, advocating** for their needs and championing the benefits of **play.**

Developing & Maintaining the Highest **Universal Standards**

Supporting **Free Trade** and **Fair Regulatory Representation**

Enhancing the **Image and Growth** of the Toy & Play Industry

Protecting the **Rights of Factory Workers**

Championing The **Value of Play**

What I am hearing...



- I love this industry!
- It's tough going right now for toy industry but we are a resilient industry, driven by creativity and innovation
- The Association needs to do a better job of listening, engaging and bringing the industry together through an increased focus on issues that matter to Small and Large Manufacturers and Retailers, Inventors, our Toy Foundation and other key stakeholders
- Show us through your actions – that you hear us!

What are we doing...



Increased outreach

- Over 50 hours of honest conversations with over 30 members, non-members and stakeholders
- Detailed follow up on our recent member survey, including direct follow up with over 40 respondents that have requested direct contact

LA Solutions

- Short Term – Private meeting space solution in El Segundo for full month of September 2024, with an organized Fall Preview event week commencing 9/9
- Long Term – A common location that will meet the current demand of our members for office and show room space to enable ongoing Fall and Spring Previews

Deliver increased support of and for the Toy Foundation

- The Foundation is a Pillar of the Association and our Industry
- Improved internal resource support to enable the Foundation to achieve it's Mission and Vision



Our Member-Focused Strategic Blueprint



- ✓ **SELL** - Help our members innovate, find new opportunities to sell their products, grow, and prosper around the world
- ✓ **PROTECT** – Help ensure that members can maximize opportunities to expand to new international markets and conduct global business without undue regulatory burdens
- ✓ **EQUIP** – Provide members valuable insights, actionable research, support services and educational opportunities
- ✓ **ADAPT** - Continually sense & respond to opportunities, threats, and needs with strategic agility across our resources, staff alignment and work plans



Kimberly Carcone
EVP, Global Market Events
The Toy Association

The background of the image is a panoramic view of the Los Angeles cityscape, including the downtown skyline and the San Gabriel Mountains in the distance. The mountains are covered in a light layer of snow. In the foreground, there is a stylized graphic. The word "LA" is written in large, bold, red letters with a blue outline. To the right of "LA", the word "Fall" is written in blue, rounded letters. Below "Fall", the word "Preview" is written in blue, rounded letters. To the right of "Preview", there are five yellow palm trees of varying heights and a small, colorful beach ball. The entire graphic is set against a dark green silhouette of a hillside.

LA Fall Preview

September 2024 | Market Week 9/9-9-13



WE LISTENED...

AND ACTED!



LA Fall Preview

September 2024 | Market Week 9/9-9-13



- By-appointment initiative to provide toy companies office/physical space to host meetings in Los Angeles during fall preview season
- 3 floors of new office space at 2250 East Imperial Highway, El Segundo
- Entire month of September - month-long access for tenants to host meetings
- Dedicated market week: September 9 – 13, 2024 -- Toy Association targeted marketing campaign for buyers
- Industry-wide *"Come One, Come All"* FREE networking party at Otis College of Art & Design, Tuesday, September 10th from 6-8pm



2023 a look back....

- After two pandemic cancellations, a SOLD-OUT Toy Fair returned
- 1,021 exhibiting companies; nearly 400 first-time exhibitors
- 23 of the top 25 global retailers in attendance
- 800 global media representatives
- Attendees from all 50 states and 74 countries
- Student Congress: 300 university students from 43 colleges in 18 states
- Creative Factor Inventor Day: 24 pre-approved inventors pitched in person to 50 inventor relations professionals at toy companies
- Toy Fair University: 32 sessions presented by 60+ industry experts



March 1 - 4, 2025 | Jacob K. Javits Center | New York, NY

WE LISTENED...

AND ACTED!



March 1 - 4, 2025 | Jacob K. Javits Center | New York, NY

- Toy Fair New York returns to Q1 beginning in 2025 at the Javits Center
- Dates have been secured for the next three years:
 - **March 1-4, 2025** – earliest dates available in NYC - only a few days later than Toy Fair's traditional timeframe
 - **February 14-17, 2026**
 - **February 20-23, 2027**



March 1 - 4, 2025 | Jacob K. Javits Center | New York, NY

- Exhibitor renewals kicked-off January 17th and closed on February 29th
- With over **465 companies recommitting** to Toy Fair, and **67% of available exhibit space already requested**, indications are positive for the return to Q1 and 2025 is tracking on par with sold out TFNY 2020 and 2023
- Toy Fair University Call for Presentation opens June 2024
- Attendee registration will open mid-September 2024



LA Fall Preview

September 2024 | Market Week 9/9-9-13

toy FAIR!

Play Reimagined

March 1 - 4, 2025 | Jacob K. Javits Center | New York, NY



Ed Desmond

EVP, Global Government & Regulatory Affairs
The Toy Association

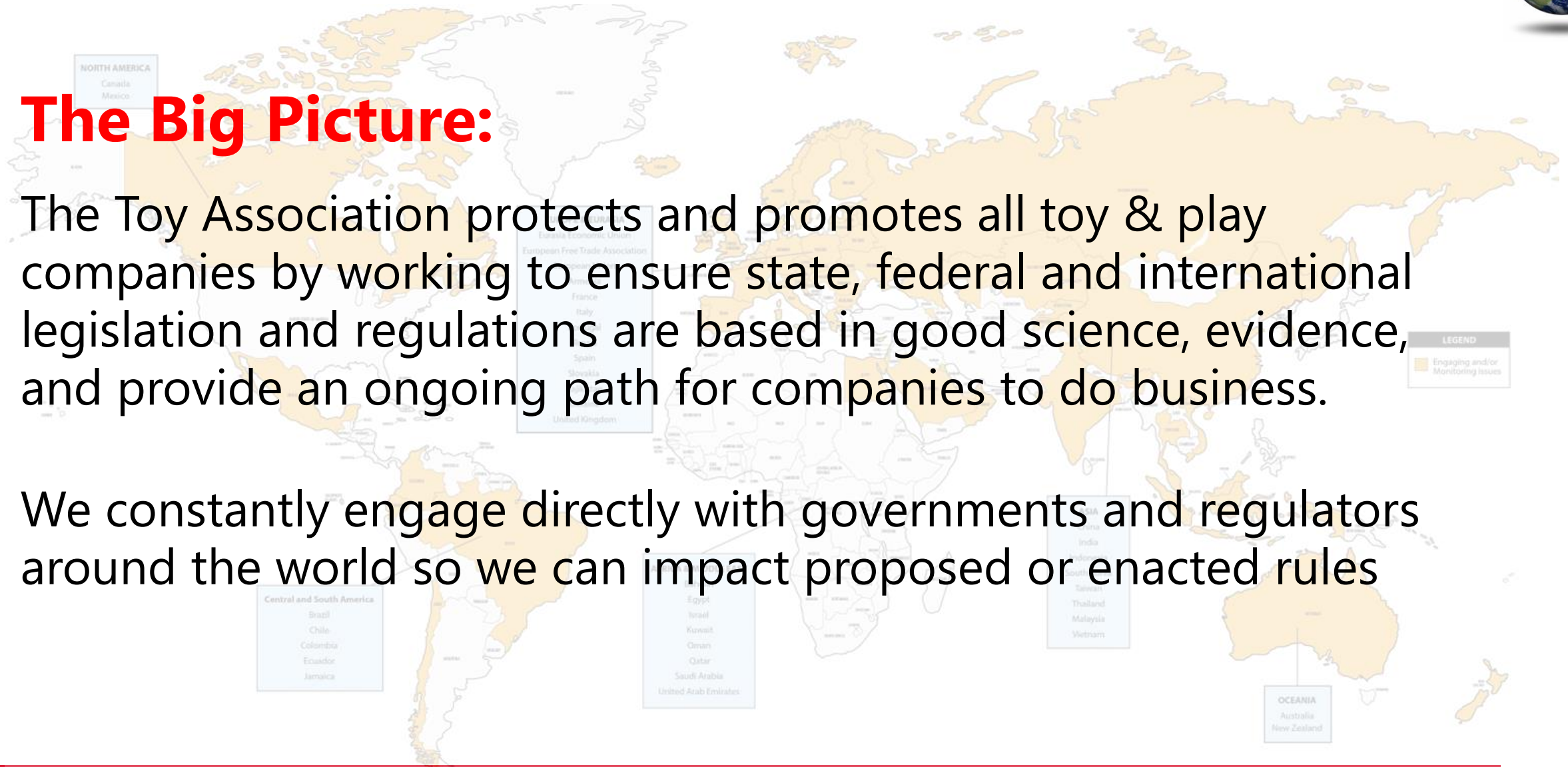
We manage a world of laws & regulations



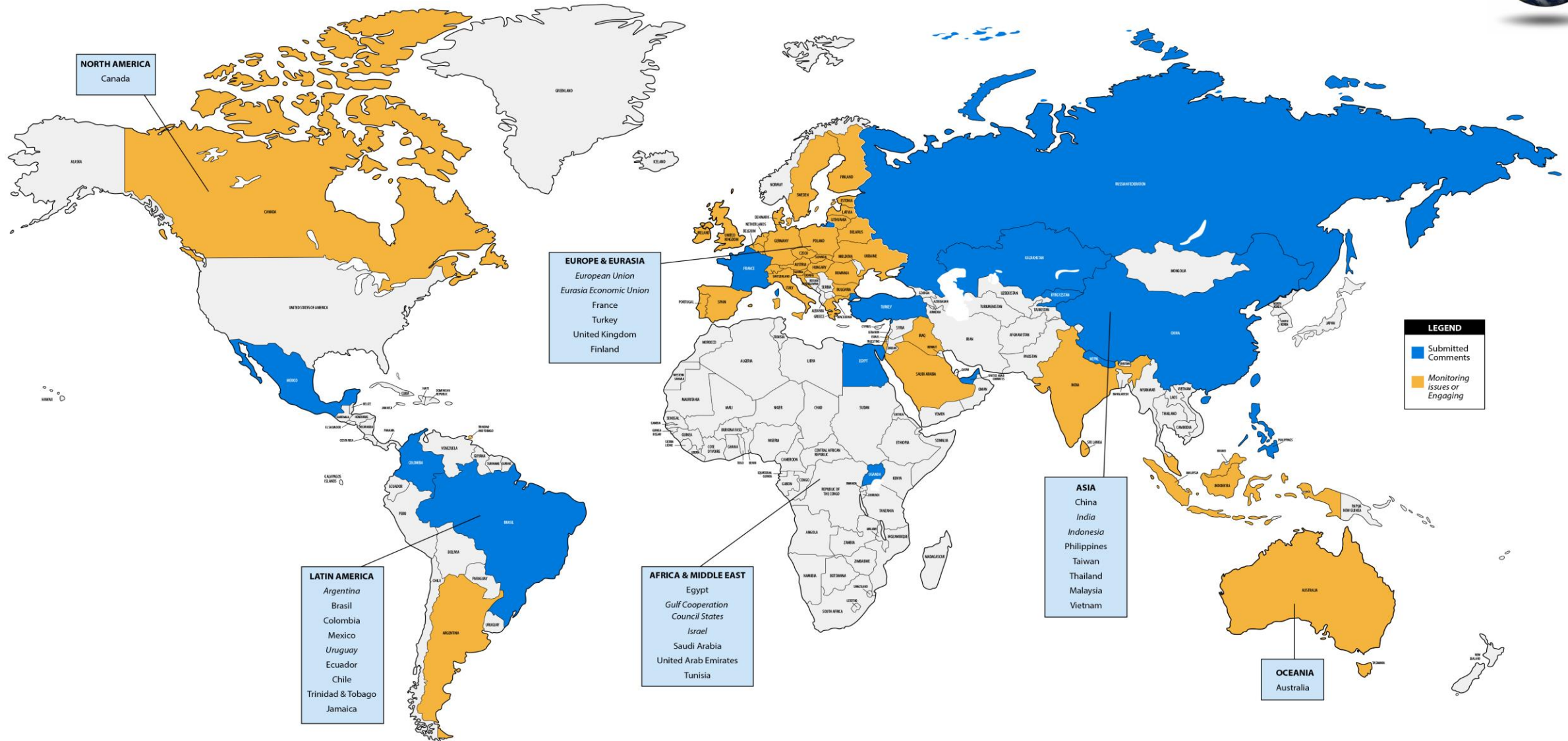
The Big Picture:

The Toy Association protects and promotes all toy & play companies by working to ensure state, federal and international legislation and regulations are based in good science, evidence, and provide an ongoing path for companies to do business.

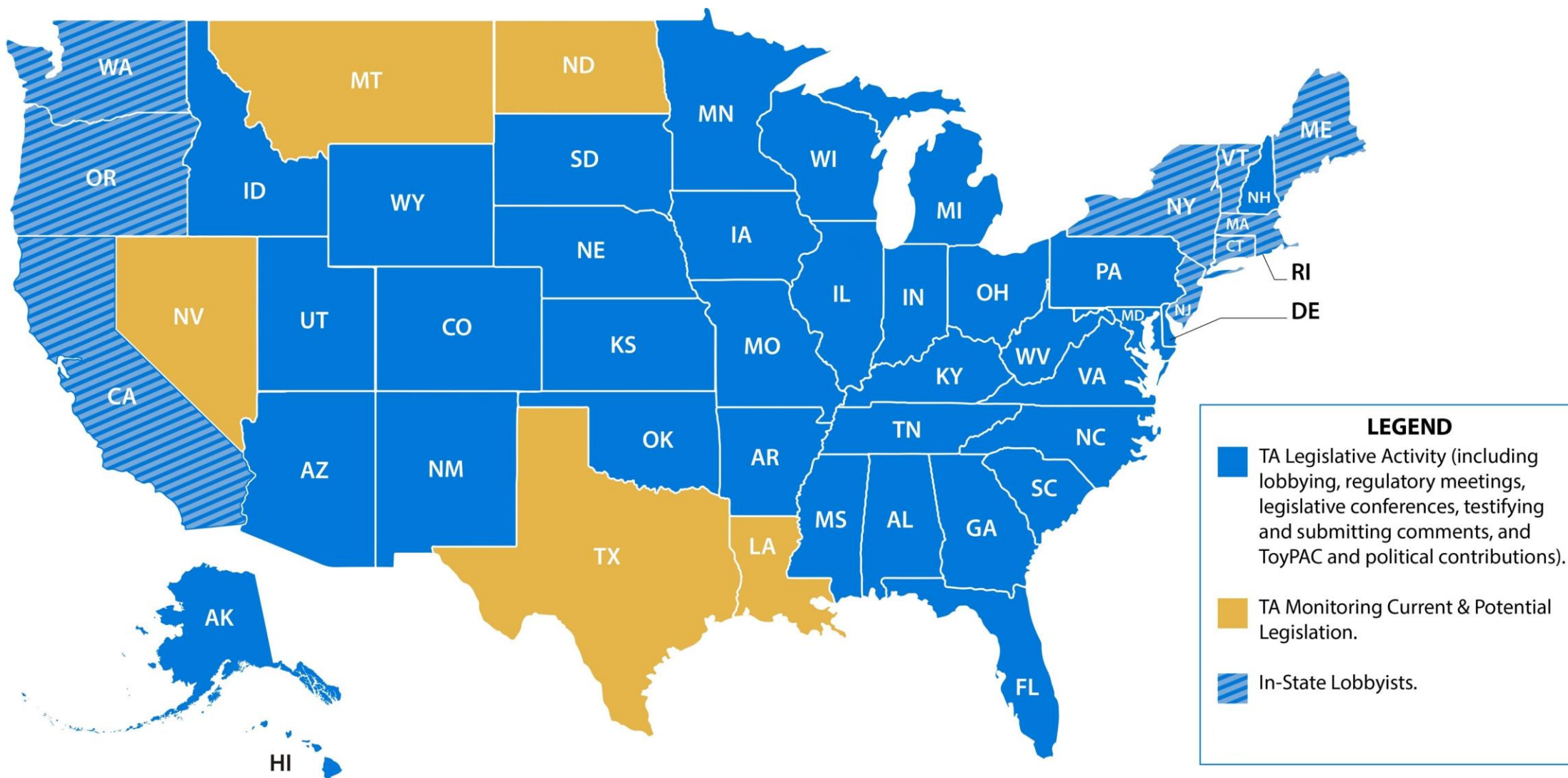
We constantly engage directly with governments and regulators around the world so we can impact proposed or enacted rules



Toy Association Is Active Around The Globe



Toy Association Activity Around The Nation





What Does That Really Mean For You?

- Pushing Back on Legislative and Regulatory Threats
 - Managing hundreds of pieces of legislation and regulatory proposals every year
- Delivering International Impact & Results:
 - Standards alignment; elimination of trade barriers; reducing tariffs
- Essential Investments Like Our Oregon Lawsuit:
 - No enforcement during trial/appeal process
 - \$650,000+ invested in legal fees = real cost savings to every toy company
 - Vital deterrent to other states!
- Navigating the Shipping Crisis:
 - Direct contact with port officials to get member's containers released
 - Working with FMC chair led to our advocacy to pass new shipping legislation
- Passing Congressional Battery Legislation:
 - Extensive advocacy with Senators Blackburn and Blumenthal to pass bill
 - Secured direct reference to ASTM F963 toy standard in legislation
 - Helped gain passage; toy industry acknowledged by President Biden

Our Advocacy Delivers Value to the Industry



- **California** – [SB 707](#) (Textile Extended Producer Responsibility)
 - The Toy Association **secured an amendment to exempt toys**, but subsequent amendments weakened protections. TA convinced author to pull the bill for 2023. Working now to **ensure that members' products are not included** in the program.
- **Pennsylvania Stuffed Toy Bill**
 - Advancing Toy Association legislation to reverse decades long ban on utilizing recycled materials
- **International Standards Organization (ISO)**
 - Association staff represented the U.S. as recognized experts at annual meetings of the Technical Committee on Toy Safety (ISO TC 181). Several new and updated standards published owing to continued collaboration -- we advocated on upcoming and anticipated updates.
 - **Alignment of the ISO standard with existing international standards** (e.g., the US ASTM F963 and European EN 71 series and other national toy safety standards around the world).
- **China Trade Status**
 - Staff are educating Congress and the White House about the harm to the toy community if China's Permanent Normal Trade Relation (PNTR) status is revoked. **Revocation would likely result in tariffs on toys being elevated to a devastating 70%!**

Key U.S. Audiences



Federal

- White House, Congress, Consumer Product Safety Commission, Federal Trade Commission, Environmental Protection Agency, Customs & Border Protection, Department of Commerce, U.S. Trade Representative, Department of Education, Small Business Administration, Federal Maritime Commission

States

- Legislatures, Governors, AGs, Cities/Counties Nationwide
- Current High Priorities: OR, NY, WA, CA, ME, NJ

Partner Organizations

- National Association of Manufacturers, U.S. Chamber of Commerce, National Retail Federation, Retail Industry Leaders Association, American Apparel & Footwear Association, Juvenile Products Manufacturers Association, SafeKids

NGO Community

- Public Interest Research Group, Consumer Reports, Consumer Federation of America, Kids in Danger, World Against Toys Causing Harm, and others

Focus on European Union Toy Safety Regulation



- ✓ Highly significant changes in existing Toy Safety Directive present real risk to toy companies
- ✓ The Toy Association filed formal comments, actively collaborating with TIE and others
- ✓ Campaigning to educate policymakers to keep already safe toys on the market!

Timing	Digital Product Passport	Chemicals	Other Topics TBD?
<ul style="list-style-type: none">• To replace Toy Safety Directive 2009/48/EC• Proposal made in July 2023• Legislative adoption process ongoing• Possible adoption – end 2024/1 HY 2025• Transition period TBD – likely 30 months (mid/late -2027)	<ul style="list-style-type: none">• All toys need a digital product passport (DPP)• Required for customs clearance• Stored by manufacturer• Contains information on compliance• Accessible through data carrier (e.g., QR code) on/with the toy• Cannot the QR code simply be counterfeited?	<ul style="list-style-type: none">• Much tighter rules on chemicals• Exact rules still TBD!?• Proposed to ban ‘harmful chemicals’ (e.g., CMRs & Endocrine Disruptors) except for unavoidable traces• Present chemical rules for toys for children under 36 months to be applied to <u>all</u> toys	<ul style="list-style-type: none">• Noise levels?• ‘Mental Health’?• Labelling?• New (ISO) warning symbol?• Connected Toys?

Get Involved!! Help Your Company!!



- Do you know:
 - if your state is currently passing a law that can hurt your business?
 - if a new federal law is being enacted that changes the safety compliance requirements of your products?
 - if the international import rules in certain countries are being updated?
- OUR job is to know for you, but we need you to be involved too
 - Join our advocacy committees
 - Get regular updates on state, federal and international issues impacting you
 - Enables you to provide feedback on priority legislation so your company is protected
- Maximize the value you get out of your association membership!!



Robert Heins
SVP, Finance & Administration
The Toy Association

2023-2024 Financial Report

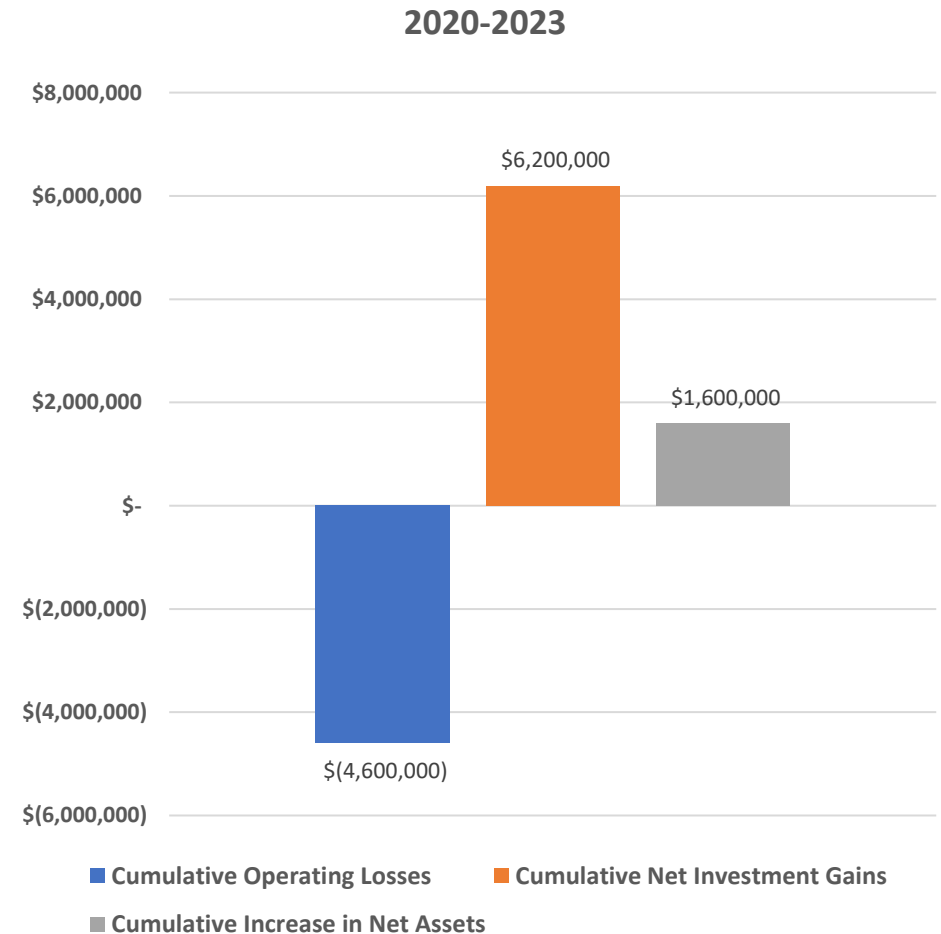


- Another clean annual audit completed in 2022
- 2023 audit is now underway
- Executive Committee of the Board closely monitors financial activity during their monthly meetings
- The Association's Investment Committee and outside advisors actively manage the Association's long-term and mid-term reserve funds
- Planning process for the 2024 budget was conservative, focused on delivering core high-value member value services

2023-2024 Dynamics



- Highly successful Toy Fair 2023
 - Based on member feedback, Toy Fair is moving back to Q1 in 2025
- Upgrades and total dues exceeded 2023 budget
- Satellite media tours successful for third year
- Annual investment gains helped significantly
- 2023 Net Operating Income of \$4.8 million
- Despite 4 trade shows cancelled between 2020-2023, cumulative net asset increased \$1.6 million
- Toy Fair unable to occur in 2024 and moving to Q1 2025 results in conservative budgeted operating deficit in 2024 of \$6.1 million





Positive Forward Indicators

- LA September Preview budgeted at breakeven for 2024 -- already seeing significant interest from the industry
- Applications for Toy Fair 2025 opened in January and are resulting in positive cash flow to help in this transition year back to Q1 for the event
- 2025 will be a positive year like 2023 and traditional patterns where Toy Fair is a significant part of the Association's work
- Overall, your association continues to be financially healthy for the long term with total reserves of 23.3 million (1.8 times 2024 operating cash expenses, well above board-approved targets)
 - These reserves continue to be actively monitored by our Executive, Audit and Investment Committees with activity reviewed and approved at the Board level.

A Positive Future...



***Your Association remains fiscally healthy,
able to protect and promote the industry***



Skip Kodak

Regional President Americas, The LEGO Group
Board Chairperson Emeritus & 2022-2024 Nominating Chair

Nominating Committee Report



Thank you for your service!

2022-2024 Board Nominating Committee



Aaron Muderick, Board Chairperson Emeritus



Nominating Committee Report



Thank you for your service!

Aaron Muderick, Board Chairperson Emeritus



Nominating Committee Report



Departing Directors - Thank you for your service!



Chris Harrs
EVP & General Counsel
Spin Master



Bridgette Miller
Chief Marketing Officer
Melissa & Doug



Melissa Millo
VP Strategy & Operations
Target



Michael Keaton
CEO
ToySmith



Andrew Quartin
CEO
Thames & Kosmos



Andy Weiner
Chief Advisor
Toy'N Around

Nominating Committee Report



Departing Directors - Thank you for your service!



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VP Strategy & Operations
Target



Michael Keaton
CEO
ToySmith



Andrew Quartin
CEO
Thames & Kosmos



Andy Weiner
Chief Advisor
Toy'N Around



Nominating Committee Report



2023 Chairperson's Advisors – Thank you for your service!



Kathleen Campisano
Global Chief Marketing Officer
Beacon Media Group



Filip Francke
CEO
Ravensburger NA, Inc.



Ronnie Frankowski
Chief Marketing Officer
Moose Toys LLC



Kim Rompilla
EVP, Global Development and Marketing
Crayola



Kelly Thacker
VP, U.S. Toys and Media
Circana



Skip Kodak
Regional President, Americas
The LEGO Group



Steve Pasierb
Senior Advisor
The Toy Association

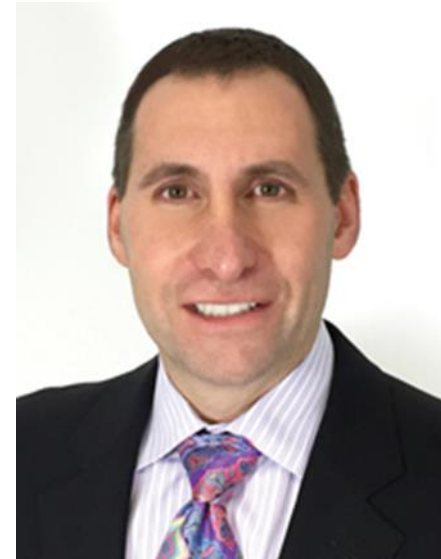
Nominating Committee Report



Nominated Board Members for Member Approval
(Candidates for election to an additional two-year term expiring February 2026)



Anne Carrihill
Director | GM, Category Leader
of Toys & Games, Amazon
(3rd term)



Geoffrey Greenberg
Co-President, Just Play
(2nd term)

Nominating Committee Report



Nominated Board Members for Member Approval

(Candidates for election to an additional two-year term expiring February 2026)

Toy Association Members
Vote to Elect Two Individuals as a Slate
Please respond to on-screen ballot

Nominating Committee Report



Nominated Board Members for Member Approval - 7
(Seven Candidates for election to first terms expiring February 2025)



Vish Chandran
CEO
Wild Republic



Tim Kilpin
President of Toys,
Licensing & Entertainment
Hasbro



Bryan Scott
Vice President of Merchandising
Target

Nominating Committee Report



Nominated Board Members for Member Approval - 7
(Seven Candidates for election to first terms expiring February 2025)



Wes Hardin
CEO
Diverse Marketing



Max Rangel
Director, Global President & CEO
Spin Master

Nominating Committee Report



Nominated Board Members for Member Approval - 7
(Seven Candidates for election to first terms expiring February 2025)



Rob Michaelis

VP of Commercialization, Parks,
Experiences & Consumer Products
The Walt Disney Company



Duncan Billing

Chair of the Board of Advisors
Moose Toys

Nominating Committee Report



Nominated Board Members for Member Approval - 7
(Seven Candidates for election to first terms expiring February 2026)

Toy Association Members
Vote to Elect Seven Individuals as a Slate
Please respond to on-screen ballot

Nominating Committee Report



Board of Directors Executive Committee 2024–2026 – Elected 02/26/24



Sharon Price John
Chairperson
President & CEO
Build-A-Bear Workshop



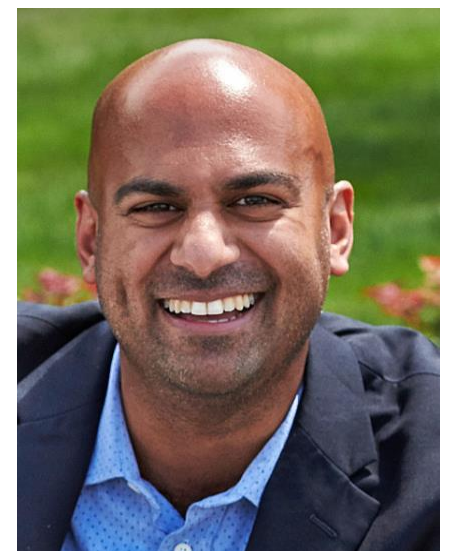
Geoffrey Greenberg
Vice Chairperson
Co-President
Just Play, LLC



Tim Kilpin
Secretary/Treasurer
President, Toys, Licensing &
Entertainment
Hasbro, Inc.



Jared Carr
Member at Large
SVP, US General Manager
LEGO Systems, Inc.



Vish Chandran
Member at Large
President
Wild Republic
(Elected provisionally 2/26
pending member approval)

Nominating Committee Report



Board of Directors Executive Committee 2024–2026 – Elected 02/26/24



Sharon Price John
Chairperson
President & CEO
Build-A-Bear Workshop





Sharon Price John

President & CEO, Build-A-Bear Workshop

The Toy Association Board Chairperson 2024-2026



Question & Answer Session

All questions and replies to be documented and published to all members

Please use the Zoom
Q&A button to
submit your
questions



Thank you!



Sharon Price John

spjohn@buildabear.com

Andy Keimach

akeimach@toyassociation.org

Kimberly Carcone

kcarcone@toyassociation.org

Ed Desmond

edesmond@toyassociation.org

Robert Heins

rheins@toyassociation.org