

Applause Inc. 6101 Variel Avenue, Woodland Hills, California U.S.A.

Private Company

Incorporated: 1966 as The Wallace Berrie Company

Employees: 600

Sales: \$280 million (1996)

SICs: 3942 Dolls & Stuffed Toys; 5092 Toys & Hobby Goods & Supplies

Company Perspectives:

Applause Inc. specializes in the design, manufacturing, and distribution of high-quality, innovative plush, collectibles, and novelty gift items for children of all ages, featuring America's favorite licensed and non-licensed brands.

Company History:

Applause Inc. is a leader in design innovation, marketing year-round gift products for consumers of all ages. The company specializes in plush toys, figurines, and collectibles and is known worldwide for its high-quality, emotionally appealing product lines, featuring the most popular classic, promotional, and collectible characters in the marketplace.

Licenses have included characters from Mickey for Kids and Mickey Unlimited; Looney Tunes; Jim Henson's Muppets; *Sesame Street*; Raggedy Ann and Andy; Peanuts; Precious Moments; Disney's *Winnie the Pooh*, *The Little Mermaid*, and *Mu-Lan*; LucasFilm's *Star Wars*; Twentieth Century Fox's *Anastasia*; Nickelodeon's "Rugrats"; New Line Cinema's "Lost in Space"; as well as proprietary plush designs under the Dakin brand name, including new and classic plush, puppets, infant products, and seasonal merchandise, and Dakin's own licenses of Benji; Garfield and Odie; Fido Dido; Chip & Cookie; the Beast from Disney's *Beauty and the Beast*; Clifford the Big Red Dog; Snoopy; The Pink Panther; The Animaniacs; Cuddles Bear; Lamb Chop; Looney Tunes Lovables; Barney the dinosaur; The Flintstones; Betty Boop; and the 1996 Olympic mascot, Izzy, among others.

Larger competitors have included Hasbro Inc., Tyco/Matchbox, Mattel, Milton Bradley, Kenner, Parker Bros., Playskool, Playmobil, Playmates, and Galoob.

In 1996, the company received numerous awards and accolades for its innovative in-store merchandising displays and high-quality product design, including the prestigious Gold Popai Award for a Taco Bell Merchandising Display and the Bronze Popai Award for a Looney Tunes permanent floor unit. The company also received The National Parenting Center's Seal of Approval on the Disney's 101 Dalmatians Barking Body Puppet and the Kermit the Frog Body Puppet. Additionally, *Family Fun* magazine named Applause's Kermit the Frog Body Puppet a finalist for the 1996 Toy of the Year Award in the Stuffed Animals for Kids Aged 8-10 category. Annual revenue for 1996 was estimated at \$280 million.

Applause created a Strategic Alliances Group to establish and oversee large, low-margin, food-related, premium-based programs for several major accounts, including Taco Bell, KFC, Kellogg's, General Mills, Pillsbury, and ConAgra's Kid's Cuisine Division, and the company had previously manufactured a Pocahontas locket for a South American firm. The company's revenues for 1995 were estimated at \$150 million.

In September 1997, Applause Enterprises was acquired by a holding company formed by a management group and Frontenac Co., but retained its name. That same year, the company was honored with The President's Award at the annual Warner Bros. Worldwide Licensing Conference for innovation, partnering to grow the business, successful programs, and commitment to Warner Bros. Additionally, Applause received *Family Fun's* Toy of the Year Award for Sad Sam Huggable Plush, and Applause's Raggedy Ann Dance with Me Doll was included in *Parents* magazine's Top Toys of 1997 list.

In 1998, the company continued to maintain its classic licenses while picking up new ones, including those for characters from Disney's 1998 animated films *A Bug's Life* and *Mu-Lan*. Seemingly assured of an endless succession of such prominent character tie-ins, Applause's future appeared bright indeed.

Principal Subsidiaries: Dakin Inc.; International Tropic-Cal Inc.