






- 
- History of company
  - The situation
  - Our solution
  - Forecast predictions
  - Mattel's solution

[Thecasesolutions.com](http://Thecasesolutions.com)

## History

# Thecasesolutions.com

- 1945 - Mattel founded by Ruth and Elliot Handler and Harold "Matt" Matson
- 1960 - Became publicly listed
- 1965 - Became Fortune 500 company
- 1972 - Restructured into 7 subsidiaries under 1 main division
  
- 70s-90s - Multiple acquisitions and mergers
  - Corgi Toys Ltd.
  - International Games
  - Fisher-Price (1993)
  
- 1997 - Introduced GMP (Global Manufacturer Principles)
- Popular items: Barbie, Hot Wheels, American Girl doll

# SWOT Analysis

## Thecasesolutions.com

### Strengths:

- Largest toy company in world
- Variety of products

### Opportunities:

- Expand/Improve use of technology in both operations and products
- Expand international market

### Weaknesses:

- 65% of manufacturing outsourced to China
- 200 quality control employees in Hong Kong BUT positions not permanent

### Threats:

- Demand for high quality, low price
- Power of retailers over prices
- Competitors (ie. Hasbro)

# Challenges

Thecasesolutions.com

## *Recalls (August):*

- 18.2 million recalled items total
- 1.5 million Chinese made Fischer-Price infant toys
- More than half Chinese made

## *Reasons for Recalls:*

- Quality deficiency
  - High levels of lead paint
  - Chance of swallowing small magnet parts
- Design flaws

# Thecasesolutions.com

## Our Objective

- Improve & ensure QUALITY  
to regain customer trust

How?

- Follow the Total Quality  
Management (TQM) Approach

# TQM

Thecasesolutions.com

1. Customer Focus
2. Leadership Involvement
3. Continuous Improvement
4. Quality Assurance
5. Employee Empowerment
6. Supplier Partnerships
7. Strategic Quality Planning



## Customer Focus:

*Dimensions that are important to customers*

# Thecasesolutions.com

- Performance
  - Does the product operate as intended?
- Conformance
  - Does the product meet appropriate standards?
- Reliability
  - How often do failures/quality problems arise?