

Blue Steele Toy Company

Where do we go?

by Alexander Hoskinson
& Gergely Horvath

Find the recommendations
Can't make a decision using the weighted average method?
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Dual Focus
- Education
- Quality
- Financial
- Market
- Customer
- Suppliers

Why are we here?
- Tradition of quality
- Stable in home market
- No shareholders



Avoid Risk
- Follow
- Traditional
- Cost
- Customer
- Quality
- Price

Acquisition
- Educational toys
- New technology
- Our company
- Research from the
- Acquisition
- Customer
- Risk

The Best Option
- Generate new ideas
- Innovation

What Products Are We Selling


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Final Recommendations

- Don't rush to change strategy
- Stay with traditional values

- Attempt to innovate new educational toys

- Broaden brand image to "learning"

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Which Products Are Working

Item	Revenue	Profit Margin	Age Group
LEGO Technic	100	15%	10-15
LEGO Friends	80	20%	5-10
LEGO Mindstorms	50	30%	15-20
LEGO Star Wars	120	10%	5-10
LEGO Harry Potter	90	18%	5-10
LEGO Minecraft	110	12%	5-10

The Best Option

Innovate new toys

Internal R&D

Acquisition



Acquisition

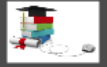
LEARN

- Educational toys use technology
- Our company doesn't have this
- Acquire a company that does




Dual Focus

- Education priority
- Favorable image to parents/teachers



Avoid Risk

- Follow traditions
- Core strategy (got us here)



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Which Products Are Working

Product	Share of sales	Share of profits	Growth rate (p.a ¹)
Puzzle	14%	5%	5%
Books for children	22%	20%	15%
School tools	12%	35%	20%
Wood building blocks	38%	15%	8%
Others	14%	25%	20%
	100%	100%	12%

The table includes several graphical annotations: a red 'X' with a sad face is placed over the 'Wood building blocks' row; a green checkmark with a happy face is placed over the 'School tools' row; a blue line with square markers connects the 'Share of sales' and 'Share of profits' columns for 'Puzzle' and 'Books for children'; and a green dot is placed above the '14%' value for 'Puzzle'.