## Paw Patrol: We are sure you ve heard of it

Spin Master is working to make its hit show and toy line, Paw Patrol, evergreen and wants to make the franchise and the rest of its properties global brands.

The show and its toys, the acquisition of American board game manufacturer Cardinal Industries and another Star Wars themed toy helped the companys revenues reach US\$161.7 million, in its spring quarter. That s a 51.9 per cent year-over-year jump, the Toronto-based toy firm said.

Spin Master s first quarter profit was US\$9.9 million or 10 cents per share, compared to US\$1.7 million in the same period last year.

Paw patrol is resonating with kids not only in North America but everywhere in the world, said co-founder Ronnen Harary. He added that Spin Master is looking to tap the Asian market with the popular kids show featuring a boy named Ryder and six dogs.

Paw Patrol launched in 2013, two years before Spin Master went public.

We re continuing to invest in keeping the Paw Patrol content fresh, with new characters and themes in order to increase the longevity of the franchise, global president and chief operating officer Ben Gadbois said on the call.

The companys executives pointed to shows like Dora The Explorer as an example of an evergreen children's show with licensed toy lines.

The other amazing thing with Paw Patrol is that it stretches in age and parents will love watching, Harary said. Though the show is aimed at preschoolers, he said kids as old as 6 and 7 enjoy it.

But the executives said they re not only relying on Paw Patrol. They said the company's entertainment group plans to launch up to two properties each year and we are actively working on news shows integrated with our toy lines, Gadbois said.

The executives also attributed the growth to its acquisition of American board game company Cardinal Industries, which manufactures games licensed by the likes of Disney and Warner Bros. They said a 75.5 per cent increase in activities, puzzles and fun furniture product sales to \$49.7 million (USD) was primarily driven by Cardinal.

Spin Master also recently acquired Sweden-based children's mobile app producer Toca Boca and Sago Mini, which also produces apps for kids and is based in Toronto.

The rationale for our acquisition was based on the reality that kids are consuming more content on mobile devices and we want to be where the kids are, Harary said Thursday.

Mobile appeared to be the companys final frontier. It can now provide, Harary said, an end to end physical-digital experience for kids.

Spin Master was founded in 1994 and went public last summer.



