# How An Engineering Toy For Girls Became a \$300k per Month Business





# Debra Sterling is on a mission to inspire the next generation of female engineers.

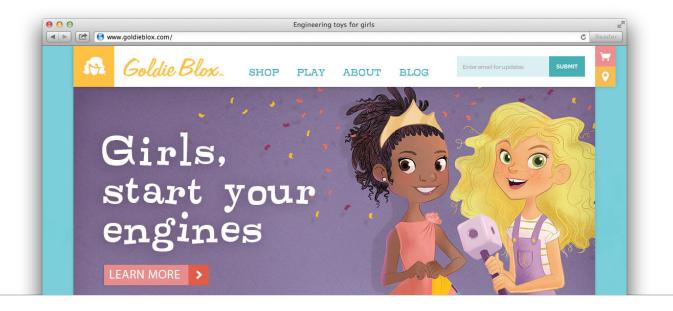
Fed up with the lack of women in her engineering field (89% are men), she decided to create <u>GoldieBlox</u>, a toy that encourages girls to develop their spatial skills and build self-confidence in their problem solving abilities.

To fund her dream, Debra launched her project on Kickstarter with the hopes of raising \$150,000 and immediately the money started flooding in.

She was able to reach her goal in four days and almost doubled it by the end.

GoldieBlox is now sold in about 500 independent stores in the United States and Canada, and even at Toys R Us.

Sterling said her toys had been consistently in the Top 20 best-selling toys on Amazon.



### DESCRIBE YOUR PRODUCT IN 1-3 SENTENCES.

GoldieBlox is a book series and construction toy starring Goldie, the girl engineer. Throughout Goldie's adventures, she encounters problems she needs to solve by building simple machines.

As kids read along, they get to build along with Goldie, learning basic engineering principles with each story.

# HOW MUCH REVENUE IS YOUR COMPANY CURRENTLY GENERATING PER MONTH (ON AVERAGE)?

Over \$300,000 per month.

# TO GET TO THIS REVENUE NUMBER, HOW LONG DID IT TAKE AFTER THE IDEA STRUCK?

About six months.

# HOW DID YOU DECIDE ON YOUR PRODUCT? WHAT IDEAS DID YOU CONSIDER BUT REJECT, AND WHY?

When I first started, a lot of advisors were telling me to ditch the idea of a toy entirely and just do an app. I decided to do a physical toy (in addition to an app, which we are launching around x-mas this year) because I felt that the tactile experience of building things was a better way to introduce mechanical engineering principles. Screen play alone just doesn't do it justice.

My earliest toy sketches were girly Legos... curved shapes, tiny decorative pieces, girly themes like princess castles and stuff (a lot like the Lego Friends line of girl construction toys that just launched, actually).

I ditched this idea because I felt like it was reinforcing all the same old gender stereotypes. I wanted to push the envelope and develop an idea that didn't rely on those stereotypes to engage girls. I knew that little girls are more than just princesses and that I could make something different and empowering that they'd fall in love with.

"I knew that little girls are more than just princesses and that I could make something different and empowering..."

# WHAT WERE SOME OF THE MAIN TIPPING POINTS (IF ANY) OR A-HA MOMENTS? HOW DID THE TIPPING POINTS HAPPEN?

My big 'a-ha' moment came when I realized I needed to incorporate a book into the game element.

I did extensive research into the differences between the learning styles of boys and girls. I met with neuroscientists and teachers, and I spent a lot of time playing with kids.

I asked kids to bring me their favorite toy. Girls would always bring me a book. Boys would bring me a toy.

After the fifth girl brought me a book, I decided I needed to blend the construction components of my boardgame with a story. This was a huge 'a-ha' moment for me because it significantly changed the direction of my toy.

# WHAT WERE YOUR BIGGEST MISTAKES, OR BIGGEST WASTES OF TIME / MONEY?

My biggest waste of money so far was when I first hired a law firm.

I met with a few different law firms and I felt really, really good about one with whom I really connected. I liked the lawyer, but he was expensive and because I had limited capital, I hired a cheaper law firm I didn't like as much.

I almost instantly regretted my choice.

I eventually had to leave the cheaper law firm and went with my original choice. The cheaper firm made me pay money upfront, while the one I eventually went with was willing to defer payment until I was in a stronger financial position.

I wasted a lot of money by making the wrong choice.

### **KEY MANUFACTURING AND MARKETING LESSONS LEARNED?**

### 1. Prototype and test everything! It's important to prototype everything beforehand.

Then test the prototypes on your target demographic. Long before I approached a manufacturer, I designed the toy myself in my living room. I made crude working prototypes using ribbon, clay, wooden dowels, thread spools, Velcro and pegboard from the hardware store. I wrote and illustrated a book where Goldie built a belt drive to spin her friends, and mimicked the action in the book with the physical pieces.

I probably spent a total of \$250 on the prototypes. I tested everything on children around the Bay Area – I went to over 40 homes and 3 schools. I observed girls and boys, ages 4-12, interacting with the game. Every time I observed a child and/or parent playing with it, I learned a new insight, which I incorporated into the next version. I quickly iterated and improved the design until it rocked.

### 2. Be prepared for the manufacturing part to take a long time.

The whole process of prototyping and manufacturing is huge. Example: I sketched out detailed drawings and dimensions for each piece of the board game, but I needed the drawings in CAD.

One afternoon, I snuck into an Industrial Designers Society of America "happy hour" to try and find an industrial designer who could assist me. I met a really talented engineer there who was passionate about my mission and agreed to help.

Then, I needed the prototypes to be printed, so we used 3D printing technology to take them to the next level. I hired a professional sculptor to create the character figurines to match my drawings. I sent everything to the factory, and they made a manufacturer's sample. Once I approved the sample, we began the tooling process, which is timely and expensive.

It took several months of back-and-forth revisions of the plastic parts until the tolerances were perfect. This resulted in a lot of hair pulling. We are still tweaking the molds. Nevertheless, we finally hit the green light and went into production on a first run of 40,000 toys to fulfill our preorders from Kickstarter and our website.

Seriously, you can't underestimate the time that manufacturing takes.

"Seriously, you can't underestimate the time that manufacturing takes."

### 3. Decide if you're an entrepreneur or an inventor.

When I started out I was incredibly secretive because I didn't want anyone to steal my idea. But then a friend asked me if I wanted to be an inventor or an entrepreneur. An inventor works by themselves in a lab, but an entrepreneur needs to inspire others to lend their expertise. I realized that I needed help.

I went out and found the best mentors in the fields I was working in and asked for their help. I had to be specific about what I needed and asked them exactly what I wanted them to do. I was amazed at how much help I got! I saved so much time and money by getting help from someone who had been in the toy business for 30 years.

### 4. Create an authentic and emotional story behind your product.

When it comes to my marketing strategy, I am a brand-driven person and I believe that the most important thing is creating an authentic and emotional story and brand.

We're more than a product, we're a social mission and I like to give the product a face and personality (mine!) For example, our decision to launch on Kickstarter wasn't about raising funds. We used it as a platform for sharing our story in a video format. Because then it wasn't: "Hey! Here's

this toy for girls," it was: "Hey, here's this female engineer who is trying to do something about a problem in our society."

### 5. Plan your Kickstarter exit strategy.

We started on Kickstarter, but a lot of these products just fizzle out when their campaign has ended.

We started our Shopify store ahead of time so that people who missed the Kickstarter campaign could still participate. My online store was my saving grace because my video went viral and my shop was up and running to capitalize on the publicity.

My online store far exceeded the sales I had made on Kickstarter.

# ANY PR WINS? MEDIA, WELL-KNOWN USERS, OR COMPANY PARTNERSHIPS, ETC? HOW DID THEY HAPPEN?

Our first PR win happened very early, in fact months before we even launched.

I was still in the earliest prototyping stages, but I created a blog to share my stories of building GoldieBlox with friends and family. A friend-of-a-friend's sister found the blog, she was a writer for The Atlantic. Another friend-of-friend found the blog, who happened to be a writer for TechCrunch. I set up phone interviews with both of them and gave them the "exclusive story." They both posted wonderful pieces about GoldieBlox the day we launched, which created a ton of buzz.

Another win was that we got Tim Schafer (cult video game designer / Kickstarter celebrity) to make a cameo in our Kickstarter video with his 4-year-old daughter. He then tweeted the link to his 90,000 Kickstarter backers. I met Tim through my banker. When I told my banker I was about to go up on Kickstarter, he made the introduction to Tim's colleague, Justin, who had just joined on board at DoubleFine Productions (they had raised over \$3 million dollars on Kickstarter). I arranged a meeting to learn how they'd done it and to get advice. I hung around there a couple times, until I ultimately persuaded Tim to appear in our video.

When we launched on Kickstarter, we had a lot of influential people in tech backing our project: Sheryl Sandberg (COO of Facebook), Craig Newmark (founder of Craigslist), Alexis Ohanian (Founder of Reddit), Mayim Bialik (Actress, Big Bang Theory), the list goes on.

We also got written up in Forbes, Huffington Post, The Guardian, Wired, TIME, Ms. Magazine, The Boston Globe, The San Jose Mercury News, interviewed on BBC world radio, and NPR.

We didn't have a PR agency or anything. These reporters simply emailed into "info@goldieblox.com" and we set up the interviews.

But our biggest PR win to date was on November 14, 2012, we call it "G Day." Eduardo Jackson from upworthy.com posted our Kickstarter video about a month after the campaign had ended. It instantly went viral. In just a couple days, the video spiked to almost a million views. There were so many orders, we literally sold out of our first shipment and had to push back the delivery date.

# WHAT SOFTWARE/TOOLS AND RESOURCES, MENTORS OR GROUPS DID YOU FIND USEFUL FOR GROWING, IF ANY?

<u>StartingBloc</u>, a social entrepreneurship fellowship program, was by far the biggest game-changer for GoldieBlox.

<u>Pacific Community Ventures</u>, connected us with a pro-bono advisor, Sam Allen (founder of ScanCafe) who has been instrumental to our business.

I got to pitch GoldieBlox on the main stage at <u>SOCAP</u> and met really great contacts in the social innovation space.

The books "Lean In" by Sheryl Sandberg and "Start Something That Matters" by Blake MyCoskie both inspired me.

And my mentors: Terry Langston (founder, Pictionary), Brendan Boyle (head of toys, IDEO), Bob Lally (co-founder, Leapfrog), Jake Bronstein (founder, BuckyBalls), and Clara Shih (founder, Hearsay Social) played a huge role in helping me learn about the toy business.

# IF YOU WERE TO DO IT ALL OVER AGAIN, WHAT WOULD YOU DO DIFFERENTLY?

I would ask for help from the start. Also, in the beginning I thought I had to make a range of products, but this spread my team too thin and it wasn't very realistic. I had this idea that if you are a startup, you have to work around the clock until you just about kill yourself.

If I had to do it over again, I would only work on one thing at a time.

### WHAT'S NEXT?

Next we're launching into retail stores. And we're also very busy developing new products to add to the line.

### **KEY TAKEAWAYS**

- On't cheap out on mission-critical services for your business.
- Prototype and test everything with your target demographic.

### **KEY TAKEAWAYS (CONTINUED)**

- Allow for ample prototyping and manufacturing time.
- Decide if you're an entrepreneur or an inventor.
- Don't be afraid to seek help from mentors in your field.
- Create an authentic and emotional story behind your product.
- Plan your Kickstarter exit strategy and have your online store up and ready to receive orders to capitalize on any publicity.
- Start blogging and executing a content marketing strategy while you're making your product to build an audience and get PR ahead of your launch.
- Focus on one thing at a time in the early stages and don't be afraid to ask for help.



Get free articles and resources about ecommerce, social media and online marketing on the <a href="Shopify blog">Shopify blog</a>.

Check out our free guides, videos and forums in Ecommerce University.