

EDUCA BORRAS PUTTING THE PIECES TOGETHER

A GLIMPSE INTO THE LIFE OF A TOY SME



BUILDING A COMPETITIVE GROUP

Educa Borrás results from the merger in 2000 of two well-known toy companies and now offers around 1,000 products including jigsaws, educational games, construction sets, role-play sets and race cars.

In 1894, Agapito Borrás launched Borrás Plana S.A. near Barcelona to sell zoetrope, an animation toy that makes moving pictures, and hygrometers, which consist of a cardboard monk that predicts the weather. The family-run company rose to fame thanks to its best-selling magic box, *Juego de Magia Borrás*, which was released for the first time in 1933. From 1962 until the beginning of the 1990s, the company also distributed well-known games such as *Monopoly*, *Cluedo* and *Risk*. When its distribution rights ended, the company went through a difficult period.



At that time, Florenci Verbon was working at Educa Sallent, a pioneering toy company in the field of educational games, in particular jigsaws, which was founded in 1967. Educa Sallent's history was similar to that of Borrás Plana. Due to the complementary nature of the companies, the owners felt that a merger would be a wise move and Educa Borrás was created in 2000. After a decade of positive organic growth, Educa Borrás continues to diversify its activities by acquiring other toy companies, such as *Fábrica de Juguetes* in 2012 and the *Scalextric* franchise in 2013.

CLOSE TO HOME



Following the acquisition of *Fábrica de Juguetes*, Educa Borrás now owns two local manufacturing plants: the production of educational games and jigsaws occurs in Sant Quirze del Vallès, Barcelona, while plastic role-play sets are made in Ibi, Alicante. As Spain generates around 60% of the company's annual turnover, manufacturing in the main destination market reduces delivery times to the minimum. This is particularly advantageous in the Christmas period, for example, which is when the majority of toy purchases takes place and there may be unexpected increases in demand for successful toys.

Educa Borrás has a workforce of 200 employees in two local factories.

QUALITY AND SAFETY AT THE CORE

When Florenci started working at Educa in the 1990s, two employees worked in the quality department. Since then, this number has tripled.

Like all reputable toy manufacturers, Educa Borrás pays great attention to the quality and safety of its toys and games because of the sensitive nature of children. The company has efficient internal control and testing procedures in place in order to comply with all applicable requirements and it invests significant resources in ensuring that its products are safe. This commitment to high quality products explains why Educa Borrás' products are popular among parents and children in around 80 countries. While the majority of toys are sold on the domestic market, other European Union (EU) countries are also important markets for the company, in particular France and Portugal.

DIGITAL PLAY OPPORTUNITIES

When playing, children like to imitate the world around them. The digitalisation of society is therefore an opportunity for Educa Borrás to provide children with new play experiences. The company launched its own toy tablet in 2012 to help children to develop skills and learn, for example, about the human body, the earth and the English language. In 2014, the company launched several innovative products that combine traditional physical products with digital features. These include a free geographical app that allows children to explore and get extra information about various cities, regions and countries after completing a geographical puzzle, and CRE&NIMA, an innovative system that digitises children's drawings.



Toy tablets such as the Educa Touch comply with stringent toy safety requirements.

IMPROVING CHILDREN'S LIVES

Educa Borrás is a firm believer in the power of play in ensuring children's well-being. It is actively involved in supporting organisations that work to improve children's quality of life. Educa Borrás regularly supports the Red Cross by covering the production costs of a game, the proceeds of which go to the foundation's activities. The toy company also provides card games for various charitable events organised by the Municipality of Barcelona.



'Educa Borrás develops many technological toys to provide children with new play opportunities. Like all toys, they comply with stringent safety requirements.'

Florenci Verbon, CEO



Spain is the fifth largest toy market in the EU with annual sales of €954 million. This represents around 60 million toys. With around 220 toy companies based in Spain, production is mainly concentrated in Valencia, Cataluña and Alicante. Around 18,000 people work in the Spanish toy sector. The Spanish toy market is highly seasonal with almost seven in ten toys bought during the Christmas period.

The **European Union (EU)** is the largest toy market in the world (27% of global sales), meeting the diverse and evolving demands of its 79 million children. Over 99% of the almost 5,000 toy companies operating in Europe are small and medium-sized enterprises (SMEs). With over 220,000 people working in the sector in the EU, toy companies play a key role in Europe's economic fabric. The toy industry is highly international and is one of the most dynamic business sectors in Europe: around 60% of toys on the market each year are newly developed. The sector is also highly seasonal, with consumers making the majority of purchases during the Christmas period.

The **Asociación Española de Fabricantes de Juguetes (AEFJ)** is the association representing the Spanish toy industry sector. Founded in 1967, its mission is to represent and collectively defend the interests of the toy industry. AEFJ is a founding member of the Spanish standardisation body AENOR, the toy technological institute AIJU and the Crecer Jugando Foundation (*Grow Though Play Foundation*). Educa Borrás is a member of the AEFJ.

Toy Industries of Europe (TIE) is the trade association for the European toy industry. Members include companies and national associations from across Europe, including the AEFJ.

