

Under Jack Ryan, the Father of Barbie, who had been educated at Yale and schooled in security at Raytheon where he designed missiles, an impenetrable wall was established around Mattel's Research & Development department, with the assistance of Jack's sibling mentor, Jim Ryan, a brilliant engineer who had also become a key player at Mattel as head of the recording-acoustics laboratory, from whence the doll voices emanated. Jim had served in Army intelligence and, according to a close colleague, had ties to the Central Intelligence Agency and therefore was skilled in the ways of espionage.

There was only one way in and one way out of R & D, and that checkpoint was guarded 24 hours a day, seven days a week by a uniformed, armed security guard. R & D employees — the designers, engineers, model makers, assistants, and secretaries who reported to Ryan — were required to show a coded, numbered badge, and had to go through a turnstile to gain entrance. For others, a warning sign at the guard station read: "You must be signed in at the R & D turnstile & escorted by an R & D employee for entrance into the model shop with a striped badge." Virtually every nook and cranny of Mattel was constantly being checked for electronic bugging by the enemy; shredders took care of confidential documents and plans, and prototypes and models were crushed into dust to keep them from falling into the hands of the competition.

The Father of Barbie's involvement went far beyond keeping the secrets safe. Intensely interested in the psychology of marketing — how children play with a toy and why — Jack Ryan established the use of testing rooms with one - way mirrors so he and his designers could surreptitiously watch youngsters at play, especially girls with dolls

The best candidates for Mattel were those who were aggressive, entrepreneurial, very bright, highly creative, somewhat eccentric and extremely confident leaders in their field. Among the tests selected by Ryan and given to potential Mattel designers and engineers was the Buss-Durkee Hostility Inventory, which measures an individual's aggression, hostility, and even guilt feelings.

"Everybody who worked there under Ryan had the same personal profile. Ryan understood that he was basically taking a bunch of children and managing them to get the best out of them, without putting them in a rigid environment. Mattel was just full of these very entrepreneurial hotheads. Very, very talented people, but they really weren't made to work in a corporate structure. They were people designed to run their own businesses. So we had a whole company full of them, sort of running around making things happen, and bouncing off each other."

The Father of Barbie adhered to a libertine philosophy at Mattel, where he hired young, pretty women because he believed his designers and engineers would be more creative and thrive if there were gorgeous females in view, all of which raised eyebrows with the Handlers.

On the desks of the engineers and designers in Ryan's department Barbie dolls were perched in erotic poses. On Ryan's birthday, the crew would give him off - color gifts, which he sometimes savored, like the year they stuffed his office with a giant weather balloon filled with confetti and a scantily clad buxom young lady.

Another year, he wasn't so happy when they gave him a one-off doll called "Pooping Polly".

Ryan watched in horror as the concoction made in Mattel's chemistry lab for the occasion dripped down his suit jacket. Every so often, the designers and engineers had races with custom floats in the parking lot. The women who worked in the Barbie fashion department, for instance, entered the race with a four - poster bed on wheels into which they climbed wearing provocative nightgowns; from under the sheets they discarded intimate apparel along the course.

To deal with the competition, stress, and sexually charged atmosphere, employees would gather after work on the beaches near the House of Barbie's Hawthorne headquarters for pot, wine, and sex parties. Some compared the scene at Mattel to the 1970s sybaritic ethos portrayed in films like *Boogie Nights* or *Bob & Carol and Ted & Alice*. "It was a swap meet and Mattel was in the thick of it. That's why Jack was having all those parties. His tree house was full of chicks in their underwear. It was considered the thing to do. If you weren't doing it you weren't in the in-crowd. That was the feeling."

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With a show-business career in mind, Jill Barad snagged a bit part with the help of her director father in the 1974 film, *Crazy Joe*, based on the rise and fall of murdered New York mafia hoodlum "Crazy" Joe Gallo, starring Peter Boyle, and featuring Henry Winkler ("Fonzie" from TV's *Happy Days*) and Herve Villechaize ("Tattoo" of *Fantasy Island* fame). The future chairman of the board and CEO of Mattel had the uncredited, nonspeaking role of "Miss Italian America," or, according to the script, the "girl in sequin gown."

Later, when she became the boss at Mattel, with 52 Barbie dolls in her plush office and Andy Warhol's rendition of Barbie as her favorite piece of art on the wall of her executive suite, she called her attempt at movie stardom in *Crazy Joe* the worst job she ever had. Yet she was "Hollywood" personified in her style and executive persona, so much so that she avidly followed astrology. As a Gemini, she once revealed, "I am off the ground. I am definitely an air person. I am not calm. I am pretty stable, but I am out there, thinking all different things."

One of her first bosses at Mattel was another tough, driven executive, Judy Shackelford. She had risen in three years during her decade at Mattel — 1976 to 1986 — from manager of preschool marketing to executive vice president of marketing and product development worldwide. She was then the highest-ranking woman in the toy industry --that is, before Barad skyrocketed up through the ranks. "Those were the days," Shackelford observes years later, "when people thought no man would work for a woman. It was just absurd. I was the pathfinder. I was the one that had the machete in my hand to beat a path."

The same viciously competitive corporate culture populated by aggressive personalities that existed during the era of Jack Ryan was still operational. Shackelford put it bluntly, "Mattel was a place you had to watch your back. It has always been a place where people are pitted against each other. It was a shark pond. You throw people in and see if they can swim fast enough to stay alive. For Jill, it was a fit".

Barad's management style was both peculiar and fearsome. In order to catch her eye and get on her good side — and sometimes even get promotions — one had to look marvelous, but still not

be more marvelous - looking than she in terms of dress, makeup, and overall style. Executives under her, women and men alike, joked that she had the same philosophy of success as the Fernando Lamas character played by Billy Crystal on *Saturday Night Live*, whose comical catchphrase was, “You look *mah-velous* dahling . . . It’s better to look good than feel good!” Barad believed that if you looked marvelous, you’d perform in your job marvelously — and those were the kind of executives with whom she wanted to be surrounded — attractive and glamorous – looking people — real-life Barbies in Escada and Kens in Armani. “Everybody had to dress up, had to look glamorous,” maintains Diana Troup. Margo Moschel, also an elegant dresser who caught Barad’s approving eye, notes, “Jill believed you are what you wear, and no way would she ever even have a conversation with someone within Mattel, within the Barbie brand, if they didn’t look good. Her comment would be, “Well, what does she know? Look at what she wears. Look what she looks like.”

The fear factor under Barad manifested itself in increased competitiveness, in pitting people against one another, in placing blame on others for her own mistakes, and what was perceived as pure mean-spiritedness that went above and beyond her being a tough and demanding boss who expected perfection.

A female senior vice president of the Barbie brand in the 1990s, is said to have suffered constant verbal abuse from Barad. “Jill would reduce her to tears,” according to a former Mattel president who was an eyewitness. “They would have a meeting and Jill would be so abusive that the executive would just break into tears. She ran the brand and was very effective at what she did but ultimately got pushed out.”

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**Robert A. Eckert**, who was recruited out of the processed American cheese and Oscar Mayer hotdog world of Kraft Foods, was named the new chief executive and chairman of Mattel on May 17, 2000, three months after the ouster of Jill Barad. If Barad was considered by some cynics to be the ultimate Beverly Hills Barbie Princess, then Bob Eckert was thought in some quarters to be the epitome of the white-bread Midwesterner, Ken. Glitz- and drama-free, Eckert was in fact the anti-Barad. Unlike the glamorous Barad, who was said to have been the model for a sexy movie character played by Demi Moore, the understated Eckert appeared more like the likeable Chevy Chase character, Clark Griswold, the food additives researcher and jovial suburban dad in *National Lampoon’s Vacation*. But unlike Griswold, Eckert was no buffoon.

The striking similarities between Eckert and Griswold are surreal. In the film *Vacation*, the Griswolds take the ugly green with faux-wood paneling “Wagon Queen Family Truckster” on a cross country trip to a Southern California amusement park called “Walley World - America’s Favorite Family Fun Park.” In real life, Eckert and his family had what’s known as the annual “RV Getaway,” which entailed the entire Eckert clan — elderly relatives and all — renting recreational vehicles and camping at a favorite state park in Michigan, a family tradition that had happened in the summer for decades.

Eckert had come into the job at Mattel with the staunch belief that for Mattel to continue to succeed and grow and keep shareholders happy, he had to return to its core products. Barbie was

at the top of his list. But Barbie had begun to get long in the tooth, her age was showing, and the taste of little girls was changing. This new generation wanted toy hotties like they saw on MTV videos and in celebrity magazines. The likes of Britney Spears and Paris Hilton were their role models, not the dated, conservative image that Barbie still had.

But Eckert and Mattel didn't appear to have the vision to gauge the changes in the taste of their prime girls' toys customers. Suddenly, Barbie was being blitzed in sales by an upstart doll called Bratz, which down the road would lead to the biggest, most costly and vicious court battle over a toy in the history of the industry (more on that in Chapter 20).

Bratz was first brought to market in mid-2001 by MGA Entertainment, started by Isaac Larian, a young entrepreneurial Jewish Iranian immigrant who had come to America with \$750 in his pocket. The first Bratz Pack — Yasmin, Cloe, Jade, and Sasha, all with a “passion for fashion,” according to MGA — were considered by Larian “not merely dolls but ‘fashion icons’ that look to the runways and what kids wear in and out of school for inspiration.” With the dolls’ bright-red lips as if injected with collagen, huge almond-shaped eyes, bubble butts, and erotic bellies extended from tight little tops, mysteriously ethnic and streetwise, they looked nothing like Barbie, and in fact were considered the “anti-Barbie” by Larian.

“By Christmas 2001, to Eckert’s dismay and concern, Bratz had become the top-selling doll brand in France, Spain, Israel, and Italy, and soon topped Barbie in Great Britain, and quickly began outselling Barbie in the United States. (Even worse, as Eckert and Mattel would eventually learn, the idea for the Bratz contingent had been developed by an ambitious young Mattel doll designer, Carter Bryant, who would become a key figure in the toy trial of the century. But that was still to come.)

“Friday the 13<sup>th</sup>” in any given year is considered by some an unlucky day, a good time to stay in and keep one’s head down, if one believes in scary legends. Eckert had some last-minute work to clear up on Friday, July 13, 2007. He was looking forward to the weekend and a Saturday morning run, one of the ways he relaxed, and some quality time with his family in their spectacular multimillion-dollar home — paid for as a company perk — in the fashionable Palos Verdes Estates (long an enclave for Mattel honchos) overlooking the Pacific, south of the toy monster’s El Segundo headquarters.

Eckert had hoped he could leave the office a bit early — he was not known as a workaholic — but his TGIF dreams were shattered when he was interrupted by one of his top lieutenants, Tom Debrowski. For Eckert, the dark myth of Friday the 13th was about to become stark reality. As he recalled later, the first words he heard from Mattel’s executive vice president of worldwide operations were “We have an issue.”

Before the crises of high gasoline prices, bank and financial institution failures, government bailouts, and home mortgage foreclosures, there was Mattel’s toy terror summer of 2007, when potentially deadly magnets and lead in paint in the company’s most popular toys plagued parents and children, tarnishing the image of Mattel in the hearts and minds of the public, the media, consumer groups, and lawmakers in the nation’s capital.