

The Lesney & Matchbox time line...

1917, 26 August: Rodney Smith born

1918, 6 March: Leslie Smith born

1920, 19 March: Jack Odell born

1945-46: All 3 are demobbed

1947, 19 January: Rodney and Leslie form Lesney Products, a partnership

Soon after joined by Jack Odell

1947, 9 March: Lesney Products is incorporated with Rodney, Leslie and Jack becoming directors with equal equity

1951: Rodney resigns from Lesney Products

1954: Rodney forms R. Smith (Diecastings) Ltd and joins with Morris & Stone (London) Ltd

1956: Lesney launch the Models of Yesteryear range

1959: Morris & Stone launch the Budgie series of toys

1960, September: Lesney Products becomes a public company

1961: S. Guiterman & Co. Ltd take over Morris & Stone (London) Ltd

1963: Lee Conservancy Road factory is built

1966: Lesney is awarded its first Queen's Award to Industry

And S. Guiterman & Co. Ltd is liquidated

1968: Les and Jack are awarded OBEs

1969: Rodney sells R. Smith (Diecastings) Ltd

1982: Rodney retires

And on 11 June Lesney Products went into receivership

2005, 30 May: Les Smith dies aged 87

2007, 7 July: Jack Odell dies aged 87

2013, 27 July: Rodney Smith dies aged 95

Matchbox and The Models of Yesteryear Range Part 1

Part 1...the pre 1956 years

A few months after the end of World War II, Leslie Smith met one of his school friends Rodney Smith. By coincidence they had the same surname. They had both been at school together at the George Spicer Enfield.

Both had been in the services and had just returned to their pre-war jobs.

Rodney was an engineer with Die Casting Machine Tools Ltd (D.C.M.T) based in Palmers Green, North London. After the war Leslie had re-joined his father's small building business as a director and he was also a carpet buyer, carpets from Belgium.

R. Smith: "Yes DCMT [Die Cast Machine Tools Ltd] made small die-casting machines in Palmers Green in north London. They also used their own machines to make various diecast products, such as small electrical parts and toys; as soon as I went there I could see that there was money to be made".

After several meetings they decided to form their own die-casting firm. The name of the new business 'Lesney', was derived from their Christian names.

R. Smith: "I lived at Palmers Green at the time and Les would get off the train at Palmers Green and call in on the way home from work and have tea with us. We were real mates and we would talk a lot. I told him about the diecasting business and the toys".

They added the general label 'Products' because at that time they didn't know what diecast products they would be making. The partnership of Lesney Products came into being on 19th January 1947.

Both men had received a war gratuity and they agreed to put what they could afford into the business as opening working capital.

R. Smith: "We both had our war gratuities. Mine was about £90 and Les's was £200. We started off with about £500 between us as working capital, but nothing was particularly formal".

Rodney resigned from D.C.M.T. and looked for premises. He found a condemned Public House called 'The Rifleman'. It was situated in Union Row, which was the boundary between the North London districts of Edmonton and Tottenham.

R. Smith: "The hardest part was finding a place to do these things. Anyone who had a brain when they came out of the services wanted to start up on their own. All the small shops and garages were snapped up. I spent about three months I think walking the streets looking round, doing nothing else, but to find a place to start up.

It was a very small public house and was positioned thirty or forty metres from the main road. Inside there was just one bar area, with a rear parlour and a cellar into which the die casting machine would be placed. Upstairs there were three small rooms that became offices and a storeroom.

R. Smith: "It was just an old pub, it wasn't war damaged, just badly neglected. Before we could use it, we had to have pillars and posts put in to strengthen the floors. Les's dad did all that because he was a builder. So the whole floor was supported to store the heavy zinc for the castings upstairs. As well as that we did the sorting and assembly upstairs".

Lesney Products needed work urgently, because the building was rented at £100 per year and after the purchase of the machine there wasn't much capital left.

John William Odell had left school aged 14 in 1934 and had been trained as an engineer. His skills had been developed further whilst serving in the Royal Electrical & Mechanical Engineers (R.E.M.E.). In 1946, after leaving the army, he approached a family friend, Sidney Ambridge who was the Managing Director at D.C.M.T. and obtained a job into which he soon settled in the tool room. However after R. Smith left he became a toolmaker at D.C.M.T. and was soon anxious to work for himself. Unbeknown to Ambridge, Odell had secured some work locally and obtained premises in the Haringey district of London. One day he bought for £60, six ex-Army hand operated diecasting machines. Unfortunately having made the seventy-mile return journey to Bedford he was told by a local councillor that he was contravening Town Planning regulations and had no right to set up an industrial diecast business in a residential area.

R. Smith: "Whilst I was sitting in the Rifleman waiting for the gas fitters to come, Jack (Odell) came round. He too had been looking for premises. We just decided that we would all go into it together, that was all. It was quite simple and there was nothing complicated about it. Jack didn't have any

equipment. In fact no-one had any equipment really. Les and I only had an hand operated diecast machine which didn't amount to much and a grind stone wheel".

Their first order was for 10,000 to 20,000 string-cutters; this simple device was a diecast holder and a razor blade.

R. Smith: "Our first order wasn't for 10,000 string cutters (as recalled by Leslie Smith), it was more like 2,000 and it was from S.S. Productions".

In October 1947, orders for diecast industrial components ceased. Companies like the General Electric Company informed them that it was standard practice to only order parts in January each year. Leslie Smith, who was responsible for sales and finances realised that this annual moratorium would be disastrous for the company's cash flow and future prospects, so he was especially relieved to get an enquiry from outside the electrical trade. A typical example would be M.Y. Dart, darts and toy makers.

R. Smith: "Also there was M.Y. Dart with Marx and Young. Marx was a good business man and tool maker and they made M.Y. Dart boards. They were quite famous as well known dart board manufacturers. I believe that eventually when Lesney was Matchbox, it bought up M.Y. Dart. We got hold of a real German luger pistol and we copied it for MYDart. I can't remember whose idea it was, whether it was their idea or ours. But they weren't really into toys, but we did quite a few of these guns for them and then we made a set of handcuffs for them. There was a bit of a hu-ha because the kids were putting them on but couldn't get them off.

That order not only helped Lesney's cash flow, but also more importantly, showed the three partners that their diecasting skills could be used for other types of products.

#### The Early Lesney Toys 1948

By early 1948 Lesney Products had completed orders for thirty-four diecast industrial components and one part for a toy gun. Including the three partners the work force had increased to eleven. Odell was keen to replace the six hand operated presses with automatic machines that would produce virtually flash free castings. In anticipation of the year-end demurrals, Odell had made the tools for a Diesel Road Roller. This, and other early Lesney toys were based on the then current Dinky Toys, but Lesney were able to offer their toys at about a third of the price. Odell also made tools for a toy Cement Mixer and a Crawler Tractor. All three models were sold nationally through Woolworth's stores and locally through London retailers.

On 9th March 1949, Lesney Products was incorporated as a private company in the business of 'toys and diecasting'. The Rifleman was vacated and it was demolished a little later. New and larger premises for the toy side of the business were rented at 1 A, Shacklewell Lane, Dalston, East London. Another toy maker, A. GILSON LTD, owned the head lease of this factory unit. Some of the diecast machines were moved to new premises in Enfield in North London and would cater for the industrial side of the company's business.

#### The Festival of Britain 1951

By late 1949, Lesney had manufactured several more toys including the Crawler Bulldozer, the Horse Drawn Milk Cart, the Rag & Bone Merchant's Cart, and the Soap Box Racer. 1950 saw the introduction

of more toys such as a tinsplate clockwork 'Jumbo The Walking Elephant' and for a short time a large Prime Mover, Trailer and Bulldozer. In 1950 some of the profits made from the sale of their earlier toys were used to fund a new project; the manufacture a model of the large State Coach that would be used by the King and Queen at the forthcoming Festival of Britain in 1951. Funds were invested in an advanced type of Pantograph machine that could produce three dimensional shapes and patterns. The coach went into production at the Shacklewell factory in March 1950, but owing to the embargo on the use of zinc because of the Korean War, it stopped almost at once. Odell stored the tools for the coach under his workbench.

In 1951, Rodney Smith announced that he was resigning.

R. Smith: "Actually I could see a future in Lesney, it was doing really, really well. It was obvious that we were doing well. Before I left we were having talks with Kohnstamm. Dickie Kohnstam got fed up with Matchbox too; he left and started up his model railway business (Riko). I met up with and helped him to find suppliers for his model railways.

No I didn't leave because there was no future in it. There was one main reason why I resigned, it was because Les and Jack were getting very big with their ideas, but for me I liked the cut and thrust of the start-up. Also I had more interesting things to do. I had half shares in a small boat yard which I was very interested in. I was spending quite a lot of time doing yacht deliveries and such things; that was my great interest. I was living on a farm at the time and there was the chance of buying a small holding. Those are the reasons why I left. I spread my wings a little bit".

Lesney Products had been unable to use its stocks of zinc to make toys because they were on the banned list. Also, the electrical component side of the business had been substantially reduced, not only because of the competition but also because the diecast zinc tended to disintegrate into dust when in contact with lime in plaster.

Rodney sold his third share of the company for £8,000 to Leslie and Jack.

R. Smith: "I sold my shares back to Les and Jack for I think £8,000, yes a lot of money but I didn't get it all right away. We didn't worry about such details. It was spread over a year or so. At the time I think I needed £800 quickly to put my name down on the small holding. I built a row of sties on the small holding for my 13 sows and then I bought myself a good boar. But it was very hard work. It was about 14 hours a day, 7 days a week".

In 1954 Rodney formed R. Smith (Diecastings) Ltd.

R. Smith: "The small holding was getting me down a bit. I had already bought from Alf Gilson's some hand tools for slush castings. I started doing some of them in one of the sheds. So eventually I started R. Smith (Diecastings) Ltd and I packed up the small holding.

I still had some money of my own naturally and I was still friends with Jack and Les and in the end, they gave me all the old machinery which we had started Lesney with; they had modernised all their equipment. The old gear was all lying on the tops of sheds in Shacklewell Lane. I got their old compressor, drum tumbling machine, a couple of diecasting machines. And the original tools came with the machines! Our first two toys at Lesney were the Steam Roller and the Cement Mixer and I started casting them again with R. Smith (Diecastings) Ltd and selling them".

R. Smith: "One of the hardest things wasn't the making but more the selling. So I thought that I would go in with Morris & Stone on a 50-50 basis. I knew Morris & Stone, they were wholesalers. In the toy game you have a manufacturer, then you have a factor/wholesaler and then the product goes into the retail like someone like Woolworths.

I asked Sam and Harry if they would like to start up R. Smith (Diecastings) Ltd with me. Both parties put in £1,000, that was it and we were equal partners with 50%. This was in or around 1954".

Morris & Stone (London) Ltd were the manufacturers of the Budgie range of toys and diecast miniature models and R. Smith (Diecastings) Ltd was its associated manufacturing company.

Morris & Stone (London) Ltd was sold out to S. Guiterman & Co. Ltd In 1961.

R. Smith: " He was a very successful business man and he bought up lots of businesses, and he was basically an asset stripper...although I sold out, I was still in charge of it all. When Guiterman bought us out it was more convenient for them to keep the three of us working for them. Also during that time I had I. Smith (Plastics) Ltd, which supplied R. Smith (Diecastings) Ltd with all their plastic parts".

R. Smith (Diecastings) Ltd went broke in 1968 owing I. Smith (Plastics) money which ticked over nicely up until about 1969 when Rodney sold out to one of his old tool makers. Rodney eventually moved to where there were boats such as the Norfolk Broads and then to Lowerstoft.

In 1982, I retired at the age of 65.

The "Matchbox" Series is launched in 1953

King George VI died in February 1952. With the forthcoming Coronation of Elizabeth in 1953, Odell realised that not only did Lesney have a chance to recoup the 1950 expenses incurred developing the model of the State Coach, but that their design and diecast tooling programme was in advance of other companies. Also, within a few months of the King's death, the Korean War Armistice was signed. Shortly afterwards the zinc embargo was lifted and Lesney Products were back in the business of mass-producing diecast toys and industrial components. Lesney eventually produced and sold 33,000 large Coronation Coaches, but an even greater success story was the miniature scaled down version of the Coronation Coach. It was launched in January 1953 and 500,000 models were sold in the first sixteen weeks. By the end of 1953 this figure had reached 1 million! The capital produced from sales of the small coach gave Lesney Products the ability to expand quickly into other toy ranges.

Odell was keen to make a range of miniature sized diecast models of road vehicles; having in 1952 experimented with various ideas. His break-through came in the shape of a small road roller made from brass. Earlier, he had seen his young daughter trying to put her miniature Coronation Coach inside her favourite little box that she took to school. Odell realised that she needed a model whose size was small enough to fit into a box no bigger than a standard matchbox, so made her a small road roller. The road roller fitted inside the box and when she revealed it to her friends at school everyone wanted one. He was convinced that the idea had plenty of potential and after making the tool, he cast several prototypes. Odell showed a prototype to Smith and to their main distributor, Richard Kohnstam of J. Kohnstam & Co Ltd. This was to start the "Matchbox Series".

## Matchbox and The Models of Yesteryear Range 1956 up to 1982

### The Models of Yesteryear Series 1956

There are many stories about the origins of this series. There is a myth that when Odell returned from holiday he found that a toolmaker had erroneously changed the Pantograph from its usual small scale to the larger one of I: 80. Supposedly the mistake was not noticed and tools were made for the model. When shown the castings of the Allchin Traction Engine Odell was pleasantly surprised and agreed that would be its size. Actually, the inspiration for the Models of Yesteryear Series came totally from Odell. He had become slightly disenchanted with the "Matchbox" Series because in his own words, 'they were crude'; he needed a new engineering challenge. He thought of the name 'Yesteryear' because the range was to be a reflection of the past! Odell the engineer loved Allchin Traction Engines and Showman's Engines as well as buses and fire engines. He decided to make a range of models small enough to remind customers that they were, after all a 'Matchbox' product, but large enough to be seen as a distinct range and to incorporate more detail. The models were made to appeal to adults as an impulse buy or a small and relatively inexpensive gift. They were without precedent and without any competition from for example, Meccano's Dinky Toys or Mettoy's Corgi Toys, although Odell and Smith regarded them as a secondary range to the "Matchbox" Series. They were not based on contemporary vehicles, but purely on historical subjects. Also, they were aimed at an older age group of children. The original retail price was 2/6d (12p) that was nearly twice the price of the miniatures. As with the miniatures there was no attempt to make the models to a consistent scale; instead they were built to a size that fitted into a standard box, irrespective of their subject. Thus the Y8-1 Morris Cowley Bullnose was made to appear larger than the Y6-1 AEC Lorry! Undoubtedly this frustrated model railway enthusiasts. For example the Y 4-2 Shand Mason Fire Engine was scaled at 1: 63 and was a little too large for '00' gauge and yet too small for '0' gauge layouts. Originally these early Models of Yesteryear were made at the Lesney factory at 38 Barrett's Grove, Stoke Newington in North London. The first three models could have been launched in 1955, but they were held back and shown on the Kohnstam/Lesney stand at the 1956 UK Toy Trade Fair.

Richard Kohnstam of J. Kohnstam & Co., Ltd had been the main distributor of the Lesney's products since 1948. In 1953 he had caused a rift with Odell and Smith by registering the 'Matchbox' trademark in his own name. When they discovered this, Kohnstam was forced to reregister the trademark in all three names. This soured their working relationship; but even so Kohnstam was good at his job and it was agreed that Lesney would continue to manufacture and that Kohnstam would sell their product. Kohnstam had developed good working relationships with three American importers; one of whom was Fred Bronner. The Bronner Corporation had successfully handled the "Matchbox" Series, and both he and Kohnstam could see its potential and were keen to add the foundling Models of Yesteryear range to their portfolios. Odell and Smith did not offer the range to Kohnstam and this did little to improve relations that were made worse when they allowed Bronner to distribute Models of Yesteryear in the USA. By 1958, with the range successfully launched, once again they questioned whether there was any longer a need for a toy factor. Odell and Smith wanted to take their company to the stock market the following year, or in 1960 at the latest and didn't want the complication of a third party co-owning their trade marks. Kohnstam surprised them both when he suggested that Lesney buy him out. In 1959 Lesney and Kohnstam settled at £80,000. In 1964 Lesney bought out Bronner for £261,000, and the Bronner Corporation became a Lesney subsidiary with its headquarters in New York. Smith and Odell were now masters of their own destiny.

### Lesney goes public 1960

In 1960, 80% of Lesney's production was devoted to the "Matchbox" and the Models of Yesteryear Series. Over 50% of those models were exported to over ninety countries. The remaining 20% of the Lesney business was in light commercial diecasting. Lesney was floated on the London Stock Exchange in September 1960. The initial offer was for 400,000 Ordinary 5/od (25p) shares at £1 each and Lesney's brokers reported receiving 12,415 applications for over 6 million shares!

By 1966 Lesney Products employed 3,600 people and that year the company was awarded their first Queen's Award to Industry. By 1968 sales worldwide reached £28 million, generating a nett profit of £5 million. That year both Smith and Odell were awarded the Order of the British Empire by the Queen and also a second Queen's Award to Industry. In 1969 Lesney Products' workforce had risen to over 6,000. Sales figures in the USA alone reached \$28 (£55) million.

However in that year, Mattel spent some \$10 million launching in America their 'Hot Wheels' range of miniature cars. Mattel's researchers reported that young American boys wanted exciting looking American 'Hot' cars. The Mattel design team developed a very thin wire axle which enabled the model to be rolled along at a very fast speed and hence the term 'Wheels'. In America there was a massive television campaign, and as well as the '16 new California Hot Wheels', youngsters could buy up to thirty feet of Hot Wheel track and accessories. Lesney's miniatures with their knobby black plastic wheels had little or no traction on the track. Youngsters were told that if they wanted to 'race' em or stunt' em' they had to have Mattel's Hot Wheels. Suddenly in its largest market the USA, the "Matchbox" Series was 'dead in the water' with sales tumbling to \$6 million! It took Lesney Products eighteen months to overcome this problem and eventually in comparison to Hot Wheels, the new 'Superfast' models were just as fast and had more cast detail. Unfortunately there had been a heavy price to pay. By late 1970 when the Superfast series was established in all the major markets, Lesney Products discovered that it had accumulated losses of £700,000 and worse, the Inland Revenue was owed £2 million from the profits made in the good times in previous years.

Meanwhile back in 1960 with the Y15-1 Rolls Royce Silver Ghost, Odell and Smith realised that there was a huge demand for more internationally recognised marques. By the early 1960s, the Models of Yesteryear range had become more international by moving away from British steam driven and horse drawn vehicles towards cars. Many of these had soft tops, upholstered seats and canvas hoods, all of which could be readily simulated in plastic. The Y-3 London Tram sold well in Britain and the Commonwealth, but was of little interest to adults in the USA and Europe and consequently few were sold there. Between 1970 and 1972 Lesney continued to produce the Models of Yesteryear series and by now they were all 'second series' cars. The range was popular and collectable and it was apparent to Smith and Odell that thousands of adults were buying every released model. The introduction of the first selection of replacement models in the late 50s and early 60s were slightly more consistent in scale and were much larger. This reflected Odell's desire to make models with more details. There was no strategic reason for stopping the numbering at sixteen. It had been agreed that the range wouldn't go on ad infinitum like Dinky Toys. Later Smith said that, 'we got to Y16 and decided to go back again'. This policy of not going beyond Y16 lasted until the range was reintroduced in 1975. The 'first series' models were quite accurate in relation to the full size vehicles, but high gloss and even metallic paint became more evident with the 'second series' and by the 'third series', launched in the 70s, many of the models were being painted in unusual and unrealistic colour schemes.

In 1973 Odell took semi-retirement, resigned as joint managing director and took the honorary title of Deputy Chairman. By an unfortunate coincidence, production of all Matchbox models was stopped in the first quarter of 1973 because of an eight-week national strike. This was then followed by a rare occurrence at Lesney; a strike by members of the 'Fettling Shop'. Then the Rochford factory had two

disasters. Firstly a fire destroyed a large part of the factory containing thousands of plastic components used to make Yesteryears and secondly a flood ruined a number of the machines. The Lesney priority remained with the Superfast range of miniatures and consequently for nearly two years the Yesteryear range was not produced.

By 1975 it was back on general release. Known as the 'Woodgrain' series in window boxes with distinctive patterned flaps all of the Yesteryears were now in vibrant new colours; the older style metal wheels had been replaced with plastic wheels and rubber tyres. The retail price in the UK for a standard model had risen to £ 1.25p.

In 1976 Lesney's sales rose from £43.5 million to £56.4 million. Leslie Smith became the Lesney Group managing director in 1977, and in that year Lesney was awarded its 5th Queen's Award to Industry. The group still employed over 6,000 people world wide and in a message to the work force Smith wrote, 'Although the current year has started cautiously, I cannot see any reason why we cannot continue our success ... ' In 1977 sales increased to £88.9 million, and by January 1978 the group had made an annual profit, after tax of £5.4 million. Meanwhile the cost of a Yesteryear model had increased to £1.49p.

In 1978 Lesney released the Y5-4 Talbot van in its first livery of 'Lipton's Tea'. This model was controversial because originally it featured the Royal Crest. The Lord Chamberlain's office had been asked to sanction the use of the crest that had been awarded to the Lipton's Company. Anticipating no problems the model had been on sale for weeks before Lesney learned that they would not get permission and it was rumoured that the estimated 100,000 models would have to be recalled.

The value of the model in collectors' circles rose and the publicity generated for the Models of Yesteryear series was tremendous. The model was even hoarded by both the trade and collectors. Ironically, because so many models were hoarded the model failed to maintain its increase and its value soon fell back. However Lesney's management had noticed the collectors' enthusiasm and possibly for the first time acknowledged that Models of Yesteryear were indeed models and not toys! In 1979, a second commercial vehicle was added to the range, the Y12-3 Ford Model T van which retailed at £1.50. Its appearance, first in 'Coca-Cola' livery and then 'Colman's' started a large group of collectors whose interest was mainly collecting the various commercial liveries. There was further collector 'hype' in 1981 when after the first 18,000 'Arnott's Biscuits' vans had been made and delivered to Lesney Products Australia, the Company's receivers stopped further production. The only way that collectors outside Australia could obtain the model was to buy one from an Australian collector!

By the end of 1978, the Lesney group had expected to announce profits after tax of £9.9 million. However in January 1979 this figure was reduced to £6.8 million. Lesney had 'invested' heavily when buying the AMT plastic kits concern in the USA and had borrowed at high interest rates. In addition the exchange rate of \$2 to £1 made UK exports to the USA very expensive. Britain had entered an economic recession and UK toy makers had reported a slump in demand at home and Britain's over valued pound had restricted sales overseas.

In 1979, the Meccano Dinky group was the first toy company to go into liquidation. Concerned about the general market situation early in 1980, Lesney's banks reviewed the Company's financial state. The Lesney group which now employed 3,500 people throughout the world had actually made a loss of £3.6 million. Consequently, the banks appointed an executive chairman and a financial director to join the existing board. Odell was asked and agreed to return to oversee the diecast and engineering

side of the business. Following further extensive negotiations with the banks in July 1980 Lesney Products were forced to grant 'fixed' and 'floating' charges upon their assets. During 1981 the Lesney group was under intense pressure to adhere to business plans agreed with the banks and maintain sales figures in line with agreed budgets. Draft accounts prepared to January 1982 now showed an operating loss of £8.54 million on sales of £72.4 million, In May, several freehold factory and office properties were sold and £500,000 was repaid to the banks. Even so, that wasn't enough and on 11th June 1982 the banks put the group into receivership before any creditor could undertake an action for insolvency, as the directors would have been acting illegally if they had continued trading. The Lesney head office at Burleigh Gardens in Southgate was closed down and the marketing personnel were made redundant.

The receivers transferred the majority of the group's assets into a new 'shell' company called Matchbox Toys Limited; however the liabilities remained with the Lesney group. Negotiations to sell Matchbox Toys Ltd were started with Fisher Price and with Mattel. However it was David C.W.Yeh, a successful Hong Kong businessman and owner of Universal International who showed the most interest.

1982 to 2007

The Universal Take-over 1982

Yeh offered £16.5 million; but he told the receivers that Universal would only need one British factory. An agreement to buy the company was signed on 24th September 1982. Yeh later said, 'It was the bargain of the century. I didn't realise just how valuable a trade name it was.'

Matchbox Toys International was created having its headquarters in New York. The UK subsidiary retained the name Matchbox Toys Ltd; with its headquarters at Burleigh House in Enfield, Middlesex. Universal agreed that Matchbox Toys Ltd would develop and market the Models of Yesteryear range as well as the other diecast ranges. In July 1983 the Research & Development department was relocated from Chingford to the original UK sales office on Lincoln Road, near Burleigh House. Universal kept the Rochford factory with its workforce of a thousand people and the warehouse was transferred there.

Some existing collectors did not continue with the post 1983 Models of Yesteryear series, as they felt it was an end of an era! Few changes were made within the department responsible for the Models of Yesteryear series and they looked at ways in which to keep the series vibrant. 25,000 questionnaires were included in with the Y3 Ford Model 'Express Dairies' and over 5,000 were returned. This questionnaire and its analysis concluded that collectors were looking for more frequent releases of new models with different colours and liveries.

In 1985, Matchbox Toys initiated the creation of a new collectors' club, MICA and gave it a worldwide mandate to promote the Matchbox Toys ranges. Special Limited Edition models were introduced, which had relatively low production runs and were more expensive than the standard range models. They were aimed at collectors, some of whom regarded these Specials as being almost a collection within a collection. Matchbox Toys informed collectors that these models were 'one offs' and would never be produced again; a policy that was only adhered to until 1993.

By 1986, Matchbox Toys were making the No.1 selling diecast toys in Europe. The Universal Matchbox group had net sales of \$257 million and made a net profit of \$16.7 million. The most expensive

Yesteryear model was the Y19-2 Fowler B6 Showman's Engine; a Special Limited Edition priced at £18. A typical Special Limited Edition such as the Y21-3 Aveling & Porter Steam Road Roller had a total production figure of 60,000, whereas a standard Models of Yesteryear such as the Y12-3 'Heinz' van (160,000 produced) retailed at £4.25.

In 1987 Matchbox International moved the production of Models of Yesteryear from the Rochford factory to a Universal owned factory in Macau; although the R&D department stayed in Enfield. Sales figures reflected the fact that some enthusiasts stopped collecting new models when models with Macau baseplates started to appear. Others decided to concentrate instead on earlier releases and variations that had 'Made in England' baseplates. Although the cost of manufacturing was much cheaper than in the UK, hence the reason for the move, the retail price of the models didn't actually fall. The Universal factories were cost conscious and often decorative trim and detail was reduced or even omitted.

In 1988, Models of Yesteryear were still the best selling Matchbox range even though sales had been steadily declining since 1982. There were several reasons for this including too many recoloured models and declining standards. Also the range had been confined to the pre 1945 era, a self-imposed barrier that restricted the interest in the subject matter to an ageing generation of enthusiasts. Gradually they stopped collecting and they were not replaced by the younger generation. The average Models of Yesteryear collector preferred commercial vehicles rather than cars, and sales of a model car were usually 30% to 40% less than for a commercial. Consequently potential Yesteryear collectors who liked cars turned to other manufacturers' products. It was also agreed that there had been more and more reliance on plastics components and while Matchbox had argued that plastics gave the models better detail, collectors thought it was just to reduce costs, and that it cheapened the look of the models.

Sales of Yesteryears had fallen from an average of 100,000 in 1984 to 75,000 in 1989. The retail price of a standard model in 1989 was £5.75, but in the UK sales had fallen from £3.6 million in 1987 to £2.7 million in 1990. Even so the series was still regarded within Matchbox as being the best range and in terms of profitability was greater than Matchbox 1-75, Convoy, Super Kings or Pre-School.

Matchbox Toys Australia had adopted a policy of selling 'direct' to the collector and by passing the wholesaler. Consequently their sales had risen from £ 1 million to £ 1.9 million in 1987. In an attempt to stimulate the market, Matchbox International announced their new policy: 'All models are now Limited Editions. Each model and livery combination is produced in one single production run for world wide sales, with no supplementary production once initial stocks are exhausted. Collectors are assured that their models will retain their exclusivity, value and attraction into the next century.'

This was an attempt to ensure that there was just enough produced for the market. Collectors were also told that all of the new models would in future have a maximum of two recolours. The most expensive Model of Yesteryear so far released was the Y16-5 Scammell Low Loader at £29.99.

#### The Tyco Take-over 1992

In 1991, Tyco Toys Inc., an American company was one of the world's biggest toy makers; with its headquarters at Mount Laurel, New Jersey. During the 1980s, Tyco had made good profits, but its market was mainly restricted to the USA and there had been virtually no sales to Europe. This era was the start of toy companies striving to become either international world players, or just ones with national status. The quickest way to make inroads into the largest markets is to buy an established

business; thus giving the purchaser an instant 'heritage', brand names, customers, manufacturing facilities, 'economics of scale' and all the necessary infrastructure for modern commerce.

Tyco identified the Universal Matchbox group as being an ideal candidate for a friendly take-over, as it had all the aforementioned qualities. It had a good distribution system in Europe with several regional offices, but best of all it produced toys in categories that Tyco did not. Tyco had originally been a model railway company but were now the dominant force in the radio control sector. David Yeh indicated that an approach could be made and tentative talks began in New Jersey in May 1992. During the talks, Tyco made an offer, but this was withdrawn when it was discovered that Universal Matchbox's sales were not as good as expected and that the European distribution system was not as good as anticipated. In October 1992 Tyco Toys Inc., and the Universal Group agreed a price of \$100 million and finally the contract was signed.

Whilst the Matchbox miniature range was given priority at Tyco, the Models of Yesteryear range was reviewed. Before and during the takeover Matchbox Toys Australia had begun an appraisal of their own direct mail market combined with a limited, but well organised retail presence through bona-fide Collector Centres. An Australian report was submitted to Tyco that proposed that Models of Yesteryear be sold in all other markets along the lines of the Australian scheme. In early 1993 Tyco agreed the Australian proposal as to how to proceed with the distribution of Models of Yesteryear.

In July 1993 with Matchbox Collectibles centres established in Australia, the USA, the UK and Germany, the new Matchbox Collectibles division launched a major publicity campaign. Representatives of the press, car magazines and model car periodicals were shown the 1993 range comprising fifteen models: The 'Taste of France' series, 'Great Beers' series 1, and three horse drawn 'Heritage' models. They were released between September and December 1993. Existing Yesteryear collectors had not been able to buy a new Models of Yesteryear since the Y65-1 Austin 7 set and the Y66-1 Gold State Coach released in September and October 1992. It had been a long wait and certainly some never collected the new models. Other collectors, especially in the UK and Europe stopped when the new distribution system was understood. Although these countries had a number of Collectible Centres, they were unevenly distributed. Even so the sale of the models, especially in America, were good enough to convince Tyco's executives that there was a future for the Models of Yesteryear series. In December 1993, Tyco relocated its Matchbox Collectibles Division headquarters from Australia to the USA, the new major market. From 1994 onwards all marketing and product development took place at Mount Laurel. A policy on production runs was set up immediately. Unlike the Lesney or Matchbox International policy of just the one long run, Matchbox Collectibles would have an initial run of approximately 10,000 models. If there was further demand there would be another run of approximately 5,000. If there was more demand this would be repeated again and again. The exceptions to this policy would be the Special Editions issued as Matchbox Exclusives and Regional Code I models.

In comparison with earlier years there was now much more to collect. Also, it was different because the models were sold as sets, usually of six. Collectors were not able to buy just one or two models from the set direct from Matchbox Collectibles; the only way to buy an individual model was from a Collectible Centre. Matchbox Collectibles didn't really expect collectors to buy every model that was made. Instead collectors should just collect the series they liked and ignore ones they didn't!

The Mattel Take-Over 1997

In 1995 Tyco had worldwide sales of \$709 million and a workforce of 350 at its company headquarters at Mount Laurel, New Jersey. The toy industry in the USA was worth \$13 billion and Mattel Inc., was the No.1 manufacturer. It had a work force of over 25,000 and had worldwide sales of \$3.64 billion. Mattel approached Tyco in September 1996 with the idea of a merger. The Tyco board had been aware that the company was vulnerable to a take-over, and if it weren't taken over by Mattel, then it would probably be by Hasbro! The Tyco board agreed to talks. Mattel knew that Tyco was especially strong in the field of 'boys' toys' including the Matchbox 1-75 range, as well as action figures and radio control cars. 40% of Tyco's sales were in this 'boys' toys' sector; \$50 million came from Matchbox model sales just in the USA. (at the same time Hot Wheels were worth \$140 million in the USA market), 20% of Tyco's sales came from 'mixed gender' products including their Sesame Street range and the ever popular Viewmaster and Magna Doodle toys.

On 18th November 1996, Mattel announced that it would be buying Tyco for \$755 million. It was an 'all paper' deal with Tyco shareholders receiving Mattel stock equivalent to \$12.50 for each Tyco share. Tyco's shares on the Friday before the announcement of the merger deal had risen to \$7 based on their third quarter sales figures. Wall Street analysts greeted the news enthusiastically saying that it was a good strategic fit for both companies. The anticipated world wide sales from the combined Mattel Tyco operation was put at \$5 billion.

The Mattel legal department had considered that there would be few anti trust problems with the exception possibly of the combining of Hot Wheels and Matchbox brands. At the end of December 1996, the Federal Trade Commission asked the two companies for additional information about the proposed merger. The Commission was concerned about the miniature diecast toy vehicle business, a category with a potential worth of over \$190 million annually in the USA alone.

The acquisition of Tyco was completed by the 31st March 1997. The Tyco headquarters at Mount Laurel, New Jersey were retained to continue developing the Matchbox ranges, including Matchbox Collectibles. The Matchbox Collectibles Division also stayed at Mount Laurel. 'Exciting' developments between 1997 and 2000 included the founding of the Matchbox Guild. Matchbox Collectibles ran this and collectors who paid an annual subscription received regular copies of the Matchbox Collector newsletter and a special Guild Model of Yesteryear. Mattel wanted to raise the profile of the series. Mattel increased the presence of the Models of Yesteryear range in the high street by selecting specialised shops and fitting them with an attractive display unit to hold the Matchbox Collectibles ranges.

Matchbox Collectibles continued to secure licenses in order to replicate vehicles made by the likes of Mack, Ford, General Motors and Chevrolet, and to reproduce internationally well known brand names such as Coca-Cola, McDonald's, and Budweiser.

Sales fell. Although the quality in most cases was excellent, the main criticism was the models were too American in their subject matter. They had little or no appeal to what had been historically the strongest Models of Yesteryear markets - the UK, Europe, Australia and New Zealand.

In 2000, Mattel closed its Matchbox Collectibles division and announced the suspension of both Yesteryears and Dinkies.

In 2006, to mark the 50 Years of Yesteryears, Mattel re-launched the Models of Yesteryear series. They brought out 4 old castings including the ubiquitous Y12 Ford Model T Van. The most memorable

aspect of the mini range was the over-hyped and very 'un-green' packaging. Sales were poor because distribution was extant.

That probably is the last of this famous and oft cherished range of diecast model cars and vans...