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Disrupting the Pink Aisle [Entire Talk]

Debbie Sterling, *GoldieBlox*

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Debbie Sterling, founder and CEO of GoldieBlox, shares her evolution from lonely inventor to inspiring entrepreneur with a vision to give young girls the confidence to become engineers through hands-on play. Sterling talks about overcoming gender stereotypes and her own fears, as well as the entrepreneurial challenges of embracing failure and succeeding despite scant resources.

Transcript

- Thank you. Thanks, everybody. I'm Debbie. It's so great to be here and I'm gonna start my talk with a little logo we all know well. My story begins when I was in your shoes. I was a Stanford student and for me, getting into Stanford was probably one of the biggest things that had ever happened to me. I grew up in a really small town in Rhode Island. I went to a pretty average public school and when I found out I got into Stanford, they announced it on the loudspeaker and everyone in the cafeteria got up and cheered. It was that big of a deal and so as I was preparing to go off to college, I remember one day my math teacher pulled me aside and asked me what I planned on majoring in and at the time, I was a high school senior. I had no idea.

She said, "Well, I think that "you should consider engineering." I remember that moment. She said that, I've told this story a million times, but it's so funny because in my head I pictured an old man driving a train. (audience laughs) I had no idea what engineering was, but whatever picture I had in my head was the least appealing interesting thing to me at all and I kind of thought she was crazy, but sure enough, I got to Stanford and my freshman year, I had no idea what I wanted to study and so I thought why not try engineering? So I signed up for EMI 101. I walked into the room and almost just turned right out and walked out the other way because I looked around and I saw barely any girls and I thought I'm not sure if this is really for me, but luckily I stayed in the class and I'm really glad that I did because it was the first time that I learned what engineering was and we weren't fixing train engines in that class. It was an amazing class because it was really an introduction to just the way the world works. We learned the simple machines. we learned how to build stuff, how to invent, how to be problem-solvers. It was incredibly creative and inspiring to me to think that I could be an inventor and solve big problems in the world. That was something I was really passionate about and so I decided I'm gonna study engineering. From that moment on was the first time in my life I ever got a C.

It was the first time in my life I ever struggled and hoped that I would just pass class. It was the first time in my life that I really actually challenged myself and oftentimes in those classes, I was the only girl in group projects with all guys and that often felt like they'd look at me and think, ah, we got stuck with a girl and I started to feel that way about myself too. I often felt I wasn't good enough or wasn't smart enough. I almost dropped out of the major a million times. I wasn't set up for success from my public school, not even knowing what engineering was and looking around and seeing guys in my classes who had already learned how to program calculators and already knew how to build a million things, but luckily I stuck with it. I stayed in it. I studied hard, put in the midnight oil and I ended up graduating and that day that I graduated in 2005 was actually the year that Steve Jobs gave the commencement speech, so I was there and it was the proudest day of my life because I had done something hard, you know? I had really tried something hard and I'd ended up achieving it and so that feeling that you get when you actually really apply yourself and you climb that mountain and you get to the top, you feel invincible and that was how I felt and that was kind of the gift that engineering gave to me, was proving that I could. That was an unbelievable feeling.

So years later, I had been searching ever since that day I graduated to find my passion. You know, that thing that Steve Jobs said, "Go out and find your passion." I wanted to find that for myself, but I didn't know what it was and so I spent about seven years at different jobs and finally I found it and it happened one day.

I had got together with a group of friends and we had started this tradition called Idea Brunch where we'd get together and each person would get up in front of the group and share their latest hair-brained idea for an app or a company or whatever. Just one of those things you kind of muse about when you're driving in the car. Of course, over breakfast and in that session one day, my friend Christi, who studied engineering with me here at Stanford got up. She started complaining about how few women there were in our engineering classes and she said, "You know, as a little girl, "I got interested in engineering "because I grew up playing with "my older brother's hand-me-down construction toys, "like Legos and Erector Sets and Lincoln Logs "and that's what got me interested in engineering." I kind of in that moment thought back to my childhood growing up with me and my little sister. We never played with any toys like that at all because those were boy's toys and I remember in my engineering classes, a lot of the assignments that we did we built out of construction toys and I realized that if I had grown up with this stuff, I might have thought of myself as an engineer far younger than by the time I was 18 years old and so it sounds really corny, but the moment she had this idea at Idea Brunch of engineering toys for girls was the moment where it was like the fireworks went off, the lightning bulb. I just knew, oh my god, this is what I was born to do. I knew it instinctively in that moment and so the very next day I decided I'm gonna go to the toy store and get a lay of the land here. I'm sure times have changed since Christi and I were kids. I'm sure there's gotta be a lot of toys for girls that encourage engineering thinking, so I went to the toy store and this is what I found. I couldn't believe it.

The pink aisle. So this was the most disgusting dolls that look like street corner girls. It was fairies, princesses, tea sets, ironing boards. I mean, it was all about domesticity. It's all about the way that you look. Meanwhile in the blue aisle was all of the smart math and science games, heroes, action figures and it just felt like this isn't fair. So the thing about the blue aisle was that it had a lot of toys that helped develop spatial skills. Now this is something as I started to do research into how would I advantage girls? How would I give them a leg up, give them something that might prepare them for engineering? Spatial skills kept coming up as underdeveloped in girls. Well, interestingly, I also read that spatial skills are commonly found in kids who grew up playing with construction toys. Kids who played with construction toys have better spatial skills.

Boys have better spatial skills because they played with construction toys. So I thought, okay, if I wanna help develop girls' spatial skills, maybe if I could get them building with construction toys, then that might be a way, but other construction toys had tried this before. The genius approach was let's make them pink and then girls will play with them. Well, I noticed in the toy store that these pink construction toys were sitting in the corner of the aisle with dust all over them and I thought maybe there's a better way and so as I started to research, I spent weeks and weeks observing, reading every book I could on child development, begging my friends to let me babysit their kids and I observed something. I found that if I just gave a girl a bunch of construction toys, a lot of times she would play for a little bit and get disinterested. In one of my sessions, I actually asked a bunch of girls, "Well, what do you wanna play with?" And a bunch of them said, "Well, we actually wanna read a story. "We love this new book that we got." They ran upstairs and brought a book down and I remember in that moment thinking, huh. We have all these construction toys on the floor and then we're sitting here reading this book together and I noticed that girls really love stories and narratives and characters and so I had this kind of genius idea, which was girls love stories. Why don't I incorporate storytelling with building? Because a lot of boys tend to take construction toys and build a big tower and then smash it against the wall, but girls really liked kind of building when there was more of a reason why, sort of a narrative and a context, so that was my big idea, was combining storytelling with building. So this is kind of funny.

My grandmother was actually a pioneer. She's one of the first female animators and created Mr. Magoo and so I've always had this love of cartooning and art and so my very first prototype of GoldieBlox wasn't a construction toy at all. I actually drew a sketch of a little girl who was not a princess, but not a nerd. She was gonna be a builder and in these sketches, I had Goldie building these elaborate cool machines and so I started prototyping kind of what would Goldie build? What would be some of the machines that she would make? In this first prototype, I created a belt drive where Goldie built a machine to help her dog chase his tail. So this is all stuff, I'm going to the hardware store. I'm rummaging through my drawers with thread spools and clay and it was very these ramshackle prototypes, but it was enough to kind of get my idea out of a girl character in an associated building set where kids could kind of build along with Goldie and once I'd had this prototype, I was just like, oh my god, this is genius, right? Nobody has done this, this is genius and so I came up with this plan, right? This is my grand master plan where I've got this original prototype that I know is just this breakthrough idea and one day I'm gonna disrupt the pink aisle in every toy store with this idea. So there wasn't a very straightforward path to that as I had thought, but in my talk today what I wanna share with you all is sort of this sort of circuitous path that I took from having my kind of first prototype in hand to actually getting GoldieBlox onto the shelves of toy stores around the world. So I'm gonna start with my first step and kind of my first sort of lesson learned along the way, which is at the very beginning having this first prototype, I had to learn the difference between being an inventor and being an entrepreneur. So I brought my first prototype to the New York Toy Fair to get advice from the bigwigs in the toy industry and very early on, and in my mind, I'm like this is the best idea ever.

Everybody's gonna love this. This is what I heard. It was mainly old white men in suits who run the toy industry who said, "You can't fight nature." They said, "Girls wanna play in the pink aisle. "Girls don't wanna build. "This idea's never gonna go mainstream." So at this point, I had quit my job and I was going off of my life savings, so this was not very good news to hear. I was pretty dejected, as you can imagine and right after the toy fair, I had actually signed up to go to this social entrepreneurship conference and to be honest, I wasn't in the mood to go at all. I kind of just wanted to go home and crawl up in a ball and hide, but I had already signed up and I'd paid, so I go to the conference and it was this conference for social entrepreneurs. There were about 100 people there and the deal was everybody who was there had to get up and share their idea in front of the room. Well, I wasn't feeling so great about my idea at that moment because all of those old toy men had told me it was a stupid idea, but I got up anyway to share the idea and unlike the reception at the toy fair, all of the young people at this social entrepreneurship conference, they were inspired. They all got up to their feet and cheered.

They formed a line around the building, all wanting to be a part of it and there was something that I learned that was really helpful at that conference and it was this concept of being an inventor, being an entrepreneur. I learned that being an inventor means that you sort of hole up alone, kind of working on your idea, trying to come up with something and that's what I'd been doing for the last few months. I'd been kind of alone in my apartment making those sketches and prototypes and even though it was my passion, it was what I knew I wanted to do with my life, I was lonely. I wasn't having a lot of fun and I was too afraid to talk to people about my idea 'cause I was afraid that some big toy company might steal it and so I was just lonely. The moment I went to this social entrepreneurship conference and I built up the courage to get up and share my idea without making somebody sign an NDA, which by the way, I'd even made my mom sign one, I was so paranoid. (audience laughs) The moment I actually, I'm not even kidding. I have a copy of it. (audience laughs) The moment I actually finally kind of put myself out there, everything changed. All of a sudden, I wasn't feeling lonely anymore. I had people coming to my apartment every day.

Evenings, weekends. We were working on the prototypes together. They were helping me, they were giving me advice. They were giving me ideas, just volunteering because they were passionate about it. They helped me kind of take that first sort of ugly prototype and they helped me rapidly prototype it again and again and again. They helped me test it with kids. We tested it with over 100 kids and each time we observed kids playing with it, we found ways to make it better and better and so all of a sudden, I went from being this kind of lone hermit inventor to being an entrepreneur because the entrepreneur is somebody who shares their vision and more importantly brings people along and the moment that those people lined up to be a part of it and I let them is the moment that I became an entrepreneur and so with their help, I went from this lonely hermit prototype in my living room to a final toy that girls loved. Girls in tutus and tiaras were building belt drives and loving it and so I knew I had it, but the problem was I knew that all of those old people in the toy industry were never gonna believe me. They all thought that this was never gonna sell and so I put it up on Kickstarter and before I knew it, I had sold about $1,000,000 of GoldieBlox in pre-orders before manufacturing a single unit and so the amazing thing was that this mission that I believed in, by being able to sort of share my vision in a video format was kind of the same way that I shared my vision at that conference where I just kind of talked to people about, "Hey, here's what I'm doing and here's why." I was authentic and I invited people to help by taking this Kickstarter, backing it and making it a reality and the concept went viral. All of a sudden, TechCrunch wrote it up, The Atlantic, Huffington Post, it was all over the news of can an engineering toy get girls interested? Can an engineering toy solve the gender gap? My team of three full-time employees, this is our packing party where we started shipping out Kickstarter orders and these are some of our very first backers and so it very quickly in my very first year went from being an inventor to an entrepreneur and was very proud to go back to that toy fair with my own booth one year later and sure enough, who came over to the booth but Toys "R" Us? They said, "Hey, you're making us look bad.

"We'd like to carry your product." So before I knew it, six months later, GoldieBlox was on the shelves of Toys "R" Us nationwide, which thank you. (audience applauds) So which led us to year two and the next kind of big lesson learned for me, which is how very limited resources can actually be a big strategic advantage. So getting into Toys "R" Us nationwide was this enormous accomplishment. I remember walking in the store for the first time and seeing the toy on the shelf and I had tears, both of joy, tears of joy that I had accomplished the impossible and also tears of dread because I just realized, oh my gosh, this toy is one tiny box in a sea of pink and how are we gonna compete? How are we gonna compete? What actually started to happen was we started to get our sales results in from Toys "R" Us and the toys weren't really selling and so we had disrupted the pink aisle, but we were gonna get kicked out of there any moment unless the sales started to pick up and so I asked Toys "R" Us, "What do we do, what can we do? "Give us some ideas, we'll do anything. "We wanna get the toys to start selling." They said, "Well, usually our partners "do national TV commercials "and that usually helps get the toys to sell." So those cost about $2,000,000. That was really not in the cards and so we had to get scrappy. We invited our Kickstarter backers to the Toys "R" Us parking lot and we said, "Hey, we're gonna film a video together." Our idea was if we wanna tell the world that we're in Toys "R" Us, let's film a shot of a bunch of words running through the pink aisle screaming, so we invited our Kickstarter backers to the parking lot. About 50 people showed up, kids and their parents. We're getting ready to kind of get this stealth shot and then the security guard starts circling. I'm like, "Oh my god, we're gonna get arrested." (laughs) So the manager of Toys "R" Us comes out with this clipboard and they say, "What's going on here?" So I told a little white lie. Said we were the loveliest girls club on a field trip to the girls' favorite place in the world, Toys "R" Us.

(audience chuckles) He said, "Oh my gosh. "Why didn't you call me? "I hope we have enough gift bags." He runs in, comes back out with Geoffrey the Giraffe, handing gift bags out to the girls, announcing us, welcoming us in. We set up our video equipment, get the shot, posted the video on YouTube and we got about 1,000,000 views and the story broke that GoldieBlox broke into Toys "R" Us and it went viral and all of a sudden sales started to pick up and so we kept trying to figure out ways, like how do we, even though we're this teeny-tiny team, we're only five people, how do we get the word out? We found out about a contest being run by Intuit where one small business had the chance to win a free Super Bowl commercial, so I'm like, okay, there's our national TV advertising. We gotta win this and so again, it sounds crazy. How could we win a Super Bowl commercial? We just put it on the wall and we said, "This is our goal." Our team of five people, every single day tried to get creative of how are we gonna win this? So we emailed our Kickstarter backers. We emailed our fans, just begged every day vote for us, vote for us, vote for us and sure enough, out of 30,000 small businesses who applied, GoldieBlox was the grand prize winner and so we had a commercial in the Super Bowl, which I will play for you. (upbeat rock music) ♪ Come on, get your toys ♪ Girls make some noise ♪ More than pink, pink, pink ♪ We want to think ♪ Gonna build, gonna grow our minds ♪ Let me tell you, honey (girls cheering) ♪ Right now's our time ♪ Right now's our time ♪ Oh yeah ♪ So come on, bring the toys ♪ Girls build like all the boys ♪ It's time to fly, fly, fly - [Girl] GoldieBlox, toys for future innovators. - [Narrator] Congratulations, GoldieBlox. Intuit QuickBooks is proud to have put your small business on the big game. - (chuckles) So at that point, 100,000,000 people had found out about GoldieBlox and our mission to disrupt the pink aisle and so all of those old toy guys who said it was never gonna go mainstream, in that 30 seconds were entirely proved wrong and from there just an amazing domino effect happened where we got the opportunity to have a float in the Macy's Thanksgiving Day Parade.

I got to meet President Obama and be inducted as a Presidential Ambassador for Entrepreneurship. Just doors started flying open left and right for GoldieBlox and it was this amazing and exciting time, but Houston, we had a problem and that was the demand for our toys was growing so fast, so fast that our team didn't have time to quality check everything as well as we wanted and so going into year three, GoldieBlox is on top of the world. Meanwhile, we have a problem with our blocks, which leads us to kind of the next lesson learned, which is how do you turn failure into an opportunity? So my biggest fear in starting GoldieBlox is what if the girl construction toy wasn't well-engineered? What if we gave a construction toy out and little girls got frustrated and the opposite effect happened? Where instead of getting them interested and excited in engineering, they got frustrated. It was literally my worst nightmare and I was living it, so in 2014, Super Bowl commercial, Toys "R" Us nationwide were shipping tens of thousands of units from something that had less than a year before been a prototype in my living room. Anyone who has a hardware company knows this is very common. You're gonna have problems, but this was just a whole level of something I was completely unprepared for. We started getting complaints in that the blocks were not fitting right, a little bit too loose and I was just so upset, I could barely handle it, so we thought, okay, what would we do? What would an engineer do? When you have this big hairy problem, let's break it down into simple and manageable steps, right? So what do we need to do? So first we need to fix the block hole. Okay, can we do that? Great, we know how to fix it. Now we've been able to manufacture better blocks. The problem is solved, but now how do we go back and tell all of those people, "Hey, everybody, we fixed the problem "and you should trust GoldieBlox again.

"Let's try building again." So I made a pretty major executive decision and we were a small startup at the time without a lot of resources, but I thought there's no better way to deploy our resources than going back to all of those customers, telling them that we fixed our blocks and giving them new ones and so we did a huge campaign where we reached out to everybody to tell them about our new blocks. Filmed a video myself kind of being vulnerable and talking about the mistake that we had made, but what we were doing to fix it and we also actually wrote a letter from Goldie to each kid, which we had personalized with their name talking about how engineers don't always get it right the first time, but that doesn't mean that you give up. It means that you keep going. You keep iterating and you make it better and we actually drew a picture of the engineering solution that got the block to fit better and we sent it out to every kid. We actually went and replaced 1,000,000 blocks, which was an enormous investment and worth every single penny, so we turned that failure into an opportunity and every person that we touched fell in love with our brand even more. So then I get to my next lesson on my circuitous path, which is design for the customer, not the retailer. So GoldieBlox is flying high and every retailer wants to carry it. I mean, the brand is so hot and sure enough, Walmart calls and Walmart is begging for GoldieBlox. I mean, imagine being in the situation where Walmart is begging for your product and so in order to sell at Walmart, we were told by a lot of the toy industry veterans that you have to have products at $9.99. You have to have low price point products.

That's what sells at Walmart and so our whole focus for the year was, okay, we're gonna go big. GoldieBlox is gonna hit the mainstream and everybody drop everything. Let's figure out how to make toys that are 10 bucks and make a lot of them 'cause we have to have a lot of products to fill up a lot of room. So we had a really small team still, about 15 people and we were just bending over backwards under insane timelines and all we're thinking about is hitting that $9.99 price point and hitting the shelf date on time. What ended up happening was we worked as hard and as fast as we could. We went from six products to 18 products in less than a year, getting out as many products as we could at the cheapest prices that we could and as a result, those cheap products very quickly went on clearance. We had kind of forgotten the most important thing, which is if GoldieBlox was gonna be successful, we have to design for the girls. Every product, it doesn't matter how much it costs. If it's not a product that excites and gets every girl interested in wanting to build more and more, we've failed and so by the end of the

year, we had gone from sort of being on the top of the world to sort of hitting this real reality, major major reality check, which leads me to my final lesson which is never ever give up. So kind of every startup is a roller coaster, you know? At one moment, you're at the top of the world and I feel like we at this moment had sort of gone right back down to the bottom again and so we had to sort of have a soul-searching moment of where do we go from here? What do we do now? So we thought, okay, let's forget about designing for the retailer.

Let's forget about the toy aisle. Let's forget about disrupting the toy aisle. Let's think about making the best possible products that inspires these girls. Let's think about what have we done so far that girls really love and let's lean into that and so as we started to look at that and think about it more and more, we'd realized that in fact what girls were really loving about GoldieBlox, they were loving building and we were introducing it to them in a new way, which was good, but what we noticed they loved the most was they loved the idea of this character Goldie. They were dressing up as her for Halloween. They were wanting to, they were admiring her and every time we had kind of introduced Goldie and her friends to them, these characters and these stories, that was what was really engaging them and that was what was really unique about us. Tinkertoy doesn't do that and K'NEX doesn't do that. You know, the construction toys don't do that. That was something really special about us. It was really the stories and so we started leaning into that more and more and really kind of thinking more and more and spending our time not focusing on what can we make for $9.99, but focusing on how would we create this role model, Goldie, to really become a role model of girls? To really become kind of an inspiring maker? Who is she, you know? Who are her parents? Who are her friends? What town does she live in? What kind of things does she build? We started writing much richer and deeper stories and really started figuring out who is this girl? And can we really develop enough story about this character that she will be somebody that every girl falls in love with and wants to be? So we started leaning into that more and more and just yesterday, we actually announced chapter books with our partner, Random House, and so now we'll start to get out these really rich stories about this girl who believe it or not, is literally the first girl engineer protagonist in children's entertainment.

It took until 2012 for somebody to create a girl engineer in children's entertainment and so now we have chapter books coming out about Goldie. We started figuring out how do we get these stories out more? We started just experimenting on YouTube and making short videos, just as quickly as we could with stories about Goldie. We took our little toy character and we created a web video series called Toy Hackers where in each episode, our little toys would have to solve engineering problems and so they would get a prompt and just using common household objects in each episode, these little toy figurines would build solutions to problems and every week we'd put up a new episode where we just made them in our office and the videos started to climb where we would get views and more views and more views and our subscribers of kids watching the content started to go up. We started to think, well, how else can we get Goldie, this character, out in front of kids in a way that we can control it, we can own it, and we can do it scrappy? We took all of our toy parts and we put them into curriculum kits where we could get it into the classroom and have kind of STEM educational curriculum for kindergarten through third grade and it sounded really daunting. How would we now create, go into the entire education market? Well, all we did was call up our friend who was an elementary school teacher and ask her if she would help and she literally did it in exchange for free toys and she called up her other friends and before we knew it, we had all of these teachers passionately wanting to create GoldieBlox curriculum for students and coming by the office every day and putting stuff together, going out into classrooms, testing it with kids and showing how we could have this character, Goldie, kind of walk kids through STEM curriculum in a way that wasn't intimidating for the kids or the teachers and so we started launching these classroom kits. We started putting out apps and we started developing a bible for an animated series and so really kind of thinking about if Disney Princess over the last 10 years has built an entire lifestyle around being a princess with cartoons and films and apps and books and room decor and costumes where every little girl gets to live out a princess fantasy, we started to kind of shift our strategy and think, well, how could GoldieBlox enable that maker culture, that maker lifestyle? How do we enable every little girl to be a maker? And how does GoldieBlox, the character and her friends inspire girls to wanna build and invent, not just do their hair or put on makeup? So it's been a very circuitous path, just to recap kind of the lessons learned over the years. So number one, the concept of being an entrepreneur I think has been so important. Again, the notion of just hustling, bringing people onboard and I think one thing to point out about that that's important is when you have something like GoldieBlox that has a social mission that's bigger than you where if you succeed, it's going to benefit other people, it's gonna help change the world, it kind of gives you the mojo to go out and make kind of audacious asks and go ask people to get involved and be a part of it 'cause it's not in some weird gross self-promoting kind of way. It's in a way where you know that you're doing something bigger than yourself and I think that's what really enabled me to sort of act like that entrepreneur when normally I often wasn't the kind of person who enjoyed networking or that kind of stuff. There was something about the social mission of it that enabled me to really start acting like an entrepreneur.

The limited resources being a strategic advantage, so anyone who goes into entrepreneurship will face this. I mean, it's the whole point. If you're starting something out, you're gonna have very very limited resources and to even think that GoldieBlox could one day become as big as Disney Princess, I mean, it's incredibly audacious. It sounds crazy. Yet, to think that Debbie Sterling could graduate from Stanford with an engineering degree also seemed pretty preposterous and yet if you kind of put that goal out there and you work really hard and you learn that you can achieve things, you start to realize, hey, you can get there if you break these things down into simple and manageable steps and sometimes having those fewer resources means

you're an underdog, you know? People root for that. They wanna be a part of it and sometimes when you don't have that many resources, it forces you to think outside the box. Would a big toy company ever break into Toys "R" Us and almost get arrested? No, but that's what makes us so awesome. (laughs) The next lesson, which is turning failure into an opportunity. I think it's so important. I see it every day.

I see girls being afraid to fail. I see little girls being so obsessed with perfection that they almost don't wanna try something if they think they're gonna be bad at it. That's something that I wanna overcome with GoldieBlox. I wanna let them know that engineering is all about failing and failing is great because when you fail and you learn something from it and then you succeed later, there's nothing greater than that and if you're not comfortable with failure, you're never gonna be able to succeed as an entrepreneur, so rather than being so afraid to fail, you don't even try. Just leaning into failure and taking every failure as an opportunity to learn something new. Design for the customer. This may be the biggest lesson I've learned overall. I can't stress enough as you go into entrepreneurship, you start building your business, you'll have investors. You'll have people kind of all pushing for different things and at the end of the day, if you're not delivering something, if you're not focused 100% on your customer and in our case, honoring the little girl, then you've missed the mark and so just always remembering that, who your customer is and just staying true to that and defending it. Then the last one is never ever giving up.

Entrepreneurship is so hard. For me, I think if I wasn't just so obsessed with achieving this mission, delivering this to girls, of giving every girl around the world kind of that nudge that my engineering teacher gave me, that to me it's just what gets me up every morning and so I've had so many failures along the way with GoldieBlox. So many moments where quietly I've wanted to give up. So many things that didn't work out the way I'd planned and having to go back into the office every morning with a big smile, having to go and put myself out there and pitch or be on the news when I know in the back of my head things actually aren't really working out. That's what every entrepreneur goes through and the ones who are successful are the ones who refuse to give up. So just closing my talk 'cause we're gonna go into Q and A here, but it has been a wild ride toward disrupting the pink aisle and I think what I've learned along the way is it was amazing that I achieved that in such a short amount of time, but it actually wasn't the big goal that I really needed to do and now I'm focused on an even bigger goal, which is really building this character brand to become sort of the face, if you will, of the maker generation. So for every little girl who grows up with her princess face, I'm gonna give her her maker face. I don't think that it's going to be a very straight path. (laughs) I suspect that that arrow will break in a million different directions, but I couldn't enjoy the ride more. (audience applauds) So I think we have about 15ish minutes for Q and A.

Go ahead. - [Audience Member] So I'm a guy, I'm an engineer. I have a six-year-old daughter and so I'm doing my best to try and encourage her in this way and getting these GoldieBlox, but I'm wondering what thinking you've given to those who maybe don't come from my background. You know, some of it comes naturally then to my daughter, but some of it also is unnatural. I didn't have sisters or things like that, so what about helping mothers and fathers who don't come from engineering backgrounds the same as you're doing for teachers? - Mm. Yeah, so I think one of the reasons why GoldieBlox was kind of this breakout was because I think we realized early on that most people aren't advanced engineers and there are very few women who are engineers and so if this product line was only focused around people who really deeply understand engineering, we were gonna have a pretty niche market and so really early on, and we continue to do this more and more, was how do we introduce these engineering concepts in such a way that it is accessible to anybody so you don't need to have an engineering degree? How do you make it fun? How do you make it so that kids are building and playing with stuff and they don't even know that they're learning something? So that was really our goal and I would say that along the way as we've been developing more and more products and kind of seeing how people have reacted with them, if anything I've learned that really the more fun you make it and the less you try and kind of make it feel like you're in school, the better and I think what we have found that helps is kind of from the product experience, it needs to be so fun, kids don't even realize they're learning, but offering parents tools, parents who are interested in getting their kids interested in this stuff. We've been actually offering a lot in our social media. So sharing articles or tips on how to get your kids interested, pointing out, hey, you can teach your kid this, you can teach your kid that, so we've really sort of separated it out so the play experience, the toys have to be fun. It's a toy, but we have found ways of sort of engaging with parents sort of separately on those platforms. - [Audience Member] So it seems that you didn't have investments in the first few years, so what is different with that and what is the biggest difference after you got the investment? - Sure.

The question was it seems like we didn't, what was the difference between pre-investment and post-investment? So at the beginning I was really building the company off of my life savings, so I had quit my job and I had saved up a certain amount of money in my bank account and was like, okay, this money's gonna last me a year to really go for this because I had been kind of working on nights and weekends and in my spare time and I had just gotten to the point where I'm like, I'm never gonna get somewhere if I just only do it in my spare time. I gotta go all in or it's never gonna happen and so it was scary to do that 'cause I'm like, well, what if I fail? But then I thought, okay, what's the worst case scenario here is that I spend a year of my life savings, I run out of money, it didn't work out and so I'll just go get a job, you know? I'll never regret kind of giving it a real go of something that I was passionate about. Even if it doesn't work out, I would never regret that and so at the beginning, kind of going off of my life savings, one of the benefits of that was that with such few resources, I didn't have the money to spend on

expensive prototypes and as a result, I had to make quick and dirty prototypes and they weren't as precious to me and so I'd be willing to just toss the idea 'cause I hadn't spent $5,000 on it, convincing myself that it was a great idea even though observing kids hating it, you know? So there was a huge advantage to just going off my life savings. Another thing was that because I didn't have a huge investment, I decided to do crowdfunding. If I had raised a bunch of money at the beginning, I probably wouldn't have done crowdfunding. I probably would have gone the traditional route of selling into brick and mortar stores, but by doing crowdfunding, it was actually a very great marketing tool because it put the idea out and it ended up going viral and so these were just great things that happened out of me kind of going off at the beginning with my life savings. We raised our first major round of capital right after the Kickstarter had kind of gone through the roof and there was a huge change after that. I think the biggest thing is once you start raising real money, it really enables you to start actually hiring employees, is probably one of the biggest changes and so very quickly it went from sort of feeling like volunteers, you're in an apartment to you're a company. You're set up. You have weekly meetings.

You have annual reviews. It formalizes things pretty quickly. The other thing is once you take in money, then you have investors who have certain expectations and a lot of times the investors wanna see you make as much money as quickly as possible and many times that's actually maybe not the best thing that you should be doing and so one last thing, I'm kind of rambling here, but I think that I've learned that took me a real long time to learn that I know now is it's really good to, you know, it's important to find great investors, but it's also important to find really great strategic advisors as well who are really deeply knowledgeable about your space and it's really important to formalize things, whether it's quarterly board meetings or whatever, to make sure that the investors who have money in the company, but also the advisors who know the right things you should be doing are all in the same room so that if the investor's saying, "No, sell, sell, sell. "More, more, more. "More money, more money, more money." And you're on the phone like, "Okay, okay." Then on the phone with the other advisor, "Don't do that. "You should be focusing on this." "Oh, okay, okay." Bring them together 'cause as soon as you start taking money and there's just a lot of pressures and outside expectations that you need to answer to and it's good to kind of get the right people in the room sort of discussing it as a group rather than separately. - [Audience Member] What are your thoughts on measuring the impact of GoldieBlox on girls' sensory motor and cognitive skills? - The question was how do you measure the impact of GoldieBlox on girls' motor skills and their interest in engineering? So early on, I had to decide whether I was gonna set up GoldieBlox as a for-profit or not-for-profit and it was a kind of tricky thing 'cause I'm like, well, GoldieBlox could be a nonprofit because it's doing this great social mission, but at the same time it's a consumer product and it could be a for-profit company and I wasn't sure which way to go and actually part of the reason why I chose the for-profit route was I felt like it would be a faster way to achieve our goals. The nonprofit route requires you to do a lot of measurement on things that I sort of felt like might be difficult to measure. It might take a really long time to measure and so I'd worked in the nonprofit world before and I had seen those challenges and so right now the way I measure GoldieBlox's success is a few things. So one, a lot of it's anecdotal.

So every day we get photos and letters and videos of kids and their parents writing in, telling us how GoldieBlox has changed their lives. Girls kind of calling themselves engineers. You know, parents saying, "I can't believe that she even knows what that is." Those are kind of anecdotal ways where we're like, "Wow, we're making a difference." The other way to just tell we're making a difference is how many kids are buying our toys and coming back and buying more because if they're buying them and playing with them, then we know that they're building and they're learning something. Then the other way is there have been universities and sort of third parties who have been interested in the effects that you're talking about and so we have given them the green light to go and conduct research studies, which is really great because then we're not conducting our own research study where then we can go publish some article about the change that we made where we stacked the deck and made it seem better than it was. I actually am more interested in these unbiased third party studies. One recently came out that was done by Penn State over a period of three years and it's fascinating to see what they've learned and it's gonna be published publicly soon. - [Audience Member] How are you going to put the product in poor countries? - Oh, that's a great question. How are we gonna sell the product in poor countries? So growing internationally is a beast unto itself. I have learned the hard way that focusing on getting things right sort of first in the U.S. and under things that you can control even when there's a lot of countries all around the world that are asking for it, it's better to kind of get things really optimized first in kind of the U.S., but then keeping in mind your long-term goal of wanting to make it available to little kids all around the world.

Our plan for that is actually by creating an animated series for GoldieBlox and her friends and distributing that globally and finding a partner that gets that out all around the world, will enable us for more kids to find out about GoldieBlox all around the world and once we've done that, then that enables us to find partners who are gonna create GoldieBlox products that are available to those kids around the world and once we've done that, we'll be able to find partners like great foundations or nonprofits that wanna help pay to make it available to kids who can't afford it. - It's really inspiring and I literally was moved to tears many times during your talk 'cause it's just so important and I'm curious about sort of building on this last question, this GoldieBlox has blonde hair and blue eyes and looks like certain types of kids. Are you planning on sort of making a more diverse set of characters that might be more relevant for kids who don't look like that? (audience members applaud) - Yeah, we actually have. I don't know if you can really see, but Goldie's best friend, so Ruby who's African American, Li who's Chinese, and Farrah is Hispanic, so we actually already have a crew of diverse characters, which is incredibly important to me. Goldie's

sort of our main hero protagonist, so she's like our Harry Potter if you will, but her friends are ethnically diverse. - [Audience Member] Do you see any potential problems with having the minority characters as supporting roles, as opposed to playing a protagonist role? - You know, a lot of kids properties right now are worried about that and so what they end up creating for their franchises are sort of friend ensembles, so if you see like, I don't know if you're familiar with DC Super Hero Girls. They have eight girls and they all have the same body type, but they all have each ethnicity. Lego Friends, same thing. A group of six girls of every color. Monster High, all of them do the same thing.

They have the group and I thought about that and my approach is I really think and what I'm excited about is really creating kind of more of an iconic hero if you will, a girl who is an engineer and there never really was one before. Most kind of main girl characters are princesses and beauty queens or pop stars. I wanted to create an iconic girl maker and when I first drew the picture of her, I called her GoldieBlox and I didn't really think anything of it. I just gave her blonde hair 'cause her name was GoldieBlox, you know? I kind of drew a girl that looked like me 'cause I was sort of making a little mini Debbie as a cartoon character. I feel I'm excited in the stories that we're telling about this girl who's like a Pippi Longstocking, Punky Brewster, unique eccentric individual who's a maker and by kind of building her up as an iconic girl and she will have friends of other ethnicities, but I think that there's really strong storytelling in building an icon. - [Audience Member] It seems like GoldieBlox is pretty gender-specific in its choices of color selection and in advertising, so what role do you think gender-specific toys play in forming gender stereotypes in our community? - The question was around gender-specific marketing or colors or that GoldieBlox seems like it's very targeted to girls and what's my opinion on gender-specific marketing in general in toys? So when I was first kind of choosing the color palette for GoldieBlox, I had a big choice to make, which was I can go pastel pink and purple, which is what's very popular for girls and is common to the pink aisle. I can go entirely gender-neutral, which is primary red, blue, and green, which in the construction category is so commonly boy that I think most people would just assume that that is for boys and so instead of going, and I wanted to make sure that girls were gonna play with it, so I didn't want it to be confused for something that was for boys 'cause my goal was I want to really give girls an advantage that they had been missing out on because they hadn't been marketed to and so I opted for just an entirely different color palette, which was just all kinds of bright and modern colors that include pink and purple and green and brown and all kinds of colors and so that was the color palette that we went with. I think some people complain because they want it to be girlier and some people complain because they want it to be more gender-neutral, but I think my goal is that as long as most girls are excited about it and wanna play with it, I think that's great. I'm somebody who personally really likes the color pink myself, so I don't have anything against it and one thing that's kind of funny that I've learned is that boys, despite the fact that GoldieBlox has pink in it, couldn't care less and love playing with it anyway and they think that this Goldie character's pretty cool, so my view on the future of gender marketing toward kids is that I think that those lines are really blurring and that kids are kind of no longer, it's really blurring, which is exciting. - Well, this was thrilling, Debbie.

Thank you so much for this incredibly inspiring talk. (audience applauds) Thank you so much honestly.