

mini-case 1-429-019
January 28, 2010

Build-A-Bear Workshop

Our stores are a mini theme park in the mall, where people can escape from outside pressures and find the comfort, caring and security that the teddy bear has represented for over 100 years.

—Maxine Clark letter to shareholders, 2008.
*Founder, chairman and chief executive bear, of Build-A-Bear workshop.*¹

Maxine Clark founded Build-A-Bear workshop in 1997. A retailing veteran, Clark related, “Every grown-up that I spoke to about the idea before I started said it wouldn’t work, but every child I spoke to said it was a winning concept.”²

The concept was to create stores where customers (or “guests” as they were usually referred to by Build-A-Bear) could make their own teddy bears. In her days at the May Company, Clark had often heard the chairman’s philosophy that “retailing is entertainment and the store is a stage.” Clark created the stage and necessary supplies to provide the opportunity to customize bears.

While Build-A-Bear’s flagship store in New York City was 20,000 square feet, the typical mall-based store was between 2,000 and 4,000 square feet. The store had eight stations dedicated to the bear-making process:

1. Choose Me
2. Hear Me
3. Stuff Me
4. Stitch Me
5. Fluff Me
6. Dress Me
7. Name Me
8. Take Me Home

Guests selected from about 30 “skins” to be stuffed at the Choose Me stations. While Build-A-Bear considered teddy bears its flagship product, other animals were represented among the selections. For example, Holly and Hal Moose were among Build-A-Bear’s bestsellers. After Choose, Hear, Stuff, Stitch, and Fluff, guests got to the Dress Me stage, for which about 450 items of clothing, shoes and accessories were available. This included some licensed items made available through agreements with the National Basketball Association, Major League Basketball, the National Football League, and Disney. Some of the items of available were: