CBI MARKET SURVEY

THE TOYS AND GAMES MARKET IN THE NETHERLANDS

Publication date: August 2007

Report summary
This CBI market survey discusses the following highlights for the toys and games market in The Netherlands:

- Consumption of traditional toys and games reached € 545 million in 2005, an annual decrease of 1.2% compared to 2001.
- The Netherlands is the sixth-largest market in the EU, with a share of 4%.
- Production reached just € 60 million.
- Imports totalled € 576 million, increasing by an annual average of 1.7% since 2001.
- Exports reached € 497 million, an average annual change of -3% between 2001 and 2005.
- The share of developing countries (DC) was 60%, well above than the EU average. DC imports grew by an annual average of 2.3%. China is the most important DC supplier, its share in total imports increased from 53% to 56%.
- Other DC countries showing growth were Pakistan (9.4% growth); India (5.3%); and Malaysia (0.2%).
- The infant and pre-school segment is growing strongly. Electronic toys and licensed products in all product categories offer opportunities for exporters.

This survey provides exporters of toys and games with sector-specific market information related to gaining access to The Netherlands. By focusing on a specific country, this survey provides additional information, complementary to the more general information and data provided in the CBI market survey 'The toys and games market in the EU', which covers the EU market in general. That survey also contains an overview and explanation of the selected products dealt with, some general remarks on the statistics used, as well as information on other available documents for this sector. It can be downloaded from http://www.cbi.eu/marketinfo.

1 Market description: consumption and production

Consumption

NPD gives quite a low estimate of the Dutch market for traditional toys and games at € 545 million in 2005, an average annual decrease of 1.2% since 2001. The Dutch retail association HBD estimates consumption at just over € 1 billion, a decrease of 5.8% compared to the previous year, but still an average annual increase of over 1% compared to 2000. The Dutch market is the largest medium-sized market in the EU, with 4.1% of total EU consumption, ranking below Spain.

The future of the toy market in The Netherlands is looking brighter, according to industry sources. Although the amount spent per shop visit might decrease slightly, the total market will grow in the years to come. The dominant retail group in The Netherlands, Blokker Holding, posted good 2006 results and pointed to the leading role of toys in further improved 2007 figures. Factors influencing this positive outlook are the improved birth rate and good economic conditions after several years of low to zero economic growth.

Unfortunately, there are no product category data available for The Netherlands. Prodcom data do not give a good view of total Dutch consumption, but might afford an insight into the various product groups. Figures for the product categories were as follows: construction sets (32% share in 2005, +7.8% average annual change between 2001 and 2005); plush (13%, -2.4%); outdoor (10%, 0%); games and puzzles (9.7%, +169%); other toys (9%, -26%); learning (8%, +57%); models and trains (7%, +14%); motorised toys (5.7%, +164%); animal and fantasy figures (3%, +18%); dolls (1.7%, -13%).

Market segments
The most important segmentation in the toy market is by age and gender. Kids play with different toys in different age groups, and there is a clear distinction between toys for girls and toys for boys. On average, 27% of toys and games is given to 0-3 year olds; 61% to kids in the ages 4 to 11; and 12% to kids of 12 years and older.

At present The Netherlands has one of the highest fertility rates in the EU with 1.73 kids per woman. This rate is likely to remain the same, or decrease slightly during the next five years. In 2005, the total number of children in The Netherlands was 3 million, an average annual increase of 0.1% since 2001. As it has 3% of the EU youth, The Netherlands is one of the medium-sized member states. The number of kids will remain stable during the next five years; the number of kids between 0-5 year is the same as the number of kids between 10-14 years. This is better than the EU average. During 2005, girls accounted for 48.9% of the child population.

Table 1.1 Age groups 0 - 14 years, 2001 - 2005, thousands

Age group:	2001	2003	2005	Average annual change	2005 share	Average EU share
0 - 4 years	1,008	1,022	999	-0.2%	33.4%	32.1%
5 - 9 years	993	986	993	0.0%	33.1%	32.6%
10 - 14 years	988	1,005	1,004	0.4%	33.5%	35.4%
Total 0 - 14 years	**2,988**	**3,013**	**2,997**	**0.1%**		

Source: Eurostat (2007)

Trends
- The fourth quarter accounts for 58% of annual sales. Not Christmas, but St. Nicholas ('Sinterklaas') on December 5, is the most important moment for parents to indulge their kids with toys. However, during the last 5 years there has been an increase in Christmas spending, as a material celebration of this moment is enjoying increased popularity.
- In 2005, the average expenditure on toys and games per child in the age group of 0-14 years was € 182. This is higher than the EU average of € 168.
- Increased attention for the elderly as a target group for toys and especially games.
- Licensed toys are popular, licensed characters pop up in all product categories.

Production
Production data in volumes are confidential in The Netherlands, due to the small number of producers of toys and games. Prodcom data are insufficiently accurate to offer acceptable information. However, some data are available. The value of production of toys and games obviously increased during the reporting period and is estimated at € 60 million in 2005. A total of 316 companies was registered in 2005, an increase of 35 compared to 2001. The Dutch are apparently a playful people, as most of the small local production and product development concerns games and puzzles.

Interesting players
- Jumbo - http://www.jumbo.nl - games and puzzles.
- SES - http://www.ses-creative.com - educational and activity products.
- Bruynzeel-Sakura - http://www.bruynzeel.nl - arts and craft products.
- Goliath Games - http://www.goliathgames.com - publishes and imports games.
- Identity Games - http://www.identitygames.nl - game designer for own production or in assignment.
- PS-Games - http://www.psgames.nl - manufacturer and distributor of games.
- Rubo Toys - http://www.rubotoys.nl - develops licensed toys.

Opportunities and threats

Trends and market developments offer opportunities and threats to exporters. A given trend can be a threat to some and an opportunity to others at the same time, e.g. the increasing popularity of electronic toys can offer opportunities for manufacturers in that field, but be a threat to producers of plush toys. The following trends should therefore always be analyzed in relation to your specific circumstances. Refer to chapter 7 of the CBI market survey covering the EU for further information.

+ Electronic toys or toys with electronic capabilities are popular.
+ Older age groups are being targeted for games.
+ Green consumerism and Fair Trade is still on the rise, offering possibilities for products within that category and fulfilling the requirements posed. For more information, see the CBI market survey covering the EU.
+ The Netherlands does not have a significant production base which could offer outsourcing or contract manufacturing. However, it does have some smaller game developers which outsource production. For more information, see section 2.
- Prices have been falling in the past two years.

Useful sources

- CBS - Central Bureau for Statistics - http://www.cbs.nl
- HBD - retail federation - http://www.hbd.nl - publishes yearly statistics and sector information.
- Toy of the Year Award - http://www.speelgoedvanhetjaar.nl - competition promoting the industry, participation is expensive and only possible for the larger companies. Still it gives an indication of new products on the market.

2 Trade channels for market entry

Trade channels

The most likely partner is an importing distributor or an importer. The Netherlands has many of these. Typically they can be differentiated in three groups: the top-level importer dealing with recognized international brands; the smaller professional importer/distributor who takes his business very seriously, loves high-quality toys, has many contacts and aims for long-lasting relationships; the small, more opportunity-oriented importers, who take chances as they come and who will only put in an effort if they see a expect a quick profit. Of course, it is dependent on your product characteristics which of these will suit you. The first category will not be of interest. The second category can be of interest if you have a well-defined and well-designed line of products which offers opportunities once established in a market. The last category is the least secure, but will work for you as long as you remain competitive. However, this type of importer is often the one making an initial market entrance possible.

Distributors - wholesale channel

A large number of small agents, importers and distributors is active in The Netherlands, of which quite a number also works internationally. The Netherlands has always had an economy dependent on trading, which is aided by the importance of the port of Rotterdam for the EU imports of toys from China. Given the concentration in the retail trade, the fragmentation in the wholesale and distribution is surprising, but still quite a number of small wholesalers exist, supplying independent toy shops, as well as and the toys sold through other channels.

- Charl's Toys - http://www.charls-toys.com - importer and distributor of wooden toys.
- REZ - http://www.rez.nl - importer and distributor of model toys.
- TomToys - http://www.tomtoys.nl - importer and distributor.
- Fair Trade - http://www.fairtrade.nl - Fair Trade importer and distributor.
- VEDES / Otto Simon - http://www.ottosimon.nl - part of Vedes Germany, exploits Top1Toys.

Retail

The 850 specialist stores maintain their lead in traditional toys. The specialist chain is highly consolidated, with 54% of the stores being part of a retail chain, the Blokker stores being dominant. 23% is part of a buying group. The remaining 21% is independent. Only four years ago this was 34%. As a result of this, price competition is quite low in The Netherlands.

The increasing popularity of electronic devices like video games and DVDs means a widening of the distribution channels. Electronic and audio/video speciality stores will sell these products as well. These products are already sold on a large scale via the Internet. Co-operation and concentration of formulas will therefore be intensified in the future.

As a result of their buying power, the main players are able to source a high share of their products directly in China. This has led to a higher than average share of unbranded or private label products of the Dutch market.

Table 2.1 Retail distribution of toys, share in % per channel, 2003-2005

	2003	2005	Average annual change
Toy specialists	47.0%	47.0%	0%
General merchandise	8.0%	13.0%	27%
Department stores	9.0%	5.0%	-25%
Mail order / Internet	8.0%	11.0%	17%
Other	28.0%	24.0%	-7%

Source: HBD (2007 and 2004)

- Intertoys - 256 shops - http://www.intertoys.nl - toys specialist- part of Blokker Holding.
- Bart Smit - 181 shops - http://www.bartsmit.com - toys specialist - part of Blokker Holding.
- Top1Toys - 250 shops - http://www.top1toys.nl - toys specialist - formerly known as De Speelboom - part of the German Vedes Group.
- Toys 2 Play - 220 shops - http://www.toys2play.nl - toys specialist store-in-store formula - part of Blokker Holding.
- Toychamp - http://www.toychamp.nl - new specialist big-store formula.
- Toys 'R' Us - http://www.toysrus.nl - toys specialist chain, part of Blokker Holding.
- Blokker - http://www.blokker.nl - general merchandise - part of Blokker Holding.
- Kruidvat - http://www.kruidvat.nl - general merchandise - part of Chinese holding AS Watson.
- Bijenkorf - http://www.bijenkorf.nl - department store.
- V&D - http://www.vend.nl - department store.
- Wehkamp - http://www.wehkamp.nl mail order.

Contract manufacturing and outsourcing

The buying organisations, purchasing departments of retail chains and large distributors and wholesalers could offer opportunities for contract manufacturing of private label products and unbranded toys. See 'production' in section 1 for links or use the useful sources mentioned below.

Price structure

Margins vary widely. Discount products have lower margins than branded products and retailers aiming at large volumes have lower margins than specialist shops, still the following are some general indications. The total mark-up from manufacturer's price to final consumer price including VAT can easily reach 400%, especially when taking into account costs of logistics.

	Average margin
o Agent	2-5%
o Importer / distributor	15-25%
o Wholesaler	30-40%
o Retail	50-100%

Selecting a suitable trading partner
Sources mentioned below offer leads to companies active in the trade of toys and games. Trade fairs are the most common way to get in contact with possible customers and offer the ability to showcase your company and get informed about the competition. The type of organisation which suits your company best is dependent on your product range and target group. For more information, refer to Chapter 3 of the CBI market survey 'Toys and games market in the EU'. It is advisable to make an analysis of the type of trade partners your competitors use and find whether they are suitable for you.

It can be difficult for a small exporter to get into direct contact with one of the larger retail chains or buying groups without have established an export reputation. It is therefore recommended that you focus your initial attention on finding an importing distributor or agent. The higher the quality of your product the better the quality of an interested distributor will be. Be careful in your selection though, for instance, do not commit yourself to exclusivity without being sure about the reputation of the distributor and agreed commitment to the promotion of your products.

Useful sources
- Dutch Association for Wholesalers - http://www.nvg.nl - http://www.groothandel.nl
- Vereniging GEBRA - http://www.gebra.nl - toy retail association.
- VNT, association of Dutch agents - http://www.vnt.org
- NEVI - Dutch Association of Purchasers - http://www.nevi.nl
- FairProducts - http://www.fairproducts.nl - shop with Fair Trade products

3 Trade: imports and exports

Imports

Total imports
Imports of traditional toys reached € 576 million in 2005, an average annual increase of 1.7% between 2001 and 2005. This makes The Netherlands one of the medium-sized EU importers, with 6.2% of total EU imports. A significant part of these imports is re-exported again.

The most important suppliers to The Netherlands were China, Germany, Belgium and France. Of the EU suppliers, only Belgium, Germany and Denmark showed an increase in imports, though it should be noted that imports from Belgium are likely to be mostly re-exports of Chinese products entering through the Antwerp port. Germany had an annual average growth rate of 6%, Denmark 5%.

The share of developing countries in total imports was 60% (€ 348 million) in 2005. This is higher than the EU average, which was 52% in 2005. The growth of DC imports was, at an average annual increase of 2.3% during the past four years, lower than the EU average increase of 3%.

The main supplying developing countries were China (55%); Indonesia (1.7%); Pakistan (0.9%); Malaysia (0.9%); Thailand (0.6%); India (0.2%); Vietnam (0.2%); Philippines (0.2%); Sri Lanka (0.1%); and Mexico (0.1%) Imports from China were therefore higher than average in the EU (48%). China had a fair growth rate of 2.8% annually. The share of Chinese imports shows an upward trend, moving from 53% in 2001 to 55% in 2005. DC countries showing growth were Pakistan (9.4% growth); India (5.3%); and Malaysia (0.2%).

Imports by product group

In 2005, the most important product categories were other toys (share of 35%, +4.8% average annual growth); outdoor (11%, +15%); plush (9.2%, -1.3%); construction sets (7.7%, +7%).

The imports of all wooden toys decreased by 8.2% on average during period covered. At € 6 million, wooden toys imports are now as high as 1% of all traditional toys sold. The imports of plastic toys increased by 0.6% on average during period covered. Total imports of plastic toys were € 245 million (42.6%) in 2005.

Product categories with an above average supply from developing countries (apart from China) were construction sets; dolls; models and trains; and outdoor.

The imports of video games increased by a yearly average of 5.6% for the past 4 years. Imports in 2005 equalled € 1.1 billion.

Table 3.1 Imports of toys and games per product group and leading suppliers 2001-2005, € thousand

	2001	2003	2005	Leading suppliers in 2005	Share 2005
Total traditional toys and games	174.1	202.7	185.9	Intra-EU: Germany (11%); Belgium (9.9%); France (6.4%); Italy (1.3%); Utd. Kingdom (1.2%)	32%
	47.1	38.7	42.1	Extra-EU, ex DC*: USA (3.4%); Hong Kong (1.8%); Taiwan (0.8%); Switzerland (0.3%); Japan (0.3%)	7%
	317.8	318.9	348.3	DC: China (55%); Indonesia (1.7%); Pakistan (0.9%); Malaysia (0.9%); Thailand (0.6%); India (0.2%); Vietnam (0.2%); Philippines (0.2%); Sri Lanka (0.1%); Mexico (0.1%)	60%
1-Other toys	51.0	75.3	58.1	Intra-EU: Germany (16%); Belgium (4.3%); France (2.8%); Utd. Kingdom (1.7%); Spain (1.3%)	29%
	10.9	14.1	8.5	Extra-EU, ex DC*: Hong Kong (1.8%); USA (0.7%); Taiwan (0.6%); Israel (0.6%); Canada (0.1%)	4%
	106.0	117.0	135.7	DC: China (65%); Thailand (0.5%); Indonesia (0.4%); Malaysia (0.2%); Vietnam (0.2%); Mexico (0.2%); Sri Lanka (0.1%); India (0.1%)	67%
2-Outdoor	11.9	11.3	31.7	Intra-EU: Belgium (35%); Germany (9.4%); Italy (2.3%); France (1.6%); Spain (0.7%)	50%
	5.4	2.8	1.2	Extra-EU, ex DC*: Taiwan (1.1%); USA (0.2%); Hong Kong (0.2%); Japan (0.1%); South Korea (0.1%)	2%
	19.1	19.0	30.3	DC: China (36%); Pakistan (8.1%); Thailand (1.3%); India (0.8%); Philippines (0.5%); Indonesia (0.3%); Mexico (0.3%); Vietnam (0.1%); Turkey (0.1%)	48%
3-Plush	6.0	7.1	6.4	Intra-EU: Germany (8.4%); Belgium (2.7%);	12%

	2001	2003	2005	Leading suppliers in 2005	Share 2005
				Italy (0.3%); Utd. Kingdom (0.3%); France (0.1%)	
	1.4	1.4	1.4	Extra-EU, ex DC*: Hong Kong (2.2%); USA (0.2%); Taiwan (0.1%); South Korea (0.1%)	3%
	48.7	50.1	45.4	DC: China (83%); Vietnam (0.8%); Indonesia (0.5%); Philippines (0.4%); Thailand (0.1%); India (0.1%); Sri Lanka (0.1%)	85%
4-Construction sets	31.8	32.2	36.0	Intra-EU: France (64%); Belgium (15%); Germany (1.1%); Denmark (0.7%); Utd. Kingdom (0.5%)	81%
	1.1	2.7	2.6	Extra-EU, ex DC*: USA (4.7%); Hong Kong (0.4%); Taiwan (0.4%); Israel (0.2%)	6%
	1.1	4.6	5.8	DC: China (12%); Sri Lanka (1.3%); Thailand (0.1%); Malaysia (0.1%)	13%
5-Dolls	11.6	16.8	6.6	Intra-EU: Germany (11%); Belgium (2%); Spain (0.7%); Malta (0.7%); Utd. Kingdom (0.7%)	16%
	2.8	2.2	1.5	Extra-EU, ex DC*: Hong Kong (2.5%); USA (0.9%); Taiwan (0.1%); Japan (0.1%); Norway (0.1%)	4%
	54.4	37.2	33.7	DC: China (60%); Indonesia (20%); Guatemala (0.1%); Ivory Coast (0.1%); Bolivia (0.1%); Vietnam (0.1%); Thailand (0.1%); Turkey (0.1%)	81%
6-Models and trains	9.9	14.4	7.5	Intra-EU: Germany (13%); Belgium (2%); France (1.9%); Italy (0.9%); Utd. Kingdom (0.6%)	19%
	4.1	5.3	6.6	Extra-EU, ex DC*: Switzerland (4.4%); Japan (4.2%); Hong Kong (3.2%); USA (2.4%); South Korea (1%)	17%
	28.1	26.1	24.9	DC: China (52%); Malaysia (6.7%); Thailand (3.6%); Turkey (0.4%); Philippines (0.4%); Vietnam (0.1%); Ukraine (0.1%)	64%
7-Games and puzzles	18.2	12.0	13.5	Intra-EU: Belgium (22%); Germany (14%); Italy (1.6%); Utd. Kingdom (0.4%); Spain (0.3%)	38%
	16.8	2.9	14.8	Extra-EU, ex DC*: USA (40%); Canada (1.1%); Hong Kong (0.9%); Taiwan (0.4%)	42%
	7.4	5.1	6.7	DC: China (19%); Turkey (0.1%); Malaysia (0.1%); Sri Lanka (0.1%); India (0.1%)	19%
8-Motorized toys	1.4	2.4	1.6	Intra-EU: Germany (3.5%); Utd. Kingdom (0.6%); France (0.5%); Poland (0.5%); Belgium (0.4%)	6%
	1.9	1.2	2.4	Extra-EU, ex DC*: Taiwan (5.9%); Hong Kong (1.7%); USA (0.9%); Switzerland (0.1%); South Korea (0.1%)	9%
	23.4	20.9	23.4	DC: China (78%); Malaysia (6.5%); Philippines (0.2%); Brazil (0.1%); Thailand (0.1%)	85%
9-Animal and fantasy	7.3	12.8	7.7	Intra-EU: Germany (8%); Belgium (7.1%); Italy (5.1%); Utd. Kingdom (4.8%); France (1.3%)	28%
	1.3	4.7	1.0	Extra-EU, ex DC*: Hong Kong (2.8%); USA (0.5%); Taiwan (0.3%); Israel (0.1%); Japan (0.1%)	4%
	11.5	16.1	18.6	DC: China (67%); Indonesia (1.1%); Thailand (0.2%); Sri Lanka (0.1%)	68%

	2001	2003	2005	Leading suppliers in 2005	Share 2005
10-Learning	12.4	10.5	10.1	Intra-EU: Belgium (26%); Germany (7.8%); Italy (2.4%); Utd. Kingdom (2.3%); France (1%)	41%
	0.5	0.7	1.4	Extra-EU, ex DC*: Hong Kong (3.6%); Taiwan (0.9%); Singapore (0.5%); USA (0.3%); U.A. Emirates (0.1%)	6%
	11.3	13.1	13.1	DC: China (50%); India (1.2%); Malaysia (0.7%); Thailand (0.6%); Vietnam (0.2%); Philippines (0.1%); Sri Lanka (0.1%)	53%
11-Mechanical toys	12.9	7.9	6.5	Intra-EU: Germany (11%); Denmark (8.3%); Italy (6.1%); Belgium (3.3%); France (2.9%)	36%
	0.8	0.7	0.8	Extra-EU, ex DC*: Hong Kong (2.3%); USA (0.8%); Taiwan (0.7%); Israel (0.4%)	4%
	6.9	9.6	10.7	DC: China (59%); Philippines (0.3%); Thailand (0.1%)	60%

Source: Eurostat (2007)

Exports

Exports of traditional toys reached € 497 million in 2005, a decrease of 3.1% between 2001 and 2005. Given the minimal production in The Netherlands, these are mostly re-exports to other EU countries.

The exports of the various product categories were other toys (39.4% share in 2005, +0% average annual change between 2001 and 2005); outdoor (11.9%, +11.6%); dolls (10.3%, -7.2%); plush (7.7%, -1%); models and trains (6.3%, -19.3%); games and puzzles (5.5%, -30.8%); animal and fantasy figures (5.4%, +8.4%); motorised toys (4.2%, -6.8%); mechanical toys (3.7%, +15.2%); learning (3.3%, +7.6%); construction sets (2.5%, +0.4%).

Exports of wooden toys were € 21 million in 2005, an increase of 1.1% between 2001 and 2005. Exports of the various plastic toys reached € 221 million in 2005, an increase of 2.6% between 2001 and 2005.

The product categories with the strongest growth in exports were mechanical toys (+15.2% average annual growth between 2001 and 2005, 3.7% share in 2005); outdoor (+11.6%, 11.9%); animal and fantasy figures (+8.4%, 5.4%); other toys (+8.1%, 39.4%).

Opportunities and threats

+ The individual product groups showing strongest import growth were: other construction sets (+51% annual growth, share of 0.2%); inflatable balls (+42%, 6.6%); motorized toys not of plastic (+18%, 0.4%); electric trains on scale (+15%, 0.5%); and toys in sets (+15%, 10%).
+ Dutch importers often play an international role, as the Rotterdam port is an important point of entry for Chinese goods.
- Only Pakistan and India seem to be able to compete with the Chinese.

Useful sources

- EU Expanding Exports Helpdesk
  http://export-help.cec.eu.int → go to: trade statistics
- Eurostat - official statistical office of the EU
  http://epp.eurostat.cec.eu.int → go to 'themes' on the left side of the home page → go to 'external trade' → go to 'data - full view' → go to 'external trade - detailed data'

4 Prices developments

Inflation in The Netherlands was 2.6% in 2006, which was lower than the EU average. The change in harmonised consumer prices for games, toys and hobbies in The Netherlands was -3.1% in 2006, which indicates an even stronger deflation than the EU average (-2.7%).

Table 4.1 Price index toys and games, The Netherlands 2001-2006

Year	Index
2001	7.6%
2002	1.5%
2003	-0.5%
2004	-5.8%
2005	-4.2%
2006	-3.1%

Source: CBS (2007)

The rough method of comparing the cost of import volumes, as shown in table 4.2, shows that most of this can be attributed to lower prices for imports from developing countries. They clearly set the market environment. The table shows the average import values offset by import volumes. The resulting cost per tonne per category gives an indication of the average import prices for a category. DC imports tend to be much cheaper than intra-EU imports. It is also clear that the costs of imports from developing countries are decreasing quite sharply, while prices of imports sourced in the EU25 only decrease slightly. There are fundamental differences for price variations and developments for the individual product groups. The price level of total imports is 15.8% lower than the EU average. In 2005, the cost per tonne of imports from DCs was 67% of the cost per tonne for imports from EU25 countries. A comparison between countries is given in chapter 5 of the CBI market survey 'The toys and games market in the EU'.

Table 4.2 Cost per tonne and change of value of import volumes per product category, 2005: € per tonne, 2001-2005: % change

	Import cost per tonne in 2005			Change of import cost 2001-2005		
Value/Volume	**Total**	**From EU25**	**From DC**	**Total**	**From EU25**	**From DC**
Animal and fantasy figures	4,705	3,667	5,222	6.3%	16.4%	-7.1%
Construction sets	9,842	12,143	5,101	-2.0%	2.5%	-2.5%
Dolls	5,589	6,097	5,455	-9.5%	-9.1%	-9.5%
Games and puzzles	8,104	9,087	2,951	2.7%	3.5%	-9.0%
Learning	4,268	4,295	4,221	-8.6%	-9.7%	-7.6%
Mechanical toys	4,346	4,537	4,185	-5.4%	-3.1%	-6.9%
Models and trains	5,755	3,751	5,575	-10.9%	-24.8%	-8.3%
Motorised toys	5,142	7,851	4,734	-10.7%	-3.6%	-11.2%
Outdoor	5,348	9,865	3,642	-	-	-6.8%
Plush	6,746	12,173	6,361	-4.5%	15.9%	-6.3%
Other toys	4,526	5,870	4,096	-6.5%	-1.9%	-7.9%
Total traditional toys	**5,310**	**6,813**	**4,534**	**-6.1%**	**-0.9%**	**-8.8%**

Source: Eurostat (2007)

Useful sources

- Bart Smit - http://www.bartsmit.nl - (choose winkelen)
- Toychamp - http://www.toychamp.nl
- Toys 'R' Us - http://www.toysrus.nl
- CBS - http://www.cbs.nl

Price comparison in different shops has been done by the newspaper AD, pointing at the lower price competition in The Netherlands:

- Per shop: http://www.ad.nl/redactie/speelgoedmatrix/tabel1.html
- Per brand: http://www.ad.nl/redactie/speelgoedmatrix/tabel2.html

5 Market access requirements

As a manufacturer in a developing country preparing to access The Netherlands, you should be aware of the market access requirements of your trading partners and the Dutch government. Requirements are demanded through legislation and through labels, codes and management systems. These requirements are based on environmental, consumer health and safety and social concerns. You need to comply with EU legislation and have to be aware of the additional non-legislative requirements that your trading partners in the EU might request.

For information on legislative and non-legislative requirements, go to 'Search CBI database' at http://www.cbi.eu/marketinfo, select *toys and games* and The Netherlands in the category search, click on the search button and click on market access requirements.

For information on packaging, marking and labelling applicable, please refer to the CBI market survey 'The toys and games market in the EU'. Additional information on packaging can be found at the website of ITC on export packaging:

- http://www.intracen.org/ep/packaging/packit.htm

Information on tariffs and quota can be found at http://export-help.cec.eu.int/

6 Doing business

General information on doing business like approaching potential business partners, building up a relationship, drawing up an offer, handling the contract (methods of payment, and terms of delivery) can be found in CBI's export manuals 'Export Planner' and 'Your image builder'.

More specific information regarding the toy industry can be found in CBI's 'From survey to success: Guidelines for exporting toys and games to the EU'. Section 4 of this publication focuses on export marketing tools.

Trade fairs continue to be the most important place for business, the most important one for The Netherlands being the German Nuremberg Toy Fair. Only in special cases will your first visit be an success. Often it takes several years to establish relations and start serious business. For that reason, it is worthwhile to visit the trade fair a couple of years, building up contacts, before reserving an expensive booth for yourself.

It is necessary to have an update portfolio of products and, if applicable, production skills and possibilities. Without such documents your company will not be considered seriously by EU companies.

It can be worthwhile to try contacting EU companies directly, for instance by mail with your product catalogue and a special offer, though this must be followed by personal communication afterwards, and companies need to be selected carefully on matching product ranges and target groups. Otherwise these efforts will be wasted. Local companies can be found through the websites listed in this survey below.

Having made contact with parties in Europe, it is vital to remain in contact with them. Good communications are essential for doing business, this includes the initial stage of building a relationship, as well as later, having established a trade, in order to keep the other partner committed.

Trade organisations

- Nederlandse Vereniging van Speeltoestellen Fabrikanten (NVSF) - Association of Toy Playground Equipment - mailto:fghs@euronet.nl
- ORNES - Association of Dutch Toy Suppliers - http://www.speelgoedinfo.nl
- Vereniging van Speelgoedfabrikanten in de Benelux - telephone:+ 31-20 6267141- association of toy manufacturers in Belgium, Netherlands, Luxembourg.

Refer to the previous sections for other trade organisations.

Trade fairs

The large international trade fairs are also of great importance to the Dutch trade, these include Nuremberg, Hong Kong, Shanghai and, to a lesser degree, Paris and New York. See the market survey covering the EU for details.

- Trade Mart - Utrecht - http://www.jaarbeurs.nl - a minor show, less important than the large international shows, in spring and in fall.

Trade press

- Speelgoed & Hobby - http://www.gebra.nl - monthly - 1,900 copies.

Useful sources

Cultural awareness is a critical skill in securing success as an exporter.

- Information on cultural differences in the EU can be found in chapter 3 of CBI's export manual 'Exporting to the EU'. This manual can be downloaded from: http://www.cbi.eu/marketinfo → go to search publications.

Websites providing practical tips on business culture and etiquette in The Netherlands:

- http://www.kwintessential.co.uk/resources/global-etiquette/netherlands.html
- http://www.buyusa.gov/netherlands/en/

Babelfish - http://babelfish.altavista.com - online translation of Dutch into English and other languages.

This survey was compiled for CBI by VLI