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This may be coolest CFO opening ever

Radio Flyer is searching for finance chief

By Darla Mercado

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Looking for relief from all those Sarbanes-Oxley headaches of the public-company world? Take a ride back to childhood on a little red wagon: Radio Flyer, the privately owned Chicago-based toy maker, needs a CFO.

The family firm, run by chief executive Robert Pasin, has approached several search firms in the Chicago area. With an estimated \$50 million in revenue, Radio Flyer may not be the biggest kid in the corporate sandbox, but what it lacks in assets, it makes up for in recognition: Talk about bragging rights when speaking at the kids' next Career Day.

"This is a toy brand rather than a toy company," said Gary Chiappetta, president of BrandScope and a longtime marketing consultant to Radio Flyer. "Robert Pasin wants to make sure he finds someone who's an exceptional fit."

Mr. Pasin, self-described "chief wagon officer," won't comment on the opening (his brother Paul Pasin was listed in Hoover's as the CFO in 2005) or the salary awaiting whoever is hired, but observers say a reasonable guess for a \$50 million company is \$150,000 to \$200,000 a year, plus a 30% bonus.

Some candidates may be skeptical of a family-run outfit with no accessible financial reports. "A talent is looking for growth prospects, and since Radio Flyer is private, you can't tell how healthy the company is," said Scott W. Simmons, vice president of Crist Associates, a recruiter in Chicago. The wagon maker pitched the idea of a search to Mr. Simmons' firm, but was turned down because of its size.

Still, a switch into a private enterprise might appeal to a CFO who is tired of the daily grind of a public company. "Sarbanes-Oxley weighs heavily on people's minds, so going to a private company has become more attractive these days," Mr. Simmons said.

Regardless of Radio Flyer's size, cost cutting in materials and shipping may be a primary concern for the new CFO. Plastic, a chief component in a number of the company's new wagons, has become expensive, and toy manufacturers must balance that reality with the ruthless demands of major retail customers.

"There will be increasing prices across the toy industry because of the higher cost of materials, but there's also pressure from retailers to lower prices," said Chris Byrne, an independent toy analyst.

The incoming finance chief will also have to adapt to familial and corporate traditions. Radio Flyer is now in its 90th year and third generation of family management (it was founded in 1917 by Mr. Pasin's grandfather, Antonio Pasin) and it has remained faithful to its classic red wagon: New versions, such as the Pathfinder, are the SUVs of the preschool set, with cup holders and large storage compartments—always in the signature color.

"Brand equity is what they have going for them," said Mr. Byrne. "They're not heavily advertised, but the design and the name are enough to make them a heritage brand."

Even if the CFO pay pales in comparison with the seven-figure paychecks at some public companies, Radio Flyer just

might be the right place for someone who is young at heart. “There isn’t anyone who doesn’t speak from some heartfelt childhood memory of the brand,” said Mr. Chiappetta.

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