

Toy Story: How Radio Flyer Evolved From Wagons To Trikes And Beyond



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Susan Adams

FORBES STAFF

I write about entrepreneurs, small business owners & what drives them

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CEO Robert Pasin (Digital illustration: Jeff Mangiat for Forbes; Jamel Toppin for Forbes)

This year Forbes is introducing its first list of 25 privately-held companies we're calling "Small Giants." Rather than trying to grow as big as possible as quickly as possible, they've focused on becoming standouts in their industries, with at least a 10-year record of strong balance sheets. They all offer appealing places to work, provide excellent service to customers and contribute to their communities. [Click here](#) for all 25 Best Small Companies.

Radio Flyer

Chicago

CEO: Robert Pasin

Revenue: \$110 million

Employees: 101

Antonio Pasin, who had learned cabinet-making on a Venetian estate, started manufacturing a wooden toy wagon in Chicago in 1917, first calling it “Liberty Coaster” for the Statue of Liberty, then changing the name in the late 1920s to Radio Flyer, to capture the fascination with early radio broadcasts and airplane flights. He then pioneered the technique of stamping wagon parts out of steel, earning him the title “Little Ford” from suppliers.

But Pasin’s son Mario, who took over as CEO in 1970, allowed the business to stagnate. Competitor Little Tikes introduced a popular plastic wagon, while Radio Flyer stuck with old-fashioned wood and steel. In 1997 Mario’s son Robert took charge. Only 28 at the time, he’d worked in the factory and warehouse since he was a teenager and had a passion for the product. “This brand is really beloved,” he says. “People tell you stories about playing with a wagon with the people they love.”

Pasin got to work overhauling the product line. His designers fumbled with plastic at first, introducing a push-pull model that flopped. “We made mistakes trying to be different from the competition,” he says. Then they hit on the Pathfinder, which has seats that flip up and down, and it remains a bestseller. He also introduced scooters, tricycles and a four-wheeled contraption called a Ziggle, which kids operate by wiggling. Wagons have gone from 100% of sales to just a third. In 2002 Radio Flyer opened an office in Shenzhen, China, where it now

manufactures two-thirds of its inventory.

After taking a seminar on staff selection from University of North Carolina business school professor Gerald D. Bell, who runs a leadership institute, Pasin introduced a rigorous hiring process. New “flyers,” as they are called, complete a writing assignment in which they describe three successes and one failure, and they come up with 15 questions they want to ask about the company. Pasin interviews every candidate. Once they’re hired, all employees, including customer service reps and administrative assistants, can give their feedback on new product designs.

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