

Emeryville's Wham-O sold / Manufacturer of Hula Hoops, Frisbees goes to Hong Kong firm

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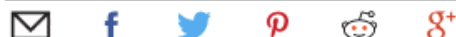


Photo: JEFF CHIU

**** FILE **** David Waisblum shows the Original Frisbee Disc Touchline Bank with flight rings made by Wham-O Inc., before playing disc golf at Golden Gate Park in a San Francisco file photo from July 18, 2004. Wham-O Inc., the maker of vintage toys like the Frisbee, Slip'N Slide and Hula Hoop, has been sold to a Hong Kong distributor that's trying to build a one-stop shop for outdoor fun. (AP Photo/Jeff Chiu, File) JULY 18, 2004 FILE PHOTO [less](#)

Wham-O, the manufacturer of the Frisbee, the Hula Hoop and other venerable toys, was sold this week to a Hong Kong distributor that plans to expand the Emeryville company, the parties said Thursday.

Terms were not disclosed, although a company spokesman said the price was under the \$80 million the seller, Charterhouse Group, previously sought when it put Wham-O up for auction in 2004.

The buyer is an affiliate of [Cornerstone Overseas Investments Ltd.](#), based in Hong Kong, a manufacturer and distributor of toys, games and outdoor consumer products.

Wham-O President **Mojde Esfandiari** said the sale is "fantastic for us," in part because privately held Cornerstone has manufacturing capabilities and sells products in 54 countries, which could allow significant growth for the company.

"You are able to grow the business and leave the details to all the experts," said Esfandiari, who will remain as president.

Wham-O, founded in 1948, was little more than a collection of trademarks and assets owned by Mattel when, in 1997, a group of investors including Charterhouse and Seven Hills Partners of San Francisco bought it at auction. At the time, Wham-O, then headquartered in San Francisco, had revenue of \$18 million.

Revenue was \$80 million last year on sales of such products as the Frisbee, Hacky Sack, Slip 'N Slide, Hula Hoop and outdoor items, including **Morey Boogie Boards**, Snow Boogie sleds and **BZ Pro Boards**.

"This acquisition provides the Cornerstone group of companies the chance to leverage our worldwide manufacturing and distribution infrastructure with a classic and highly recognized brand name in outdoor recreation products dating back to the 1940s," said **Jeff Hsieh**, Cornerstone chief executive officer.

James Rybakoff, CEO of **Akin Bay Co.** in New York, Cornerstone's investment bankers, said the company will be expanded through an international distribution network, further acquisitions and a just-in-time inventory-management plan to get products to big box retailers.

The flagship product for Wham-O was the Wham-O Slingshot that Arthur "Spud" Melin and **Richard Knerr** turned out in 1948 in San Gabriel (Los Angeles County). There are now more than 50 products under the Wham-O banner.