

Holiday Season Is Important Test For Brainy Board Game

The odds weren't promising when Stuart Montaldo set out to create a new board game.

Mr. Montaldo had no support from major toy manufacturers for his idea of a game that would introduce kids to some difficult concepts in physics, chemistry, biology and other sciences. And without the resources or skills to turn his idea into a videogame, he knew he would have to be especially creative to grab kids' attention.

But after three years of testing his science game with more than 100 children and pitching it to toy stores, Mr. Montaldo's *Cogno: The Alien Adventure Game* has grown into a hit. Designed to teach kids seven and older the basics of black holes, Newton's laws and other complex topics, *Cogno* has beat out toys from big manufacturers for national awards.



Stuart Montaldo's *Cogno* games and books aim to teach difficult science concepts to kids age 7 and up.

Now Mr. Montaldo is hoping to build a minifranchise. He launched a second game, *Cogno: Deep Worlds*, in October 2004, and is preparing to introduce a third, *Codebreaker*, in stores in January. The first two games have produced some \$250,000 in sales since the original *Cogno* hit stores two years ago. Characters from the *Cogno* games, including "Chrona," a time traveler wearing a clock on a heavy gold chain that a rap star would envy, also appear in "*Cogno: The Legend*," a book series Mr. Montaldo has self-published, which he distributes through some of the stores that carry his games.

So far this year, Mr. Montaldo has sold about 6,000 *Cogno* board games priced at \$29.95, a 25% increase in volume over last year. This year's Christmas selling season marks the broadest test yet of his products' appeal, with 600 stores in 48 states selling them. Most are small independent stores specializing in educational toys and classroom supplies, two areas that are increasingly overlapping. But Borders Group Inc. has picked up the games for the holidays, stocking them in about 60 of its top toy-selling stores.

"The ultimate goal is having *Cogno* be a household word," Mr. Montaldo says.

The modern toy industry is dominated by big players, but it remains filled with tiny, entrepreneurial inventors. Few of them are successful. Mr. Montaldo does have one advantage: Board games are among the handful of growth spots in the shrinking toy industry. While sales of traditional toys fell 3% in each of the past two years, sales of board games rose 4% last year and 2% in 2003, according to NPD Group, a Port Washington, N.Y., research firm. U.S. board-game sales approached \$1 billion last year, representing about 5% of the traditional toy industry, NPD says.

Anita Frazier, a toy-industry analyst with NPD, says it's fairly uncommon for an independent inventor to persuade a store to stock his game. Independent and specialty stores tend to be more receptive than mass-market chains. "It is more usual for an inventor to sign a deal with an established toy company," she says.

Specialty toy stores, though, are threatened by the growth of toy sales at discounters such as Wal-Mart Stores Inc. and Target Corp. And the toy industry has consolidated, making it tougher for an upstart manufacturer to gain a foothold. Children, meanwhile, are gravitating at an ever-younger age away from traditional toys to videogames, electronics and the Internet.

On the other hand, "there's an increasing backlash against videogames and kids spending too much time in front of screens," Mr. Montaldo says. As a result, he says, he sees increasing numbers of parents seeking out games such as his.

Mr. Montaldo, 41 years old, developed a love of science when he was nine and watched the astronomer Carl Sagan on public television. Before he began developing and selling the Cogno products full time, he was employed at a marketing company in Boston, where he worked with the U.S. government and McDonald's Corp. on educational material about reading and child safety-seats distributed in Happy Meals. In 1999, he began creating the Cogno game based on conversations he had with his sons, now 13 and 14 years old. His sons helped come up with some of the questions and tested early versions of it.

Playing Cogno involves getting an alien character around the board by rolling a die and answering questions. Mr. Montaldo worried that if the questions simply tested their knowledge of science trivia -- as many educational games do -- kids would memorize the answers and quickly tire of the game. Instead, he posed questions about ideas, such as: "If you and an elephant are floating in the middle of space, and you pushed on the elephant, which one would move more quickly away from the starting point?"

To learn the science behind the answer, players can consult a booklet called "The Book of Y," as in "Why." (The answer to the elephant question: Both the elephant and you would move apart with equal force. But because the elephant has greater mass, you would move more quickly.)

Mr. Montaldo invited kids to play early versions of Cogno, then asked them about their likes and dislikes. Seven- and eight-year-olds pored over the question cards with a highlighter, marking words they didn't understand.

Mr. Montaldo made many changes to the prototype based on their feedback: Using a standard die with six numbers, players moved through the game too fast and skipped too many squares. He switched to a die with only the numbers one, two and three. Players sometimes got stuck too long in a section called the "parallel universe," so he added more of the spaces that get them back to the main board.

Cogno "combined imagination and the fun things you would learn when you went to the museum of science," says Patrick Kelley, a Needham, Mass., 13-year-old who helped test an early version. He says he liked how the game "had an aspect of luck, but it was also how much you knew about the science."

Mr. Montaldo relocated with his family to St. Louis, and after further testing of the game, he began to recruit independent sales representatives last year. At first, he struggled to persuade them to take on a one-product company. "It's an efficiency thing," he says. But gradually, he won them over by showing them the testing results and toy-industry awards Cogno had won. Now, about 40 sales representatives sell his product line to retailers.

Next year, Mr. Montaldo hopes to sell 10,000 to 15,000 copies of Codebreaker, his new game, which will be priced at \$19.95 -- just below the \$20 threshold for most birthday-party gifts.

Mr. Montaldo's fledgling business, DoubleStar LLC, of St. Louis, isn't profitable. But he has raised \$110,000 and \$250,000, respectively, in two rounds of seeking capital, and he currently is trying to raise \$500,000 in equity funding for product launches and inventory.

"It's very expensive to bring a toy to fruition," says Kate Tanner, owner of two Kidstop Toys and Books stores in Glendale and Scottsdale, Ariz. Ms. Tanner found Cogno through her membership in the Good Toy Group, a collection of about 65 independent toy stores around the country. During the holidays, she sells a couple of dozen Cogno games every month.

"Many times, great toys like this get lost in the chaos and can't survive in this kind of economic market," Ms. Tanner says. "That's why I think it's important that independents support each other."