

Toys r us essay

[Business](#), [Company](#)



When Toys R Us declared bankruptcy it broke the news, people everywhere were devastated, this company was every kids dream: a cornucopia of toys and games. When they announced that 180 stores would be closing and filed for Chapter 11 bankruptcy, naturally the internet went into an uproar. Users everywhere posted about how devastated they were about Toys R Us closing and how the store was an important aspect of their childhood. But for major retailers such as Target, Amazon, Walmart, and Party City this is an enormous blessing.

These stores are now gearing their focus toward our youth and tapping into the newly open market for toys. For decades Toys R Us was the place to buy toys, you could get a doll or maybe a stuffed animal at Walmart or Target, but if you wanted a vast selection of various playthings to choose from you went to Toys R Us. These corporations are offering new toys, extra store space and demonstrations for their shoppers. Just recently Party City established fifty new toy shops complete with enormous Lego dinosaurs and a variety of hands on experiences (designed to entertain kids just like Toys R Us). Amazon is even rumored to be creating a holiday toy catalog, which is predicted to boost their toy profits from fifteen to twenty percent by the end of 2018.

Toys R Us closing created a drastic impact on citizens, not just for their loyal customers but when the company filed for bankruptcy they were estimated to put thirty thousand employees out of business. In addition to not having a job, these workers were not given any severance pay whatsoever. Now that this major company that made up roughly twelve percent of the Us toy market is closed there is a sizeable hole in that market just waiting for large

scale retailers to fill it. Because of this company declaring bankruptcy, laying off thousands, and closing their stores other retailers get a chance to dominate the toy market.

An example of this would be Walmart expanding their instore and online toy selection and being labeled as the country's best toy store. Toys R Us closing will not only impact their workers, but parents whose primary toy supplier is this company. In the article it mentioned a mother who as soon as hearing that they were closing rushed off to buy their toys, so her children wouldn't have to deal with the future scarcity. All in all Toys R Us closing has affected the economy by creating a twelve percent gap in the toy market that major retailers are rushing to fill, impacted kids because they will no longer be able to visit their favorite store, and wrecked their employees lives by cutting off their source of income and refusing to pay severance.

While reading this article I was a saddened a little thinking about the kids who won't get to go to their beloved establishment, but not at all surprised that companies are seizing the opportunity to replenish the U. S. toy market. It made sense that Toys R Us filled for Chapter 11 Bankruptcy since they were unable to pay their debts, and had been unable to do so for quite some time. Them closing just means that that particular store won't sell their goods anymore, because of that their consumers will have to take their money elsewhere now.

Toys R Us filing for bankruptcy and other companies playing catch up in their toy department doesn't truly affect me, since I haven't set foot in a Toys R Us for almost a decade. To summarize my previous statements Toys R Us

closing has created a gap in the toy market that retailers are competing to fill, has left their employees without pay, and disrupted the toy economy.