SPEAR, Arthur

Arthur Spear, Who Led Mattel Through Fiscal Crises, Dies at 75

By DAVID CAY JOHNSTON

Arthur S. Spear, who as chairman of Mattel Inc. led the company, widely known for its line of Barbie dolls, through two crises, died on Sunday at the U.C.L.A. Medical Center in Los Angeles. He was 75.

Mr. Spear, who lived in Santa Monica, Calif., was being treated at the hospital after a series of strokes, his family said.

Mr. Spear was executive vice president of Revlon, the cosmetic company, overseeing its manufacturing operations, when he joined Mattel in 1964 in a similar capacity. In 1973 he was named president. When Mattel's founders, Elliot and Ruth Handler, were forced out in 1975 in a scandal over the company's making false financial statements to securities regulators, Mr. Spear was put in charge.

John Vogelstein, president of E. M. Warburg Pincus & Co., said yesterday that Mr. Spear "inherited the most incredible mess you have ever seen."

Mr. Spear quickly restored Mattel to profitability, and by 1979 he had slashed its debt to $20 million from $118 million.

Mr. Spear also had Mattel finance a doll factory in south-central Los Angeles to create jobs after the Watts riots of 1965. The company, Shindana, which made black dolls, has since folded.

Later Mr. Spear led Mattel into a diversification that included Intellivision, an early electronic game system. But the idea was ahead of the technology and unhappy buyers returned most of the systems, creating a new crisis. By 1984, Mattel had a negative net worth of $150 million, but avoided a bankruptcy filing because of strong cash flow from Barbie and other toys as well as an infusion of other money.

Mayor Richard J. Riordan of Los Angeles, who as one of the largest individual shareholders in Mattel was involved in the 1984 restructuring, said Mr. Spear deserved tremendous credit in bringing Mattel back from the brink of collapse.

Mr. Vogelstein said the company survived in part because lenders trusted Mr. Spear. "He was one of the few guys you could leave your wallet with, travel around the world and when you came back it would be there untouched," he said.

Mr. Spear retired at the end of 1986, after the restructuring was completed. Between 1973, when he became president, and his retirement, Mattel's annual sales rose from $281 million to $1 billion.

Mr. Spear was born in Providence, R.I. He graduated from the Massachusetts Institute of Technology, where he studied architecture and engineering, in 1941 and joined the Army Corps of Engineers, serving until 1943. He spent two decades at three New England manufacturing companies before joining Revlon.

He is survived by his mother, Esther Spear of Providence; three brothers, Harvey M., of Manhattan, L. William, of Miami and Gerald, of Newport Beach, Calif.; two sons, Stephen, of Bakersfield, Calif., and Arthur Jr., of Redondo Beach, Calif.; a daughter, Carol Frijmersum of Washington; his former wife, Roberta Spear of Santa Monica, Calif.; three stepsons, Jon, Daniel and Marc Rosenthal; seven grandchildren, and 10 step-grandchildren.



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Arthur. S. Spear