

Plastics News

Fathead wall graphics covering the market By: [Matt Griswold](#)

Cover the universe, one Fathead at a time.

That's the personal mission statement of one of Fathead LLC's vice presidents.

Given the limitations of intergalactic space travel, that goal could ultimately prove unreachable. But considering the company's youth, and the mark it has made on Earth, you have to tip your hat to Fathead's good start.

Founded in 2004, the Livonia, Mich., company has transformed from an unknown startup with a funny moniker and humorous television commercials to something of a household name with sports fans and kids alike.

For the uninitiated, Fatheads are large — sometimes life-size — wall graphics depicting famous athletes and other celebrities.

The high-resolution images are digitally printed on thin, flexible vinyl sheets featuring a proprietary adhesive layer on the back. That allows them to be stuck to walls like wallpaper, removed when needed without leaving residue, and re-stuck in a new location without losing their adhesive stickiness.

The largest, most in-demand Fatheads sell for \$100. Even at that price point in a troubled economy, the company is outperforming gross domestic product by a country mile. While the annualized real GDP decreased 6.3 percent in the fourth quarter of 2008 (and fell at an annual rate of 5.7 percent in the first quarter of 2009), Fathead grew about 20 percent in 2008, and officials expect the number to go higher this year.

The vinyl sheets with adhesive layers are supplied to Fathead by Cincinnati-based Diversified Converter Materials Inc., whose patented Magik-Stik technology is the secret to Fathead's wall-sticking success. Joe Esposito, Fathead's chief operating officer, also credits the company's printing partners — Milwaukee-based Kubin-Nicholson Corp. and Battle Creek, Mich.-based EPI Printers Inc.

“It has taken a lot of R&D,” Esposito said in a telephone interview. “The combination really lies, not only in this Magik-Stik vinyl, and not only the appropriate printing equipment, but also the style of ink that goes into the process. Those three things have to marry up perfectly.”

In addition to the vinyl technology, securing licenses from major sports teams and entertainment companies is what has set Fathead apart from other adhesive wall graphic manufacturers.

Fathead started in 2006 with only a National Football League license and three different commercials featuring NFL stars Chad Johnson (now Chad Ochocinco), Ben Roethlisberger and Torry Holt.

Now it has several players, including retired greats like Walter Payton and Emmitt Smith.

The company has license agreements with every major sports league in the United States, including Major League Soccer and NASCAR, as well as several NCAA conferences. Fathead also has inked deals with major entertainment companies including Disney and Nickelodeon, and the comics giants D.C. and Marvel.

In all, Fathead has more than 125 licenses, said Linda Castillon, the firm's chief licensing officer, in a recent telephone interview.

While NFL-related products remain the company's best-selling items, Fatheads featuring Disney's Hannah Montana, Spider-Man and various characters from the Star Wars films are among the company's top sellers. Those of a more political persuasion can order a Fathead of President Barack Obama.

Constantly adding and innovating, Fathead now has an endangered animal species line.

“It has been surprising. You just never know,” Esposito said of what consumers will buy.

Fathead has evolved from being a large wall graphics maker. The company is making a Tradeables line — essentially mini-Fatheads on 5x7-inch cards — which officials hope will penetrate the sports trading-card market. Fathead also is offering laptop computer skins.

Castillon, the company official who intends to cover the universe with Fatheads, is working on a way to make Fatheads even more widespread — as auto graphics.

“I spend almost my entire day thinking about Fathead: How to sell it, where to get it placed, and what properties need to be made into Fatheads,” Castillon said. “There are a gajillion cars on the road, and each one is an opportunity to sell a Fathead.”

Getting depicted on vinyl is all about being “Fathead worthy.” The company's top brass constantly are asking themselves who and what qualifies.

The latest innovation, introduced in the past month, is a customized Fathead that allows customers to upload high-resolution photos to Fathead's Web site and create personalized wall graphics.

Parents can get Fatheads of their children on the soccer field, or hitting baseballs. An all-state linebacker can have a Fathead of himself for his bedroom wall. Tourists can display Fatheads of the Eiffel Tower or the New York City skyline. Almost nothing is off limits, Esposito said.

Moving to a digital printing format has allowed the company to virtually print on demand. This has streamlined the operation and given the company more product flexibility, as it no longer requires committing to a large print run or inventory stocking of a particular item.

Scott Engler, president of Fathead vinyl sheeting supplier DCM — and one of the original developers of Fathead before its acquisition from Livonia-based investment firm Camelot Ventures LLC in 2006 — said the robust growth and popularity of Fathead has given DCM an industrywide boost.

“It took us from under the radar to — all of a sudden, we're known as the supplier of Fathead. It gives you immediate credibility,” Engler said. “It's been a great ride. It's been fun.”

DCM operates out of a 25,000-square-foot plant, with capacity to produce about 100,000 vinyl sheets daily, he said.

The basic adhesive vinyl sheeting technology can also be found in the floor graphic, counter mat, and point of purchase markets, he said.

Castillon said she had a background in the poster industry, and suggested that Fathead is basically replacing posters.

“We've innovated an industry that had sort of been dormant for a long time,” she said. “Our product is probably where posters should have gone, but they stopped innovating. We're limited only by our imaginations.”

Esposito said company executives “have really big dreams for the company” and “really fast growth plans.”

But Fathead officials do not believe their business model is in danger of growing too quickly.

““There are just a million places to expand and it's all about priorities and what we want to do next,” Esposito said. “This is a different business model. We have different printers and a lot of capacity. We're going to grow as fast as we can move.”

“It really becomes as fast as we can negotiate licenses and design products. We do both as fast as we can, and we want to do that exponentially faster. We're still a relatively small, lean company. We want to grow fast.”

One Fathead at a time.

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