

Consolidated Balance Sheets

December 31,	2001	2002
ASSETS		
Current assets		
Cash and cash equivalents	\$ 25,036,203	\$ 68,412,826
Marketable securities	37,119,071	—
Accounts receivable, net of allowance for uncollectible accounts of \$7,273,497 and \$6,781,324 for 2001 and 2002, respectively	52,888,452	56,195,578
Inventory, net of reserves of \$2,590,099 and \$4,782,021 for 2001 and 2002, respectively	32,023,960	38,009,747
Prepaid expenses and other	4,735,059	3,547,179
Income taxes receivable	—	2,205,882
Advanced royalty payments	1,991,788	2,863,099
Notes receivable—officers	—	1,113,000
Deferred income taxes	—	4,445,658
Total current assets	153,794,533	176,792,969
Property and equipment		
Office furniture and equipment	5,305,212	5,932,385
Molds and tooling	26,355,861	31,068,888
Leasehold improvements	1,854,501	2,463,875
Total	33,515,574	39,465,148
Less accumulated depreciation and amortization	17,762,905	24,639,593
Property and equipment, net	15,752,669	14,825,555
Notes receivable—officers	2,224,000	—
Intangibles and other, net	2,945,075	8,169,168
Investment in joint venture	7,893,312	8,118,645
Goodwill, net	89,863,415	189,335,933
Trademarks, net	11,567,679	11,567,679
Total assets	\$284,040,683	\$408,809,949
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 12,692,826	\$ 8,994,469
Accrued expenses	18,068,725	19,394,014
Reserve for sales returns and allowances	4,952,879	13,579,368
Current portion of long-term debt	17,582	17,805
Income taxes payable	1,570,973	5,624,532
Total current liabilities	37,302,985	47,610,188
Long-term debt, net of current portion	77,488	59,683
Deferred income taxes	2,256,817	562,948
Total liabilities	39,637,290	48,232,819
Commitments and contingencies		
Stockholders' equity		
Preferred shares, \$.001 par value; 5,000,000 shares authorized; nil outstanding	—	—
Common stock, \$.001 par value; 100,000,000 shares authorized; 20,320,354 and 24,472,884 shares issued, respectively	20,320	24,473
Additional paid-in capital	168,114,819	240,101,458
Treasury stock, at cost, 1,493,600 and nil shares, respectively	(12,911,483)	—
Retained earnings	89,179,737	120,451,199
Total stockholders' equity	244,403,393	360,577,130
Total liabilities and stockholders' equity	\$284,040,683	\$408,809,949

See notes to consolidated financial statements.