



The LEGO® Group has come a long way over the past 75 years, from a small carpenter's workshop to a modern, global enterprise that is now one of the world's largest toy manufacturers. The purpose and vision of the LEGO Group is to inspire children to explore and challenge their own creative potential. LEGO products have undergone extensive development over the decades, but the foundation remains the traditional LEGO brick.

### Market

Today the founder's grandson, Kjeld Kirk Kristiansen, owns the LEGO Group, which in sales terms is the world's fifth largest toy manufacturer after Mattel, Hasbro, Bandai and MGA Entertainment (Source: NPD). In the UK, the traditional toy market (excluding video games) was worth £2.2 billion in 2006 – a four per cent growth on the previous year (Source: NPD Consumer Panel). The LEGO brand leads the construction segment of the toy market, which was worth £119 million in 2006 (Source: NPD Consumer Panel).

The LEGO Group has accomplished this by offering a range of quality products centred around its building systems. In the hands of children, the products are designed to inspire fun, creative, engaging and challenging play. This activity develops inventive and structured problem solving, curiosity and imagination, interpersonal skills and physical motor skills, so building with LEGO bricks is about 'learning through play'.

### Achievements

With around seven LEGO sets sold each second, it's little surprise that the world's children spend five billion hours a year playing with LEGO products. Indeed, over the years enough LEGO bricks have been manufactured to give each of the world's six billion inhabitants 62 LEGO bricks each. In recognition of this achievement and its longevity, the start of the new millennium saw the LEGO brick twice acclaimed 'Toy of the Century' – first by Fortune Magazine

and later by the British Association of Toy Retailers.

The LEGO Group has also won the title of 'World's Most Respected Company' according to the Reputation Institute's annual report, which surveyed more than 60,000 consumers in 29 countries.

The LEGO Group ended 2006 with net sales 11 per cent higher than the previous year, an increase in sales that was spread evenly across the company's markets, including direct to consumer sales. The LEGO Group is headquartered in Billund, Denmark but has subsidiaries and branches throughout the world and a global workforce of 4,500 people. LEGO products are sold in more than 130 countries.

### Product

LEGO products are developed and grouped so that there is something to suit all ages and stages of development. From toddlers, schoolchildren and teenagers to young-at-heart adults.

'Pre-school' products, including DUPLO, are developed to cater for the youngest children, encouraging them through creative play to use their hands and develop their motor skills.

'Creative Building' is the name given to sets or buckets containing traditional LEGO bricks and special parts such as windows, wheels, roof tiles and other items. Creative Building is available in both DUPLO and ordinary LEGO bricks and is produced for builders who like to apply their imagination and think creatively.

'Play themes' are products that are built up around a story, such as a fire station, the police, an airport, a knights' castle or racers. Another example is the BIONICLE deep sea universe, which has its own story. As well as enjoying building, the child can spend many



### 1932

The LEGO Group is founded in Denmark by carpenter and wooden toy maker, Ole Kirk Christiansen.

### 1958

The LEGO brick in its present form is launched. The interlocking principle makes it unique and offers unlimited building possibilities.

### 1966

The first LEGO train – with its own rails and a 4.5v motor – is introduced.

### 1977

The LEGO TECHNIC series is introduced, including parts such as gears, beams and gearboxes.



hours playing with the finished models.

'Licensed products' are play themes based on movies or books for which the LEGO Group has acquired the rights, for example Star Wars™ and a Harry Potter range in LEGO bricks.

'LEGO MINDSTORMS NXT' enables the user to design and build real robots. Using the software included in the set, robots can be programmed to perform different operations, reacting to the user's voice or controlled via a mobile phone.

The 'LEGO Factory' website gives children the opportunity to build their own virtual models on the computer using LEGO Digital Designer and then have the bricks to build the physical LEGO model sent by post.

### Recent Developments

The LEGO Group's core creative team of 120 designers representing 15 different nationalities works constantly to develop innovative products that promote creativity and fun-packed play.

For 2007, the LEGO Group has launched a raft of new products. One highlight is the Mars Mission collection, which is aimed at children aged seven or over. Launched in August, it includes high-tech mining equipment sets and both ground and airborne assault vehicles packed with special features and futuristic accessories.

Also released in August, the remote control Monster Dino 3-in-1 construction system challenges builders aged nine or over to combine and create the kit into three different build options. Monster Dino

can be re-assembled to make a crocodile and a spider, each powered by remote control and with its own sound effects.

### Promotion

It is important to the LEGO Group to have close contact with its consumers throughout the world. To this end, the company engages in many initiatives to strengthen ties between LEGO enthusiasts and the company.

The FIRST LEGO League (FLL) sees LEGO challenge teams of children around the world between the ages of nine and 16 to an international robotics competition. In 2006 more than 80,000 children took part in the competition in 40 countries around the world.

The LEGO Club is for children in the 6-12 age group and has a membership of 2.4 million worldwide, including the US, Canada, Germany, Austria, Switzerland and the Netherlands. Through the LEGO Club special website, members can show each other pictures of their favourite building work and draw inspiration for future play.

In the UK, 250,000 LEGO Club members receive the LEGO Club magazine five times per year. In 2006 the main LEGO website had an average of 8,137,062 individual visitors a month – up 29 per cent on 2005 – with each spending an average of 28 minutes at the site.

In addition to these activities, the LEGO Group uses a mix of TV advertising, PR, sponsorship, in-store demonstrators and targeted shows



### 1986

The LEGO TECHNIC Computer Control is launched, later paving the way for the first computer-controlled LEGO robots.

### 1994

The LEGO TECHNIC Supercar and LEGO BELVILLE, a product for young girls appear. It has a nuclear family, horses and scenes from everyday life.

### 2001

The BIONICLE universe is introduced – the first time the LEGO Group develops a complete story from scratch as the basis for a new product range.

### 2006

LEGO MINDSTORMS NXT is launched, enabling consumers to build and programme a robot that can see, hear, speak, feel and move in just half an hour.

and events to support its brand image and products.

### Brand Values

The LEGO brand is formed by the expectations that people have of the company – towards its products and services – and the accountability that the LEGO Group feels towards the world around it. The brand acts as a guarantee of quality and originality. Children are the role models of the LEGO Group – inquisitive, creative and imaginative – with an innate urge to learn. The LEGO Group sees quality as of key importance, and is striving to be the best and most credible player in the toy business.

It is the LEGO Group's philosophy that 'good play' enriches a child's life – and its subsequent adulthood. With this in mind, the LEGO Group's wide range of products is founded on the same basic philosophy of learning and developing – through play.

[www.lego.com](http://www.lego.com)

### Things you didn't know about LEGO®

The name 'LEGO' is an abbreviation of two Danish words, 'leg godt', meaning 'play well' and also means 'I put together' in Latin.

If you built a column of 40,000,000,000 LEGO bricks, it would reach the moon.

The first LEGO mini-figure appeared on the market nearly 30 years ago. Since then four billion of the little yellow figures have been produced – making it the world's biggest population group.

Nearly 55 million LEGO bricks were used in the building of LEGOLAND Windsor, which opened in 1996.

All LEGO components are fully compatible, irrespective of when they were made or by which factory.

17.8 billion LEGO bricks and other components are made every year – equivalent to two million bricks an hour, or 33,824 a minute.