

### **Company Profile** An introduction to the LEGO Group 2010



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Image: Non-Sector 1000 minits

5

6

7

8

LEGO Group in key figures .....

Focus on growth

Organisation .....

Idea and production .....

Toy of the Century9LEGO® products for all children13The minifigure14LEGOLAND® parks16LEGO Community17Learning through play19Fun LEGO Facts20Using the LEGO brand name22



### It all began in 1932 ...

The founder, Ole Kirk Kristiansen, hit upon the LEGO® name in 1934. He took the first two letters of the Danish words LEG GODT, meaning "play well", and put them together – quite unaware that one meaning of the word in Latin is ... "I put together". Today – many years later – "LEGO" is both the name and the idea behind the company. Play is a key element in children's growth and development, and play stimulates the imagination, the emergence of ideas, and creative expression. It is LEGO philosophy that "good play" enriches a child's life – and its subsequent adulthood. With this in mind, the LEGO Group has developed and marketed a wide range of products, all founded on the same basic philosophy of learning and developing – through play.

True to its motto – Only the best is good enough – the LEGO Group has emphasised the importance of high quality throughout its more than 75-year history, ensuring that consumers return to LEGO products again and again. At the same time the LEGO system means that many thousands of building elements can be easily combined in innumerable ways – and just as readily dismantled again. The more LEGO bricks you have, the more fertile your creativity can become, and there are hours of play in the LEGO brick that you don't find elsewhere. Child's play is an ever-changing world, and the company's product development departments therefore work systematically with the evolution of familiar play themes and product lines based on research among children and parents into things like play habits, family patterns and housing conditions. Added to this is the fact that a combination of systematism, logic and unlimited creativity activates learning through play in a very special LEGO way which – in an age of increasing demands upon the child's learning and ability to solve complex problems – caters uniquely for tomorrow's child. It is for this reason that the LEGO system is frequently cited by many leading organisations and individuals as a specially creative play material used in learning contexts by institutions and schools throughout the world.

The child of the future will have plenty of things to play with. Consumer electronics is a tough competitor to traditional toys. But the LEGO Group is in no doubt that the LEGO brick will continue in future to be relevant to children of all ages. A world of imagination and total absorption. Putting two LEGO bricks together is intuitive and delivers the spontaneous joy of creation which can be supplemented – but never replaced – by virtual experiences.

## LEGO Group in key Figures

The LEGO Group ended 2009 with a highly satisfactory result. The result before tax - a surplus of DKK 2,887 million - exceeded all expectations for the year, and the LEGO Group's net sales rose by 22.4% from DKK 9,526 million in 2008 to DKK 11,661 million in 2009.

Nearly all the LEGO Group's markets saw significant sales increases in 2009 - despite the fact that, overall, the global toy market was stagnant in 2009.

In 2009, the two classic product lines LEGO<sup>®</sup> City and LEGO *Star Wars*™ were once again the most successful lines.



#### **Financial Highlights**

The LEGO Group

#### (DKK million)

	2009	2008	2007	2006	2005
	2003	2000	2007	2000	2003
Income Statement:					
Revenue	11,661	9,526	8,027	7,798	7,027
Expenses	(8,659)	(7,522)	(6,556)	(6,393)	(6,605)
Operating profit before special items	3,002	2,004	1,471	1,405	423
Impairment of non-current assets	(85)	(20)	24	270	86
Restructuring expenses and other special items	(15)	116	(46)	(350)	(129)
Financial income and expenses	(15)	(248)	(35)	(44)	(51)
Profit before income tax	2,887	1,852	1,414	1,281	329
Profit, continuing activities	2,204	1,352	1,028	1,290	214
Net profit for the year	2,204	1,352	1,028	1,290	214
Employees:					
Average number (full-time)	7,058	5,388	4,199	4,908	5,302

## Focus on growth

The LEGO Group has seen continued growth over the previous five years, and sales have increased by doubledigit growth rates in the last few years. This has happened in a global toy market characterised by stagnation throughout the last decade.

The LEGO Group expects continued growth in sales in the years ahead. The foundation for this growth is a constant focus on the company's core products and markets. On this basis, seven growth initiatives have been defined:



#### Grow market share in USA

USA is the world's largest market for toys, and the LEGO Group has dramatically increased its market share in recent years, to approximately five per cent. The LEGO Group believes this share can be further increased in the coming years.

#### · Grow market share in Eastern Europe

The toy market in Eastern Europe is experiencing rapid growth, and the LEGO Group aims to continue to expand its strong position on these markets.

#### Seed "emerging markets"

The LEGO Group does not yet enjoy a strong market position in markets such as China, Mexico, Brazil and India. These markets are expected to see strong growth in the future, and the LEGO Group plans to invest in developing them.

#### · Seed new concepts

In addition to ongoing product development based on the existing core portfolio, the LEGO Group will develop innovative new products which are "obviously LEGO® products, but never seen before". An example of such new products is the LEGO Games board-game series launched in 2009.

#### · Expand "direct to consumer" activities

The LEGO Group currently has direct contact to consumers through its own sales channels, clubs, collaboration programs, etc. The aim is to get even closer to consumers through greater contact and by expanding offers available direct to consumers.

#### Expand LEGO Education

The aim is to create growth in the area of educational materials for preschools, schools and educational institutions all over the world.

#### · Develop digital business

The LEGO Group currently operates on digital platforms through the LEGO.com website and video games. Digital business will be further expanded, in particular through LEGO Universe – the first MMOG (massively multiplayer online game) from the LEGO Group, to be launched in the second half of 2010.

### Organisation

The LEGO Group has a global workforce of approx. 9,000 people.

#### **Corporate Management comprises:**

The Chief Executive Officer, the Chief Financial Officer and four Executive Vice Presidents, each with their own business area.

CEO CEO Markets & Products Community, Education & Direct Corporate Center Corporate Center Corporate Corporate Finance

Markets & Products (M&P) has global responsibility for development of new products for retail customers, development of marketing materials, global marketing and sales to retail customers worldwide. Community, Education & Direct (CED) is responsible for direct contact with consumers as well as sales via brand retail stores, online sales and mail order. In addition, this business area is responsible for digital business. And CED is also responsible for the Group's development, marketing and sale of educational materials.

Corporate Center (CC) covers a combination of strategic and supportive functions: IT, Human Resources, Corporate Communications, Corporate Governance & Sustainability, Service Center, Continuous Improvement and Corporate Legal Affairs. Global Supply Chain (GSC) is responsible for the Group's supply chain, from procurement and production - including moulding, decoration and packing – to shipping and distribution to the retail trade.

#### Corporate Finance is responsible for financial management and controlling as well as follow up on business planning and strategic initiatives.

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# Idea and production

### How LEGO<sup>®</sup> bricks are made

Concept and product development takes place primarily at the company's Billund headquarters – but the LEGO Group also has listening posts in Munich, Los Angeles and Tokyo in order to monitor the latest trends. The creative core is made up of 120 designers representing about 15 different nationalities. Most of the designers have trained at design or art schools in various parts of the world. The LEGO Group, however, does not formally stipulate that its designers must have such a training; selection is based on hands-on work and face-to-face interviews.

LEGO® bricks are manufactured at the Group's own factories in Denmark, Hungary, Czech Republic and Mexico. The locations have been selected in order to be close to the Group's most important markets in Europe and the USA. In addition, elements and finished products are procured from external suppliers. Approx. 23 billion LEGO elements are made every year in Billund – equivalent to approx. 2.4 million elements an hour or 40,000 a minute.

In 2010 the LEGO Group expects to achieve a global production of more than 31 billion elements – equivalent to 60,000 elements a minute or 1,000 elements every second.

There are about 3,900 different elements in the LEGO range – plus 58 different LEGO colours. Each element may be sold in a wide variety of different colours and decorations, bringing the total number of active combinations to more than 7,500. During the moulding process, the plastic is heated to 232° C until its consistency is about that of dough. It is then injected into the moulds at a pressure of 25-150 tons, depending on which element is being produced. It takes seven seconds to cool and eject new elements. The moulds used in production are accurate to within 10 my (= 0.01 mm), and the accuracy of the moulding process means that only 18 elements in every million produced fail to meet the company's high quality standard. All LEGO® elements are fully compatible, irrespective when they were made during the period from 1958 to the present or by which factory.

### Toy of the Century

At the start of the new millennium the LEGO® brick was acclaimed "Toy of the Century" – first by Fortune Magazine and later by the British Association of Toy Retailers. Carpenter Ole Kirk Kristiansen began making wooden toys in 1932. Since then the company has passed from father to son. Today the founder's grandson, Kjeld Kirk Kristiansen – with his children – owns the LEGO Group, which in terms of sales is the world's fourth-largest toy manufacturer:

#### 1. Mattel

- 2. Bandai-Namco
- 3. Hasbro
- 4. The LEGO Group
- 5. TOMY-Takara

The LEGO Group has itself grown through the various ages of play by passing on know-how and vision to the next generation – at the same time incorporating new technology in its products along the way. The company's history shows that the scope of product development has been immense but that the product remains firmly founded on the classic LEGO brick.

In 2008 the LEGO brick celebrated its 50th anniversary. On January 28, 1958 at 13:58 Godtfred Kirk Christiansen applied for a patent for a LEGO building system. This turned out to be a wise decision. The patent application was the start of a fairy tale - about a unique product that now sells in more than 130 countries.

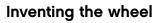


#### LEGO<sup>®</sup> System of Play

The classic LEGO® interlocking principle was developed more than 50 years ago. The many possible ways of combining LEGO components encouraged children to use their imagination and explore their own creative universe. In 1950 Godtfred Kirk Christiansen took over at the helm of the LEGO Group when his father, Ole Kirk Kristiansen, stepped down. Five years later the LEGO Group introduced the revolutionary "LEGO System of Play" with the first "Play and Learn" concept, emphasising the importance of learning through play. Shortly afterwards the company passed yet another milestone. In 1958 it launched the LEGO brick with its new interlocking system.

1960s

1950s



To Godtfred Kirk Christiansen this was just the start of the LEGO System. In 1962 he reinvented the wheel and began experimenting with motors – and in 1966 introduced the first LEGO train with its own rails and a 4.5v motor. Many more innovative ideas followed. The LEGO Technic series, introduced in 1977, included parts such as gears, beams and gearboxes. The product range invited older children to build vehicles and other machines which were just as complex as their "real-life" counterparts.

#### Big bricks for little fingers

Another revolutionary development happened in the late 1960s: Instead of being aimed broadly at the target group "children", LEGO products were tailored to age groups and stages of development. Godtfred Kirk Christiansen recognised that younger children could get much more fun from the LEGO system than had previously been possible – but that they needed different tools. LEGO® DUPLO® was launched with the aim of extending LEGO fun to the youngest. LEGO DUPLO bricks are twice as long, high and wide as ordinary LEGO bricks – and therefore easier for the youngest hands to manipulate.

#### LEGOLAND® on the map

In 1968 the LEGO Group set up the LEGOLAND® park in Billund. The park was to prove the most famous and vibrant symbol of creativity and imagination – viewed from the child's perspective. LEGOLAND offers adventures for children and fun and enjoyment for the whole family.

#### LEGO® figure is born

In 1974 the first LEGO® figures arrived in the LEGO universe. The figures represented a whole new LEGO concept, with role play and personality becoming part of LEGO play.

#### System within a system

In 1978 Godtfred's son, Kjeld Kirk Kristiansen, introduced a business model which created a "system within the system" and gave the LEGO Group an objective in its product development: to an increasing degree, the different product ranges were to take account of the child's needs and abilities at each stage in its life – continuously aiming for optimum stimulation of the child's creativity and imagination. A year later – in 1979 – Kjeld Kirk Kristiansen was named president and CEO of the LEGO Group. A company and its traditions were placed in the hands of the third generation.

#### Expanding the universe

Kjeld Kirk Kristiansen added a new dimension to the LEGO system of play. LEGO figures were already established as popular characters, and the focus therefore switched to stories, themes and role play. On the continued principle of unlimited play, children were introduced to brand-new LEGO worlds on which they could build and expand their imagination. In 1979 the LEGO Group reached beyond the skies when it launched the LEGO Space series. Neil Armstrong may have been the first man on the Moon – but no doubt it was a LEGO figure that first visited an alien galaxy.

### Partnership with science

980s

In 1984, before digital development really took off, the LEGO Group entered a partnership with Media Laboratory at the Massachusetts Institute of Technology, USA. Research in technology and learning processes enabled the LEGO Group to spearhead development. By blending physical and virtual worlds into an integrated play universe, the company came up with new products. LEGO Technic Computer Control was launched in 1986 as one of the partnership's first tangible results. LEGO products for the educational sector benefited substantially from this invention, which later paved the way for the first computer-controlled LEGO robots.



#### Many products in the 1990s

In the 1990s the LEGO Group launched a steady flow of new products.

On 22 March 1996, the website LEGO.com was launched, and in 1997 the LEGO Group introduced its first computer game.

During the 1990s the company opened two new LEGOLAND® parks outside Denmark: one in Windsor, Britain, in 1996, the other in California, USA, in 1999. The fourth park appeared on the map at Günzburg, Germany, in 2002.

#### Robot technology for children

The 1990s were also the decade in which intelligence and behaviour became integral features of the LEGO® product range. In 1998 the partnership with Massachusetts Institute of Technology produced amazing results. By integrating robot technology with the LEGO construction system, LEGO® MINDSTORMS® enabled children to create and programme intelligent LEGO models. FIRST LEGO League is a result of this work: a worldwide technology tournament in which schoolchildren compete with each other. Tournaments are held in collaboration with the US non-profit organisation "FIRST" (For Inspiration and Recognition of Science and Technology). Children design their own robots, and at the same time they are required to participate in a series of scientific and mathematical/technical projects.

#### Storytelling

In 1998 the LEGO Group announced an exclusive licensing agreement with Lucasfilm Ltd. It gave the Group the right to develop, manufacture and market a new series of LEGO<sup>®</sup> sets based on themes from the original Star Wars trilogy and the three new Star Wars movies.

1990s

The BIONICLE® universe made its appearance in 2001. It was the first time the LEGO Group had developed a complete story from scratch as the basis for a new product range. Through a combination of physical products and a detailed online universe, children are invited to tell how they see the story and the action developing. With the BIONICLE range the LEGO Group brought a brand-new category to the toy market: Constraction, which is a combination of "construction toys" and "action figures".

#### New concepts

In 2009, a completely new product line was launched: LEGO Games. The line consists of a series of board games that can be played by the whole family.

In 2010 the LEGO Group will launch an MMOG (Massively Multiplayer Online Game) called LEGO Universe.

### LEGO<sup>®</sup> products For all children

The range embraces products for all children. The entire product portfolio is graduated in its challenge to reflect the fact that children grow older and develop. LEGO<sup>®</sup> products can be grouped into a number of categories:

#### **Pre-school products**

Pre-school products are the category for children who haven't yet started school. The products are specially developed to cater for the capabilities of the youngest children – encouraging them through creative play to use their hands and develop their motor skills. Today LEGO<sup>®</sup> DUPLO<sup>®</sup> comprises both loose bricks – encouraging the child to build entirely what comes into its mind – and play themes – for example, airport, train and castle. The series is graded in difficulty for children aged 2-6 years. Safety and quality are key features of the Pre-school range. The elements are large enough for children under three years to play with without swallowing them – and thanks to the way they have been moulded no bits can become loose.

#### Bricks & More

Bricks & More is the name given to sets or buckets with traditional LEGO bricks and special parts such as windows, wheels and roof tiles. No building instructions needed here – just a bit of imagination. With Bricks & More you can build what you want. Run out of ideas? There are booklets enclosed – with illustrations to feed the active mind. Bricks & More is available in DUPLO and standard LEGO bricks.

#### **Play themes**

Play themes are all those products that are built up around a story. For example, there are themes such as fire station, police, airport, knights' castle, racers – and many more. As well as enjoying building, the child can spend many hours playing with the finished models.

#### Licensed products

Licensed products are play themes based, for example, on movies or books for which the LEGO Group has acquired the rights. LEGO designers recreate the universe and characters in LEGO bricks so that play can continue on the floor at home. Examples of series produced by the LEGO Group under licence are the LEGO Star Wars™ and LEGO brand Toy Story™ product lines.

#### LEGO® MINDSTORMS® NXT

With LEGO® MINDSTORMS® NXT you can design your own robot. By means of the software included in the set, robots can be programmed to perform loads of different operations. The robot can be fitted, for example, with sensors which can control motors and react to light, sound, touch, etc.

#### **LEGO® Education**

LEGO Education products have been developed specially for the educational sector and contain material for both teachers and pupils. Pupils get the opportunity to do their own research, for example, into how cause and effect are related. When you learn by doing, you remember it better than if someone simply tells you. This is the philosophy behind LEGO Education's teaching concepts.

## The minifigure



The first LEGO® minifigure appeared on the market more than 30 years ago. Since then the little yellow figure has gone from strength to strength. Over the years approx. 4 billion minifigures have been produced – making it the world's biggest population group! The minifigure has appeared in many guises, including knight, astronaut, policeman, racing driver, Star Wars warrior, Harry Potter, Santa Claus, Steven Spielberg, crane operator, footballer, explorer, nurse, basketball player, Spider-Man, scuba diver, skier, firefighter, skeleton, pirate, skater, American Indian and queen.

When the minifigure first appeared, it was decided that its face should have only one colour: yellow. And that its facial features should be happy and neutral. The figure would have no sex, race or role – these would be determined by the child's imagination and play. It was not until the launch of LEGO Pirates in the 1980s that the need seemed to arise for having a figure who could be evil or good, happy or grumpy.

With licensed products such as LEGO *Star Wars*™ and LEGO Harry Potter™ the figure began appearing in specific roles, and with LEGO Basketball it took on authentic skin colours. In 2004 the LEGO minifigure assumed an even wider range of skin colours when it was decided that the figures in licensed products should resemble the original characters as closely as possible. One result was that the figures in LEGO Harry Potter™ changed from yellow to a more authentic skin colour.

Over the years approx. 4 billion minifigures have been produced – making it the world's biggest population group!

### Minor and major steps in the history of the minifigure

**1978:** The first minifigures are launched for the themes Town, Space and Castle. There are seven different figures to start with.

**1978:** Two months after the appearance of the first minifigures the first female minifigure arrives on the scene: a hospital nurse.

**1989:** Minifigures change their facial expressions. Now they can be either good or bad – and can even have a patch over one eye! Some of the figures are equipped with a wooden leg and hook.

**1997:** The minifigure comes to life. In the computer game "Panic on LEGO<sup>®</sup> Island" the minifigure makes its first-ever appearance as an animated character. The launch of this new game is preceded by extensive experiment in developing the figure's movements and language.

**1998:** With the new Star Wars™ characters the minifigure makes its first appearance in a specific role. This personification of the minifigure is later extended to LEGO Harry Potter™, LEGO Studios, LEGO Basketball and other series.

**2000:** In LEGO Football the minifigure is mounted on a spring – becoming a functional element. There is further development with LEGO Basketball – when the spring is used to activate the figure's hip movement. **2003:** For the first time in the history of the minifigure its yellow facial colouring is replaced by a more authentic skin colour. In LEGO Basketball there are both dark and light players, with hair-styling printed on the character's head.

**2004:** LEGO licensed products no longer have yellow faces – Harry Potter, for example, assumes a more natural skin tone.

**2010:** Minifigures are launched as collector's items. Each minifigure comes in a sealed "mystery" bag, so you never know which minifigure you might get. And you could exchange minifigures with other collectors to obtain a full collection.

### **LEGOLAND®** parks

LEGOLAND® parks are family parks in which children enter an exciting world of adventure built of LEGO® bricks. The LEGO Group sold its LEGOLAND parks in summer 2005. The purchaser was Merlin Entertainments.. A new company was set up under the deal – Merlin Entertainments Group. Today the company owns a number of family attractions all over the world, including LEGOLAND parks, Madame Tussauds,® SEA LIFE®, London Eye®, Gardaland® (Italy) and Heide Park® (Germany). KIRKBI A/S (owning 75% of the LEGO Group) owns approx. 36% of Merlin Entertainments Group.

#### **LEGOLAND Billund**

LEGOLAND Billund opened in 1968 and quickly became Denmark's most popular tourist attraction outside the capital, Copenhagen. LEGOLAND Billund has seven theme areas – and more than 58,000,000 LEGO bricks have been used to create the unique environment with knights, pirates, cowboys and other impressive LEGO models.

#### **LEGOLAND Windsor**

A second park was opened in 1996 – in Windsor in the south of England. Nearly 55 million LEGO bricks were used in the building of the park. LEGOLAND Windsor is located approx. 35 km west of London, with Windsor Castle as its nearest neighbour. The following year the park was hailed as the most popular new attraction in Britain.

#### **LEGOLAND** California

The third LEGOLAND park opened in 1999 in Carlsbad, USA, 30 miles north of San Diego and an hour's drive south of Anaheim, California. Like the other LEGOLAND Parks, LEGOLAND California combines interactive attractions, family activities, shows, restaurants, shops and LEGO models. More than 35 million LEGO bricks were used in the construction of the park's 15,000 LEGO models. The park is open all year round.

#### **LEGOLAND Deutschland**

The fourth LEGOLAND park opened in 2002 in Günzburg in southern Germany. A total of 50 million LEGO bricks were used to build life-size giraffes and hippopotami and to create interactive games and learning. Attractions and shows also help to give the visitor a fun and exciting experience.

#### New LEGOLAND parks to be established

The owner of the LEGOLAND parks – Merlin Entertainments Group – has announced the opening of 2 new LEGOLAND parks. LEGOLAND Florida is expected to open in Winterhaven, Florida towards the end of 2011. Furthermore, it is planned to open a LEGOLAND park in Iskandar, Malaysia in 2012.

### LEGO<sup>®</sup> Community

It is important to the LEGO Group to have close contact with its fans and consumers throughout the world. And to this end, the Group engages in many initiatives to strengthen ties between LEGO<sup>®</sup> enthusiasts and the Group.

#### LEGO.com

LEGO.com is the official website of the LEGO Group. The aim of LEGO.com is to create a virtual LEGO® universe in which users can enjoy one of the most intense LEGO experiences. LEGO.com is more than just an online shop. It is a place where children, parents and LEGO fans of all ages can play and learn about LEGO Group values and ideas through games, stories, activities and experiences. More and more people are clicking their way to LEGO. com, and the website now tops the list of family and children's sites on the Internet.

#### LEGO Club™

The LEGO Club is for children in the 6-12 age group and has a membership of 3.2 million. Through the LEGO Club, members can show each other pictures of their favourite building work and draw inspiration for future play. Every 2-3 months members receive a members-only magazine, published in English, German, French and Dutch. They also have access to a special LEGO Club website.

In 2004 a new club offer was launched in the USA: LEGO BrickMaster, aimed at children aged seven years and upwards. The new offer is an option for the most enthusiastic members, who can access an even broader range of LEGO activities. Among other things, they receive special information and behind-the-scenes LEGO stories plus the opportunity to take part in special competitions.



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#### LEGO<sup>®</sup> Design byME

The LEGO Group also gives children and adults the opportunity to build their own virtual models on the computer- and then have the bricks to the physical LEGO® model sent by post. At the website www.DesignbyME.com children and other building enthusiasts can build virtual LEGO models using the professional software application, LEGO Digital Designer. Consumers can design and build precisely the model they think is lacking from the official LEGO range. Each builder then decides whether he or she wants to buy the model or simply exhibit it in the digital gallery for other visitors to admire.

The aim of the website is to introduce a whole new dimension to the fun of building. If children are looking for advice or ideas, they can see inspirational material at the site posted by LEGO designers and adult LEGO fans.

#### **LEGO Inside Tour**

Twice a year it is possible to join a very exclusive visit to the LEGO Group and be shown round the company. Enthusiasts from all over the world take part in these Inside Tours. During the tour, visitors have close-quarter encounters with product developers, designers and modelmakers, who introduce the fans to a themed building competition with LEGO bricks. These special visitors also learn about the company's history, culture and values – and get to see behind the scenes at LEGOLAND® Billund. It is a special opportunity to see parts of the company which are otherwise closed to the public.

#### Adult LEGO fans

A growing number of adult LEGO enthusiasts have been setting up groups (LEGO User Groups - LUGs) in which to share their LEGO hobby. They call themselves "AFOLs" ("Adult Fans of LEGO"). Over a period of years, the LEGO Group has actively developed relations with more than 50 "AFOL" groups with a total of 55,000 registered members. The groups have their own websites, blogs and discussion foras. The most popular LEGO fan blogs have more than 150,000 unique visitors each month. LEGO fans are also very active at YouTube where more than 550,000 LEGO tagged videos are to be found. At Flickr close to 730,000 LEGO tagged images are to be found. In 2009 more than 135 public events were organised by LEGO fans, and more than 1.6 million people (typically families with children) visited these events. During 2009, the LEGO Group and LEGO User Groups collaborated on 80 projects – from events to development projects.

#### Programmes

In 2005 the LEGO Group announced its "LEGO Ambassador" programme for AFOLs worldwide. The purpose of this programme is to expand mutually useful relations between the LEGO Group and its loyal, talented and committed consumers. Each LEGO Ambassador Program cycle is one year. LEGO Ambassadors are selected among persons nominated by LEGO User Groups globally. The current LEGO Ambassador Program cycle has 44 members from 27 different countries all over the world.

Some LEGO fans have turned their passion for building and creating with LEGO bricks into a full-time or part-time profession: LEGO Certified Professionals who have been officially recognized by the LEGO Group as trusted business partners. Today there are 11 LEGO Certified Professionals.

### Learning through play

Research into the fields of play and learning has always been an important LEGO Group activity – combined with creativity, it is referred to as "playful learning". To advance this research, the Group works closely with several research institutes throughout the world. The development of LEGO® MINDSTORMS® NXT, which was launched in autumn 2006, is an excellent example of how collaboration with the Massachusetts Institute of Technology has resulted in a new, innovative product.

#### **LEGO® Education**

In LEGO® Education playful learning is the focus of its products. But although the products of LEGO Education are based on the LEGO brick, the product range should not be mistaken for toys for schools. They are in fact a wide range of options for teachers and pupils, providing a solid grounding in the learning of science concepts through practical exercises. In this way, the products are mainly used in subjects in which pupils learn, for example, about technical principles, the environment or IT technology. All the concepts behind the products of LEGO Education have been developed in close collaboration

with educationists and teachers, and LEGO Education is involved in many projects throughout the world – often in conjunction with local education authorities.

#### FIRST<sup>®</sup> LEGO<sup>®</sup> League

FIRST LEGO League is a robotic tournament for children and youngsters aged 9-16 years. The robotic tournament has been established in collaboration between the American non-profit organization "FIRST" (For Inspiration and Recognition of Science and Technology) and the LEGO Group to inspire children and youngsters and encourage their interest in science and mathematical/ technical subjects. Teams are made up of 5-10 players competing against other teams on various subjects. The teams build their own robots on the basis of LEGO MINDSTORMS products. In addition, the teams prepare a theoretical solution to the year's challenge. In the 2010/2011 season, more than 165,000 children in 56 countries will be involved in FIRST LEGO League. The tournaments in each individual country are organized by a number of non-profit organizations.

## Fun LEGO<sup>®</sup> Facts

- More than **400 million** children and adults will play with LEGO bricks this year.
- LEGO products are on sale in more than 130 countries.
- If you built a column of about **40,000,000**,000 LEGO bricks, it would reach the moon.
- More than seven LEGO sets are sold each second.
- Approx. **23 billion** LEGO elements are made every year at the factory in **Billund** – equivalent to approx. **2.4 million** elements an hour or **40,000** a minute.
- In 2010 the LEGO Group expects to achieve a global production of more than 31 billion elements – equivalent to 60,000 elements a minute or 1,000 elements every second.
- If all LEGO sets sold in a year were stacked on top of each other, they would fill a football field to a height of 150 m.
- Laid end to end, the number of LEGO bricks sold in a year would reach more than ten times round the world.
- On average, every person on earth owns 70 LEGO bricks.

# 23 billion 5 billion hours



- The eight robots and 15 automatic cranes that work in the LEGO warehouse in Billund can shift 660 crates of bricks in and out every hour.
- The world's children spend **5 billion** hours a year playing with LEGO bricks.
- With a production of over **300 million** tyres a year, the LEGO Group is the world's largest tyre manufacturer.
- In the manufacture of LEGO bricks the machine tolerance is as small as **10 my (0.01 mm).**
- The LEGO Club has 3.2 million members worldwide.
- Over the years, approx. **485 billion** LEGO elements have been manufactured.





### **915 million way** to combine six LEGO<sup>®</sup> bricks

When people used to visit the LEGO Group, one of the things they were told was that there are 102,981,500 possible ways to combine six eight-stud LEGO® bricks of the same colour. But one day the Group was contacted by a professor of mathematics who had calculated that this figure was too low. With the aid of computer programming he had calculated that the exact figure was 915,103,765. The discrepancy is explained by the fact that in the original method of calculation, the only possibilities counted were the ones that eventually produce a column six bricks high. But, of course, it is also possible to build the six bricks – for example – in a chunk three bricks high. The difficulty in the early 1970s when the original calculation was made was that a computer was not available to perform that calculation.

So the correct figure is 915 million possible combinations.



### Using the LEGO® brand name

Please help us to protect our brand name:

- The LEGO® brand name should always be written in capital letters.
- LEGO must never be used as a generic term or in the plural or as a possessive pronoun, e.g. "LEGO's".
- When the LEGO brand name is used as part of a noun, it must never appear on its own. It should always be accompanied by a noun. For example, LEGO set, LEGO products, LEGO Group, LEGO play materials, LEGO bricks, LEGO universe, etc.
- The first time the LEGO brand name appears it must be accompanied by the Registered symbol ®.

Thank you for helping us!

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