



## **Lego: Building Success**

### **Listening Questions 1:**

1. When did Lego start making plastic bricks?
2. What did Ole Kirk Christiansen do before he made toys?
3. What company did Lego partner with in the U.S. and Canada?
4. How many Lego sets were sold in 1968?

### **Listening Questions 2:**

5. Other than bricks, what products does Lego sell?
6. How many Legoland theme parks are there?
7. In 2012, how much profit did Lego make?
8. Why did the company's supply costs increase in the late 90s?

## Transcript 1:

Lego has a long history of making toys dating back to 1932, but it began making its iconic Lego bricks in 1949. The company was founded in Billund, Denmark by Ole Kirk Christiansen.

Kirk Christiansen was originally a carpenter who built houses and furniture. He made miniature versions of his products as design aids and they later inspired him to make toys.

In 1961, Lego wanted to expand to the North American market, but did not have the resources to do so. Interestingly, Lego partnered with the luggage manufacturer Samsonite to produce and distribute Lego products in the United States and Canada.

In 1968, the company opened its first theme park, Legoland Park, in Billund. More than 18 million Lego sets were sold that year.



## Transcript 2:

Lego has diversified its business over the years. In addition to its Lego brick sets, it sells various products such as video games and board games. There are 6 Legoland theme parks around the world and the company has numerous licensing agreements with other brands such as Batman, Disney, and Harry Potter.

The company had financial difficulties in the late-90s and early 2000s. However, Lego has been profitable every year since 2005. In 2012, the company posted a net profit of 5.6 billion Danish kroner or about 1 billion US dollars.

According to Paal Smith-Meyer, the head of Lego's New Business Group, the company's supply costs skyrocketed in the 90s because product designers had the freedom to create anything they wanted. From 1997 to 2004, the number of component pieces went from about 7,000 to 12,400. Since 2005, the designers have had to vote on the new pieces they wanted with only the top vote getters moving on to production.