



While consumers built planes, trains and automobiles out of the colorful little plastic blocks, LEGO® built an empire.

## BULLING BUSINESS

### Where it all began

LEGOs®, like a lot of the toys that hit the U.S. in the '60s and '70s, can be quite collectible. There's a clamor for building sets from that halcyon period, especially nonstandard sets like trains and space ships, whether in the original box or not. (Naturally, sets in their original boxes fetch a hefty premium.) Nice '60s and '70s sets easily sell for several hundred dollars and up.

Time to blow the fairy dust off the first chapter. The LEGO® story begins in 1916, with Ole Kirk Christiansen buying a carpentry business in Billund called Billund Maskinsnedkeri og Tømrerforretning. Billund is a village located in a portion of Denmark known as Jutland.

The stock-market crash of 1929 threw the world into depression in the 1930s, and times were hard for Denmark's farmers. They couldn't afford to hire a carpenter,

and practically no one wanted Ole's services. He nearly went bankrupt.

But Christiansen figured that children always needed toys, and toymaking might keep his business alive until times got better. So in 1932, he and a few employees began making wooden toys in the small workshop. Two years later they were still making toys, and Christiansen came up with a name for his toys and the workshop: "LEGO"," a combination of the Danish words "leg" and

# LEGO® PRIMO Scoop'n Squirt Fun Pack (ages 6-36 months). LEGO® SYSTEM Amazon Ancient Ruins (ages 8-12).

"godt" - meaning "play well" in English.

The toy business went well enough. By the end of the 1930s, the LEGO® company manufactured a wide variety of products — vehicles, animals, yo-yos and other wooden toys. By the 1940s, LEGO® made more than 150 different items. The workshop became a small factory, and by 1952 the number of employees had risen to 140.

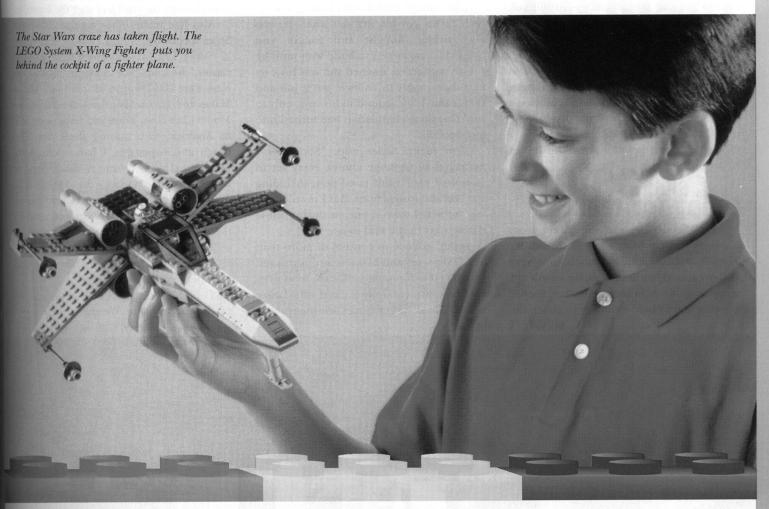
Denmark was occupied by Germany during World War II, but out of these hard times came a material that would revoluwasn't until 1954 that Ole's son Godtfred developed what he called the "LEGO® System of Play" — the now-famous construction system consisting of a variety of building elements, vehicles, trees, figures and a town map made from cardboard.

Although the system was in place, the blocks were limited in what they could hold and how they could be stacked. It took three more years for Godtfred to make the final vital discovery: Tubes molded inside the hollow LEGO® bricks increased their

LEGOs® gain momentum. By the early '70s, LEGOs® were an American hit.

### The LEGO® Lingo

The LEGO® Group has grown to become the world's fifth-largest toymaker, and the only European company to crack the top 10. It sells its products through 60,000-plus retail outlets in more than 130 countries. Its current product lineup features 503 sets (201 of them new) put together from more



tionize toys and toymaking: plastics. Ole Christiansen realized plastics' potential, and the company bought its first injection-molding machine in 1947. Plastic toys (rattles, small dolls, animals and building bricks) soon joined wooden toys in the LEGO® line.

The first primitive LEGO® brick was launched in 1949, sold in Denmark and called "Automatic Binding Bricks." They might have been automatic and binding, but they couldn't have been as much fun as current LEGOs® since they could only be stacked one on top of the other. It

clutching power, vastly expanding the ways bricks could be combined. Just think, there may not have been a LEGO® electric guitar if Godtfred hadn't put molded tubes inside his bricks.

LEGOs® were strictly Scandinavian until 1960 and weren't imported to the United States until the early '60s. They took several years to get rolling in the States but benefitted from the toy boom that swept the country in the mid-'60s. The addition of the twice-as-large, meant-for-toddlers Duplo line in 1967 helped

than 2,000 different elements.

Almost everything is compatible, regardless of where it's produced. That goes for the old stuff, too — and there's plenty of that. LEGO® estimates that it's made more than 203 billion LEGO® elements in the last 50 years, and played with by more than 300 million children. That's a lot of little blue cubes lost under the couch.

LEGO® takes a refreshing quasi-socialist, totally European approach to the toy business. It is quick to state that "children are our vital concern" and "we take their



needs seriously." It sponsors a sort of Nobel Peace Prize for good deeds done on behalf of children, and an annual Children's Forum.

It subsidizes a LEGO® technology chair at the Massachusetts Institute of Technology. It has travelling LEGO® art and LEGO® technology exhibits that tour the world. And it runs three interactivity-stressing, self-esteem-building theme parks — in Billund, in suburban London and a poppin'-fresh park in Carlsbad, California, about halfway between Los Angeles and San Diego.

LEGO® has expanded its product line to incorporate robotics and barcode scanners, videos, computer games and children's clothes, watches (with neat little pop-in/popout elements), bedsheets and puzzles.

But it's still a company built on building blocks.

### **Loopy for LEGO®**

LEGO® collectors run the gamut from boomers to Xers, with a few Ys thrown in. They're an amorphous bunch, not very well-organized, without a single newsletter or price guide to subscribe to, but they're growing in number worldwide to match the worldwide growth of their favorite toy.

"Denmark, Belgium, Holland and Germany are home to the biggest LEGO® collectors, since they had LEGO® well before we did in the states," said Brian Styles, a devoted American collectors and Webmaster of the LEGO® Collector's Web (www.legoweb.com). "They're also the source of a lot of rare sets. But now more and more people are getting on the Internet, and buyers and sellers are getting connected in a matter of seconds."

Like many childhood-chasing collectors, Styles got his first set when he was very young, bought and sought and begged for more sets to build with until he hit his mid-teens, ditched the sets for cars and dates, went to college, got a job and then came back around to his toys, only to find that his accumulation had turned into a collection.

"I'm lucky," Styles said. "Somehow I managed to preserve almost every set in complete near mint condition, including the box and instructions. But I'm still looking for sets I missed out on during those dating days in the mid-to-late 80s."

Styles' collection consists of more than 125,000 pieces and 500 sets and is insured for \$60,000. Complete sets, each in its original box, are carefully packed into larger boxes. These larger boxes are then neatly

stored in one of the four bedrooms of Styles' Florida home.

"I miss the basement [in the house] where I grew up," he said.

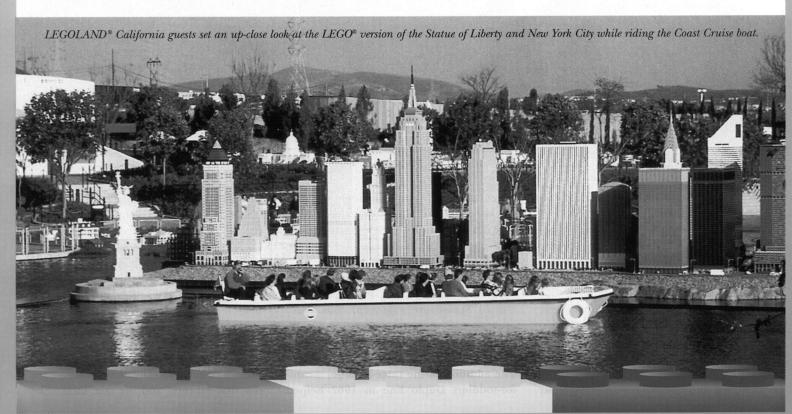
Like serious collectors, Styles goes for condition and completeness regardless of the collectible. He rarely buys a set that isn't top-grade and complete with box and instruction manual. As a result, he's spent as much as \$200 for a new set and \$800 for a 33-year-old set. Much of the buying and selling of top-dollar sets is done through auctions, both through the mail and over the Internet.

Also like many other serious collectors, Styles specializes.

"Most LEGO® collectors have favorite classes," he said. "For example, my favorite classes are the Technic, Model Club, Model Makes and Trains. My prize sets are from the Model Club class. These sets were never sold in America, so acquiring them has been tough and expensive. I have a couple of favorite trains — the 7740 Inter-City Express (mid-'80s) and the 138 Electric Train (mid-'60s). These sets are special because I invested the effort and enjoyed the reward of working hard to acquire them — just like anything in life."

Styles has a few tips for fledgling and enthusiastic LEGO® collectors:

1) GET ONLINE. It's not an unexpected tip coming from the Webmaster of a



### Mary Beth's Hot Toy corner

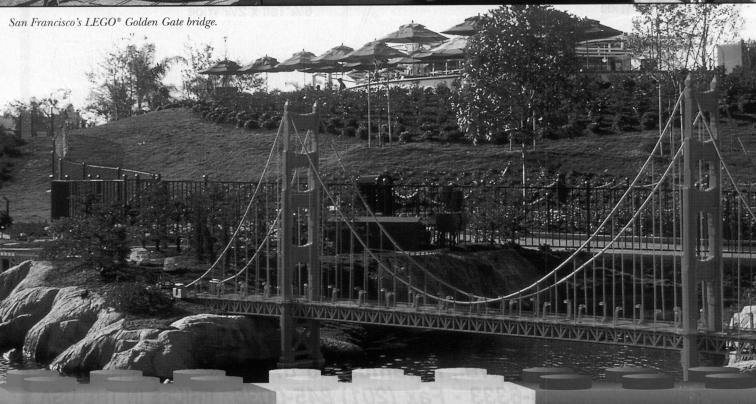
LEGO®-collectors' site, but considering the amount of buying and selling that's being done worldwide through ebay.com, other online auction services and private transactions, it's valid advice.

- 2) Be prepared to **SPEND MONEY**. You may not be putting together a \$60,000 collection right away, but it's easy to drop \$100 on old and new sets.
- 3) **BUY CURRENT SETS**. "[Buying them] new is much less costly than waiting a couple years, finding the set has been discontinued, and the price on the auction block has now caused you to spend twice

### Miniland at LEGOLAND® California has replicas to scale of major cities and architectural designs.









as much as you could have bought it for new," said Styles.

- 4) When trading online, always **ASK FOR REFERENCES** and verify them first. Never trade blindly.
- 5) Grade conservatively, and always BUY THE BEST GRADE YOU CAN AFFORD. That gives you the best chance of getting top resale dollar should you ever sell.
- 6) **TRADE INFORMED**. The lack of a truly definitive LEGO® book steepens the learning curve, but LEGO® collectors are a uniformly helpful and polite bunch. An E-mail correspondence course is often your best education option.
- 7) **PLAY** with your collection. "My son's favorite toy is the most expensive one atop my prize shelf," said Styles. "But that's the best part about LEGO®: We play with them together and what gets dropped or dismantled gets easily rebuilt."

There's one more benefit to LEGOs® that gets lost in the collecting shuffle: LEGOs® are an educational toy. Styles is the founder of a computer-software company called Inteletek, and is certain he couldn't have done it without LEGOs®.

"I attribute much of my intellect and aptitude to having LEGOs® early in my childhood," he said. "Long before I took high-school physics, I already learned the gear ratios and how universal joints and levers work — I was building them!" ♥

### Brian Styles' Top 9 Rarest Sets

- 1) #138 Electric Train
- 2) #390 1913 Cadillac (Model Club set)
- 3) #391 1926 Renault (Model Club set)
- 4) #392 Formula 1 Race Car (Model Club set)
- 5) #393 Norton Motorbike (Model Club set)
- 6) #394 Police Harley-Davidson 1000cc (Model Club set)
- 7) #395 1909 Rolls Royce (Model Club set)
- 8) #396 Thatcher-Perkins Locomotive (Model Club set)
- 9) #398 USS Constellation (Model Club set)

## **LEGOLAND®** California

It seems like an unfair fight. Disneyland is all about enhancing the visibility of Mickey Mouse and Donald Duck and Belle and Aladdin. LEGOLAND® California is all about advancing the cause of little interlocking bricks. But Disneyland has nothing on LEGOLAND® when it comes to high-fun-factor competition for the Southern California amusement dollar.

LEGOLAND® California is the new kid on the block, opened March 20, 1999, in Carlsbad, the seaside community 30 miles north of San Diego and an hour south of Disneyland. Carlsbad was previously known to collectors as the home of the Upper

Deck trading-card company.

It's LEGO®'s first U.S. park and the third in what the LEGO® company hopes will be a line of LEGOLAND® funcenters spanning the globe.

LEGOLAND® California is 128 acres, expensive to build (an estimated \$130 million, including getting the LEGO® bricks at cost) and relentlessly interactive. It combines 40 hands-on attractions designed for children ages 2-12 with rides, shows and LEGO®-decorated and themed restaurants.

The activities and rides may pale next to the otherworldly landscaping, which includes exotic plants, an acre-and-three-quarters lake and more than 5,000 LEGO® models of everything from giraffes and dinosaurs to the Sydney Opera House and a New England fishing village. Thirty million LEGO® bricks were used to create the models, which alternate between the spookily real and the totally surreal.

"But the big difference between our park and other family parks is that here, just like with LEGO® toys, it's all about making things happen," said Jonna Rae Bartges, LEGOLAND®s communications director. "At the driving school, instead of being strapped in for a ride, kids are actually driving a car, making it stop and go, and steering it. The Sky Cycle is a car that looks like it's been concocted out of LEGO® Freestyle pieces on a monorail track — but if the kids pedal, the cars go faster.

At the Skipper School, kids are piloting the boats, steering around obstacles, and it's okay if they bump into the dock. Kids are on equal footing with the big guys here, and it's fun to see how they react to that."

LEGOLAND

LEGOLAND

LEGOLAND

Now there's a country

LEGOLAND includes the Village Green, Fun Town, The Ridge, Castle Hill, Imagination Zone and Miniland.

just for kids!

There's certainly plenty to react to. In addition to the activities Bartges mentioned, visitors can find their way out of LEGO® mazes, package sets in a scaled-down LEGO® factory, pilot LEGO® helicopters and ride LEGO®-themed horses. And if they have any questions, a helpful LEGOLAND® Friendly Model Citizen is just a brick's throw away.

"Every Model Citizen is trained on how to make kids feel like heroes," said Bartges. "That means stopping to admire what they've just made at the Duplo area, and always thinking of new ways to make them feel special. It's heartwarming to see kids bloom when they get this kind of respect. When you work at a global corporation, you don't usually get to see how what you're doing factors into the big picture. Here, you do."

LEGOLAND® California expects 1.8 million visitors its first year. That estimate seems conservative until you consider that LEGOLAND® California carefully monitors and limits the number of visitors in the park at any one time.

"We want to make sure that each guest has a quality experience and special treatment," said Bartges. "We want them to have time to smell the flowers" (the real ones, not plastic ones).

For more information on LEGOLAND® California, including everything from maps to tours to a place to order tickets, check out the LEGOLAND® California Web site at www.legolandca.com. ♥