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New office in Shanghai reinforces LEGO Group commitment to Asia

 **A new main office and establishment of a factory in China will help the LEGO Group further globalise the company and reach more children in the region with the high quality and creative LEGO® play experience**

Today, April 28th the LEGO Group inaugurated a strategically important main office for the company in Asia. The new office is located in Shanghai, China.

“The new main office in Shanghai, our current main office in Singapore, and the establishment of our own manufacturing here in China, are all testaments to our firm commitment to establish a solid presence in China and Asia. We want to contribute to the very positive development and modernisation China is already experiencing. We want to do so by understanding the culture better, by delivering high quality products for children and educational institutions, acting in a responsible manner and contributing to further focus on learning through play. We believe all of this is very important for children all over the world,” said Jørgen Vig Knudstorp, President and CEO of the LEGO Group.

Over the past few years, the Danish manufacturer of play materials based on the iconic LEGO® brick has experienced a massive commercial success and an unprecedented growth, more than quadrupling revenue in 10 years. In recent years growth has been especially strong in China and other Asian markets, where millions of children have placed LEGO products high on their wish lists. In China alone, LEGO sales grew by more than 50% in 2013.

 “The potential in China and Asia is huge, and I’m extremely proud that we one day take part in the start of the construction of a new LEGO factory in Jiaxing and the next day celebrate a significant expansion of our physical presence in Shanghai with a new office and strategically important functions located close to our customers, children and parents in China and Asia.”

**Understanding children in Asia better**

The LEGO office in Shanghai will include functions covering Marketing, HR, IT, Facilities, Finance, Operations and not least consumer insights and research.

“At our headquarters in Denmark, 180 designers from 24 countries develop new and exciting play experiences. In future we will seek to increase our research in and understanding of children in China and other countries in Asia, enabling LEGO designers to develop and launch even better products for children all over the world,” says I-Chih Chen, General Manager and Vice President for the LEGO Group in China, adding:

“The emerging middle class in China offers unique opportunities for the LEGO Group and supports our aspiration to reach many more children with the LEGO play experience. We have a unique high quality product that stimulates creativity and is really fun and engaging to play with.”

Each year hundreds of new LEGO products are launched, and every product is already today tested systematically during development by children all over the world, including in China, to ensure that products appeal to a global audience.

“Feedback from children is extremely important to us, as they are our key stakeholder. Our research shows that children in general find the same things fun and cool all over the world – a fire truck is just as appealing to a Dane, and American and a Chinese child, and a classic line such as LEGO City is a big hit with Chinese consumers,” says I-Chih Chen, adding:

“But there are differences from region to region based on variations in cultural heritage and history, and we need to further increase our interaction with children in China and Asia to better understand how we can make great play experiences based on the LEGO system relevant to even more children.”

**Recruiting and developing global talents**

Together with the existing main office in Singapore, the Shanghai location will also increase the LEGO Group’s ability to recruit highly skilled and a more diversified work force into the company.

“Shanghai is an ideal location for us, as it is a metropolitan location where international businesses and consequently international and Chinese business talents come together. By having several business areas represented in the new office, we can offer new talent broader career opportunities in the LEGO Group,” says Michael McNulty, Senior Vice President and head of the Shanghai Office, adding:

“The main office in Shanghai will help us establish a solid foundation and a visibility as a business in the world’s largest economy. We will recruit more employees in the future, and we certainly intend to establish more senior roles here in the coming years. At the same time the location is close to the new LEGO factory we are building in Jiaxing south of Shanghai, which will be another major contributor to our ambitions to enhance our presence in Asia”.

***About the LEGO Group locations:***

***Offices:***

While the LEGO Group is well represented around the world through local offices, in 2013 the LEGO Group reinforced its commitment to globalising the company by announcing its intention to grow and establish a number of main offices :

Headquarters will remain in Denmark, and in order to attract a more diverse global work force focus will be put on building presence in London, Singapore and Shanghai as well as at the present LEGO premises in Enfield in Connecticut, USA.

***Production* *facilities*:**

The LEGO Group currently owns and operates its own factories, in Mexico, Denmark, Hungary and the Czech Republic.

April 27th the construction of a LEGO factory was officially initiated in Jiaxing, 120 km south of Shanghai. The factory will supply all of Asia with LEGO products of the highest quality and safety standards.

**Facts**

* The office covers 2000m2 floor space.
* Approximately 80 LEGO employees will be working at the office in 2014.
* It is currently expected that this will increase to approximately 100 by 2015.
* Currently there are employees in the office of following nationalities: Chinese, Hong Kong Chinese, Taiwanese, English, Danish.
* Among others, the following LEGO Group functions will be present in Shanghai: AEM China sales, HR functions for both marketing and production, Corporate Facilities, Corporate Legal Affairs, Corporate IT, Group Finance and Corporate Affairs.
* The office has been decorated with a focus on environmental care. As an example only water based painting and glue have been used in the design and decoration process.
* Natural materials like bamboo have been used for walls and floors in the reception and meeting room areas.
* Eco-friendly sound proof boards have been mounted in offices and meeting rooms.
* The construction and interior decoration of the office began in January 2014 and on April 16th the first LEGO employees moved into the location.
* The office is located in the French Concession area, which has been influenced by a lot of different nationalities in history.