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Taking Their Blocks and Playing Toymaker Elsewhere

By [JOHN TAGLIABUE](#)

BILLUND, [Denmark](#), Nov. 16 — This is the town that bricks built.

Ever since Legos were invented here in the 1940s, many of the townspeople have worked making those toys, which are a particular hit at Christmas.

But now, it seems, Santa has decided to hire elves for his brick-making in [Mexico](#) and the [Czech Republic](#), where they would be paid less than the ones in Denmark.

It is not that Billund, a placid town of 30,000 people in the heart of Denmark, is in any crisis. The design, promotion and marketing of Lego's colorful little plastic bricks will remain in Billund. But between now and 2009, virtually all the manufacturing will go to factories in the Czech Republic and Mexico. In the process, the number of jobs at Lego in Billund will drop to 1,600, from the current 2,500. Five years ago, Lego employed 4,000 people, who held roughly half of all the jobs in Billund.

“The population has faced it, that it's very vital that Lego change, or I'm afraid there would have been no Lego in five years,” said Preben Jensen, 59, an air traffic controller at the local airport who also serves as the town's mayor. “Production in Western Europe is so expensive.”

Yet he acknowledged that the impending job losses would hurt, especially at this time of year, when pre-Christmas bustle enlivens the town. “Now, it's Christmas,” he said, “and they've never produced so many bricks as this year. We see the trucks and the vans leaving the factories.”

One of those to whom Lego has been good is Thyge Nissen, a carpenter who came to Billund 34 years ago from southern Denmark. “I have plenty of work,” said Mr. Nissen, 47. “I'm in and out of the Lego factories constantly.” But most days now Mr. Nissen spends his time constructing the wooden crates used to ship Lego's brick-making machinery to Mexico and the Czech Republic.

Mayor Jensen put a brave face on the coming job losses. For one thing, he said, more than 350 Lego employees who were laid off in recent years have started up new businesses, often working as contractors for Lego, as Mr. Nissen has. Moreover, a major entertainment company from Copenhagen, Parken Sport and Entertainment, plans to build a water park together with about 1,500 summer bungalows just outside Billund, a project that he said could create about 1,000 jobs.

Soren Torp Laursen has been working for Lego for almost 30 years, having arrived fresh out of college, yet

only about a third of that time has been spent in Billund. He has represented the company in Africa, Asia, New Zealand, Britain and now the United States. As president of Lego Americas, Mr. Laursen, 43, enjoys his trips to Billund, about once a month, but he also enjoys getting back out into the field.

For him, the shift to Mexico and the Czech Republic is a matter of costs, but it is also a matter of being close to growing markets, like the former Communist countries of Eastern Europe and the Americas, to respond rapidly to customer requests.

What is also important for a toymaker like Lego, he said, is to be sure it has a better pirate ship, firehouse, medieval castle and airport on the market than the competition does. For this, Lego even gives jobs in Billund to outsiders, like Jamie Berard.

Ever since he was 4 years old, Mr. Berard has been obsessed with Legos. As he got older, he specialized in Lego versions of amusement park rides, like Ferris wheels and roller coasters, which he built with consummate skill, becoming what has been endearingly known around the company as a Lego geek. Several years ago, his work was spotted by Lego executives at a Brickfest, a kind of Lego jamboree, in Washington, D.C., and he was hired.

For the last year, Mr. Berard, 31, a native of Methuen, Mass., has been living in Billund, in a small apartment with one room filled with his Legos, and has worked in a team of Lego toy designers. He gives little thought to layoffs; the design division, where he works, has 70 people, including Germans, Portuguese, French and Norwegians, and is growing.

“My family would be devastated if one Christmas I didn’t want Lego,” he said, in his customary T-shirt and spiked short hairstyle, showing a visitor the new jet aircraft he designed, which retails for about \$20 and can be transformed into a hovercraft, a cargo plane or a space shuttle.

Billund is a quiet town, he said, where everybody knows everybody else. “If you’re looking for things to do on Saturday, everything closes at noon,” he said. He is working on his Danish mainly because he is interested in Lego’s history, and most of the archives are in Danish. But mostly, he fiddles with his Lego bricks. “I’d say, for me, I’m into Lego the majority of the day,” he said. “I have a hard time going home.”

Mr. Laursen knows that if there were only more Lego fans like Mr. Berard, there would be more jobs at Lego in Billund. For the time being, he is facing the company’s reality. “Better a smaller, healthy Lego,” he said, “than a bigger, less healthy one.”

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