The LEGO Group: Publish or Protect?
The LEGO Group

- Ubiquitous market presence
  - Everybody knows LEGO brick toys

- One of the largest toy manufacturers in the world
  - 3rd Largest toy company by sales
  - The most profitable toy company in the world

- Strong growth and strong financials in recent years after stumbling in the early 2000s

Thecasesolutions.com
Lego has developed a new manufacturing process for producing its signature toy bricks.

- Reduced Power consumption
- More consistent quality
- Faster production Rates
How should the LEGO Group protect their new manufacturing processes? There are 3 options.

- Patent the manufacturing process
- Withhold the process as a trade secret
- Publish process designs for public domain
Patent the Designs

Pros
- Protected for 20 years
- Addition to intellectual property portfolio
- Option to license the protected designs to other companies

Cons
- Designs must be published
- Intellectual property law enforcement varies around the world
- Patent maintenance costs
- Competitors can slightly tweak designs to avoid infringement

Thecasesolutions.com
Withhold Designs as Trade Secret

**Pros**
- Designs are not publicly disclosed
- No associated costs
- As long as the design remains secret competitors cannot use them

**Cons**
- High probability of design "spillover"
- No option to license the intellectual property
- Competitors could patent similar processes, thereby interfering with LEGO's ability to use their own designs

Thecasesolutions.com
Publicly Publish Designs

Pros
- Designs and processes will be established as prior art
- Competitors cannot patent these designs themselves
- No associated costs

Cons
- Publicly published designs add no value to an intellectual property portfolio
- No potential licensing income

Thecasesolutions.com
Our Verdict: Publicly Disclose the Manufacturing Designs

LEGO’s Core Business is Strong
- Licensing income and intellectual property assets are not necessities
- If published, LEGO does not need to worry about imitator and competitor patents interfering with their toy production

No associated costs
- Do not need to pay patent maintenance fees
- No need to defend patents through expensive and tedious lawsuits

Practicality
- As long as LEGO can produce their signature toy bricks, their business will remain healthy
- No opportunity for competitors to use designs and patents against LEGO

Thecasesolutions.com