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LEGO moving Americas headquarters, 740 jobs out of Connecticut

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LEGO is moving its North American headquarters from Enfield, Conn. to Boston. Jeff Chiu/Associated Press

Officials with Lego Group announced Tuesday that the company has selected Boston for its future head office in North America, moving the current headquarters out of Enfield.

Plans call for Lego to relocate from its current office from Connecticut by the end of 2026. The company employs about 2,600 people in the United States, including about 740 full-time employees in Enfield, according to a statement. The Enfield-based jobs will be moved to Boston and employees are being offered relocation assistance.

"We're grateful for our fantastic team and the support we've received in Connecticut over the past 50 years," said Skip Kodak, president of Lego in the Americas. "This has allowed us to build

a successful business and inspire millions of children. We wanted to give our people plenty of time to plan their futures, so will implement a gradual transition over the next few years.”

Kodak said employees will work across two sites in the interim, the existing Enfield office in and the company’s Education office in Boston's Back Bay, which is where new headquarters will be located.

Those workers who choose not to relocate will receive financial support and job placement assistance to transition to new opportunities outside the company.

Boston was chosen as the headquarters because it "is ranked one of the best cities in the world to attract and retain talent. This, along with its world-class academic institutions, skilled workforce and great quality of life makes it an ideal location for our US head office. We have exciting plans for the next phase of growth and hope we can retain many of our current team, as well as attract new colleagues," Kodak continued.

Lego opened its Enfield office in 1975. The original site was home to a factory and warehouse, but the current location on Print Shop Road is only offices.

The announcement of Lego's headquarters relocation comes just six months after a company spokeswoman told CT Insider that the construction of a 1.7 million square foot factory southwest of Richmond, Va, would not have an impact on the company's presence in Connecticut. Construction of that \$1 billion factory will get under way in April and is due to be completed by the end of 2025.

Elected officials expressed disappointment in Lego’s decision, but added confidence in the ability of the state’s economy to rebound from the setback.

"But I am confident in Connecticut’s ability to attract and retain companies that value our competitive advantages in education, workforce, and quality of life," Gov. Ned Lamont said. "We are seeing these advantages resonate more and more in industries such as advanced manufacturing, life sciences, and fintech. Based on my conversations this morning with Lego’s leadership, their move is motivated not by any Connecticut policy but rather Lego’s desire to consolidate their business operations near the company’s Education Office and to enhance their partnership with MIT."

During a press conference on Tuesday, Lamont described Lego’s move as “a one-off decision by the company.”

U.S. Sen. Chris Murphy, D-Connecticut, said Lego’s decision “comes at a moment when many other companies are relocating to our state.”

“Yes, this announcement is a disappointment, but Connecticut’s economy is doing well,” Murphy said. “More and more workers and companies are coming back to our state because of our great quality of life, highly trained workforce and good business climate.”

U.S. Sen. Richard Blumenthal, D-Connecticut, said he will monitor Lego’s headquarters transition “to make sure Connecticut workers are treated fairly.”

U.S. Rep. Joe Courtney, D-Connecticut, said the announcement “reflects a broader shift by Lego around the globe to focus more on e-commerce and digital marketing, and to move themselves into denser urban areas such as Boston, London, and Singapore.”

“This change will be a four-year process, and my office has been assured that over that time, employees will be given a chance to retain their positions in Boston if they choose,” Courtney said. “In the meantime, it is important that the State of Connecticut—whose labor market has tens of thousands of job openings—connect this highly talented workforce to great career opportunities that exist in our region, from clean energy production, to all sorts of advanced manufacturing and engineering, and more.”

Connecticut’s House Minority Leader Vincent Candelora, R-North Branford, called Lego’s decision, “sour news for our state.”

“The fact is that its reasons for heading to Boston to achieve growth – access to a skilled workforce and a great quality of life – are the heart of Connecticut’s sales pitch to retain and attract companies.,” Candelora said.

Enfield Mayor Bob Cressotti said town officials were “relieved to hear that all employees were being retained at that those who choose not to will be eligible for job transition assistance.”

Town Manager Ellen Zoppo-Sassu, said Lego’s headquarters building is now owned by Massachusetts-based Winstanley Enterprises. The building is shared with Coca-Cola, Zoppo-Sassu said.

But two prominent Connecticut economists say Lego’s decision, when viewed in combination with Pepperidge Farm’s recent decision to close its Connecticut headquarters and move 170 jobs to New Jersey, signals as much deeper problem with the state’s economy.

“This really serves as an exclamation point about how we make Connecticut’s economy more competitive,” said Fred Carstensen, a professor at the University of Connecticut School of Business and the director of the state Center for Economic Analysis. “I don’t see any effort by the legislature to address what the competitive issues really are and that handicaps us. We can’t change the competitive environment out there and the systemic issues that need to be addressed are really substantial.”

A principal in an international location consulting firm said the Lego's headquarters move could be part of a larger effort to reposition the company's brand. John Boyd Jr. of The Boyd Co. of Princeton, N.J., said the move to one of America's high technology hubs could be part of an effort to reposition the company's image from a old school toy maker to a company that make technically sophisticated playthings.

"They already have a corporate campus in Somerville, Mass. that is pretty impressive in that regard," Boyd said. "But headquarters (location) activity has become more mobile than ever before."

Convincing some existing Connecticut employees to relocate to Boston won't necessarily be easy, though, he said.