Some of you may notice that this is not an issue about Microsoft, as we’d promised on our calendar. When we started the process of getting interviews with several key people just after E3, we figured we might be leaving enough time to accomplish this goal. But, wow, Microsoft is a Really Big Place and there are many people one has to talk to in order to speak with one.

We are still talking to all of these people. Fingers crossed, we’re still working our way through the Maze of Microsoft after our goal and are hoping to bring Microsoft: The Profile soon to an issue of The Escapist near you.

Until then, we’ve decided to roll back the clocks and pages a bit and bring you a “Best of The Escapist” issue. We’ve pondered, hemmed and hawed, and thrown tantrums, but yes, we have decided on six of what we feel are some of the tastiest bits of journalism to come across our desktops for the past few months. Read on and enjoy.

Cheers,

Julianne Greer

LETTERS TO THE EDITOR

In response to “The Great Digital Hype” from The Escapist Forum: I salute the Wish devs for realizing that the game was going bad and pulled the plug early. More developers need to release demos or betas but I understand that time and money pressure can cause devs to release before they are ready.

- Spikeles

In response to “Screenshots and Boobies” from The Escapist Forum: I would wholeheartedly agree that the content in game advertising does create a somewhat skewed image of the tastes of most gamers, but the problem goes beyond Madison Avenue. Some of the content in games is sexual and misogynistic. Not to mention, explicit violence and gore is a staple of the most popular genre, first-person shooters. To simplify the equation down to a singular cause would be to miss the whole picture.

We should also consider the relationship between conservative activists and the media attention they garner every time a controversial title is released (e.g. Bully, GTA). These activist groups and the

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Deus Ex 2 had me hooked from the first screenshot. I was anticipating it non-stop till release. When it came out I brought it home and was horrified. The game aspects I loved had been brutally altered. Gone were the skill points and skills, instead all was augmentations. The interface didn’t appeal to me as much, and I hated the loss of the note taking feature.

Recently I decided to play it again, I was looking for something to take up some time, and was between games. Going in with lesser expectations, I’ve found myself enjoying it quite a bit, so much infact, that I’m starting my second run through it.

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media pick up on the most explicitly sexual and violent content in the video gaming world and turn it into a political football for the likes of Hilary Clinton to run with.

Furthermore, I believe that it will be impossible to get the game advertising world to modify its strategy. As long as their market research tells them sex and violence sell, they will use those images in their ads. If, however, consumer interests change to some degree, then we may see more intelligent and informative game ads that showcase the most important aspect of any game ... its gameplay.

- heavyfeul

In response to “Screenshots and Boobies” from The Escapist Forum:
Nothing really new here. Women’s fictional romance novels have almost identical “bodice-ripper” art on their covers over in that section of the bookstore, and the DVD covers for action movies all show the same close-up pose of the star clutching a pistol next to his or her face. (recognize the star, see the gun, we’re done; buddy movie? two starts clutching guns next to their faces)

Don’t criticize the marketer; criticize the masses. They go into the focus testing sessions, and the first cover they pick up is the sex & violence cover. Show them various magazine ads and ask them which ad gets them wanting to learn more about the game. The sex/violence ads win every time.

So why are you surprised that the marketing people are running the sex/violence ads? Their job is to get people excited about the game and wanting to learn more about the game. If the public is lizard-brained, it’s not the marketer’s fault. Blame the society we live in. Do the marketers create that society?

Somewhat, yes, because they create the advertising wallpaper that surrounds, but thanks to the “science” of marketing, they just give the public what it asks for.

- Jim Simmons

In response to “Screenshots and Boobies” from The Escapist Forum:
Very nice article, Mr. Elrod. I think that the publishers, and the gamers to a certain extent, are mistaking a relatively small subset of what’s really possible in the medium of video games for the entirety of the medium’s potential. I keep coming back to the amazing similarity between the early days of film and these early days of video games. No reputable parent would have allowed his or her child into a movie theatre in the early days, and movies were marketed accordingly. Even after the Italian epics, and then DW Griffith, came along, they were viewed as “crossovers” (as we might call them), and as the exception.

On the “grown-up gaming” sites, we’re starting to see a sort of normalization of gaming, as we think about how we want our kids to game. Thank goodness for the Invisible Hand.

- TinPeregrinus
Nintendo wasn’t born with a silver joystick in its mouth. It fought, clawed and clamored its way into a world that didn’t want it, and despite making mistakes over the years (there is yet to be a success within the industry who hasn’t), the Japanese pioneer deserves recognition for forging a path of its own design; a company built on the passion of people who knew they had something unique to give the customers they just couldn’t reach. A driving vision, steely determination and a refusal to be intimidated ultimately led to Nintendo being established as the world videogame power it is today – an inspiring lesson to us all. No matter how powerful your rivals may appear to be, the future is shaped solely by your own desire to achieve, and can only be subverted if your resolve allows it to be.

Even during the golden age of gaming, Nintendo was not a young name. Reaching back as far as the late 1800s, it began life producing Japanese playing cards made from bark known as hanafuda. For almost a century thereafter, Nintendo kept itself happily ticking along by dabbling in any number of niche markets, one of which was the blossoming American videogame trend. As with all its endeavors, this product line was approached with Nintendo’s trademark innovation, and as the Japanese public’s interest increased, so did the company’s investment. Despite making an early start on the gaming scene, Nintendo’s domination of the industry was a long way down the line, and would actually be kick started by the recklessness of its competition.

Not that the Western industry actively blocked any Japanese attempts to find a finger hold in the Trans-Pacific market, but gaming trends across the basin were so radically different that finding a title with universal appeal was an immensely difficult task. It’s not at all unlikely that attempts at transcending the ostensibly impenetrable cultural barrier, in either direction, would have been viewed as impossible if not for the few anomalies that had produced the same impact on both shores, such as Pac Man, Space Invaders and Gun Fight. But no matter how much the gameplay of these success stories was dissected, analyzed and put back together, recreating their...
quintessential, global appeal was becoming the Holy Grail of videogame development.

While most coin-op manufacturers of the late '70s and early '80s concentrated on the more attainable goal of localized success, Nintendo set itself the prodigious task of breaching that trade barrier once and for all. To this end, the Japanese management decided a radical approach to game development was required, and sought an alternative path to designing the Eastern title that would enthrall the Western arcade. A greenhorn artist and designer from Nintendo's toy manufacturing division was drafted in and given the ambiguous assignment of realizing this much coveted, and previously unattainable, goal. Young Shigeru Miyamoto was a complete newcomer to videogames, but together with veteran engineer Gunpei Yokoi, the dynamic duo soon created a game that would open the door to the American dream. Unable to speak English, Miyamoto-san took up a translation dictionary to fathom the title "Stubborn Gorilla," and mistakenly christened his magnificent machine as "Donkey Kong." The game quickly established Shigeru Miyamoto as the right dude for the gig when Donkey Kong single-handedly rescued the failing Nintendo of America, which had already defaulted on its warehouse payments and whose three employees were preparing to file for bankruptcy. In apology, president of Nintendo of America, Minoru Arakawa, renamed the hero of Donkey Kong (known simply as "Jumpman") after Mario Segale, the landlord of the warehouse he had previously been unable to pay.

It was 1981. Times were looking good, and Nintendo had finally found its way to the Promised Land.

Ever since Atari first had the notion of licensing arcade games for conversion to home systems (with Space Invaders), the arcades had become vast, neon-coated advertisements and intense, expensive testing grounds for the real profit behind the industry, the home games market. It was clear that Donkey Kong was just such a license waiting to explode in a ball of green flame. Nintendo was unprepared for the rigors of the home console wars, and, although every major player on the scene wanted the rights to the monkey, it was eventually bagged by Coleco, who had previously known some success with a home system (a dedicated Pong clone known as the Telstar), though ultimately won the contract via its intention to take Nintendo's obstinate anthropoid to multiple formats, initially accompanying their new console, the ColecoVision, as its flagship title. Third-party ports were to follow for other home machines, as well as the handheld games market in which the Connecticut Leather Company was already immersed. Taking Nintendo from strength to strength, Donkey Kong licensing went into full throttle.

It was 1982, and Coleco was celebrating its 50th anniversary. The launch of the ColecoVision was to be a precision operation. The home videogame market was already well established (and practically owned) by the two major players who already had a substantial back catalogue of games before Coleco's contender was even released: the Atari VCS and the Mattel Intellivision. The new deal with Nintendo to deliver the hottest game of the year into people's houses was more than just a potential goldmine,
it was the title that could make or break the ColecoVision. In order to capitalize on their investment, Coleco wanted to approach the deal with Nintendo as cautiously as the tight time scale would allow, but were unprepared for dealing with the no nonsense Japanese.

Nintendo of America was a very small operation, and made regular use of a lawyer it had established a good working relationship with, Howard Lincoln. Lincoln, like Shigeru Miyamoto before him, was a complete novice to the videogame industry (as well as much of the manufacturing know how required for videogames), which ultimately granted him a fresh perspective on how proceedings would best be handled. In general, licensing contracts were written so the licensor remained responsible for any legal action arising from licensed products. Seeing no benefit in this for Nintendo should any difficulties crop up, Lincoln wrote a clause into the agreement absolving Nintendo of any responsibilities from legal difficulties brought on by Coleco’s license. Naturally, had Coleco’s attorneys been given the opportunity to see this clause, they would undoubtedly have disputed, but when suddenly faced with a “sign now or lose the license” order from high within the Nintendo ranks, Coleco was over a barrel and would have signed anything to get the deal. It would prove to be astute foresight on Lincoln’s part.

When Randy Rissman, President of Tiger Electronics (manufacturers of dedicated handheld games), saw Donkey Kong, he immediately realized the potential this game had for one of his company’s handheld systems. What he did next set a chain of events in motion that would ultimately establish Nintendo as a major player in the videogame ranks, though not before potentially casting it adrift. Rissman mistakenly assumed the game to be based on the movie King Kong, and rather than approach Nintendo to arrange a license for Donkey Kong, he went to Universal Studios and asked for the rights to develop a game of the movie! Universal’s trademark search revealed no reason why such a license could not be granted, and in 1981, sold Tiger the rights it had requested quite out of the blue.

Six months later, the president of Universal Studios, Sid Sheinberg, heard about Donkey Kong and was advised by one of the Studio’s lawyers there were strong similarities between the game and King Kong, the movie. Sheinberg arranged a meeting with Arnold Greenberg, CEO of Coleco, insinuating that Universal was interested in investing in his company.

At the meeting, instead of discussing the joint venture he thought he was there to negotiate, Greenberg was threatened with immediate legal action if he didn’t pay royalties on the King Kong likeness. Panicked that a massive corporation like Universal Studios, with unlimited legal resources, was bearing down on him just as the Coleco was about to launch, packaged with the Donkey Kong game that was the key to establishing their machine, Greenberg rashly agreed to Sheinberg’s demands. It was an unusual agreement that wasn’t so much a copyright license as a “covenant not to sue.” So long as Coleco paid Universal some Donkey Kong royalties, Universal would refrain from suing them! Once
again, Coleco was backed into a corner by hastily signing paperwork.

Now that Donkey Kong was on their radar, Universal traced the game all the way back to Nintendo. The same demands made to Coleco were issued to the Japanese company. They were ordered to cease all marketing of Donkey Kong products, destroy all Donkey Kong inventory and produce a full statement of profits made from the franchise within 48 hours. Nintendo were as baffled as they were irate.

Another meeting was arranged, and this time Nintendo were also invited. Still incredibly anxious about the impending launch of their new console, Coleco played Devil’s advocate to Universal Studios, pushing their licensor to sign an agreement promising royalties to the movie makers. Present for Nintendo were Minoru Arakawa (president of Nintendo of America) and his outside legal council, Howard Lincoln. Lincoln did not feel quite so threatened, mainly due to the clause he had shrewdly written into the agreement with Coleco, but also because his own copyright searches had not thrown up any evidence that Donkey Kong actually did breach any Universal owned rights, despite the people at the table insisting they did.

Lincoln asked Universal for a legal document called a “chain of title,” used to demonstrate the legal avenue by which Universal could prove their ownership of the name, story and character of King Kong. When the document failed to appear, Howard Lincoln advised Nintendo to challenge Universal in court; a difficult battle, but one which Lincoln felt was within Nintendo’s scope to win. Being a quietly analytical man, Lincoln’s own research suggested that Universal’s claim was so tenuous, no amount of lawyers could sway a courtroom into agreeing with the unfair demands, and the legal skirmish would merely be a formality.

In a similar move to Sheinberg’s meeting with Arnold Greenberg, Nintendo of America arranged to meet with the Universal president, insinuating they were ready to make a deal. When Arakawa and Lincoln came face to face with Sheinberg and told him they were not prepared to pay Universal a penny, his temper apparently got the better of
him. He warned them to start saving for their lawyer’s fees, as his legal department “even turned a profit!” There was no turning back now. The bridges were burned and a court case was inevitable.

Tensions within Nintendo began to rise, as any rocking of their newly acquired American boat by the massive legal weight of a powerful company like Universal Studios could easily wind up sinking it. Arakawa was warned and kept under close scrutiny by his Japanese superiors during this tenuous time, understanding it was his head on the block if matters took a turn for the worse. Despite this, Arakawa stuck with Lincoln, and refused to bow to the Studios.

On June 29, 1982, Universal prosecuted Nintendo for copyright infringement of their rights to *King Kong*, by virtue of agreement with RKO Pictures (who made the original film). On top of this, Universal Studios’ legal department approached the dozens of licensees of the *Donkey Kong* franchise (from toys to chocolate bars and cartoons), threatening them with similar action if they did not immediately desist from using the *Donkey Kong* image. While some of them were reassured by Nintendo’s refusal to kowtow, most backed down, cautious of the legal powers at Universal’s disposal.

Before the court battle got going, Universal also went back to Tiger Electronics, who they had first granted the *King Kong* game license to, and told them to change certain details of their game to ensure it was sufficiently different from *Donkey Kong*. This involved altering the platform environment, changing the barrels to bombs and crowning the hero with a fireman’s hat.

The case was heard at the United States District Court for the Southern State of New York before Judge Robert Sweet, lasting for seven days. By this time, Arakawa had made Lincoln the Senior Vice President of Nintendo of America for his sterling work as its outside legal council; a position he held until 1994, when he succeeded Minoru Arakawa as President of Nintendo of America.
In 1975, Universal Studios had successfully taken RKO Pictures to court in order to prove the image and story of *King Kong* were over 40 years old and therefore in the public domain, clearing the path for Dino De Laurentiis to remake the movie in 1976 without paying any expensive royalties. Coupled with Universal being unable to convince the court there would be any confusion between *Donkey Kong* and *King Kong*, Sheinberg’s reiterated comments about his legal department being able to turn a profit (which did not impress the Judge one bit) and the subsequent scare tactics used against Nintendo’s licensees, Judge Sweet ruled in favor of the Japanese.

Although Nintendo also had the opportunity to claim damages from Tiger Electronics for their infringement of the *Donkey Kong* image (as Judge Sweet determined the alterations were not sufficient to differentiate it from Nintendo’s game), Arakawa and Lincoln instead decided to let Tiger off the hook and reclaim the profits Universal had made from the original *King Kong* license; publicly embarrassing the Studios.

In good Nintendo fashion, the company once again issued an immortalizing thanks to someone who had served the company well. This time, John Kirby had a popular videogame character named after him: The amorphous *Kirby* character from their hugely popular (and ongoing) series, so people would always remember the service he had done them in winning that monumental court battle. They also bought him a $30,000 boat christened the *Donkey Kong*, but that’s nowhere near as prestigious as having a videogame character named after you, I’m sure you’ll agree.

It wasn’t until 1985 that Nintendo filed a counterclaim against Universal Studios, who Judge Sweet subsequently ordered to pay $1.8 million in expenses to the videogame developer. Both appealed the counterclaim a year later, but the previous decision was upheld, most likely to put a lid on the massive, ongoing case once and for all.

Naturally, many of the other companies who had been muscled out of their lucrative *Donkey Kong* licenses and had
their valuable relationship with Nintendo severely shaken (including - and especially - Coleco) followed the David and Goliath example and filed suit against Universal. In Coleco’s case, Universal went right back to the original notion it had used to bring Arnold Greenberg to the table with Sid Sheinberg and purchased a large amount of stock in recompense.

Nintendo was finally recognized as a major player in the industry, and one not to be trifled with. They had shown a passionate dedication to deliver innovative new products to the hungry consumer, but had made it quite clear that any business would be done on their terms. Unfortunately for the new power on the block, and despite the felling of a mighty adversary, timing was ultimately against them, and before the legendary court battle of Universal City Studios, Inc. vs. Nintendo Co., Ltd. had even finished, the entire industry had collapsed into a black hole of avarice.

But Nintendo had already proven its mettle in overcoming seemingly hopeless odds, and was not about to let the industry it had strived to conquer disappear on account of the public’s refusal to buy games. Digging its heels in and marching headlong into an arctic blizzard of consumer apathy, Nintendo of America set its iron resolve to rebuilding the industry it loved after the fatal market crash of 1984. There are few people capable of facing such overwhelming odds for a third time, but this was a company built on a fearless and unswerving belief in its products, and though rough times were ahead, there was no better collective of dedicated individuals to accept the challenge than those at Nintendo of America.

Spawner has written articles for several publications, including Retro Gamer. He is a self-proclaimed horror junkie, with a deep appreciation for all things Romero.

Nintendo had already proven its mettle in overcoming the seemingly hopeless odds, and it was not about to let the industry it had strived to conquer disappear on account of the public’s refusal to buy games.
Ironton, Ohio may seem just like any other small town, but those brave enough to look below the surface will find the real, surprising truth:

Ironton really is just like any other small town.

It’s got its own points of pride: the nation’s oldest continually running Memorial Day parade and the Ironton High Fighting Tigers, just to name a couple.

It’s also got its problems. They all come back to one, really: It’s economically depressed, having lost nearly 1,500 jobs in the span of about 18 months. In a town of a little under 12,000, that’s not a downturn, that’s a catastrophe.

The city council reacted the best way they know how, trying to keep spending down, and enacting a municipal fee that’s none too popular with the long-time residents. But somewhere in a local basement, a group of gamers from this area have formulated their own plan to save Ironton: They’re going to destroy it.

TickStorm is not like any other videogame developer. They’re a developer with a clear mission: To surrender their home to an alien onslaught in a game so popular that it will single-handedly put Ironton on the map ... and save their beloved city.

The world’s most unlikely studio
The year was 1999, and Baltimore native and Navy vet Rick Eid had just been relocated to Ironton by his employer, Cabletron. He’d been asked to start a training department for the networking equipment company, a new direction that quickly ran aground.

“I moved out here working for Cabletron’s training department, and 10 months later, Cabletron shut down,” Eid said. “But in that 10 months, I had really fallen in love with the area.”

After years of moving around in the military, Eid had promised his two teenaged children, Rick Jr. and Nikki, that they could finish school in their new home. But Eid found keeping that promise to be difficult without work. Luckily, he was soon hired by Ohio University Southern, a branch campus in Ironton, which charged him with creating a game development department. It was
an idea Eid bucked at, largely because he thought the coding would be too difficult for students, but also because he wasn’t very familiar with game design in the first place.

But never let it be said that Rick Eid is a quitter. He secluded himself in his office for a solid week, attempting to learn every in and out of a design program called 3D Gamestudio.

The classes filled quickly, but the new instructor discovered that his students were interested in something beyond an easy few hours of course credits. Eid found, as he taught, that they couldn’t get enough. As their enthusiasm for projects continued outside the classroom, he hit upon the idea of creating his own game design company with the students, independent from the school. With few resources, no formal training and practically no experience, the world’s most unlikely game studio was born.

A storm, some ticks and an identity
They happened upon the name almost by accident. They had already settled on Melee Games, before a quick internet search showed it was already taken by several other companies.

Their next choice, the one that stuck, was a name from Eid’s past derived from a female student who was trying to pick an email identity during a particularly bad thunderstorm: TickStorm.

Oh, and also, the girl loved ticks. It’s pretty much your typical company name origin story. But they figured it was memorable, and you wouldn’t need a bit of Googling to figure out they were certainly the only ones using it. What the team still lacked was a big idea. They drew their inspiration, in the end, from the same economically depressed climate that had brought Eid into their lives in the first place.

"One of the reasons for picking game design to teach at OUS was that we wanted these guys who had high-tech skills to be able to do a job and not have to leave the area to be employed,” Eid said. “And with game design, it’s something you can do at home.”

For the employees of Tickstorm, home was Ironton, and it was a home they were willing to defend.

A miracle gone awry
The plot of Defend Ironton! begins like the answer to the city’s prayers. A large manufacturing plant moves into town and employs all those that are struggling to find work. But the locals soon learn that the bosses of this new corporation (psst, they’re actually aliens) have something far more sinister on their minds: abduction.

“They all start work, the doors close, and no one sees them again,” Eid said. “They’ve put up this impenetrable field around the city, so the Army can’t come in; no one can. You’re on your own, and it’s up to the residents of Ironton to defend the city.”

The agenda, besides the benefit of working with an area they’re extremely familiar with, is to give Ironton the boost it so desperately needs; just a little bit of extra attention to help bring a real (hopefully non-extraterrestrial) economic savior to the town.

“The students love this area, they were born here, they want to stay here,” Eid said. “Hopefully, we can put Ironton on the map.”

Total Insanity
The team — now comprised of 44-year-old Eid and about eight of his students — didn’t want to just slap the city’s name on the box. They wanted authenticity, with all the town’s buildings perfectly modeled, but reality soon intervened.

They drew their inspiration, in the end, from the same economically depressed climate that had brought Eid into their lives in the first place.
The group had limitless energy and passion but didn’t have, as Eid said, a setting with no limitations, where they could “step out of reality a bit.”

“One of the guys said, ‘What if we put the game in an insane asylum? Think of the stuff you could do,’” Eid said. “We started brainstorming, spent an entire day doing nothing but storyboarding and came up with so much fun for this game.”

Tickstorm’s maiden voyage would be Insanity, an off-kilter, first-person shooter set in a mental institution. They don’t have the money for top-notch rendering and lighting, so they’re putting their faith in work ethics and their own creativity.

“The gameplay and humor in this are going to be a blast,” Eid said. “Things like you come around a corner and a herd of squirrels start attacking you, clowns walk by and wave and then walk into a wall. Every time you look into a mirror, you see a different reflection. It’s total insanity!”

Although it may not be particularly rib-tickling on the digitally printed page, Eid has enthusiasm to spare, and he manages to sell it. Besides, he’s quick to add, Insanity (which they hope to release in 2007) is just a dry run for the big show, though it’s a dry run that has to finance said show.

“We’re learning quite a bit by doing Insanity,” Eid said. “Whatever money we make from that, the group’s already said they want to roll a good portion, if not all of it, back into the company so we can afford better computers for every one of them and better software. For instance, I have an Alienware laptop, too, that fried on me. I mean literally, smoke was rolling out of the keyboard.”

Coming to a town near you
With Insanity slated for next year, and Defend Ironton! due in 2010, times are tight, financially. But that doesn’t deter Tickstorm’s big thinkers; in fact, Eid is already planning on a franchise.

“It opens the door to unlimited sequels, you know, Defend Cleveland!; Defend Cincinnati!; Defend Baltimore! The world’s the limit,” Eid said. “If we get to the point where we’re big like Blizzard or like EA with a graphics department, we can just continue to work on it.”
For now, though, the going is slow. Most of the work is done on the weekends, not including that done by Eid, who recently left his teaching job to work on Tickstorm full-time. The hope is that, one day, his whole team will do the same.

“The hard part about doing this on our own is that these guys have to have jobs, they have to work, some of them work at Pic ‘n’ Save and other places,” Eid said. “They have to make money, so they can't spend all their time doing this. Not too many guys want to come and work for you when they're not going to get paid until the game sells. One day, we’re hoping that these games sell enough that these are the only jobs they have to do and they don’t have to work at McDonalds.”

Eid himself has not yet drawn a paycheck from TickStorm.

Migration
All of the long-range planning may seem far-fetched, but Eid and crew don’t see it that way. Their determination is almost fanatical. They’re always working to improve their situation, whether it’s the regular LAN parties they put on for gamers in the area, or small projects to help increase their toolset. For instance, they’ve even begun to pick up on Maya with personal learning editions, but they still don’t have the money to buy it.

To that end, they’ve just picked up their first paying game design gig: creating a safety training game for the Southern Ohio Medical Center of Portsmouth. In the game, which the team is frantically building models for, players learn the proper way to evacuate the facility in case of a fire or other emergency. No, it’s not Half-Life, but it’s work.

The big games are still years away, but it almost makes the effort that much more noble. They’re not just wagering their years of work on a game concept or play mechanics, they’re wagering that, in 2010, there will still be an Ironton worth defending.

But Tickstorm doesn’t think that way, and neither does Ironton. In their minds, the game making a splash and the city’s rebirth is practically a forgone conclusion. This small southeastern Ohio city and the game studio share the same intangible power all the graphic artists and multi-million-dollar budgets in the world couldn’t match: They believe.

Justin McElroy is the news editor of The Ironton Tribune and a freelance gaming writer. He lives in Huntington, W.Va. with his fiancee, Sydnee.
Do you buy your electronic games at Wal-Mart? Never mind, doesn’t matter. The retail games you buy at GameStop or Best Buy or online are the games Wal-Mart has decided you can buy.

Publisher sales reps inform Wal-Mart buyers of games in development; the games’ subjects, titles, artwork and packaging are vetted and sometimes vetoed by Wal-Mart. If Wal-Mart tells a top-end publisher it won’t carry a certain game, the publisher kills that game. In short, every triple-A game sold at retail in North America is managed start to finish, top to bottom, with the publisher’s gaze fixed squarely on Wal-Mart, and no other.

But how long will that last?

The Power
By consolidating many manufacturing sources and optimizing its supply chain, Wal-Mart has shifted the center of business power from manufacturing to retail. This has forced most American industries to move offshore, but the software business, and electronic games in particular, have been less affected this way. Though selected art resources are increasingly outsourced to India and Southeast Asia, games are largely still produced in relatively small, integral domestic groups. Is this because North American creators understand their audience better than overseas coders? Because the creators here are better skilled? Or is it simply that Wal-Mart customers, who unfailingly seek the lowest prices for food and appliances and shampoo and garden hoses, will still pay high prices for top-line computer games?

For whatever reason, the game business has so far resisted most competition from lower-wage workers overseas. Compared to physical manufacturing, software profit margins remain comfortable and can support professional-class salaries. Yet make no mistake, Wal-Mart’s effect remains powerful.
Tom Gilleland, with the indie developer BeachWare (which has sold casino games through Wal-Mart), says, “Wal-Mart is working from a very strong position that enables them to dictate the content of their software product line. Wal-Mart tells the distributor/publishers what they want, and the distributor/publisher goes and finds it, or has a developer make it. They certainly know what their customers want, or they wouldn’t have been so successful. They also have a very complicated situation in terms of public image, so they avoid controversial products.”

Thus, because of the company’s influence, nowadays it is practically impossible to market a game that contains nudity. “We’re not going to carry any software with any vulgarity or nudity – we’re just not going to do it,” Wal-Mart spokesman Tom Williams told Reuters in October 2002.

Developers have produced “special Wal-Mart editions” of some games, such as Duke Nukem 3D and Blood, that delete the two principal bugaboos, nudity and excessive gore. Other developers just sanitize their games across the board. As a Ritual Entertainment developer remarked in an online chat promoting their Heavy Metal: F.A.K.K. 2 game (2000), “There’s not much nudity other than statues. Wal-Mart is picky about that. When you have to decide between feeding your family or putting nudity in the game, you choose food.”

For the U.S. version of Giants: Citizen Kabuto (2000), Planet Moon put a bikini top on Delphi, the game’s topless sea-nymph heroine, after Wal-Mart refused to carry the seminude version. In an effort to gain a Teen rating from the Electronic Software Ratings Board (ESRB), Planet Moon also toned down the language and changed the red blood to green – but the game got a Mature rating anyway. (Soon afterward, a patch that removed the changes mysteriously appeared online.)

Of course, Wal-Mart, like other major retailers, pulled Grand Theft Auto: San Andreas from its shelves after the “Hot Coffee” fiasco. Take-Two Interactive revised that quarter’s financial guidance down by $45 million. Wal-Mart has since resumed selling a modified version.

Wal-Mart has shaped the field in other ways. Remember five years ago, when computer game boxes all got smaller? That was Wal-Mart. “Wal-Mart was a significant force in driving videogame producers (and software producers of all
kinds) to dramatically reduce the size of their boxes,” says Charles Fishman, senior writer for *Fast Company* magazine and author of the bestselling book *The Wal-Mart Effect*. "Wal-Mart’s goal is to put as much merchandise on the shelves inside a given store-size as possible. By cutting the box size of games and software, Wal-Mart could easily increase the amount of product it displayed by 20 or 30 or 40 percent. More product in the same shelf-space. That’s good for Wal-Mart, and good for customers, and maybe even good, ultimately, for game makers. Smaller boxes cost less.

“And Wal-Mart is increasingly interested in the environmental impact of such changes,” Fishman says. “If you literally cut the packaging of gaming software and routine software in half, [...] that eventually comes to forests of trees not cut down. This is something Wal-Mart works on consistently, not just in software boxes.” Fishman’s book opens with a similar story: Wal-Mart eliminated cardboard boxes for deodorants and antiperspirants to save shelf space and money and to reduce waste. (This is part of a larger Wal-Mart environmental initiative.)

More pertinent than the packaging of games is their content. Wal-Mart and other retailers display an ever-decreasing range of game types. More and more, it is difficult-to-impossible to market an adventure game, or a non-Microsoft flight simulator, or a non-Maxis city-builder, or a non-*Civilization* turn-based strategy game. Did the audiences for these forms simply wither away? No, they’re still out there - but they’re not sufficiently profitable for big-box retail chains. The commercial range of games shrinks because of the free market’s uncompromising pursuit of the majority at the expense of all minority tastes. We see this most clearly in Wal-Mart’s signal triumph in game design, *Deer Hunter*.

**The Audience**

In the 1990s, Wal-Mart discovered a previously unrecognized demographic: The mass market gamer, who plays while holding a mouse in one hand and a can of beer in the other.

Game designer Harvey Smith wrote in 2002 about his meeting with Robert Westmoreland, "the cool redneck biz exec behind *Deer Hunter*:

"He claims that he looked at data on how much software Wal-Mart was selling at the time, thought about the average Wal-Mart shopper, thought about what kind of games the
average Wal-Mart shopper would want to play (which, with the exception of Bass Fisherman, was at odds with the kinds of games being sold in the store), and then pitched the concept of Deer Hunter. Multiple publishers turned it down, calling it ridiculous in some cases. It cost about $110,000 to make. The franchise has allegedly sold 10 million copies. I bet Robert drives a really nice truck.”

Hardcore gamers derided Deer Hunter (1997) and its many imitators because they were dull and looked like crap. (The most recent version, Deer Hunter 2005, looks better.) So what? The games cost $20 and ran on low-end hardware – and their subjects spoke to far more customers than did Quake or Command & Conquer. Programmer Zac Belado wrote at the time, “It’s not just computer nerds and simulation freaks that are buying computers and games. Deer Hunter [buyers] haven’t seen a product that directly appeals to them, have been largely ignored by the game market (or, worse, ridiculed by games like Redneck Rampage), and have finally proven that they have not only the desire for software products, but the money to pay for them.”

Several publishers, running entirely below the industry radar, have found excellent business catering to the Wal-Mart demographic. Clay Dreslough, former executive producer at Midway Games, now runs Sports Mogul Inc. in Middletown, Connecticut. Dreslough’s sports management sims, like the new Baseball Mogul 2007, are sold at Wal-Mart, though most of his sales are online. "I think people in the hardcore market are frustrated with Wal-Mart because they might only carry the very top-selling FPS or [MMOG] titles. But for small companies like us, Wal-Mart creates a lot of upside without much downside. That is, even if Wal-Mart drops us one year, we still have other retail outlets, and we still have a strong fan base online.

"I have heard a lot about Wal-Mart hurting the industry and hurting innovation," Dreslough says, "the theory being that you have to write a specific kind of game to get the scarce shelf space at Wal-Mart, and if you don’t get into Wal-Mart, you can’t be profitable. My experience has been different. I think there’s tons of room for innovation without Wal-Mart. Specifically, even with retail distribution, we still make most of our money online, through downloads of the product and through our popular Baseball Mogul Online. Publishing online, without worrying about the retail market, gives you more flexibility to innovate.”

The whole industry is learning that lesson. Game publishers are working hard to create online services that trump Wal-Mart the way iTunes has trumped the music cartels.

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not least because it cuts out the used-game market. They also believe online distribution will reduce file sharing—anyway, hope springs eternal.

As national availability of broadband grows, Valve has already started its Steam distribution network. Ritual Entertainment—which ran afoul of Wal-Mart not only for Heavy Metal, but also for its hyper-gory 1998 shooter SiN, is using Steam to distribute its new SiN Episodes, almost as if it had been waiting for online distribution before making a sequel. Lead designer Shawn Ketcherside blogged, “Episodic gaming, because of its faster turnaround, offers the ability to react to consumer feedback (this has been talked about endlessly already), but it also offers flexibility to try new and really innovative ideas. [...] Basically, it’s giving all gamers more choice. Gamers can pick and choose titles, options and gameplay that really appeal to them.”

All the next-gen consoles embrace online, to varying degrees. Xbox Live is already up and running, and Nintendo has said the Revolution will offer downloads of classic NES games. Sony’s PlayStation Network Platform will offer a free service similar to XBox Live.

On a Gamasutra “Question of the Week” feature about digital distribution, most respondents predicted eventual victory for online distribution. BioWare’s Rob Bartel wrote, “The shift to digital distribution is coming to all platforms, and we now find ourselves at the start of that lengthy transition. It will be complete within a decade.” And where is Wal-Mart then? “The big players in the Digital Distribution Era will be those who own the unified portals that will serve as the digital marketplace, and those who own the big-budget games that will serve as development platforms and delivery mechanisms for future content.”

But don’t interpret that to mean Wal-Mart will just fade away. The company owes its current supremacy to its embrace of high tech logistics, and that attitude remains strong; Wal-Mart, along with the Defense Department, is the chief force behind the imminent adoption of radio-frequency ID tags (RFIDs or “arphids”). So it’s possible Wal-Mart itself might move into online games.

But in the digital distribution era, Bentonville’s unquestioned domination of electronic games will still decline. It’s simply too easy to get online without their approval; online is the realm of the infinite shelf. “New opportunities will open up at the micro-studio level,” Bartel says, “where small teams, both casual and professional, first-party and third-party, will be able to develop, market and sell compelling gameplay and new intellectual properties within the frameworks created and supported by the larger players.”

Then, like the great trusts and monopolies of the early 20th Century, Wal-Mart’s dominion will finally fade.
In 1991, the internet didn’t exist. That is to say, it did exist (and had for some time), but to the majority of Americans it might as well have been a huffalump until the creation of the World Wide Web in (approximately) 1992, when the internet would begin to become both widely understood, and easy-to-use (therefore “of interest” to most people).

Yet in 1991, the internet (such as it was) was neither widely understood nor easy-to-use, which is why the prospect of playing games on the internet may have seemed like a good and bad idea simultaneously. On one hand, nobody was doing it yet - it was a virgin market; on the other, nobody was doing it yet - the risks were terrible.

In 1991, videogame industry leader Sierra launched the Sierra Network (later called the ImagiNation Network). It was geared more-or-less toward children, with cartoon-ish art and themes, but it allowed users to play a variety of games and chat with friends in online chat rooms - all for an hourly fee, of course. It was, in every way, ahead of its time.

Particularly in terms of what users were willing to pay. At one point, the hourly rate for access to Sierra’s network had climbed as high as $6 per hour. This was in addition to the subscription fees users were already paying for dial-up access to the internet itself and (in some extreme cases) long distance telephone charges levied by the telephone company. By contrast, many telephone sex chat services charged less than half that amount.

The Sierra Network, not surprisingly, failed and was shut down in 1996 by AOL, who had acquired it from AT&T. Ironically, this was not too long after the internet had become both widely understood and easy-to-use, and right around the same time that several other online gaming services had begun to flourish. Among them, an exciting new service offered by a company called Blizzard.

The Sleeper Has Awakened
In 1992, a revolutionary videogame was released that captured the imaginations of gamers the world over, almost immediately selling half a million copies. One of the first “real-time strategy” games ever made, it tasked the player with building a virtual army by collecting...
resources and then constructing buildings that would produce their machines of war - all in "real time." While the player was at it, their "enemy" was doing the same, building up to an eventual showdown between the competing armies, after which one side would claim total victory. Whoever had the most machines or the best strategy would win the day. It was like chess combined with backgammon wrapped up in an erector set, and gamers loved it.

That game was not Warcraft.

Westwood Studios’ Dune II, predating Warcraft by at least two years, was based on the science fiction books by Frank Herbert, and cast the player as one of three races bent on controlling the spice-infested planet of Arrakis. It has been described as among the best PC games ever made, and many still consider it the best example of its genre ever made. Yet, it was not without its share of problems.

As with any game based on a license, Dune II relied on the players’ familiarity with the premise of the original works. The Dune series had sold millions of copies of books world-wide, and had been made into a feature-length film in 1984, but to many people, the story was simply too dense to get their heads around. Case in point: The resource Dune II players were tasked with mining, the spice “Melange,” took Herbert an entire novel to attempt to explain. Called “the spice of spices” in his appendices, the fictional Melange has been attributed with prolonging life, allowing users to foresee the future, astrally project objects through time and space, turn people’s eyes blue and make giant worms try to kill you. “Catchy” is not the first word which comes to mind here.

Still, the game was among the first of its kind, and as such is fondly remembered and universally considered the grandfather of the RTS genre. The criticism of its universe did not prevent Westwood from controlling RTS production for almost a decade, but combined with the soon-to-be glaring lack of multiplayer capability, did leave a hole large enough for rival Blizzard to drive an entire franchise through.

That game was not Warcraft.

How the West Was Won

Officially founded in 1991 as Silicon & Synapse, Blizzard Entertainment had been making their bones producing console titles and second-rate DOS games like Battle Chess II (1990) and The Death and Return of Superman (1994). As with any business, their goal in the first few years was to simply survive. Condor Software co-founder Dave Brevik explains early corporate life by saying “console games were paying the bills.”

He would know - Condor was doing the same. Founded by Brevik in 1993 with Max and Erich Schaefer, Condor had been making ends meet by developing low-budget console titles. Then, they got a call from publisher Sunsoft to develop a comic book franchise title for the Sega Genesis.

Dave Brevik tells the story: “We were developing a fighting game (like Street Fighter) using [DC's] Justice League characters ... [Part-way] through development, we got approval to show the game off at CES. This was before E3 existed.”

What the designers at Condor didn’t know, however, was that another
company, over 300 miles away, was developing the exact same game for a competing console. The two development teams met for the first time at the Consumer Electronics Show.

“Much to our surprise,” says Brevik, “[Blizzard] was making the same game for the Super Nintendo system. We had never talked or shared any assets or ideas, and it was supposed to be the same game! Anyhow, this leads me to talking to Allen Adham, who was their President.”

It would be a fateful chance encounter for both men and their studios. In addition to the SNES version of Justice League, Blizzard’s Adham was working on the first installment of what would soon become one of the best-selling videogame franchises of all time. Adham showed his new game to Brevik behind closed doors. That game was Warcraft: Orcs and Humans.

“I loved it,” said Brevik, ”and thought it was a great idea. A few months later, I called Allen and asked if they needed any beta testers.”

**Warcraft sold enough copies to justify a sequel, which in turn spawned an expansion. Blizzard then achieved the trifecta of game sales, a “Gold Edition” re-release of all three titles.**

Warcraft, like Dune II, was an RTS game, in which the player mined resources in order to build an army. The difference, however, was in the details. Warcraft was set in the fictional world of Azeroth, a land which borrowed heavily from the fantasy universe created by J. R.R. Tolkien. In Warcraft, a horde of orcs have invaded the world of humans and must be pushed back (by the player) to the world from whence they’ve come. Or, alternately, the player must guide the invading orcs onward to victory against the hapless, medieval humans.

Naturally, the story was very familiar to an audience of young, computer-literate gamers. The same could be said of practically every other fantasy tale created since Mr. Tolkien’s epic trilogy was written, but the premise was simple enough for someone unfamiliar with the Tolkien books to appreciate. It didn’t hurt that Warcraft, in addition to a more compellingly familiar story, offered a handful of other gameplay improvements over Dune II, as well. The resulting product was a game that was at once familiar, accessible and addictive - in other words, a breakout hit.

Warcraft sold enough copies to justify a sequel, which in turn spawned an expansion. Blizzard then achieved the trifecta of game sales, a “Gold Edition” re-release of all three titles called The Warcraft Battlechest. Needless to say, the little company in Irvine was doing quite well for itself. Flush with cash, Blizzard then decided to do a little shopping – for third-party game studios.
First up: Dave Brevik’s Condor Software.

**Days of the Condor**

Condor’s first effort, *Planet Soccer*, was a less-than-stellar 2-D offering that nonetheless showed some promise. Enough, anyway, to earn them the *Justice League Task Force* contract from Sunsoft.

“We were making console games,” says Brevik, “in hopes of someday obtaining the clout to develop our own title. Turns out it happened much more quickly than we had anticipated.”

Having met Blizzard’s Allen Adham at CES, Brevik took advantage of the opportunity to plug his own idea for a PC game: “I came up with the idea for *Diablo* when I was in high-school,” says Brevik. “It was modified over and over until it solidified when I was in college and got hooked on an ASCII game called *Moria/Angband*. When we pitched *Diablo* to Blizzard, we pitched a turn-based, single-player DOS game.”

“*[Diablo]* was radically different then,” says Mark Kern, former Team Lead for *World of Warcraft* (who joined Blizzard shortly before *Diablo* was released). “I’ve heard ‘turn-based Claymation,’ but I’m not sure.”

Whether it was the Claymation or something else, Adham’s company obviously saw something intriguing in Brevik’s high school dream-game. Blizzard green-lighted the project - with a few, small changes. At Blizzard’s urging, Condor changed both the genre and platform of *Diablo*, re-designing it as a real-time, Windows 95 game, and in the process created a game that would help Blizzard Entertainment take over the world.

“The interface was originally developed by Erich Schaefer and myself,” says Brevik, “when we tried to imitate the look and ‘camera’ view of our favorite game at the time, *X-Com*. The final interface had been iterated so many times, with so many suggestions from so many people, that it is impossible to attribute it to one person.”

That is, until veteran game designer Stieg Hedlund came along.

Hedlund had been working on games since the late 1980s, most-notably on a much-hyped *Lord of the Rings* game which was eventually canned by Electronic Arts. One day in the early ’90s, Hedlund walked into Condor’s Bay Area office for an interview.

“It was a small office in a B-grade complex,” says Hedlund. “I liked them at once, but it seemed pretty risky and the
title they were working on at the time was *Justice League,* which wasn’t very appealing to me. I went to work at Sega instead.”

Three years and a few games later, Hedlund returned, “just to say ‘hi.’” He was intrigued by Condor’s latest project and decided to give them a second chance. “They … showed me what they were working on,” says Hedlund, “which was *Diablo,* and that did impress me.”

Hedlund joined Condor almost immediately and set about streamlining the design process. “To that point, various people worked on the design, but no one person was responsible for it and they knew that had to change. We were able to work things out pretty quickly.” He would go on to serve as Lead Designer for *Diablo 2* before leaving the company to work on a variety of Tom Clancy games.

“Even though it was rough and I’d never heard of it,” says Hedlund, “I could see the game that [*Diablo*] could become, and I was very interested in getting in on that … [it] instantly clicked with me.”

It apparently “instantly clicked” with a lot of other people, as well. Released in 1996, *Diablo* sold more than half a million copies in six months, with more than 2.5 million copies having sold to-date.

### Quality Assurance

The partnership between Blizzard and Condor progressed swimmingly. So much so, that in 1996 - mere months before *Diablo* was ready to ship - Blizzard acquired Condor outright and renamed the company “Blizzard North.”

“I wasn’t with Blizzard at the time,” says Mark Kern, “but I recall that it seemed an exciting acquisition for both parties.”

*Diablo’s* development was guided by visiting quality assurance teams called “Strike Teams,” explained by Dave Brevik as “a group of developers from the opposite development location that would filter the comments from all of the developers at that location and come up with lists of suggestions and changes. The teams would meet with these strike teams monthly and then more often (even every day) as the project approached completion. This would
assure that everyone in each company had a voice and a hand in each game.”

“I led a few of these,” says Mark Kern, “and the duties are open ended: from helping balance levels and tweak UI to raising red flags that the dev teams might not be able to see because they are so close to the project.”

Kern attributes Blizzard’s uncanny ability to ensure quality control across an entire organization spanning two separate physical locations to the Strike Team concept. “They help carry that ‘Blizzard Vision’ through all projects,” he says. “It is but a humble instrument of The Will.”

Taking It Online
“Battle.net was an idea that was proposed about six months before the end of [Diablo],” says Dave Brevik. “It spawned from the basic idea of taking the open LAN games for Warcraft 2 and giving [the players] a place where everyone could hook up and play together. This idea was so cool we went back and remade [Diablo] to be multiplayer, though it was never coded to be. There were a few companies at the time ... where they would do the same thing as Battle.net, but would charge people $10 a month. We decided to make the same service but for free ... ”

Ironically, Blizzard’s free service would succeed where every other online gaming service had failed. As of 1999, Battle.net was “the only profitable online gaming service in existence,” according to Greg Costikyan in an article for Salon.com. “How? Advertising. 30+ million ad impressions in one month alone.”

“Most people don’t realize it,” says Mark Kern, “but Blizzard has been running servers in datacenters since Diablo. Diablo 2 was also Blizzard’s first true client/server game. We learned a lot of lessons that I was eager to apply to WoW.”

Blizzard, having essentially turned the wave of the future into a tsunami, then set about using their momentum to wipe all competition from the face of the map. With a proven online service and no fewer than two successful fantasy franchises under their belts, the company decided that it was time to revisit the idea of subscription-based games.

“We had to build an entire company around [World of Warcraft],” says Kern. “This included tweaking everything from PR and QA to establishing entirely new departments like operations, customer service, GMs and billing - it literally transformed Blizzard.”

As well as the entire landscape of online gaming. It was the final move in a decade-long coup d’etat by Blizzard, against the entire gaming industry. To date, WoW boasts more than 6 million total subscribers, bringing in an estimated $75 million dollars per month.

Secret Sauce
“Creation of a company or a game is a sheer act of will borne from an idea,” says Mark Kern, now President of Red 5 Studios, which is currently developing its own online game (with the help of several former members of Blizzard Entertainment). “But then, you add really creative, talented people to the mix and the vision changes, it becomes collective. It has to be to sweep everyone along.”
It was a very cooperative and non-authoritarian relationship,” says Dave Brevik of his time at Blizzard North. Brevik is now the Chief Visionary Officer of Flagship Studios, developer of Hellgate: London (and employer of its own small army of former-Blizzard employees). “[Blizzard North] had complete autonomy from Blizzard in Irvine. We had all our own development people, set our own schedules, and made the game we wanted to make. There was and still exists a ton of mutual respect. I think it really worked.”

So, how does a maker of B-quality DOS and console games go on to become the single most successful videogame company in the history of the world?

Blizzard has succeeded largely by consistently identifying what it is that makes gamers want to play a game, and then amplifying that all the way to 11. But there has to be more to it than that. Millions of gamers around the world can point to a game that works and compare it to a game that doesn’t, identifying ways to tweak or refine the formula of either along the way. It happens every day, all over the internet.

I asked Mark Kern, one of the men most directly responsible for transforming the company into what it is today, to attempt to define what it is about Blizzard that gives it its “Star Power.” His reply? “Ah, now that’s the ‘Secret Sauce,’ isn’t it?”

Secret Sauce indeed.

Russ Pitts is an Associate Editor for The Escapist. He likes deadlines and long walks on the beach.
Origin created worlds, from the battle-ravaged world of Wing Commander to the spooky space station of System Shock to the involving fantasy world of Ultima. The swift, merciless death of Origin around the turn of the century left the studio a hollow shell of its once great self. Quasi-mythical founders Robert and Richard Garriott were left to wander the earth, like Caine from Kung Fu. The wandering years took them to their own company and, eventually, to NCsoft’s Austin operations, where they preside over the mysterious Tabula Rasa and NC’s other titles. Our writers caught up with the brothers Garriott at a recent conference, seeking insight into the past, present, and future of the MMOG world.

Richard opened with a critique of the present, saying, “You know, if you look at the online games that have come out to date, and it’s almost been ten years since Ultima Online … Frankly, the fundamental game design structure of most that have come to pass is pretty similar to what I consider first generation thinking. There’s been very few groups that have really published a game successfully and then gone on to create a new game having learned the lessons of their first game, if you know what I mean.

“We’ve really only just begun to scratch the surface of what online games can become,” he said, adding, “Most online games have the same fundamental design premise, in contrast to solo games where you get to be the one great hero that saves the world and everything about the game is there to make you believe that. Online games, on the other hand, your life is pretty average,” echoing the famous lament of Star Wars Galaxies players who wanted to be Luke Skywalker, but instead found themselves a nameless farmer on Tatooine. “You know, half the people are higher level than you; half of them are lower level than you.”

The typical game design is still the same as it has always been for first generation MMOGs. “You tend to grind levels; it’s really your whole goal,” he says, capturing the experience in just a few words. “Your play cycle paradigm goes something like this: Your first mission is to go out and fight level one monsters.
You go out there to the fields where level one monsters continually respawn and you farm them for XP and a little more weapons or equipment. You go back to town and cash it in and you get sent out to the level two creatures, and then you just repeat this process. That, interestingly, is already compelling enough to have brought in millions of people into the online games race.

While some are content to rest on that particular design until the end of time, you can sense a bit of dissatisfaction in Lord British when he says, "But, fundamentally, I think it’s not particularly elegant." Looking to the future, and including his own Tabula Rasa, he sees developers learning from and expanding beyond this model. He continues, "Most of the developers who have built one successful online game realize the error of their ways and now have moved on and said, ‘Okay, what can we do that’s bigger and better than that?’ And so some of these answers, which to me should sound pretty straightforward these days, are things like, as opposed to demanding a level grind where the only way you can feel successful is to be doing it for 12 hours a day, we’ve got to create games where people can have 30 minute play cycles. You get in, you get out, and [you] don’t feel that while [you’re] out, [your] friends are going to level beyond [you] to a point where you can’t even play together anymore."

The problem with the first-generation model of gameplay is it’s, well, kind of boring. Richard sums it up as, "[You’re] going out in a field and farming/grinding on the same monsters that respawn in the same area again, and when you’re farming, you’re just standing in front of each other seeing who does the most damage over time, if you’ve heard that phrase at all. Most games now even provide you the calculated damage over time, which is horrible. It’s indicative of the fact that the whole point in this game is just to raise that one number, and then you go close your eyes and mash the buttons some more." In summation, he says, "Horrible, horrible gameplay."

Not only is the existing model too boring, the ideas on what the genre is — or could be — are frustratingly limited. "There’s the phrase ‘massively multiplayer online role-playing game and sometimes the word persistent thrown in there. If you add all that up, that really narrows the interpretation of what online games can be.” That definition is “way too narrow.” Rather than thinking of “online” as a particular genre, like sports or shooters, “online” should be “a technology. It is the technology to, instead of having AI characters in there to deal with, you have other real people to deal with, and whether you’re doing it socially, or you’re doing it on the same team, or you’re doing it competitively, that’s a tool by which you can now provide entertainment.”

In the future, Richard thinks designers will finally take the step of saying, "Let’s not worry about the model that UO, EQ and WoW have repeated and solidified and refined. How can we now provide these experiences that people will really appreciate and enjoy more?" Is finding those models difficult? “I really don’t think they’re that hard,” he answers, “I just think people haven’t had a chance to turn to them yet.”

While Richard is “Lord British,” the game designer, his brother Robert is the business-focused President of NCsoft.
North America. Robert puts it succinctly, "He talks about changing the future in terms of game design. My standpoint is when I look at it in terms of, you know, genre and business model, and where I think companies are going to be taking this.

"Two things. One is, the only successful online game anywhere in the world was roleplaying, but the other is that until recently, there were no companies with more than one online roleplaying game that were successful. Our belief was that: One, we have to really expand the genres to grow the market. The other is that there's a value to having multiple products within one portfolio.

"And so you might ask how is that going to change things," he says, beating the question and continuing on. "That's sort of the impetus behind what we've been doing, in terms of trying to develop a whole portfolio of supporting and different products. A long time ago, we looked at the business, and we said churn is the biggest expense for our business, just like a telephone business." Churn is industry lingo for turnover rate.

"So you play it, you like it, you stay for ten months, and then you leave," he says. Rather than fighting what they saw as an obvious industry trend, NCsoft decided to go a different way and embrace it. "As games become more casual, churn rates go up. So, we knew the churn rates were going up, so we started saying, well, how can we make churn our friend? Because there's nothing we can really do to stop the fact that churn is going up. Interestingly, if you're a single product company, you can never make churn your friend," because people leaving your one cash cow undermines your entire company. NCsoft's strategy of diversification not only made the detrimental force of churn into a friend, it also allows them to think of the 800 pound gorilla of the industry as a friend. As Robert said when the name came up, "We view World of Warcraft as a great product for us, and the reason is, they bring a lot of people into this game space, and every ten months, they're going to churn onto something else. In fact, every subscriber that they have today is probably different, for the most part, than the ones they had originally." Departing players may leave the genre entirely if the experience was bad, or they may stick around in the online gaming space if they had a good experience. Robert sums up NCsoft's dilemma as, "We know..."
that churn to Blizzard is bad, because if they lose somebody, they lose somebody. And if that rate goes up, they lose more people. How can we change that?"

The answer proved to be fairly simple. "We felt we’d put a portfolio of products together, which we’ve been doing," he says, getting into the secret of turning churn lead into subscriber gold. "If we incentivize and then somehow change the probability slightly, that instead of someone stopping playing Lineage and then going to EverQuest, the probability is slightly different that they might go to City of Heroes. And how can I change that probability?"

"I can make it easy for people to play within my portfolio," he says, and details a very simple strategy of working with his customers, rather than trying to entrap them in a single game. "I can give them free trials. I can download things automatically to their hard drive. I can send them advertising from the portfolio. I can send them clips automatically within the portfolio. There’s a whole lot of things that I can do to support a portfolio of products that slightly changes the probability they will stay with us.” Retention is a numbers game. Influence the odds just a few points and you come up big over time. "If you look at the probabilities, if I have changed this, just slightly, churn becomes my friend. As a matter of fact, the higher the churn rate, the more certain I am that I will eventually own everybody.” It’s refreshing to meet an executive that talks like a Bond villain, but with a portfolio of cool games instead of an orbiting space laser. He continues, "So, given that we know churn [will happen], we’ve been trying to design a business that allows for and thrives in that new area. Which is why I think that a multi-product, multi-genre portfolio of products that support each other is going to be valuable in the future." In other words, even if a player leaves one of their games, Robert wants another game in their portfolio to be appealing, because in the end, all the subscriptions go to NCsoft.

While he might be out for industry domination, he still talks a lot about taking care of his customers. "Our goal as a company is to develop a relationship with the customer, so that we can provide them value that they’re willing to pay for. It doesn’t matter what that looks like beyond that statement,” he says. “The great news is that once you’ve gotten over the hurdle of developing that relationship in the first place, like getting their credit card number, which is the hardest step ... it is now more convenient for them to stick with you than it is to go other places. Why do you think people buy from Amazon? It’s because one click does it all.” Robert sees Amazon as “totally trustworthy,” which also happens to be his goal with NCsoft. He wants the company to be "a totally trustworthy place that you can go that has great products and, if you don’t like it, no problem. You can get your money back. We want to find the way that people are most comfortable with.”

Instead of building a model and hammering players into it, he’s taking a different approach and embracing the business paradigm the customers want. "We don’t care if it’s ‘you buy an episode and then there’s never recurring billing,’ we don’t care if that is ‘the whole game is free and instead you buy virtual
property.’ We don’t care if it’s a subscription-based game, and we don’t care if someone invents yet another business model. They’re all fine.” He uses the Korean parent company for an example, saying, “They’re launching what is called NC Coin, which allows us to do micro-billing. You’ll be able to play arcade-style games for a quarter.” It’s ironic that a super-progressive online games giant might be able to revive the sputtering arcade model. They’re also working on “a product coming out that’s basically going to allow you to play for a certain amount of time, up to a certain level, and you can play all the way through the game. But if you want the super-uber swords and the higher level experience and upper-level dungeons, then you can pay a small subscription fee, five bucks a month, or something like that. So, basically, [it will be] a fairly simple game that people can get into and have a good time, play a lot, and once they feel like they’re getting really good value out of it, then they can pay more to actually have upper-level stuff.”

Since he raised the issue, and since it’s the talk of the industry of late, we had to ask. Virtual property: Good, bad or ugly? Richard fielded that one with an unexpected answer, saying, “Well, I think first of all, it’s inevitable,” taking a moment to comment on the legal ramifications before getting back to that “inevitable.” “What I mean by inevitable, I think the definition of value has something to do with the amount of human labor that goes into the creation of something. Gold is hard to find, therefore it’s more expensive. Aluminum is pretty easy to mine, so it’s pretty cheap. People invest a lot of time in getting gold or things of high value in a virtual world. It makes sense that that has real world value. Therefore, of course, secondary markets will exist to allow people to shortcut that work and reward cycle,” he says, showing a remarkable grip of economics and human nature without the high dudgeon so common among game designers on this issue. “I buy virtual gold all the time,” he says, adding, “I have no problem with it. I’m a supporter. I understand that my position on this is different from our sole corporate perspective. But anyway, I participate in it.”

With the accompanying PR rep in need of medical assistance, he shifts his perspective back to that of a publisher and developer, saying, “That being said, as a developer and as a publisher, there is a real big legal problem associated with the sale of virtual property. As long as what we’re selling for our subscription fee is access to our service, and all we’re warranting is that, oh, you’ll be able to play, whatever that means. It doesn’t matter what rules we change about how you play.” He uses a simple example, saying, “It doesn’t matter if somebody comes up to you and says, ‘Hey, I’ll give you two gold for that incredibly valuable sword that I’ll convince you is valueless,’ and you sell it to them, and then find out tomorrow that, in fact, it was worth a gazillion gold pieces. None of those things matter, because what we’re selling is entertainment opportunity.

“As soon as we are involved at all in the sale of a sword,” he begins, sounding like this is a scenario they’ve gone over a...
time or two. “Suddenly, if its value changes because we change the rules, suddenly if it gets lost because of a technical glitch, if you get bilked out of it by some other character in the game, all those things suddenly mean that our company is exposed legally to that transaction, like it would be in the real world with a real sword. If you sell somebody a rusty sword that disappears, you’re in trouble. If you sell a sword and charge ten times what it’s really worth, you’re in trouble.

“There’s a line there that I think, once a game developer has chosen to go across, you just have to prepare your content to expect that. That is not what the current designs are designed for,” he says, echoing RedBedlam’s Kerry Fraser-Robinson. “Anytime you’re selling items, you expect a certain amount of data integrity in backing that up. You go to an airline, for example, and you buy even a $50 ticket on Southwest. You show up at the airlines and they say, ‘Hmm, looks like we lost your ticket; guess you’re going to have to buy it again.’ You’re going, ‘Wait, that’s not fair. You can’t just lose my ticket.’”

Disclaimers aside, though, Lord British says he’s “very interested in creating games that have virtual items that are sold just outright for real money, and skip the front end. As an enthusiast, I think it makes a great deal of sense, but it has to be backed up with all the rest of the banking backdrop, which most of the people doing these early ones are not [doing]. The only people I think are going to succeed these days, out of the few companies that are selling items and stuff, tend to be small companies who are not worried about losing their portfolio, or they’re in Hong Kong or China, where you can’t sue them anyway, or they work through other people and just sort of connect people. They’re trying to protect themselves from being able to be sued. I’m really interested in seeing how the Sony [Exchange] works out, because they are obviously a major company and they’re backing it up. I don’t know that they’ve had any real problems, but probabilistically, they are going to when they lose something substantial, and how they back that up, I’m really wondering.”

The problem with a legal solution, when it comes to the virtual property issue, according to Richard, is, “We know the people who run IGE, and they are so well-protected, you wouldn’t even begin to know who to sue.” Robert adds some perspective from his end of the business — trying to find a way to confront overseas sellers — saying, “The copyright laws are different over there. Plus, try suing someone internationally, and the expenses are astronomical. Plus, there’s companies that provide service for companies that provide service for companies that provide services for the little person sitting in a shack in the middle of nowhere that happens to have a computer. Try going through that. It’s ridiculous.”

Shifting the conversation to Asia, Richard gives us a bit of insight into the Asian gaming culture. “Using Lineage as a touchstone,” he says, “And Korea and Taiwan, where 20 percent of the population of those countries are active subscribers to Lineage today … that level of penetration is approaching things like Coca-Cola, and when you have that amount of penetration, of course you are going to see the cross-section of life issues that show up. That’s why, occasionally, a press report comes out
Out of five people, someone is going to commit suicide. In fact, it’s probably a low rate, so people should probably play this game so they don’t commit suicide. They probably have a more fulfilled life than those that are not playing.

Is 20% penetration realistic for the United States? Richard says the outlook is hazy. “Possible? Of course, it’s possible. Is it reality? Who knows. No one in their right mind is predicting that sort of thing. But on the flip side, though, every year that I’ve been in this business, [they’ve said] that the market is surely saturated by now, surely it won’t grow again. It started with Ultima Online. The sales predictions for Ultima Online were 15,000 units prior to its release. Then, of course, 50,000 people paid us to become part of the beta testing cycle, which immediately told people that the predictions were a little off. And, of course, it was the fastest selling PC game in history at the time, and it outsold all the previous Ultimas by a factor of five or ten. Even then, people were like, ‘Oh, that’s because Ultima’s got a hardcore fan base of 20 years, and surely this isn’t going to be repeatable by anything other than something like an Ultima,’ and then, of course, EverQuest comes out and does about twice that.” It’s a familiar picture, one where, “each year, there is the latest and greatest, which brings in another few hundred thousand to million people, and now WoW, which has a couple million people, and each time it just gets bigger and bigger.”

Richard contrasts the U.S. to Asia, saying, “The thing that [is] unique about Asia, compared to the U.S., are things like broadband penetration, because they are densely populated areas. There are things like, in Korea, for example, game machines were banned up until recently because of a holdover from World War II that they didn’t want to import Japanese console machines. If you’re a gamer in Korea, you’re a PC gamer, not a console gamer, and those kinds of thing drive it to a uniquely rapid and high point. Fundamentally, over the long haul, there’s no reason to think that..."
culturually, as we’re all becoming one world — because we really are blending even our gameplay styles, where it used to be all PvP over there and all PvE over here, and slowly those things are coming together.”

In the long term, he says, “It’s reasonable to think [in] the U.S., like Asia, it will be incredibly common for people to play online games. What we call online gameplay will also be very different. Over there, all online gameplay is very hardcore, while over here, the online gameplay is much more casual. Pretty soon, [it’s] all going to develop until there’s more and more online capability, and the big MMOG games are going to sort of downgrade.” Richard sees a future where the boundaries and genres as we think of them now are blurred. “It’s going to be hard to differentiate between what is an offline game and what is an online game. They will have all sorts of mixed components. When you really look at even an online game, and what you can do with instanced adventures where you basically go off and do your own thing, really, that’s a single-player game or light multiplayer game that you’re playing in an online game. You’ve got online games that look like single-player games, so you can ‘win’ them, and you’re going to have single player games that look like online games, so you can take your friends. So, really, this whole business is going to merge together and be a giant business and that, combined, will have the sort of penetration rate we’re talking about.” We bring up his earlier comments, about no one in their right mind saying these things, and he retorts, “Did I ever say I was in my right mind when I started it?”

The console market will pick up, but, “not in the way, I think, people predict. Another thing I hear all the time is online games capped. Another thing I’ve heard since I started is the death of the PC. It’s still dying. It’s been 30 years now and it’s still dying. They ship more high-end PCs every year than game machines. So, here’s my take on online games on consoles. If you think about what consoles do great — and by the way, I left my cell phone in my bag, but I even play online games on my cell phone now — they’re going to be great at different things.” He cites Parappa the Rapper as the last console game that got him very
excited, “Which speaks to his mental level,” cracks Robert, as only siblings can.

Unphased by Robert’s wisecrack, Richard plunges on, “The great games, in my mind, on consoles, tend to be games where I sit on the couch, the monitor is well away from me, the user interface device is very simple, the play session is incredibly short, and if you’re socializing, it’s actually better to socialize with people on this side of the screen.” Perhaps he’s familiar with rubbing a friend’s — or a sibling’s — face in ultimate triumph. “And, yes, if the AI on the other side of the screen was really human, then it might be better. And if the experience is light enough, like I’m here to shoot them, then it might be compelling. But on the other hand, I think what the PC does is far better. It [has] games where the experience you want to have with that person or what’s beyond the screen is deeper than something I want to shoot at. In which case, you look at the personal computer. You generally are sitting upright in the chair, where you’re comfortable for longer periods of time. The types of interfaces you have, including the keyboard or much more traditional or diverse input variations, your face is much closer to the screen, where you’re pretty much almost putting your face through into the virtual world.”

“I think the more in-depth online games will always be favoring the PC,” he says.

Before we could get him in much more trouble, the newly-resuscitated PR rep was busy shuffling the brothers away. As a closing, Richard added a thoughtful, “The platforms really kind of define the games that will be best to play on them,” and though he admitted he wasn’t in his right mind earlier, there really is something to that. We said our goodbyes and left them to go back to the land of Austin where they build worlds once again.
There are conventions in media we become perfectly used to, despite their having no place in reality. If we watch a movie, and someone is given CPR in the street, on the beach or dangling on a rope from a hot air balloon, we know they’ll come back to life. Nevermind that CPR merely sustains things until proper medical equipment arrives – we know, and accept, that with a couple of compressions and a few puffs in the mouth, they’ll be up and about and back to shooting zombies in a couple of minutes.

Conventions require time. Videogames have finally reached an age where such imaginary stalwarts are becoming firmly established, most especially within roleplaying games.

The distinguishing feature of such behaviors is we don’t stop to question them until they’re starkly pointed out. We accept them, unconsciously suspending our disbelief, only noticing when some smart-ass comes along and says, “Why is it when men disguise themselves as women, they suddenly gain super-strength?” So tell me, why is it in every RPG I’ve ever played, complete strangers are perfectly happy to walk up to me and entrust their very most intimate and important needs to my charge?

All romantic comedies will end in life-lasting true love, and all soap operas will have a 100% relationship failure rate. All cops will announce, “There’s no time for back up!” when they arrive at the scene of a crime, before being asked to hand in their gun and badge to the furious captain (what with the governor being in town) on a weekly basis. All aliens are bipedal, and of all the languages spoken on Earth, choose English. Shopping bags always contain a long stick of French bread. And if you bump into someone of the opposite sex carrying a large stack of files, you will fall in love while picking them up. These are truths.
Arriving in a new town for the very first time, dressed in a confused mishmash of brown leggings, a priestly robe, chain mail jerkin, leather gloves, three magic rings, a large amulet necklace and a pointed wizard’s hat, any number of distraught mothers will approach me and beg that I find their missing children/husbands/swords. Perhaps, I might be walking around naked but for the scrap of cloth protecting my decency and a fine pair of kobold-hide boots, but this won’t prevent the local baker from requesting that I take a magic cake to his colleague in a neighbouring town, or the grumpy old codger from barking at me that I should clear his basement of vampiric rats.

What are they thinking? Do they ask just anyone who walks past, and I’m the only one daft enough to stop and listen? And when, exactly, was the last time someone accosted you in the street and asked you to complete a quest for them?

I decided to put this to the test.

The plan: To take to the streets, dressed as a wizard, with a quest for the good peoples of Bath, England. Would they really help out a stranger with a strange beard? Would they even stop to listen? Is there any truth to this convention we’ve otherwise entirely accepted?

First of all, I should immediately get this out of the way: No one, at any point, approached me to ask for a quest. Short of suspending a yellow exclamation mark above my head, I’m not sure what more I could have done to attract the attention of any passing adventurers braving the cold thoroughfare through the centre of the town. If anything, people did their very best to avoid me, refusing eye contact, moving far away from my pleading face. It was already concerning.

I should explain the scenario. I, the brave wizard, had transferred through a portal into this dimension, but could not leave the spot on which I stood. It was imperative to the survival of the universe that the magic spell I held (a rolled up scroll of paper, engagingly tied with a purple ribbon) be given to the girl in the red cloak and hood, waiting outside what you humans call “the shoe shop,” 300 yards down the road. Upon completion of this vital task, a bag of gold coins would be given as a reward. In my dimension, chocolate coins are of the very highest worth. Would anyone go out of their way for me, in order to be the savior of all mankind, for the prize of a bag of candy?

Things started off well. Almost immediately, a pair of teenage girls stopped to help a stranded magician. Laughing – mostly with confusion – they found it in their hearts to help out … once they glanced upon the potential reward. Taking the scroll, they immediately set off on their quest, my calls of good luck barely reaching them.

By the time they had met my
companion, known as Chrissy, she was engaged in conversation with a friend who had happened to pass by. With surprise, she met the outthrust hands of the two girls, ready for the expected coins. Not quite the courageous attitude I might have hoped for, but the few coins were a paltry sum, just for the look of confusion on Chrissy-Red-Riding-Hood’s friend’s face when she nonchalantly turned to two strangers and exchanged gilded chocolate for a magic spell.

And then, things went a bit downhill. Perhaps some blame for any disappointment should be laid at the feet of the innumerous others who attempt to garner money from innocent passers by. Whether the sideways-dancing collectors for charities, trained in trapping the innocent in conversation, or those wishing to sell anything from the Big Issue to car insurance, we have become quite adept at the entirely non-engaging “No, thank you” accompanied by a sharply quickened pace. Rarely was I able to get through, “Would you be so kind as to help me with a quest?” before my targets were disappearing toward the horizon.

In this time of rejection, I did learn a few useful things, however.

1) Older people are much less likely to see the funny side of something, even when the safety of the universe is in the balance.

2) Couples are far better at avoiding the magically hindered than individuals.

3) Men with grey beards really don’t like to be called, “fellow wizard.” (Although, their wives are likely to find it funny.)

And then, hope was restored in the form of a man in his 40s. His reaction was certainly the most peculiar of the day. He resigned himself to helping me as if he had to. Could this man have been a true adventurer? Someone who is aware of the demands of being a hero? Perhaps his acquiescent attitude was due to the low level of the quest, and the relatively poor reward for a man of such experience. But something about the simplicity of the task, and the accompanying XP, must have been enough.

Except that my companion reported never meeting him, let alone receiving the spell. I suspect that at the end of his day’s adventuring he’ll find the scroll at the bottom of his satchel, roll his eyes, and simply delete the quest from his list. He has dragons to be slaying.

Not long after, but long enough to receive a very convincing “f--- off” from one particularly surly gentleman, a couple eventually stopped once they realized this was an attempt to give coins, rather than take. Australian tourists, they were far more in the role of the visiting adventurer, and happily accepted the task with good humor.
Unfortunately, despite setting off with cheer in their hearts, they were unable to complete the quest. Spotted standing in the middle of an area of benches, looking around in confusion, yet somehow failing to spot the girl in the bright red hood, they unfurled the scroll, perhaps in desperation, only to discover, “This spell is destroyed by reading it.” Their failure realized, they once again went about their exploration of this new zone.

Finally, after another extended period of angry glares, smart refusals and looks of utter horror, the universe was once more brought back from the brink by another pair of girls, this time in their 20s. Enthusiastic, they gladly accepted their task, did not question the story they were told and warmly accepted my heartfelt wishes of luck on their journey. Not only that, but upon arriving at their goal they explained why they were there, handed over the spell and modestly took their reward from the grateful hooded lady. They are champions. Your universe is safe in their hands.

What was learned? Against expectation, and while certainly in the minority, people are willing to help a wizard in distress. Perhaps this RPG convention is not quite the farce once supposed by this cynical player. Or, maybe some people just feel sorry for the berk dressed in a silly costume on a freezing cold winter’s day.

And if one thing should be taken from this experience, above anything else, should the fate of the universe ever be in your hands, only bother to seek the aid of girls under the age of 30.

John Walker is an occasional wizard, and frequent journalist, who when not throwing mysterious ingredients into a giant, smoking cauldron, writes about videogames for various magazines and websites.