

movers & shakers

ATARI SHIFTING FOCUS — 50% OF ENERGY GOING TO PC SOFTWARE

NEWSLINE: At the Winter Consumer Electronics Show in Las Vegas this January, Atari announced that it is refocusing its energies to focus on both its Jaguar and the personal computer. Atari will divide its Jaguar and PC efforts 50/50, said Ted Hoff, North American vice president of operations with Atari.



Atari has not entirely given up on the Jaguar, and it will still push the 64-bit console into the next year

BOTTOMLINE: Rumors have been surrounding Atari for more than a month now that the company will abandon Jaguar entirely. Hoff says this is not the case, the company will continue to support Jaguar

but the PC will have equal standing in Atari's book. In addition, the company will develop for Macintosh, PlayStation, and Saturn.

The PC rules. Atari's move follows the footsteps of Sega and The 3DO Company, which have both in the past several months acknowledged the growth of the PC and its power and potential to deliver high performance videogaming. Plus, the PC has just got an installed base that no 32-bit machine can touch.

SPECTRUM INVESTS \$2.5 MILLION IN TEN

NEWSLINE: Spectrum Holobyte Inc. made an equity investment of \$2.5 million in The Total Entertainment Network (TEN).

BOTTOMLINE: TEN came to Spectrum with the goal of securing content for its entertainment online service and walked away with that and \$2.5 million. We liked what they were doing, say Spectrum officials. Also part of the deal — TEN also purchased a proprietary networking development tool for \$750,000 cash. Spectrum itself has been the subject of takeover rumors (again), but insiders say that ain't the case.

A monthly look at business news affecting the gaming world

by Christopher Sherman



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3DO ACQUIRES CYCLONE

NEWSLINE: The 3DO company acquired the assets of Cyclone Studios, an action and arcade game developer, for cash, common stock and other interests.

BOTTOMLINE: It wasn't by mistake that 3DO's first acquisition since its sale of its M2 technology to Matsushita is designed to pump up Studio 3DO, the company's software arm. The move continues the diversification of The 3DO Company, the once-only licensor of gaming technology, into a software development house. As one pundit told NEXT Generation, Trip [Hawkins] is moving back into the business he knows best — software. Hawkins, the founder of 3DO, was of course a founder of Electronic Arts. Cyclone, which will operate as an independent unit of Studio 3DO, will dedicate its efforts to developing for the 3DO platform, the yet-to-be released 3DO M2 and the PC.

SIERRA ACQUIRES PAPYRUS, SUBLOGIC; BOLSTERS SIM LIBRARY



In the year of acquisitions, Sierra On-Line has bought out Papyrus, the makers of NASCAR Racing

NEWSLINE: Sierra On-Line Inc. acquired Papyrus Design Group Inc., developers of NASCAR Racing and Indy Car Racing, and subsequently all the assets of flight sim developer Sub Logic.

BOTTOMLINE: Industry consolidation continues. The larger the title library controlled by vendors, the better

positioned they are when dealing with retailers. Sierra has been on an acquisition path for many months now, gobbling up minor home developers as well as larger operations. While Sierra is diversifying, insiders tell NEXT Generation videogames are still the number one priority. However, at least in 1996, Sierra doesn't plan to place any big bets or development dollars behind next generation videogames. Sierra will focus on the PC in 1996, and expects to release more than 60 titles next year.



Trip Hawkins is moving back into the business he knows best — software