

July 1994

# RePlay magazine

window on the world of coin-operated entertainment



**SHAFFER  
CELEBRATES  
65TH ANNY**

**ATARI'S  
BACK...AND IT'S  
FEISTY!**

# COVER S T O R Y



Under canopy reading "Virtual Reality," Atari's brand new *T-MEK* sitdown combat simulator gets the attention of distributors gathered for the company's first coin-op conference in some time. The game? A superb piece for game centers, with big test results quoted.

**A**tari steps out now with "in your face" competitive sitdown simulator, plus hot fighter coming in August

That "rumbling" you hear is not only coming from Atari Games' brand new *T-Mek* combat simulator but from an R&D marketing drive this division of Time Warner Interactive has begun. The word here is "attack"...not only in the game themes but in the philosophy of this oldest of all coin-op video game builders. Atari is back...with the goal to be back out front.

After a two year product void (broken only by their licensed *Road Rally* kit), Atari Games assembled its distributors at the Mission Hills Resort in Rancho Mirage, Calif. (June 13th) to show the completed *T-Mek* (shipping this month) and *Primal Rage*, a surreal head-to-head fighting game,

coming first in their *Showcase 33* cabinet and then an upright in August, plus a kit much later. Both games clearly comply with Hide Nakajima's promise that the company will not bring any products to market unless they're "first class." (Details on these first in a continuing series of new Atari coin-op's appear further along in this article.)

At the dealer meeting, Jeff Holmes of Time Warner (the parent company) flat out declared that the giant entertainment conglomerate has committed to capital funding and corporate effort "to make Atari once again your leading game supplier." While the other two divisions of Time Warner Interactive are dedicated to the home video and computer markets, Holmes said "coin-op drives the video game engine, and the two new products on stage here today show we're on our way back."

Speculation of Time Warner's expected "retirement" of the familiar Atari brand name and logo in favor of "Time Warner Interactive" didn't get resolved at the Rancho Mirage meeting. While the T.W.I. name will most likely appear on future games, Holmes said he'll keep the old Atari identification on the cabinets "for as long as you distributors tell us to. If you don't want us to change it, we won't."

Whether one name or the other

# THEY'RE BACK!





Time Warner exec Jeff Holmes (l) chats with Vancouver dealer Sam Feder and Denver's Rich Babich at the Rancho Mirage, Calif. meeting.

will eventually dominate in months and years to come, it's clear that the Atari I.D. will appear on these first new machines. But it's also clear that Time Warner wants its own identification on the product, in view of all the scrambling going on in the entertainment world to climb aboard the (buzzwords coming) "multimedia bandwagon."

Under engineering VP Mark Pierce, the company is ramping up game development (Holmes said they're creating ten employee teams for this) while actually ramping down the operator's product cost. "The majority of the games to come will be at a lower price point," said Holmes. "We're going to give up some gross margin to drive these



Listen up, as the bone brigade sends out the message on *Primal Rage*. This rap act has been retired, but their game begins its (hopefully) long performing career Aug. 8th.

products into the market," he continued, "although we'll still make room for the occasional high-end machine" (which *T-MEK* is).

Holmes compared Atari Games' plans to what goes on in the motion picture industry. "Like our sister company Warner Bros. Pictures, we'll bring product out in various budget windows." (While Hide Nakajima is in Japan on medical leave, Holmes appears to be in charge; in fact, the Time Warner heavy's been involved with Atari on an off since 1980).

#### FAMILIAR FACES

It was a pleasure for everyone present to see all the familiar Atari dealers once again in the same conference room, as it was to see and hear sales VP Mike Taylor, his sales people Jim Newlander, Elaine Shirley and Dave (UK) Smith and, of course, 16 year company veteran (and newly-promoted VP of marketing) Mary Fujihara.

During their podium addresses, execs said a distributor advisory council is in place (these six dealers already had their first meeting in May). We also learned there's a more youthful "tilt" in their game designers' approach to their jobs to provide what today's game player wants.

VP Fujihara ticked off some numbers showing *T-MEK*'s debut to be impressive. Set by the factory at three coins/tokens to start, two to continue, *T-MEK* averaged \$592/week over five weeks at a California mini-golf arcade, \$1,132 its first week at a

**T-MEK** is a 2-player deluxe combat fighting sitdown which can be linked to a second full game to provide up to four-way player battles. The simulation is great. The vehicle you're driving is sort of like a tank and you guide it by controls located down by your hips. The seat rumbles and the Cage digital sound system surrounds you with quad battle sounds and even Doppler effects for realism.

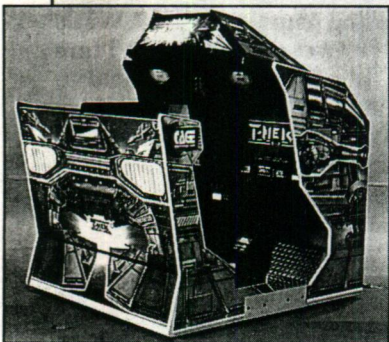
The player's ultimate objective is to become champion of the *T-MEK*

Tournament (which consists of a series of dark and challenging arena battles as you try to eliminate "Nazrac" (not a nice person!). Each battle pits four warriors (players) in head-to-head competition. Besides fighting each other, game product manager David Macias says you have to contend with deadly alien drones and arena bosses.

*T-MEK* has been designed to appeal to a whole range of players, from fighting game enthusiasts to casual simulator players. Through the use of timed arena matches, beginning and advanced players

can be assured a satisfying experience. Spectators at the game center will also get a kick watching others "drive" the rumbling simulator.

"This is the most insanely competitive arena battle in the galaxy!" declared Macias. Not for Moe's pizza cubicle on Atlantic Ave., this *T-MEK* is a deluxe investment for the fun center industry that wants to book big cash, pull crowds and keep the action going this summer and beyond.





Coming right out of the deep dark ages to rap about *Primal Rage*, the Atari dealers are entertained by cave people Jim Newlander, Elaine Shirley, Mike Taylor and Derryl DePriest at the Mission Hills conference.



Jackie Sherman (l) and newly-promoted marketing VP Mary Fujihara produced an excellent business/social affair for their long-time distributor reps.

Jersey mall and \$1,218/week over three at a college arcade in Texas. A Northern California mall caught \$458 its first week while a Texas movie theater concourse did \$560 in 4 1/2 days. "We've seen some players plop \$5.00 in coins on *T-MEK* and play the whole pile out," Fujihara declared. The game is shipping now.

*Primal Rage* will begin shipping in the *Showcase* cabinet Aug. 8, and in standard upright cabinet Aug. 22. Atari will offer a kit version afterward, though probably not until next year. Test reports mentioned ranged from \$156 at a "little comic book store where *Mortal Kombat* did \$93" to a two week average of \$784.00 (in a *Showcase*) in a California mini-golf location, according to the new veep.

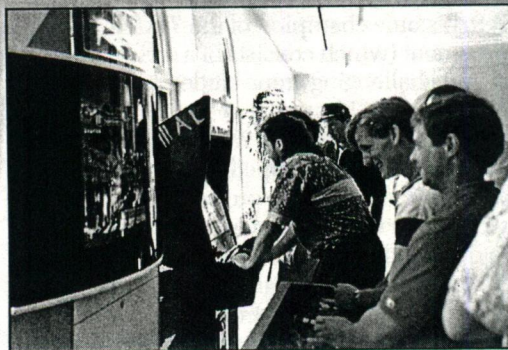
### GREAT MEETING

Business was primary at Mission Hills, but no dealer confab is complete without the golf and other social sidebars, and Atari once again proved it's a fabulous host. Kudos are given to Jackie Sherman for spearheading the meeting logistics and to Matt Ford, Dennis Harper, Mike Hally and Farrokh Khododadi and their people in the R&D plant for the products.

The dealers went home charged with a reinvigorated enthusiasm for the Atari brand. They heard a lot of progressive talk and inspected some very positive coin machines. Now, as they say in the "armed services," carry on! ◆

*Primal Rage*, clearly being enjoyed at Mission Hills by Scott Shaffer and Jon Brady, Jr. in the *Showcase* cabinet, is a head-to-head fighting game. Players choose from seven different fantasy creatures and then pound each other in various unfriendly ways leading up to some graphic "finishing sequences." Although the creatures in this game are rather hard to compare to human beings, Atari has an adjustment for operators who'd like these "finishing sequences" to be less gory.

The game has a proprietary stop-motion animation technique that's great fun. And their



new Cage sound system provides super stereo to accompany the high-impact game play. Only four buttons per player are on the cabinet and the game's product manager Derryl DePriest says players respond enthusiastically to the overall

format.

Rather than the game ending when all computer-controlled characters are defeated, a 1-player game is open-ended. After being rewarded with a character storyline after winning, single players enter a frantic second stage mode where round times are much shorter and hits do more damage.

The 2-player mode is also novel, being organized in a "push-pull" fashion that encourages longer sessions. And, a lot of coins or tokens will be injected into this game as players advance along in their skills. From graphics to action to sounds, *Primal Rage* is quite a piece of work.

# ATARI IN TIME

## From Television Tennis to T.W.I.

**A**tari, Inc. was incorporated in June 1972 when the "name of its game" was *Pong*. With initial capital of \$5,000, founder/inventor Nolan Bushnell turned this "mother of all video games" out to the market from a modest 1500-sq.-ft. facility in Santa Clara, Calif. Sales in excess of three million dollars were attained that first fiscal year.

*Pong*, that black and white, two-player ping pong upright, may have launched the genre of video onto the coin-op amusement field, but it was not the first machine to sport a TV monitor. That was *Computer Space*, developed in part by Bushnell for his former employer Bill Nutting at Nutting Associates. But *Pong*, unlike the other, was a hit...a foursquare winner in taverns, and in some other street locations. Atari would get the patent for this game years later, but its initial market success saw the birth of several copies by outside manufacturers. Not only was the video game revolution born but so was the knock-off business.

In 1973, Atari bought Kee Games,

Inc., made its owner, Joe Keenan, president and Bushnell, chairman. Kee maintained its own product line at its Sunnyvale, Calif. plant as an Atari

division. Both plants turned out some decent new videos in those early times, *Atari Tank* and *Sprint* being most significant winners. Corporate sales were in the \$13 million range and they were proud to note that 10% of net sales were routinely plowed back into research and development funding.

In 1975, Atari created the home video industry by launching the home version of *Pong*. The success of this venture, combined with their continuing leadership in video games, caught the notice of Warner Communications, which acquired the company in 1976. The whole Atari organization moved into a complex of buildings in Moffett Park in Sunnyvale, California.

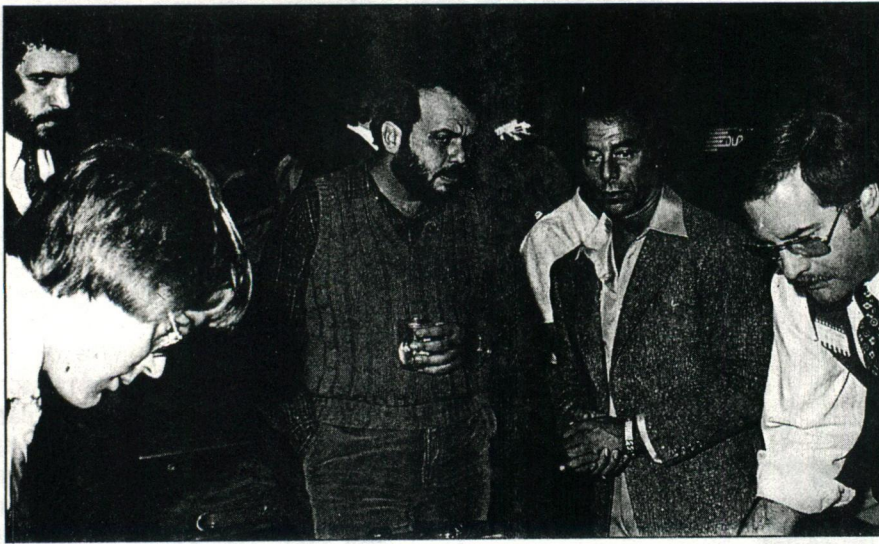
Bushnell's original sales manager Pat Karns had been replaced by Gene Lipkin as Marketing VP, and the latter brought his friend Frank Ballouz up from Florida to serve as national sales topper for coin-op. Also in 1976, the company launched its

first pinball called *Atarians*, one of the earlier solid state pins which was joined by some other Atari flippers in subsequent years. After their only critical hit in *Superman*, they exited this arm of the industry.

A multi-game home video system



It all started with *Pong*, a coin-op ping pong video 2P1 adapted by Bushnell from a computer exercise invented by Motorola's Ralph Baer. It's interesting that its basic shape and size is still more or less the way video uprights are presented today, 22 years later.



Atari was not only a fount of great videos but also of a number of key industry people, some of whom have gone on to big things at other companies. Shown at a C.A. Robinson and Co. distribution open house in L.A. somewhere back in the 80's surrounding a hot game of *Tournament Soccer* were (from left): Frank Ballouz (now with Capcom), Tom Petit (foreground, now with Acclaim), Gene Lipkin (presently out of the industry), Ira Bettelman (still VP at C.A.R.) and the late Don Osborne.

called the *Model 2600* was launched in 1977 and helped create the first home vid bloom (in years to follow, Atari also entered the home computer field with the models *400/800*). Meantime, their coin-op success story was still keen, with such hits as *Breakout*, *Starship*, *Football* and the giant *Asteroids* was one of the first to be dubbed a "godzilla" because the operator demand for the piece far exceeded the factory's ability to supply its distributors.

Atari participated greatly (and healthfully) in the fabled "video game boom" which ran roughly from 1980 to 1982 with such pieces as *Missile Command*, *Centipede*, and *Pole Position*. During the "boom" (greatly

influenced by such competitive machines as Taito's *Space Invaders*), annual player expenditures on video games were considered higher than the combined gross revenues from both records and movies. Video was king of the entertainment hill.

After the video slide became apparent to one and all by 1984, Warner Communications sold both the home computer and home video divisions to a new company that adopted the name Atari Corporation (Bushnell had since exited the company to be replaced by Ray Kasser). In 1985, Warner and Namco America entered a joint venture to restructure the coin-op division and call itself Atari Games Corp.

In 1986, the company was coming off its super-successful *Gauntlet* and followed it up with *Road Blasters* and *Super Sprint*, among other pieces. *Road Blasters* came out in 1987 and late that year, Atari Games got back into the again-flourishing home video business (dominated by Nintendo) by creating its Tengen, Inc. division.

*Cyberball* showed up in 1988, followed afterward by such hits as *Hard Drivin'* (1989), *Pit Fighter* (1990), *Race Drivin'* (1990), *Steel Talons* (1991) and *Road Riot* (1991). It was never uncommon for Atari to sport many titles on trade magazine charts.

In 1990, Atari Games had bought out Namco's shares, leaving the new Time-Warner as majority shareholder and Atari Game's president Hide



Atari's founder Nolan Bushnell was not only the father of the coin-op video game business but of the home video "offshoot" as well. During the original "video boom" of the late 70's, early 80's, Bushnell became a true celebrity in the business world. One consumer magazine once referred to him as "King Pong" after his seminal black and white upright.

Nakajima as a minority owner. Two years later, Nakajima and his staff brought Atari's world wide distributor principles to Nice, France to celebrate the firm's 20th anniversary.

That fall, Atari brought out two more games in their now-customary deluxe video stable with *Moto Frenzy* and *Space Lords*. Though their previous "big vids" still dominated *RePlay's* Deluxe Video chart, the Capcom (*Street Fighter*) and Williams (*Mortal Kombat*) jugernauts were on in Uprights and consuming a big piece of the operator's buying dollar.

Atari Games embarked on the biggest R&D hiring campaign in its history to get more competitive, but Nakajima had vowed not to present any games for sale to distributors that were not completely finished and "first class." But apart from the *World Rally* driving kit (licensed from Gaelco of Spain) they brought out in the summer of 1993, the fabled game maker entered a pause in its string of hits.

Until now? That's the hope as Atari Games, to be called Time Warner Interactive, comes with *T-Mek*, more product to follow, and the resources of Time Warner to put this first and oldest coin-op video legend back up front.

## EXPERIENCED COIN-OP SALESMAN WANTED IMMEDIATELY

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