

Local game companies make a splash

Bus General
Each has found path to success

By SEAN ARONSON

SENTINEL CORRESPONDENT

SANTA CRUZ — "Silicon Beach" may be a thing of the past, when the tech industry spilled over the hill and never fully returned. But for many video game developers who set up shop here during the boom, Santa Cruz is still the place to be.

While the San Francisco Bay Area and Silicon Valley garner most of the attention in the video game industry, Santa Cruz is quietly building a reputation as a hub for smart, creative, independent developers in a multibillion industry that has surpassed the movie industry in terms of annual revenue.

A handful of small companies are creating games, from such high-profile releases as "Godzilla" and "Superman" to smaller games like "Gish," which was sold exclusively over the Internet.

The local companies are setting up shop in lofts and small office spaces around town.

The growth of Santa Cruz's small video game sector — in the shadow of a \$30 billion video game industry worldwide — comes alongside growth of smaller developers nationwide during the past five years.

"There has definitely been a surge in independents," said industry watcher Eric Fritz, director of marketing for Garage Games, an online publishing label that has published games for several Santa Cruz companies. "There are so many creative people out there that don't work for major corporations."

The majority of those billions are made by a handful of behemoth companies — EA, Activision, Nintendo — while the smaller companies are lucky to turn any profit.

"We are just barely making enough to run the show," said Diego Link, founder and co-owner of Santa Cruz Games, the largest outfit in the area.

Success in different forms

Independent game developers must choose between two main business models — publish and sell your own games on the Internet or sell the games to established publishers who will license the product and sell them in retail stores.

Santa Cruz Games operates primarily on the latter model, developing games for the large companies and effectively selling away their rights. This approach has earned Santa Cruz Games high esteem in the industry, but also disdain from fellow Santa Cruz independent game companies.

Josiah Pisciotta, owner of Chronic Logic in Santa Cruz, believes Santa Cruz Games compromises its artistic vision when they allow outside companies to sell their products.

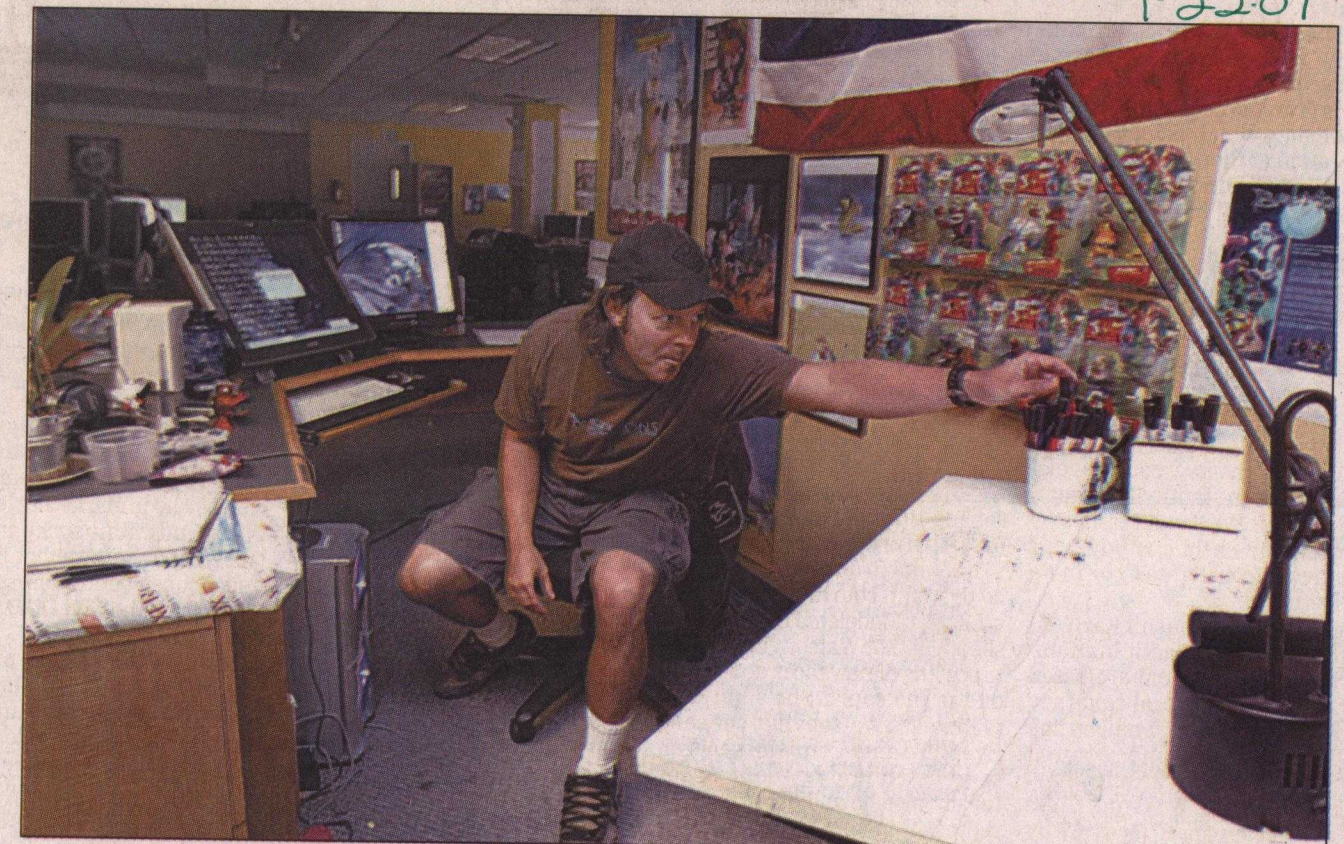
"Once you start taking money [from publishers], you lose control," said Pisciotta.

In fact, Andrew Webster, artistic director for Santa Cruz Games, agrees, "The publisher has seemingly all the power."

But sometimes developers still manage to sneak local touches into their games, as was the case of "Superman Returns" when developers included a feature that put a pink umbrella "spell" in the game that sent the other player to the "Phantom Zone" and slowed the progress of the effected player.

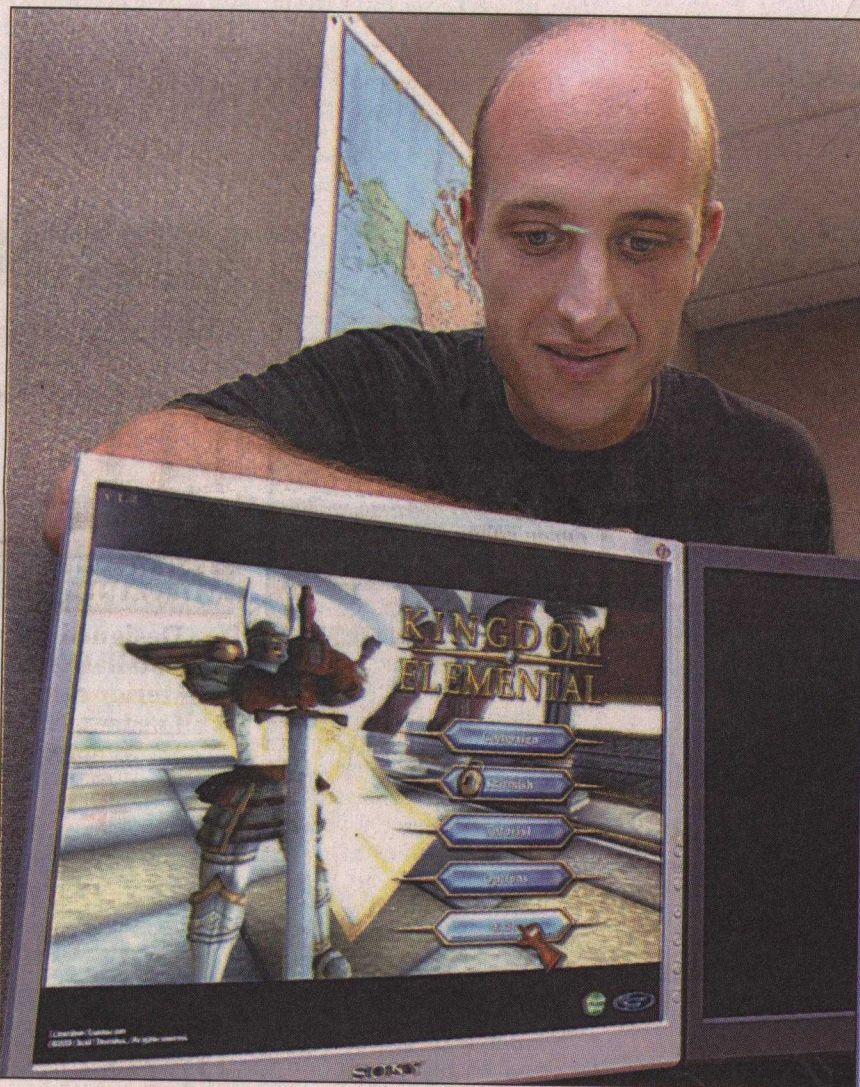
"It was sort of an inside joke for us," said Webster, who sees the "Pink Umbrella Man" [the man who walks downtown Santa Cruz carrying a pink umbrella] everyday as he gets his morning cup of coffee.

Many of these talented programmers could be making more money by work-



Zach Cox, lead artist for Santa Cruz Games, works in his office.

Dan Coyro/Sentinel photos



Chronic Logic's Josiah Pisciotta with the local company's latest game, 'Kingdom Elemental.'

ing in Silicon Valley, but they said they choose to stay in Santa Cruz because of the laid-back environment and small-town mindset.

"It's a quality of life decision," said Link. "We love being in Santa Cruz and see no reason to leave."

Employees at Santa Cruz Games often take afternoon bike rides to the hills around the UCSC campus. Webster estimated that salaries were about 10 percent below those offered by the big companies in Silicon Valley, but still averaged around \$60,000 for developers working for more than five years at the

company.

Brendan Seaman, 24, a programmer at Santa Cruz Games, grew up in San Jose and graduated from UC Santa Cruz, majoring in computer science. He said it was appealing to work and live here, rather than commuting to Silicon Valley.

"The main thing was staying in Santa Cruz," Seaman said.

The recent inclusion of a video game design program at UC Santa Cruz has been beneficial to the local video game scene.

"I think we have a good talent pool," said Link.

CRYPTIC SEA

FOUNDED: 2006.

EMPLOYEES: 3.

ADDRESS: 312 Lincoln St., #F.

GAMES: 'Blast Miner,' 'Bridge Construction,' 'Ramjet.'

SANTA CRUZ GAMES

FOUNDED: 2001.

EMPLOYEES: 20.

ADDRESS: 1119 Pacific Ave., Floor #3.

GAMES: 'Superman Returns,' 'Dora the Explorer,' 'Godzilla.'

CHRONIC LOGIC

FOUNDED: 2002.

EMPLOYEES: 2.

ADDRESS: 501 Mission St., Suite 6.

GAMES: 'Gish,' 'Triptych,' 'Kingdom Elemental.'

The UCSC program is just one of the places they draw from. Cogswell Polytechnical College in Sunnyvale has graduated hundreds of students in artistic design. And Santa Cruz Games has hired a number of their graduates.

Sales of games vary greatly for the individual titles. Chronic Logic's biggest hit was "Gish," starring a living ball of tar that must roll through an underground world in search of his girlfriend, becoming sticky to climb walls, dense to break rocks and slippery to slide down crevices. The game earned grand prize at the Independent Games Festival in 2005, one of the highest honors in the industry. Gish sold about 5,000 copies and earned the small start-up \$120,000 — nearly 10 times the cost of developing the game.

By contrast Santa Cruz Games' biggest seller, "Superman Returns" sold nearly 100,000 copies and made more than a million dollars, but Santa Cruz Games saw only a fraction of those profits.

While all agreed money was a priority, the driving force for them is a love of creating innovative, exciting games.

"I don't call it a job — it's more like a hobby," said Webster.

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