



Video Games

Indie game studios get schooled in entrepreneurship

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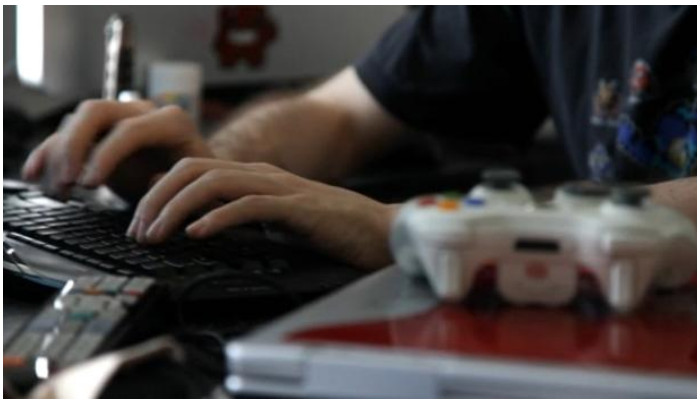
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Indie game studios get schooled in entrepreneurship



From [Sword and Sworcery](#) to the forthcoming *Sound Shapes*, independent game studios in Canada are making critically acclaimed titles, but there's more to running a successful business in this industry than just great development teams.

Toronto-based [Ryerson University's Chang School for Continuing Education](#), in partnership with [Interactive Ontario \(IO\)](#), recently launched [Education for Digital Games](#)

[Entrepreneurs \(EDGE\)](#), intended to teach game developers the skills required to run a company.

The program offers six courses in the fields of entrepreneurial finance, human resource management, intellectual property law, marketing, project management and leadership, and entrepreneurial behaviour — “all pertaining specifically to gaming.”

“While it may be a generic language, such as HR,” explains Dr. Gervan Fearon, dean of the Chang School, “it really has been honed and made specific to the sector.”

Jim Laird, the former chief financial officer of Toronto studio Bedlam Games Inc., for example, is teaching the course on entrepreneurial finance, while Susan Abramovitch of law firm Gowlings is lecturing on intellectual property law.

And the timing couldn't be better. As of 2011, the [Entertainment Software Association of Canada](#) estimates that 29 per cent of Canada's game studios consist of five employees or less, with Ontario housing “the greatest number of micro and small companies” in the country.

A small studio might have a producer assume the role of a department head, or task a creative director with managing an entire team. Those aren't necessarily skill sets inherent to their old jobs — but that's where a program like EDGE can help.

“While they know games,” says Max Berdowski, vice-president and general manager of IO, “they can use development in some of the core entrepreneur-level skills required for a running a company.”



Going Loud Studios

When *DLC Quest* — a smart satire on the practice of selling downloadable content in commercial games — was released on Microsoft’s Xbox Live Indie Games marketplace in early November, 2011, Ben Kane expected modest sales. Priced at 80 Microsoft points, the equivalent of \$1 (U.S.), he hoped to sell 2,000 copies the week of its release, and if he was lucky, another 2,000 through the remainder of the game’s lifespan.

Instead, a “blown away” Mr. Kane has sold more than 23,000 copies to date after the idea proved a hit.

Mr. Kane, a former developer at Electronic Arts’ Black Box studio in Burnaby, B.C., is the founder of Ottawa-based Going Loud Studios, and its only employee. When he started the company just two years ago, “I knew enough to know I didn’t know what I was doing,” he jokes.

Instead, Mr. Kane enlisted the help of an accountant friend to help with financials. *DLC Quest* is his third game.

“It turns out it’s really simple to start a small business if it’s just yourself,” says Mr. Kane, who established his studio as a sole proprietorship, and registered the trademark online. “[But] if you want to treat indie development as not just your hobby, but your full-time job,” he cautions, “you have to think about things like marketing.”

For example, only half of Mr. Kane’s time is actually spent making games. The other half involves maintaining his company’s website and its social media presence, and putting together press kits and trailers for online distribution — tasks that might not be apparent to prospective indie developers hoping to work for themselves full-time.



Spooky Squid Games

The way Miguel Sternberg sees it, indie game developers are no different from indie bands or filmmakers who are looking for a way to make a living. “Most indie studios want to make a game that will sell well enough to fund the next game,” he explains.

Mr. Sternberg is a former co-founder of Toronto-based [Capybara Games](#) who left the company in 2005, to work as a freelancer. He launched [Spooky Squid Games](#) in 2008, and he is now working on the coming “lo-fi, platforming beat-'em-up” *They Bleed Pixels*.

However, funding isn’t always easy to come by. He says a typical startup strategy of seeking angel investors or venture-capital funding doesn’t always fit the smaller scale of indie development.

Mr. Sternberg and his business partner, Andrij Pilkiw, received funding for a previous game, *Guerilla Gardening*, by way of the [Ontario Media Development Corp.](#) In 2008, the OMDC launched the Screen-based Content Initiative, a grant that offered eligible companies up to \$100,000 — or a maximum of 75 per cent of their total budget — to help bring concepts and prototype ideas to market.

The grant was far from gaming-specific, and it catered to everyone from film directors to scriptwriters, which made it difficult to prove a game’s market viability to the OMDC and secure additional funding. The pair were forced to pause development, and they made the decision to fund *They Bleed Pixels* themselves.

“We don’t really belong together,” says Mr. Sternberg of the inclusion of indie game studios along with the wider community of technology and online startups, “but we’re lumped together because people only see computers.”



Untold Entertainment

“It wasn’t until I got out there and was dangling in the wind that there were all these things I didn’t know,” says Ryan Creighton, vice-president of the Toronto chapter of the [International Game Developers Association \(IGDA\)](#), and founder and sole employee of [Untold Entertainment](#), also of Toronto.

One of his business-related concerns is that the industry’s current approach to funding and monetization doesn’t exist on an indie-friendly scale.

He recalls attending a talk on games entrepreneurship where the numbers “were all in the millions” — whereas most indie studios are only thinking in terms of hundreds or thousands of dollars. But after attending the first EDGE session on entrepreneurial finance, he was impressed with the program’s efforts “to tailor the course for game developers.”

“This is a clear need they’ve identified. They know the little guys with little studios stuck at management,” says Mr. Creighton, who is currently working on Spellorium, a puzzle-solving adventure game where players spell words to solve problems.

“You sort of pick it up as you go along. And those who don’t go out of business.”

Small studios deliver big fun: Two \$1 indies worth trying

It's never easy for small, start-up studios to turn a profit from the games they make. An understanding of publishing channels, industry trends, and effective promotion strategies is key. However, even the most savvy business strategy will be for naught if you don't start with a game people want to play.

That's not going to be a problem for [Spooky Squid](#), the Toronto-based studio behind the upcoming Xbox Live Indie release *They Bleed Pixels*. The two-person company's game is an instantly entertaining *Super Meat Boy*-inspired 8-bit side-scroller with a dark, Lovecraftian vibe and spectacularly gory combat.

Don't worry if you got lost midway that description. All you need to know is that it's a polished and challenging old-school platformer. I spent about 90 minutes with a not-quite-final build last week and came away eager to play through the whole thing.

Its dark story focuses on a student at a boarding school for troubled young ladies. Upon finding a blood-stained book our heroine begins having terrifying nightmares in which her hands are replaced by giant claws. She has to journey through creepy, deadly environments, lithely avoiding spiky traps with graceful jumps while dispatching enemies in variety of imaginative ways, such as launching them into spinning saw blades and skewering them on ceiling pikes.

As with most platformers, our objective is simply to make it to each level's exit. However, players also have the opportunity to search out secret areas containing pages of the mysterious book that's the source of the girl's dreams and can carry out more audacious (and increasingly gruesome) combos to increase their score.

But it's the little things that make it memorable.