

Stan Jarocki: Expanded Player Base Is The Key To The Future

by Jeffrey Ressler

Stan Jarocki, vice president, marketing, at coin-op manufacturing giant Bally Midway, came back from a trip to Japan in 1979 and told his bosses he had seen a promising video game while visiting the Research and Development department of Namco. The machine was called "Puck-Man," and when Midway bought the rights to make and market the game in the U.S., neither Jarocki nor his peers had any idea the electronic marvel would become the phenomenon it is today. Both the company and Jarocki have enjoyed the success of other sensational games in the past, like the blockbuster "Space Invaders," and at present, including the first film tie-in vid, "Tron." But within the hearts of Midway and its marketing executive there's a special sentimental place for the little yellow dab with the pie-wedge mouth.

Although the relationship between Jarocki and his silicon-chip sire is all-encompassing, he also enjoys the warmth of his real family. He and his wife Diane have been married for over thirty years, and have raised five children together, including three daughters — Susan, Nancy and Cheryl — and twin sons Phil and Jim. Jim Jarocki works at Midway with his father, employed as advertising sales and promotion manager, while Susan is also in the video game business as manager of a game room.

Having worked in the coin-op machine industry for nearly three decades, starting with the Seeburg Corp. in 1955, then spending time at Electra Games in 1975 before moving to Midway two years later, Jarocki has a keen insight of the trade's past, present and future. **Cash Box** spoke with him prior to this year's AMOA to get his perspective concerning the changes in the game arena.

Let's start by talking about the present. What do you see happening in the marketplace?

I'd agree with most people who say today there's a softness in the video games industry compared to what it was a year ago. There's no question about that. Operators are purchasing games that are only hits; we call it "the hit syndrome." But the present state of the industry is still good . . . For one to think that we have reached the peak and it's downhill from now is a pessimist's way of looking at it. I believe you'll see new innovations coming out from manufacturers. There's no way we as manufacturers will let this industry slip through our fingers.

How do you think technology will bring about these innovations?

We're constantly looking to develop new hardware systems that will take us much farther than we are today to create a new challenge for the player. We'll move more objects on the screen. At the AMOA show this year you'll probably see a laserdisc game introduced by Sega. We're always investigating new control pods to make the game more challenging. The straight joystick — up, down, right, left — is going to become boring for the player.

Besides "the hit syndrome," the issue of game saturation comes up frequently among operators.

As far as saturation is concerned, I think the industry will show that there were more gross dollars earned in 1982 in video games than in 1981, although the average income may be down. This year we didn't increase the player base as much as it should have been. As you increase the player base, you increase gross income, and as you increase gross income, you'll increase the average income on the pieces you put in. The complaint has been that the



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average income has dropped a little bit and that's why people are saying that the point of saturation has been reached. We've reached the point of saturation with the players that are out there today. You increase the player base and you'll overcome the saturation. And you do that by creating new ideas, games, concepts, interests and bring in a whole new player group as we did with Space Invaders, Pac-Man and Ms. Pac-Man.

What other issues do you feel are of vital importance?

I think there are three basic issues that could be very damaging. One is obviously the adverse legislation that would stifle or inhibit the industry. What I think has to be done is a greater effort by local operators and their local associations to fight this legislation. If it's nipped in the bud at the grass roots level, in nine out of ten cases the ordinances can be reversed and they can turn out to be very positive to the operator's side. The operators have to play a greater role in attending various community meetings and find out what's up and what's planned rather than worrying about it after its been introduced.

Second, is the issue of taxation. In all the years I've been in this business, it seems every time local communities look for additional dollars for their basic needs, they turn to the coin operated industry, whether it be the cigarette vending machines, food vending machines, the music operators or the game operators.

The third issue is the problem of the infringing games. There's no question we're going to continue the fight that we started over two years ago when the first copies of "Galaxian" came into the U.S. We set the precedents in all the federal district courts in the U.S. concerning the copyrightability of the audiovisual works of video games. We also took our fight to the International Trade Commission and two different complaints were successful in receiving permanent exclusion orders for all games that were similar to or infringed on the trademark for Galaxian and then Pac-Man.

What have been the major obstacles in pursuing copyright infringers?

You can copyright a printed circuit board, but, as it's been proved, the alleged infringers have been able to skirt the copyright by making the boards look different. They make two boards out of one board and move the various circuits to different places on the board. However, our thrust has not necessarily been on the board itself although we do copyright the board and the ROMS. Under the law we copyright the object code, and the source code. We copyright the audiovisual works —

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what actually appears on the screen. And really, when you get down to video games, no matter what they do on the board, or on the code, what appears on the screen is the thing you're really copyrighting because that's what the public, the average person, sees.

Obviously, one of the most copied games around is Pac-Man, which you first saw several years ago in Japan. Could you tell us what your initial reaction to that game was?

It was one of four games that I had seen that day at Namco, and it attracted me because we had recently come through very successful runs with Space Invaders and Galaxian, and it seemed like most of the market in the U.S. — 75% to 80% — were space games, and those that weren't were sports-oriented or driving. When I saw Pac-Man I saw something different and the only thing that concerned me was the tag, "cute game," because whenever somebody said that, it was the kiss of death. There was never really a super successful maze game in the marketplace either, but Pac-Man interested me because it was a cute game and a maze game together.

As far as it being the success it was, I don't think any guy in the world could have told you that Pac-Man would run 96,000 games in the U.S., as its initial run was somewhere around 5,000. We introduced it at the 1980 AMOA show and it met with good success, but I wouldn't say anybody stood up and applauded it. When we put it into the marketplace it almost caught on immediately due to its overall simplicity of play. All the great space games had multiple controls and fire buttons and joysticks, but only the super-players were playing them. All those games are so inhibiting, that they really kept some of the new players away. Very few times you'd see a female playing these games, maybe Space Invaders once in a while. Pac-Man was so simple that someone could drop in a quarter, and bang, they're into the game. It wasn't an inhibiting game and it never killed anybody. The Pac-Man never died, he just had the air let out of him and deflated.

What were the manufacturing runs for the game like?

The locations went into multiple set-ups of the Pac-Man game — two or three of the games in the same location — and that's when the numbers really go up from the manufacturing standpoint. The Pac-Man run was about 21 months, really fantastic. We introduced Ms. Pac-Man in January 1982, and she'll run about 110,000 and that's an industry record for any manufacturer building a single game. We're still in the tail end of Ms. Pac-Man but within a week or so it'll probably squeeze the last units off the line to move into the next version, "Super Pac-Man," which'll have a 10-15,000 run and then continue based on the overall success of the game.

Can you clue us in on the play theme of Super Pac-Man?

The Super Pac-Man, which we showed at the JAA show in Japan and is currently testing extremely well, offers a whole different style of play. Super Pac-Man becomes invincible when he eats a certain energy pellet. He becomes ten times his size, and there's a special button which allows him super-speed, so the player can play at a regular speed level or move into a kind of overdrive. There are gates and doors in various maze patterns on the screen, and there are also keys which he must devour to open the doors so he can get in and eat fruit clusters placed throughout for different point values. There are four ghosts as in the regular game, and you'll see those in every Pac-Man game from this point onwards.

Besides the game's popularity at locations, Pac-Man has been doing very well with different merchandising products. How many Pac-

products are there now?

It's an interesting thing. We're in the area of 95-105 licensees and we've gotten some major companies, like ATT with its Pac-Man telephone. There's a whole slew of products, well over 500, emblazoned with the Pac-Man or Ms. Pac-Man logo. They vary from everything from a \$1.50 bumper sticker to very high ticket items. At our licensing show, one licensee displayed fine gold jewelry using the character, a \$20,000 Ms. Pac-Man choker in which a 14 carat gold Ms. Pac-Man is in the center and strung all around the neck are diamonds representing the dots that she gobbles. There are three types of Pac-Man bicycles, breakfast cereals are in the offing, and we hear the popsicle people have sold a tremendous amount of the Pac-Man and ghost monster popsicles.

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Recently the character had its television debut. How's the TV show going?

The Pac-Man series by Hanna-Barbara currently holds the highest ratings of any morning show on Saturday morning, both on a national level and on the three market (New York, Chicago, Los Angeles) level. The show's a hit, and there's a Christmas special that's finished and will be shown before the holidays. We're currently negotiating a feature film, but the agreement hasn't been completed. We're also working with a group for a Pac-Man game show, and we've finalized and signed an agreement with a company that's developed an arena show, kind of like the Ice Capades but not on ice. They'll use all the video game characters made popular by Midway over the years — of course, Pac-Man will be featured, as will probably "Solar Fox" and "Galaxian." This musical revue will go

from city to city on a tour which is currently being prepared and may be ready next fall.

Besides the new version of Pac-Man, we understand you'll be displaying other games this year at the AMOA show. The devilish "Satan's Hollow" was released about a month back by Midway, and we understand another game will revolve around a food theme.

Yes, we'll be showing "Burger Time," which was introduced into the marketplace during late October. The game goes through various screens, and the player's goal is to build a hamburger. A chef goes through various platforms and is chased by three pursuers — Mr. Egg, Mr. Pickle and Mr. Hot Dog. As the chef travels through these platforms he crosses the ingredients that make up the hamburger — the bun, the meat, the lettuce, etc. — and as he crosses each of these

longer, and a fast food chain makes its money on a fast turnover. On the other hand, I like the fast foods, and when I sit in some of these locations they're never full. Maybe there'll come a time when they need to generate additional revenue to pay taxes, employees and all the other things that go along with the increased price of food without adding to the price of the product by going into coin-operated equipment. 7-11 stores pulled racks of counters out so they could put video games in, because at little or no investment on their part the machines were producing as much or more profit than any other item in the store. A game such as Burger Time could be a key that opens many doors, and I believe we'll see the game in at least one and perhaps two of the fast food chains because it's a product oriented towards their type of business.

In addition to fast food outlets, what other locations do you see opening up?

There are many other avenues open to us, and it goes from hospital recreation rooms to factory cafeterias. We talked about this when I was in the music business, about putting jukeboxes in employee lunch rooms to keep workers on the premises. Most people will raise their eyebrows about what I'm going to say next, especially with the PTA's views about video games, but at some point in time under controlled situations, if the equipment was run by schools it might be used to keep the kids on campus. It's a touchy issue, but it's appropriate. The dollars earned can go into a scholarship fund, or into supporting non-sport activities. How many schools today can't afford robes for the choral group, uniforms for the band, school trips, a computer or other extracurricular activities? Video games may provide another source of income without direct taxation that can be used to benefit the school children. There are several new locations where games would do good and provide benefits, and that's the type of thing that the industry has to investigate for future expansion.

items they drop down and land on a plate. There are different types of defenses called "peppers" and he uses them at crucial points; when his pursuers get very close he turns around, given them a shot of pepper, and that stuns them so he can go on building his hamburger. It's a cute game, a fun game to play, and I think the entire game-playing public will enjoy it. It has many of the fine player-oriented features that a Pac-Man has.

With a theme like that, are you trying to get the game placed in fast food restaurant locations?

As you know, McDonalds and many other fast food chains have kept video games and all kinds of coin-operated equipment out. In fact, even coin-operated pay telephones have been kept out of McDonalds. It's always been a policy there that if you put in some kind of pay equipment you'll have people stay around