

ELECTRONIC GAMING RETAIL NEWS

SERVING THE VIDEO GAME AND ELECTRONIC ENTERTAINMENT INDUSTRY

INSIDE ELECTRONIC GAMING

WHAT MOTIVATES CONSUMER PURCHASES?

When a customer enters your store, what influences the buying decisions that are made? From price to promotion, Ed Semrad examines the factors that come into play in his Consumer Perspectives column

14



FOREIGN MEDIA

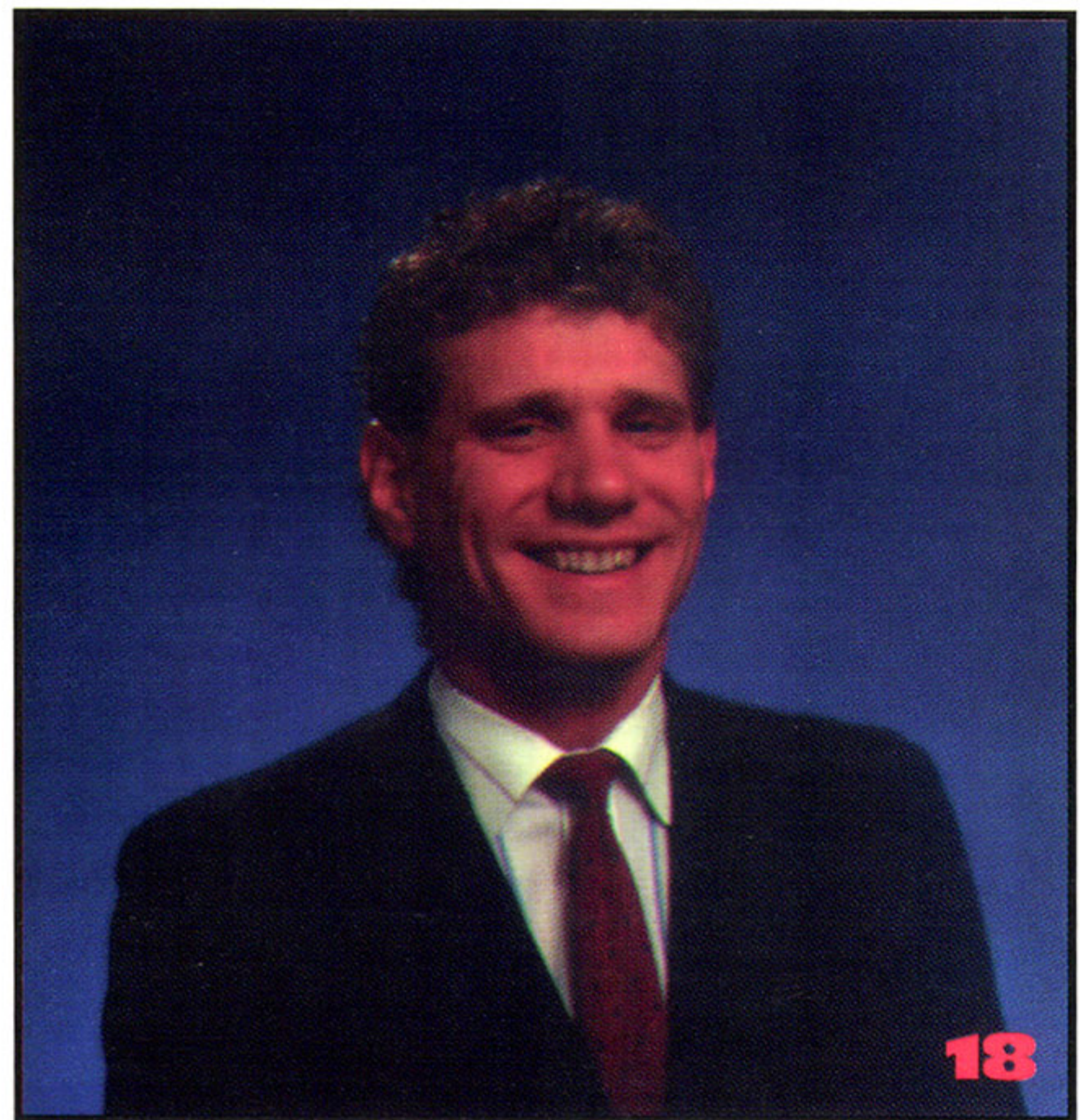
In both Japan and Europe video games and related forms of electronic entertainment have spawned characters that have become part of the younger generation's pop culture. Find out how enthusiasts receive information and get a first-hand look at how it compares to what your customers are exposed to.

16

THE 24-BIT REALITY

NEO•GEO MOVES AHEAD WITH 24-BIT GAMES

While much of the industry concerns itself over price points, SNK has continued to market and sell their Neo•Geo game system at the highest price for any home video game system. Despite this fact, SNK's system has proven itself to be successful with its high quality and large game size. EGRN talks to Kent Russell, the man behind SNK's mega-machine.

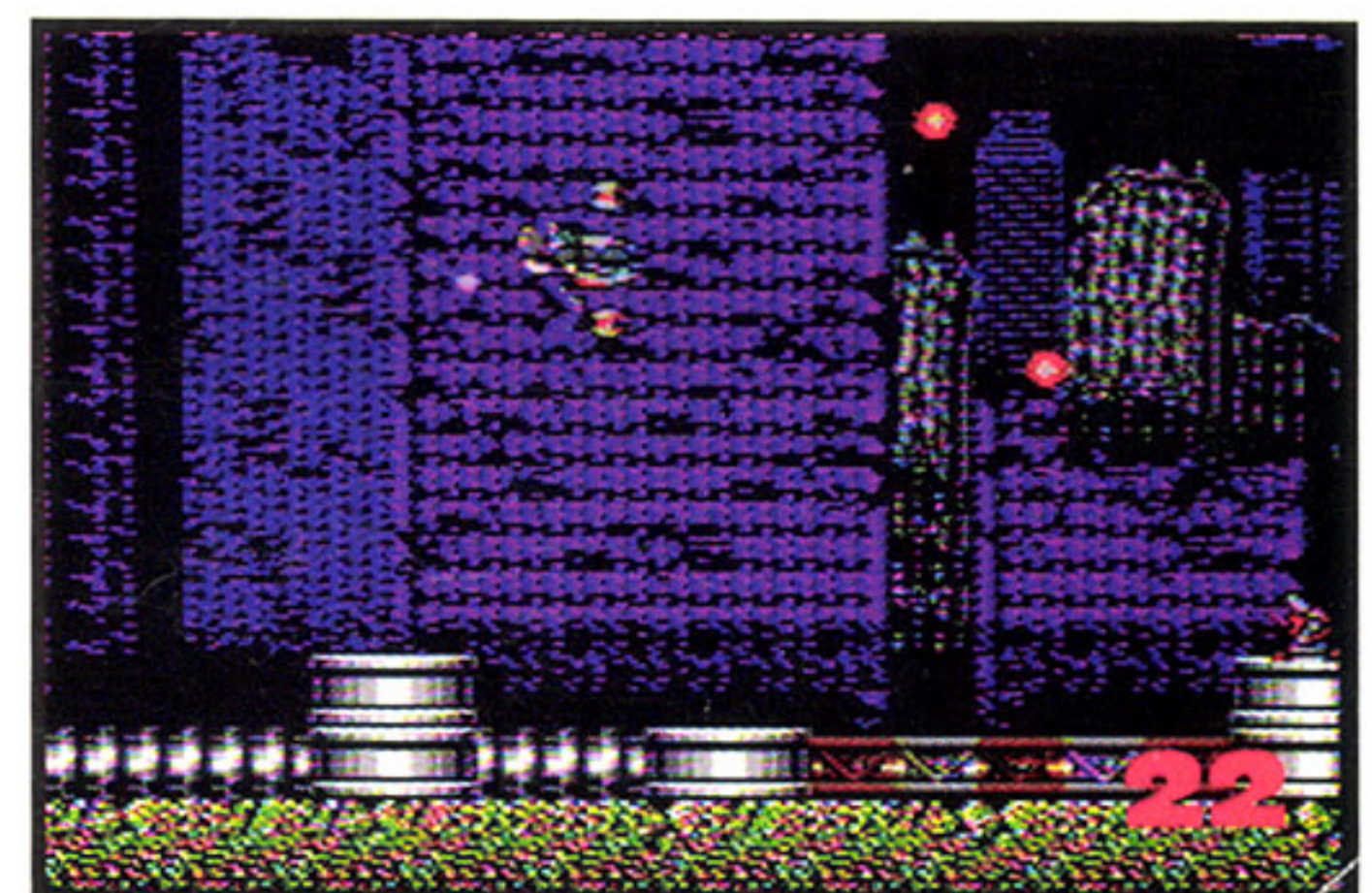


18

EGRN SPECIAL REPORT - PART 2

With New 16-Bit Systems Fighting For Position in the Marketplace, EGRN Examines What Future Role 8-Bit Titles Will Have

Continuing last month's comparative studies on retail pricing and the influence it has on consumer purchases of 16-Bit hardware, EGRN focuses on the 8-Bit end of the business and examines the demand and value of this slowly slipping portion of the industry.



22

SEGA™ DO

For the first time ever, one company, Sega of America, offers a complete full-line of video game systems in every category at extremely competitive prices. Sega Genesis™. The #1 selling 16-bit game system. The

GENESIS SYSTEM

NOW \$149⁹⁹
RETAIL



Since 1989 Genesis has been the leader, the number one best seller in 16-bit systems. With our new 3rd generation 16-bit software titles, Sega Genesis is once again setting the standard for the best in graphics, action, animation and challenging game play.

Leading the Sega Genesis lineup for 1991 is Sonic The Hedgehog™, the world's first super-hero hedgehog. New 3rd generation games like ToeJam & Earl™, Quack Shot™, Fantasia, Spider-Man®, and Mario LeMieux Hockey™, are just part of our continuing commitment to keep Sega Genesis the 16-bit sales leader.

SEGA MASTER SYSTEM II



The Sega Master System has been the longtime recognized leader in 8-bit graphics and gameplay. Now, the Sega Master System II has made the best 8-bit system in the market even better, redesigned with Alex Kidd™ built-in. The SMS II is priced to capture sales among the economy conscious market segment at under \$50.

The current library of more than 100 hits is being expanded. The introduction of Shadow Dancer The Secret of Shinobi™, Strider™, Spider-Man®, and Golden Axe Warrior™ guarantees continued software sales to the growing hardware base.

ES IT ALL.

Sega Master System II.[™] Redesigned and game ready for under \$50. Sega's new Game Gear.[™] The big-screen color portable with TV tuner option. And, of course, an extensive line of exciting software titles for all Sega systems.

GAME GEAR



Japan's hottest selling color portable video game, Sega's new Game Gear is now available in the U.S.

It boasts a bigger screen than Gameboy[™] and the more expensive Turbo Express.[™] It has the best resolution of any portable screen in its price range.

And an optional TV tuner will be available to turn Game Gear into a portable color TV set.

Game Gear titles feature animation and arcade-like graphics just like larger home systems. A broad library of arcade blockbusters like Super Monaco GP[™] and G-LOC[™] mean instant additional sales.

SEGA SOFTWARE



As Sega's line of video game systems continues to grow, so does its library of action-packed titles. Whether you're selling 16-bit Genesis, the Sega Master II, or our new Game Gear color portable, you'll find we offer our top-selling titles for each system. **SEGA DOES IT ALL.**

SEGA[™]

ELECTRONIC GAMING RETAIL NEWS



With the pricing emphasis currently being a push for lower prices, higher end items like Arcade Masters' G.A.M.E. could face a tough climb in finding consumers this Christmas.



Promotions Stepped Up

With the upcoming Christmas season approaching ever closer, many game producers are developing contests and promotional campaigns to raise consumer interest.

HAL America's Hole-In-One Golf includes a contest for successful golfers.

8

8-BIT PRICING SPECIAL

DEPARTMENTS

- 6 **EGRN Editorial**
- 8 **EGRN News**
- 14 **Consumer Perspectives**
- 16 **International Report**
- 26 **New Product Calendar**

FEATURES



18 Industry Spotlight

SNK's Neo•Geo system has caused a stir with its high level of quality and software titles. EGRN talks to the company that made 24-Bit gaming a reality for the American consumer.



22 The 8-Bit Market

With the release of the Super NES, the 8-Bit market appears to be becoming both obsolete and forgotten. What will retailers do this Christmas and next year to move product in a market that may well become deserted?



Super Mario World is sure to play a large role in establishing the Super NES with consumers.



30 Industry Insider

Shawn Cunningham from Home Entertainment Direct shares his thoughts on the release of the Super NES and the future of the video gaming industry.



DAVE ANDY GREG JULIE

DIE HARD

The Gamer's Game Store

Look no further! Don't turn another page, Don't read another ad! If your into gaming, if you want the new games first, great prices, the best service, the best selection, and of course, info and tips from the most dedicated staff in the business, call DIE HARD! No empty promises, no gimmicks, simply the best in the business!



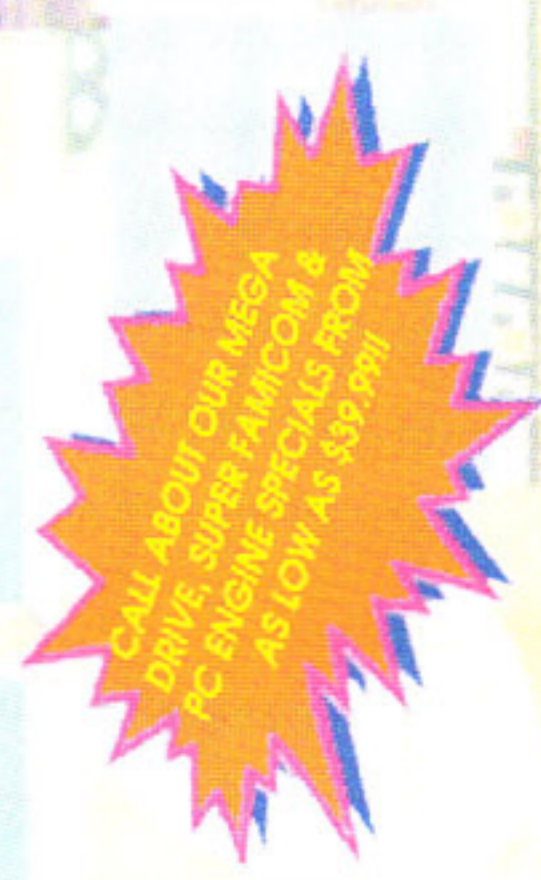
THE NEWEST MEGA DRIVE

These are the newest MD titles. We stock every game, old and new! We get the new titles on or before the Japanese release date.

- ALIEN STORM
- ZERO WING
- SYD VALIS
- BONANZA BROS.
- MARVEL LAND
- FIRE MUSTANG
- STREET SMART
- RAIDEN
- ALISA DRAGON
- FASTEST ONE
- WRESTLE WAR
- SPACESHIP GAMORA
- BARE KNUCKLE
- SAINT SWORD
- BEAST WARRIORS
- VAPOR TRAIL
- QUAD CHALLENGE
- THUNDER FOX
- DOUBLE DRAGON 2
- ARCUS ODYSSEY

THE NEWEST LYNX

- WARBIRDS
 - NINJA GAIDEN
 - BLOCKOUT
 - NFL FOOTBALL
 - TOURN. CYBERBALL
- You know the rest from our prior ads, where are they Atari?



THE NEWEST GENESIS AT THE LOWEST PRICES!

We're just as fast on American carts. You can call DIE HARD for all your U.S. games too!

- SONIC
 - BIMINI RUN
 - AIR BUSTER
 - WINGS OF WOR
 - KINGS BOUNTY
 - HARDBALL
 - MERCS
 - STREETS OF RAGE
 - CALIBER 50
 - DONALD DUCK
 - FANTASIA
 - BLUES ALMANAC
 - MIDNIGHT RES.
 - MARIO LEMUX HOCKEY
 - BEAST WARRIOR
 - VAPOR TRAIL
 - PIT FIGHTER
 - TOEJAM & EARL
 - ROLLING THUNDER 2
- And many more! Call for a full list!

THE NEWEST GAME GEAR

It's SEGA's Mini-MASTER SYSTEM. With lots of support in Japan!

- HEAD BUSTER
- SHINGO!
- JOE MONTANA
- OUTRUN
- G-LOC
- CHASE H.Q.
- SUPER GOLF
- DEVILISH
- WOODY POP
- POP BREAKER
- BASEBALL '91
- GG BASEBALL
- MICKY MOUSE C.O.I.

THE NEWEST SUPER FAMICOM

We stock every game! And we guarantee the new games first!

- NEW LEGEND OF ZELDA
- SUPER PRO BASEBALL
- GAUMBA LEAGUE
- SUPER R-TYPE
- SUPER GHOULS & GHOSTS
- U.N. SQUADRON
- GDLEEN
- SUPER BASEBALL SIMULATOR 1,000
- GOEMAN
- DARIUS TWIN
- Y'S 3
- HYPERZONE
- S.T.G.
- JOE & MACK
- E.D.F.

THE NEWEST GAMEBOY

We carry only the best, straight from Japan!

- SUMO MASTER
 - MICKY MOUSE II
 - LUCKY MONKEY
 - MINI PUT
 - PARADUS
 - R-TYPE
 - F1-SPIRIT
 - SNOW BROS.
 - T.M.N.T. II
 - MEGAMAN WORLD
 - CASTLEVANIA II
 - GARMS
 - KID NIKI
 - TECHNOS SOCCER
 - GAVENNOIRE
- And Many More!!!

THE NEWEST PC ENGINE CD

We have the largest selection of PC-CD games, old and new! ... First!!

- RAYXANBER 2
- DOWNLOAD 2
- FINAL SOLDIER
- BUSTER BROS.
- Y'S 3
- ELDIS
- HELLFIRES
- ROAD SPIRITS

THE NEWEST PC ENGINE

- SHUBIBUBINMAN
- BONK 2
- DEADMOON
- JACKIE CHAN
- LEGEND OF HEROTONMA
- MAGIC SOLDIER

THE NEWEST NEO-GEO

- SENGOKU
- BURNING FIGHT
- ASO2
- MAGIC WAND
- BASKETBALL
- BOXING
- GHOST PILOT
- BLUES JOURNEY

THE NEWEST SYSTEMS & STUFF

- MEGA DRIVE169.95
- GENESIS149.99
- SUPRGRAFX289.99
- COREGRAFX169.99
- PC/CD ROM349.99
- SUPER FAMICOMCALL
- NEW LYNX99.99
- GAME GEAR159.99
- GAME GEAR WHITE w/TUNER349.99
- GAME BOY79.99
- MEGA DRIVE CDCALL
- NEO GEO GOLD579.99
- PC/GT HANDHELD349.99
- JB KING FOR SFXCALL
- XEI AP BATWING (MD)127.99
- SG-360034.99
- NEC AVENUE PAD39.99
- NEW PC/CD COMING SOON!

THE JB KING JOYSTICK FOR SUPER FAMICOM!



FOR FAST OVERNIGHT DELIVERY FOR NEW RELEASES OR GAME PLAY INFO

818-774-2000 818-774-2005

DIE HARD is located at 19640 Ventura Blvd., Tarzana, CA 91356. If you are in the area, stop in and check out our store. We carry Japanese magazines, CD's, videos, controllers and a full line of used games. Call for a new DIE HARD pocket catalog. Canadian and European orders welcome!



C.O.D.'s WELCOME

NOW OPEN 7 DAYS!

CIRCLE #106 ON READER SERVICE CARD



POWER

Ad Design By Minbaet. Call (805) 296-9427 For Rates And Info

**A Sendai
Publishing Group, Inc.
Periodical**

Publisher, Editor-In-Chief

Steve Harris

Editor

Steve Honeywell

Contributing Editors

Edward Semrad

Mike Riley

David White

Foreign Contributors

Stuart Dinsey, London

Hugh Gollner, London

Robert Hoskins, Tokyo

Alain Huyghues-Lacour, France

Stefan Ritter, Germany

Layout and Production

Direct Contact, Inc.

Ken Williams

Martin Alessi

Subscription Management

Harry Hochman

Data Research

Gary Gablehouse

Fairfield Research, Inc.

Sendai Publishing Group, Inc.

Steve Harris, President

Ken Small, Financial Manager

Cindy Polus, Financial Director

John Stockhausen, Ad Coordinator

National Advertising

Jeffrey Eisenberg

Brandon Harris

Eisenberg Communications Group

2121 Avenue of the Stars

Suite 630

Los Angeles, CA 90067

(213) 655-5513

Electronic Gaming Retail News is published 12 times a year by the Sendai Publishing Group, Inc. Electronic Gaming Retail News is available free of charge to members of the electronic entertainment industry by filling out survey card in this issue and mailing to Sendai Publishing Group, 1920 Highland Avenue, Suite 222, Lombard, IL 60148. The editors and the publisher are not responsible for unsolicited materials. No part of this publication may be reproduced without the expressed written permission of Sendai Publishing Group, Inc. Copyright 1991, Sendai Publishing Group, Inc. All rights reserved. All materials listed in this magazine are subject to manufacturers change and the publisher assumes no responsibility for such changes. Printed in the USA.

An Inspiring Launch For the Super NES...

On August 23, 1991 retailers around the country finally placed Nintendo's latest dream machine, the Super NES on store shelves and counters. Originally slated to appear in September, the head start that the Super NES got has, in many ways, given us an early indication of what overall consumer reaction to the unit may be.

Indeed, it has been some time since we've seen a product in the video game category draw news stories on CNN and on the wire services. Yet with this minor consumer exposure and the hype from Nintendo's Power and other gaming enthusiast magazines, the Super NES has managed to be a sell-out for many locations. Within hours many retailers had already blown through their inventories of 10 to 100 machines, with waiting lists forming for the arrival of new machines and key software titles. Not since the beginning of the NES has there been such an overwhelming consumer reaction to this business.

The boost, as we all know, couldn't have come at a better time. With 8-Bit sales reportedly sagging and consumers turning to higher end machines like the Genesis, Nintendo's decision to introduce a 16-Bit platform couldn't have been better. Although many have questioned the company's reluctance to come into the 16-Bit market earlier (after all,

*"While the Video
Game Market
Enjoyed Pricing
Organization at its
Inception, New
Thinking Should Be
Applied Now"*

the machine has been on Japanese store shelves for nearly a year now), in hindsight Nintendo has simply done their best to get the very most out of their older hardware. What's left over from this course of action is the focal point of this month's cover story.

Although it is difficult to find fault with Nintendo's initial approach for the Super NES (the main advertising thrust for the product will begin this month and carry through the holiday seasons), the overall

impact that the machine will have won't be felt until well into the later part of the year. Only then will the impact of Nintendo's advertising, marketing and promotional prowess be seen.

As with any system, the software is what runs the hardware and in this particular case the initial software appears to be a mix of solid hits and square misses. This is especially true of the smaller licensees with Japanese roots who are bringing over 16-Bit titles quickly to capture the initial phase when third-party software competition will be at a minimum. This could hurt the Super NES, but most of the mainstream products with names like Super R-Type, Final Fight, Gadius 3 and Super Ghouls and Ghosts do possess a much higher level of quality that will impress Super NES users. The poor software that is peppered in with the recognizable titles will do more damage to the better original carts like Actraiser that display superlative game play yet may be lost because of their unknown stature.

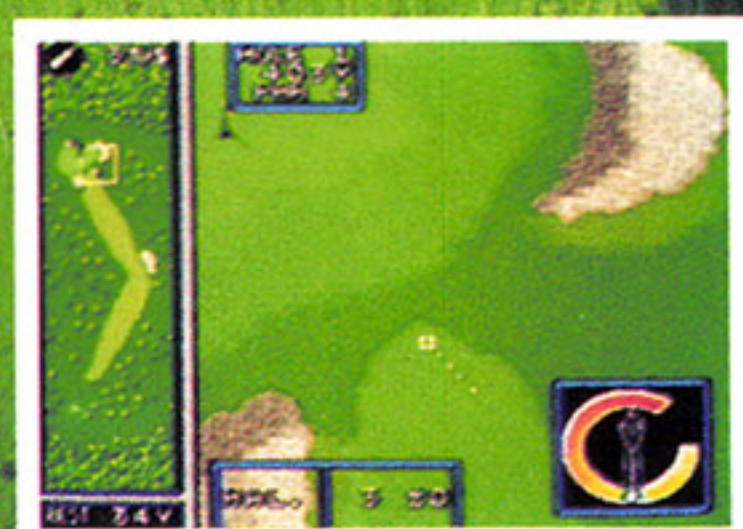
Happy days are here again for the video game industry, but how long that party lasts will depend on consumer reaction to video games as a form of entertainment, Nintendo's control over product quality and the overall number of software pieces on the market. Sustaining the life of game hardware is a Nintendo specialty, leaving the Super NES - and the business - in very good hands.

16 Bits, 18 Holes, HOLE • ONE GOLF™

It's the 18th hole - Hal Open Tournament. Sixty of the best golfers in the country are gathered in one place to decide who will walk away with the Grand Prize trophy. You're 7 under par, tied for first. This 22-foot putt is all that stands between you and glory. A hush falls over the gallery...you check the lie of the green...measure your stroke...address the ball...

- Lots of ways to play - One to four players, Stroke, Match, and Tournament Play, or head-to-head against the Hal Pro.
- Each play mode has Amateur, Single and Professional difficulty levels, plus Handicap option.
- Practice mode lets you work on technique.
- A Hole in One, Eagle, or Albatross earns you a password that will let you replay your shot on any Hole in One cartridge for your friends!

Bring your game up to par - play Hal's Hole in One Golf!



HAL
HAL AMERICA INC.

The Funatic Specialists

7873 S.W. Cirrus Drive, Building 25F • Beaverton, Oregon 97005 • Tel 503/644-4117 • Fax 503/641-5119

Nintendo, Super Nintendo Entertainment Systems and the Official Seals are registered trademarks of Nintendo of America Inc.

© 1991 Nintendo of America Inc. TM and © HAL America, Inc. 1991. All rights reserved.

CIRCLE #110 ON READER SERVICE CARD.

LICENSED BY
Nintendo

SUPER NINTENDO
ENTERTAINMENT SYSTEM



EGRN NEWS

Taxan Halts Game Production • Sega Sues Razorsoft • New European Trade Show Announced

INDUSTRY GEARS UP FOR CHRISTMAS

*Companies Prepare
Publicity Campaigns to
Coincide With Holidays*

While Christmas itself is several months away, game producers and retailers alike are preparing for the 1991 holiday season. Many companies have developed promotional campaigns and contests to help gain consumer interest and awareness in their products.

Many companies are looking to increase the level of advertising that they are preparing for products in the next few months. Retailers and consumers both can expect to see an increase in print advertising for video games and related products in many of the consumer enthusiast magazines.

In addition to an increase in advertising, several companies, including Koei and Bignet, are considering using direct mailings to alert customers of their upcoming games. These mailings would be sent to a list of consumers who have indicated an interest in that company's games or a particular style of game.

One of the largest promotions that is being planned is HAL America's Vegas Dreams contest. Currently scheduled to run through December, this promotion will be run as a series of in-store contests offering a free trip to Las

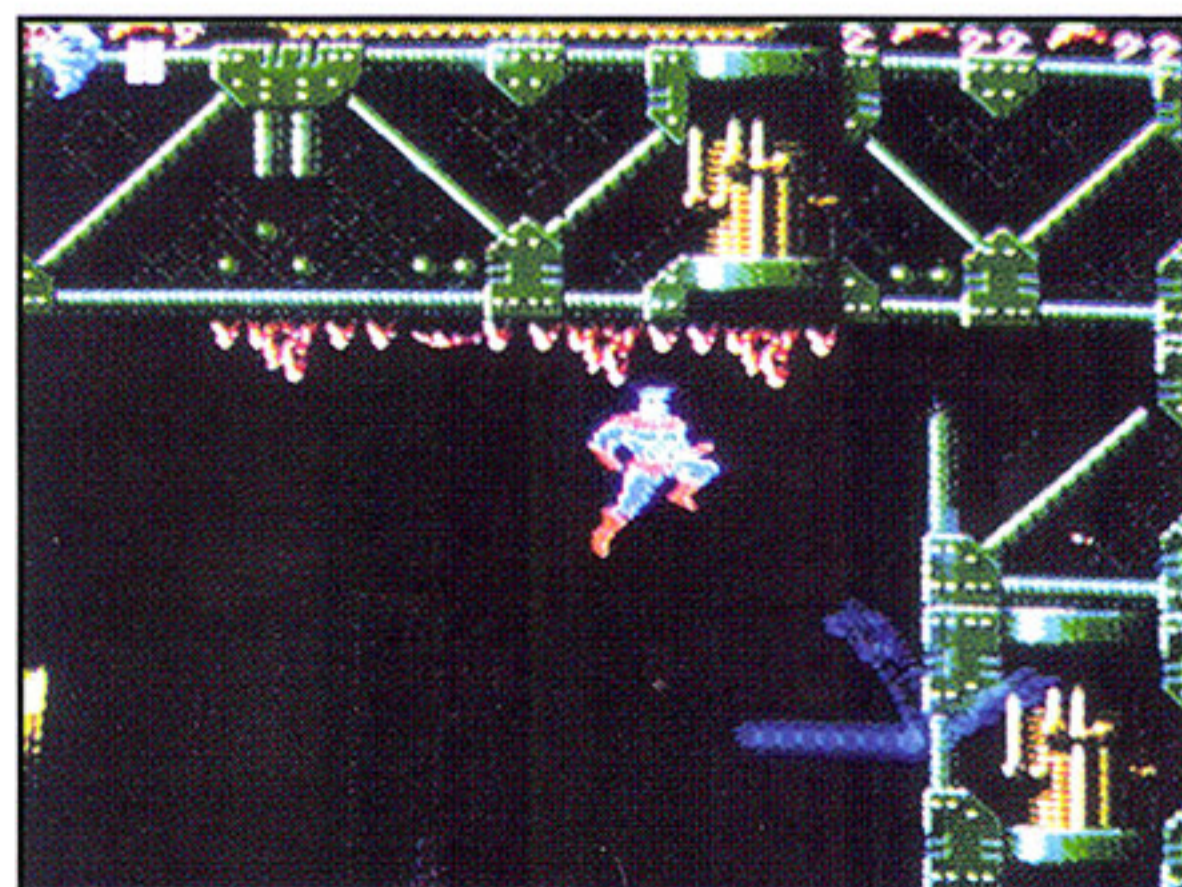


Bases Loaded 3 will be endorsed by Ryne Sandberg.

Vegas.

In addition to this promotion, HAL is also planning a contest with their Hole-In-One Golf program for the Super NES. Players scoring a hole-in-one will receive a code in the game which can then be sent in to HAL for a prize. HAL is also offering players the chance to design rooms for the upcoming Lolo 4, with the best rooms then being used in the final program.

American Softworks will be concentrating on their campaign for Treasure Master on the NES. While the actual contest will not take place until March 1992, the game itself will be promoted with the tie-in to the upcoming contest. In March, players will receive a



Captain Planet will have an environmental write-in contest.



Treasure Master contains a nationwide contest.

password that will be given out nationally on television. The first people that then call a special 900 number with the correct message given at the end of the game (reached through use of the secret password,) will be eligible to win "fantasy prizes" like trips to the Super Bowl, as well as Super NES systems and shirts.

Jaleco will be running a product giveaway with the release of Ryne Sandberg Plays Bases Loaded 3. Called the "Batter Up" sweepstakes, the contest will give away lithographs of Sandberg, jackets, and subscriptions to TOPS card magazines.

While most of Software Toolworks' promoting will be done through print media, the company is sponsoring two contests. Particularly notable is their contest that ties in with the release of Captain Planet for the NES. This contest, much like the game and animated television show, will have an environmental basis. Children can write, in 50 words or less, how they would improve the planet with the best responses becoming eligible for the contest prizes to be awarded.

THE LEADING MAGAZINE FOR SEGA VIDEO GAMES JUST WENT **MONTHLY**

MEGA PLAY - The Ultimate All-Sega Magazine, has enjoyed terrific growth ever since it was introduced and became an instant success. Thousands of Sega enthusiasts now turn to Mega Play for the latest information on upcoming products and new games for their Genesis, Game Gear and Master systems.

Now, due to the overwhelming demand for the magazine at both the con-

sumer and retail level, Mega Play is increasing frequency from six

times a year to a monthly frequency beginning in November. Warner Publisher Services, the distribution arm of Warner Communications, has also been signed on as



the North American distributor of Mega Play, increasing total distribution to more than 200,000 copies each and every month.

Combined with the active color layouts, informative reviews and news, the increased frequency, distribution and size of Mega Play guarantee your products the exposure they deserve.

Join with Sendai to become a part of the magazine's success story and get your message across to the the most active audience of Sega users, the 200,000+ readers of the only monthly Sega publication: Sendai Publishing Group's Mega Play - The Ultimate All-Sega Magazine



**SENDAI
PUBLISHING GROUP, INC.**
CHICAGO • TOKYO • LONDON

FOR ADVERTISING INFORMATION CONTACT
Jeffrey Eisenberg
National Advertising Director
(213) 655-5513

UBI SOFT TO PRODUCE STAR WARS

Agreement with LucasFilm Nets GameBoy Deal

UBI Soft and LucasFilm have had a long relationship in France, where UBI is the exclusive licensee of LucasFilm software for personal computers. Now, this relationship is being brought to the United States with UBI's announcement that it has reached an agreement with LucasFilm to produce the GameBoy version of Star Wars. The agreement between UBI and LucasFilm games gives UBI the rights to market Star Wars worldwide.

UBI plans to recreate many of the scenes from the now classic space opera. The gameplay will follow the plot of the movie as well as complement the upcoming release of the NES version of Star Wars, being produced jointly by LucasFilm and JVC.

Christine Quemard, general manager of UBI Soft commented that "Star Wars is the perfect theme for GameBoy. From fighting your way out of the Mos Eisley cantina, to piloting the Millennium Falcon through the asteroid belt, to attacking the Death Star in an X-wing fighter - the movie is like one big video game."

General manager of LucasFilm games, Doug Glen, said of the relationship between LucasFilm and UBI, "UBI Soft has done a fine job marketing our games in France. I'm sure they'll do an equally fine job with Star Wars GameBoy."



ARCADE MASTERS LOOKS TO HIGH END MARKET

New Machine Looks to Capture Upscale Market

While much of the market is looking for lower price points, Arcade Masters' new creation, the Genuine Arcade Machine Entertainment, or G.A.M.E., is looking for a high-end consumer. While the unit itself looks like a coin operated video game machine, it is actually a system for home video game consoles.



Magician Lord for the Neo•Geo benefits from being displayed on the G.A.M.E.'s monitor.

Users can connect up to three different video game systems and a VCR into the G.A.M.E. unit. By plugging the game systems into a specific module, players are then able to run the game on the G.A.M.E.'s 25" RGB monitor. Instead of using the normal control pad for the game, interaction is obtained by using the arcade style joysticks and buttons mounted on the unit.

The G.A.M.E. is not for everyone due to its \$2,500 suggested retail price, but several upscale stores have been interested in selling the product. "We have 20 distributors in the U.S. and Canada and we're working on getting more," said Arcade Masters president Jim McPheters.

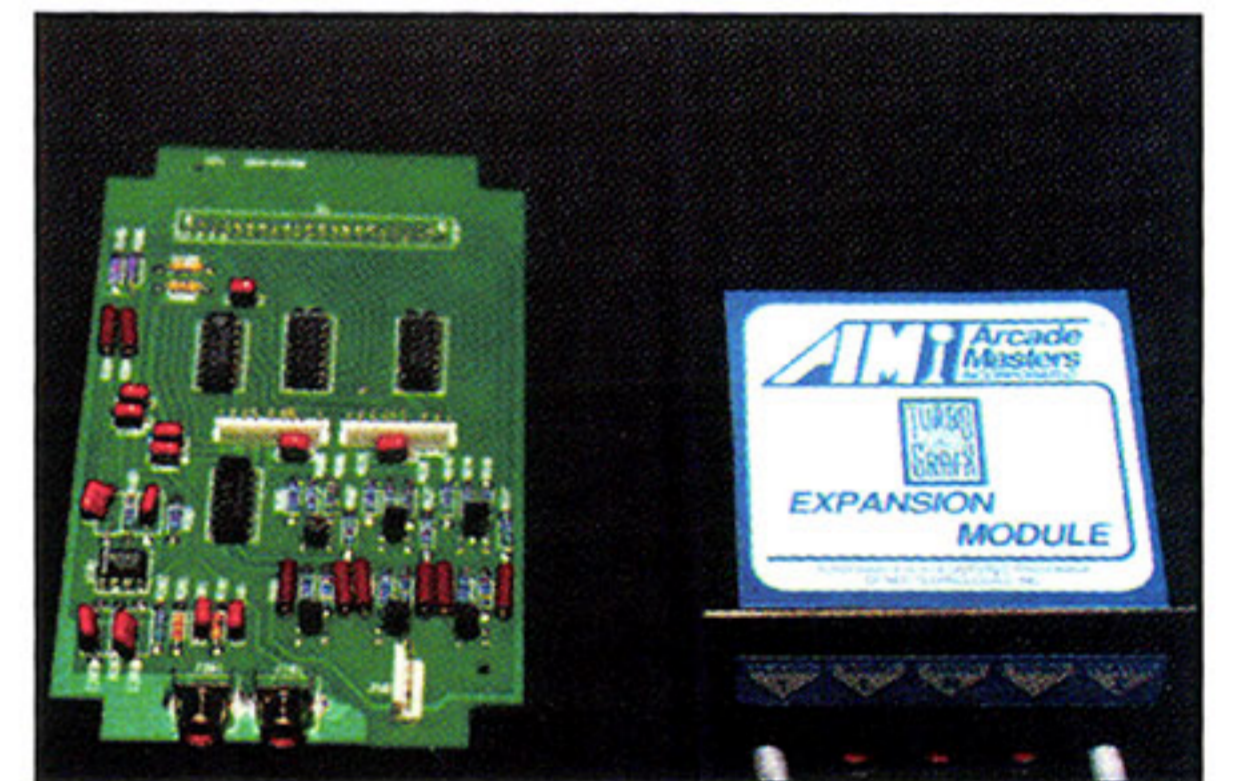
One of McPheters ideas for the G.A.M.E. is to have it used as a demonstration device in retail outlets. Retailers could hook up three different systems into the unit and display three popular games. "[The G.A.M.E.] really draws a crowd,"



The G.A.M.E. contains a 25" RGB monitor for clarity.

McPheters said. "Kids see it and want to play on it. It brings a lot of attention to locations."

One of the G.A.M.E.'s more impressive features is its ease in use. Game machines are connected to the main unit by a "module" designed for each specific machine. To switch from one game machine to another, the user need only turn off the system in use and turn on



Currently, Arcade Masters has developed modules for all of the most popular systems.

the desired unit.

Presently, Arcade Masters has created modules to connect the NES, Genesis, TurboGrafx-16, and Neo•Geo to the G.A.M.E. unit. The company is working on a module for the Super NES and expects to have it ready by mid-October.

To accommodate all systems, the G.A.M.E. has two sets of eight buttons and two joysticks. "We started with four buttons. Then, since the Neo•Geo has six, we went to six buttons. Now that the Super NES has eight, we added two more," said McPheters. "We just hope the next game systems don't go over this number."

SECOND EUROPEAN TRADE SHOW ANNOUNCED

Blenheim Online adds September Show to ECTS schedule

While the U.S. has its two CES shows and Japan has the Tokyo Toy Show, the European community has had both a CES in September and the ECTS in early April. The April European Computer Trade Show is a more conservative approach to trade shows, being designed strictly for the video game professional. While CES allows the public to come in and see the exhibits, ECTS does not permit outsiders to enter the floor.

Starting next year, ECTS will add a second show to their schedule. Blenheim Online, the organizers of ECTS announced August 1 that starting in 1992, ECTS will run in both April and September. Exhibitions director John Murray said, "We are delighted to announce the launch of ECTS September 1992 and look forward to bringing together visitors, exhibitors, and industry bodies in a

forum which will create real business opportunities for the industry."

The ECTS differs from the CES shows in that only representatives from computer and video game companies are present. The show is designed with the intent to give video game professionals the opportunity to meet without many of the distractions associated with a trade show atmosphere.

Both ECTS shows will be held in the Business Design Centre in London. The shows cover about 2,000 square meters of area, a size much smaller than the traditional CES. However, in this limited space, Blenheim manages to fit close to 150 different companies.

This is managed by limiting the size of the booths. Booth sizes run from 15 meters to 30 meters in size. This size, although considerably larger than a small CES booth, is much smaller than one of the large displays common to larger game companies. While there are many major exhibitors, no one is given the opportunity to rent a larger booth. While this does preclude the presence of the large, impressive displays associated with CES, it

allows for all companies to receive somewhat equal billing for the show.

Blenheim representative Keith Pitman said that earlier this year, ECTS received much more attention from the American market than it had in years past. "The Americans are seeing Europe as an untapped market," Pitman said.

Much of the reason for the second show came from the desire of the members of the European Leisure Software Publishing Association to have a trade-only show held by Blenheim in September. "It was almost a mandate," Pitman said. "About 95% of the companies wanted a trade show with Blenheim running it."

Originally, Blenheim had intended to remain with just the April show, allowing the yearly European Computer Entertainment Show in September be run by EMAP. However, the pressure from software publishers caused them to rethink the idea of the September show.

The first 1992 ECTS shows will be held on April 12-14. The second show will be held on September 4-6.

TAXAN TAKES A BREAK FROM GAMES

Company puts Game Manufacturing Division on Hold

Taxan, a Nintendo licensee for several years, has recently put their game manufacturing division on the back burner. The company currently plans to move ahead with its other businesses in electronic components and computer monitors.

No new Taxan titles are in the works for this Christmas season. However, Taxan has not left the game development industry for good. Games are still currently being developed by Taxan, although the company has no current plans to market or produce



Despite strong licenses like G.I. Joe and original efforts such as Low G Man, Taxan has made the decision to exit the video games business

these games themselves. Taxan has continued and will remain a Nintendo licensee during their hiatus from the gaming market.

Taxan representatives stressed the fact that the company has not left the game-producing business entirely. "It

is not unlikely that Taxan will return to producing games," said Amy Chitwood, company representative.

This announcement comes after the Summer CES during which Taxan did not show any game titles in the Nintendo booth.

SEGA FILES SUIT AGAINST RAZORSOFT

Sega Claims Company Made Unauthorized Use of Trademark and Logos



claiming that Sega's policies were unfair. Sega's response to this suit was to file a countersuit in August. Sega also asked for a restraining order that would not allow Razorsoft to ship or market new products but was denied.

On August 1, Sega announced that it would bring legal action against RazorSoft International and Punk Development. The suit, which has been filed, alleges that the two companies have made and continue to make unauthorized use of Sega's trademarks, copyrights, logos, and trade dress.

essary to bring this action."

In addition to this charge, Sega is also alleging that RazorSoft and Punk Development breached their contract with Sega, misappropriated Sega's intellectual property and engaged in conspiracy and fraud.

Sega claims that Razorsoft's third-party licensing agreement was terminated in June, but Razorsoft spokesman Michael Brazier countered that the agreement between Sega and Razorsoft existed until mid-August. "If we didn't have an agreement, why were we in their booth at CES?" Brazier questioned.

Brazier said that despite the litigation problems, Razorsoft will continue to make games. "We are looking at new systems, but we will continue to develop games for the Genesis," Brazier said. "Whether or not we will be a third-party licensee in the future is up to Sega at this point."

Sega's general counsel Kiichi Nishikura stated, "In order to protect the strong brand identification and equity that we have developed in the Sega and Sega Genesis trademarks, it was nec-

This legal battle began in late July when Razorsoft sued Sega under the Sherman Anti-Trust Act,

Sega terminated the agreement, stating that RazorSoft had breached the terms of the contract. Since that time, Sega has alleged that RazorSoft made unauthorized use of Sega's trade secrets and copyrights. Razorsoft owns the controlling ownership in Punk Development, the company that developed the games in question.



INTENSE GAMING JOINS LYNX TEAM

New Third Party Developer Brings Games to Portable Market

In addition to the 16-Bit race and the battle for CD-ROM/CD-I technology, there has been an ongoing struggle in the portable game market. Atari has received a new ally in their hunt for sizable market share in the form of Intense Gaming, based in Newport, Washington.

skill levels to appeal to a wider number of potential players. Additionally, up to four players can play. The game goes farther than most space oriented shooting games in that players will need to exhibit piloting skills in maneuvering their craft and landing on space stations to refuel.

cate, this a car racing game. Players can design their own cars and drive them on several different tracks of digitized scenery. Players have options to include various elements such as crashes and spins or weapons mounted on the vehicles. Intense Gaming plans to release *Driving Demons* in April, 1992.

At present, Intense Gaming is working on developing three games for the Lynx. *Space Canyons*, a three-dimensional flying adventure is planned as the first release from the new company. *Space Canyons* is currently scheduled for December, 1991 release.

Time Gates, the second Intense Gaming release is a time-traveling adventure for up to four players. Players start in the prehistoric past and must solve a puzzle before being able to jump to another time period. The goal is to return to the present day, making a variety of stops in Earth's past and future along the way. *Time Gates* is currently slated for release in February, 1992.

Intense Gaming representative Brent Green commented that the company was developing for the Lynx because "It had the best to offer as far as graphics and portability. As far as I'm concerned, it's the best system out there. I've played all the other systems, and I thought the Lynx was the best."

This game will feature various

The third planned release from Intense Gaming is called *Driving Demons*. As the name would indi-

Green continued by saying that Atari has welcomed the new company into developing games for their Lynx system. "Atari has responded very well," said Green. "I think they are a very good company."

EGM DELIVERS MORE THAN AMERICA'S LEADING VIDEO GAME MAGAZINE

When consumers look for the very latest news on upcoming video games and related products, they come to Electronic Gaming Monthly. EGM's information-oriented format supplies consumers with the multiple-person reviews, advance previews and special strategy maps they are looking for, in a colorful layout that displays new products in the biggest video game magazine in America.

With our special "Interactive" editorial campaign, EGM provides you with the opportunity to get your game products in front of the eyes of more than 1,000,000 readers every month. With separate sections that cover previews, maps and reviews, your products can be displayed in up to three consecutive issues. Using this special "three-tiered" format, EGM insures your company of the proper profile and exposure your products deserve.

In addition, EGM delivers aggressive marketing and tele-

vision advertising through national distributor Warner Communications, reader response materials, as well as merchandising plans that can be tailored to your needs. Only EGM provide this *and* reach the most active consumers.



SENDAI
PUBLISHING GROUP, INC.
CHICAGO • TOKYO • LONDON

FOR ADVERTISING INFORMATION CONTACT
Jeffrey Eisenberg
National Advertising Director
(213) 655-5513

CONSUMER PERSPECTIVES

By Edward J. Semrad

CD-ROM GAMES, DO THE PLAYERS NEED IT?

Are CD-ROM games worth the expense of new hardware?

The latest 'buzz word' among video game players is CD-ROM. This relatively new technology has the potential of offering games hundreds of times longer than the best ones on the market today. Besides this, the audio portion of a game can be improved from a few bars of musical score to a full fledged soundtrack with the quality of the current CD music discs. Voices will be able to be perfectly duplicated with high quality digitized speech. And, because of the large amounts of memory available, full motion video will be possible. All of this, at prices competitive with those of music CD's!

CD-ROM NOW

CD-ROM technology for video games is not new. NEC has had their peripheral for their TurboGrafx-16 game system on the market for



NEC has recently reduced the price of their existing CD-ROM peripheral to \$299.

over two years now. But it hasn't taken the gaming industry by storm. There are several reasons why.

TOO EXPENSIVE

Cost is the major drawback to this peripheral. When the CD-ROM



Sega announced at the Summer Consumer Electronics Show that their Genesis Mega-CD-ROM will be available in the Spring of 1992.

came out it was selling for \$399. Add this to the cost of the system and the total bill came to over \$550. At that time very few game players could afford this.

TOO FEW GAMES

When the CD-ROM was launched there were only two games available for the peripheral and these discs were not exceptional. In fact they very easily could have been done in the cartridge format with virtually no loss in quality. And even after these two games, the next few releases were equally as unimpressive.

THE FUTURE...?

Recently NEC has changed their emphasis on this peripheral. With the addition of new companies such as ICOM producing CD-ROM software that fully utilizes and even exceeds that of the original goals set



Phillips and Nintendo will release a version of the new CD-I technology for the Super-NES.

by NEC, the CD-ROM is getting the attention that it should have had two years ago. Also with a price reduction to \$299, NEC is now beginning to see some growth in this market.

SEGA'S MEGA-CD-ROM

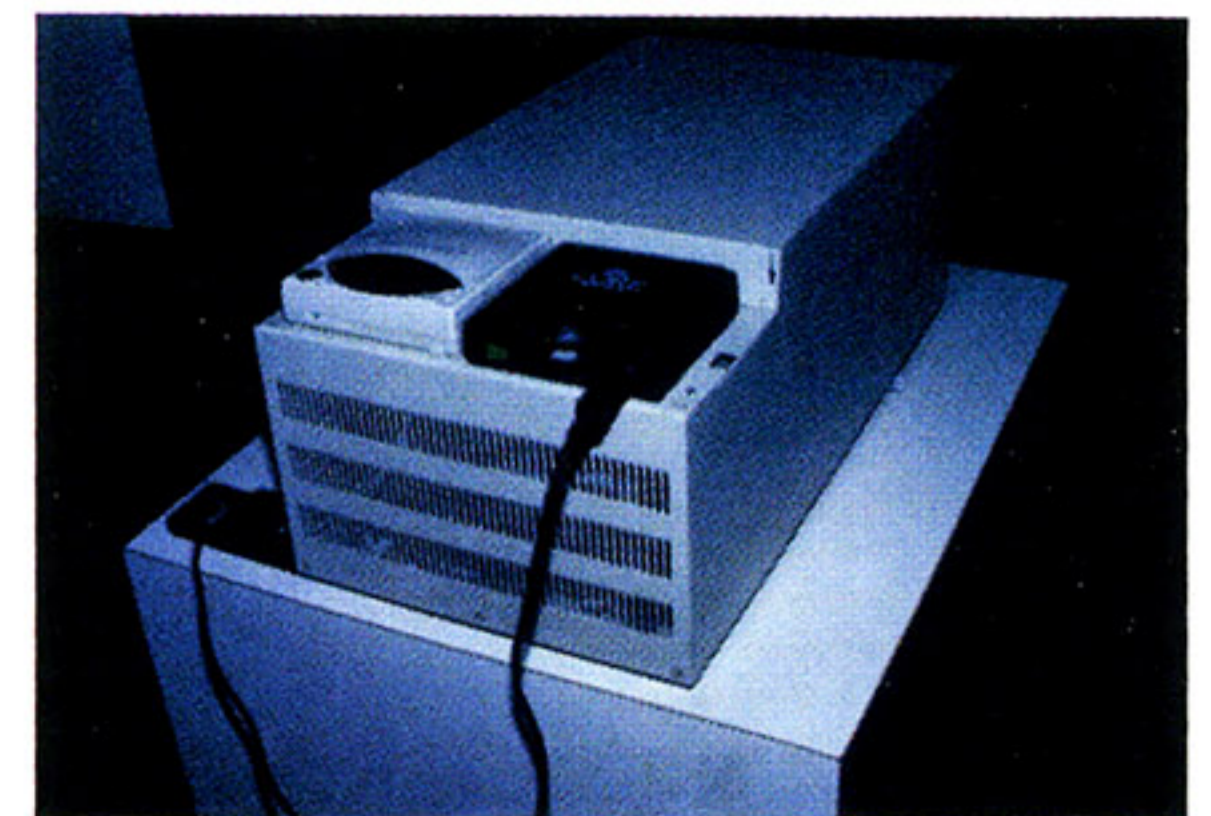
Sega has recently announced, and demonstrated in Japan, their version of the CD-ROM technology. They plan to wait until Spring of 1992 to bring it out because they believe that good software is a necessity of a successful product.

NINTENDO/PHILLIPS CD-ROM

Realizing the potential of the CD-ROM market Nintendo and Phillips have agreed on a joint project where the advanced CD-Interactive format will be mated to Nintendo's new Super Nintendo. Again, software is delaying this venture and product will not be available until late 1992.

CD-ROM...1992...MAYBE

Currently, and for the near future (9 months to a year), CD-ROM will have a difficult time. The price of the hardware and software will not drop significantly to attract the mass market. While the quality of the games will improve, it won't be until late 1992 before the CD-ROM is accepted as a household item.



NEC's NID CD-ROM system promises to store even more data on a CD!

David Izat
Professional Gamer



IT'S TIME TO LEARN A THING OR TWO ABOUT FUN.

Professional gamer David Izat knows a lot about fun and games, especially with Arcus Odyssey.

Equipped with 8 meg graphic power, Arcus Odyssey is pure strategy. With up to four warriors (two warriors per game) work your way through daring levels and mind boggling mazes,

and as you master each level, your weapons become stronger. Challenge your mind by finding hidden clues; reward yourself with hidden treasures. Now that you've learned the basics, ask the ultimate question; are you ready to learn a thing or two about fun?



RENOVATION
PRODUCTS™

987 University Avenue, Suite 10
Los Gatos, CA 95030 (408) 395-8375

CIRCLE #113 ON READER SERVICE CARD.

INTERNATIONAL REPORT

VIRTUAL REALITY, WORLD OF NINTENDO AND VIDEO GAME RENTALS TO APPEAR IN JAPAN

By Steve Harris

Namco Introduces Virtuality 1000SD

Long on a quest for the ultimate in electronic entertainment, Namco, the producers of video games such as Rolling Thunder and Pac-Man, has teamed up with Nissho Iwai, a multinational trading company, to create an aerial combat simulator that produces several types of sensory stimulation to the user.

Produced by W. Industries, the Virtuality 1000SD, which is scheduled to appear in June, has already been play tested in a Tokyo arcade to an enthusiastic response. The Harrier VTOL game package which is used in the Virtuality 1000SD hardware is just the first of several titles that Namco is developing for the system.

Namco will be marketing the game through dealerships which they will administer.

Virtual Reality is being developed by several companies. The concept is to provide a much more realistic "environment" to the player by actively producing the sensations of motion along with the sights and sounds of conventional video games. The Battletech Center located in Chicago, Illinois has been running their robot-combat simulators for several years now.

Nintendo Borrows Concept From America For Japan

By bringing the proven marketing successes of Nintendo of America to Japan, Nintendo of Japan hopes to create over 1000 special "World of Nintendo" locations throughout the country.

The stores will share much of the same concept that they enjoy in America, with special displays and information centers that are not found in most retail shops. Besides sell the Nintendo game software and hardware, plans are to mock the American stores by also selling Nintendo collectables and Mario souvenirs.

Installing service centers, where out-of-order hardware and other slightly damaged Nintendo products could be fixed is also be considered as a possibility for the new Japanese World of Nintendo shops. There is also talk of creating more types of information relation systems such as the successful Nintendo phone counseling network that allows consumers to call with questions pertaining to their game packs.

The long term plans for the Japanese World of Nintendo centers are not known but will probably encompass many of the U.S. features.

Blockbuster Rental Program Meets Resistance

Blockbuster Video, the Florida-based video rental giant that created a giant stir within the American video game business when it began to display cartridges for low-priced two-night rentals, is planning to repeat its move in Japan through its affiliate Japan Blockbuster.

Almost immediately after Blockbuster announced their move, both Nintendo and Sega fired back, contending that Blockbusters moves are not legal under Japanese law. Other members of Japan's software community also threatened legal action if Blockbuster continued to pursue video game rentals.

The thought of facing potential losses in sales has brought both Nintendo and Sega, rivals in the consumer video game industry, together to voice their displeasure against competing with rentals.

Blockbuster's apparent plan is to open a number of retail outlets throughout Japan this fall and to target consumers interest in renting Nintendo and Sega software. For a low price, customers will be able to rent the games for two nights. With such infiltration into the market, Blockbuster's move will have a tremendous impact on the market.

European sales targets rise as Sega increases spending

Sega's decision to buy up its European distributor Virgin Mastertronic has had an immediate effect - with marketing budgets and sales targets for all territories being dramatically revised upwards.

Once the deal to buy Virgin Mastertronic went through (a transaction worth \$74 million in all), the head of Sega's European operation, Nick Alexander, was dispatched to Japan in order to find out just how much extra clout that would give the manufacturer in the looming Christmas battle with Nintendo.

After a hectic few days in Japan, and then a whistle-stop tour of Sega's subsidiaries in France, Germany, Spain, Switzerland and Austria, Alexander returned to the UK to announce that the total European marketing spend between now and January will be close to 50 million pound or a staggering 80 million dollars.

Previously, when Virgin Mastertronic was still in the role of European distributor, less than £40 million (\$64 million) was lined up.

Sega is hoping that the increased budget will bring an upward swing in sales and has increased its predictions in all territories.

With this extra push, Sega now believes that its totalled 1991 sales across Europe for the Master System and Mega Drive (Genesis) will be 1.725 million units. Added to the installed base of 1.415 million units claimed back in January of this year, means Sega is expecting to have sold well over 3 million units into Europe by early next year.

Master System 2 hits UK early

Sticking with Sega, the Master System II - which has been available in the US for some time - is to arrive ahead of schedule in the UK.

It will hit the streets in mid-September - some three months earlier than originally planned. This is because of claimed "incredible"

sales throughout the traditionally quiet summer period.

At the moment, there are very limited supplies of the original Master System bundles left. The first Master System II pack will feature a light phaser and Operation Wolf game cartridge. It will retail at £89 (\$144).

Publishers to launch console mags

The continuing rise of consoles is causing a flurry of consumer magazine launches dedicated to the soley-games machines.

Just last month, official or otherwise, there was news of a possible SIX new mags aimed at Sega or Nintendo owners in the UK. Currently only one Sega title exists - called Sega Power from Future Publishing. This has been out for a year and is currently the subject of a relaunch following very disappointing sales of just 20,000 copies per month.

Joining it in October, however, are Sega Pro from a publishing firm called Paragon and Sega Force from Newsfield. Both are hoping for settle down circulations of 40,000 to 50,000 copies.

Currently in the UK, most console owners read multi-format magazines - EMAP's Mean Machines being the most successful. But the official Nintendo title, Club Nintendo, is soon to be joined by Nintendo Force - also from Newsfield.

Also, Future is rumoured to be planning a Nintendo Power, EMAP is looking at one, if not two, new launches and a firm called Dennis - which already publishes the 16-bit multi-format Zero magazine - has officially confirmed that a consoles-only title is due.

Neo Geo delayed - again

With a launch imminent, SNK has once again delayed the official introduction of the leading edge Neo Geo machine into Europe.

With a few thousand machines coming in already via imports, SNK

coming in already via imports, SNK was to have given the unit a major send-off in September at London's Computer Entertainment Show.

Though limited in mass volume appeal due to its high price, European distributor DeGale Marketing had been confident of selling over 10,000 to 20,000 during the Christmas season, with the vast majority of business being gained via tie-ups with video rental chains.

Production delays have hit the PAL version of the machine, however, and it will not arrive in Europe until January at the earliest.

Whether the machine can arrive so late and build any kind of useful following is now becoming increasingly doubtful.

Other News

Nintendo looks set to follow up its links with MacDonalds in the US by entering a similar cross-promotional agreement in the UK. Details are being carefully guarded at present, but it is believed that a Mario Brothers lunchbox will be offered to British Big Mac munchers within the next couple of months.

Commodore has officially pulled out of the European console battle - killing off its C64GS. The keyboardless cartridge machine was a European-only project launched last Fall, and failed miserably. Total European sales are thought to have reached just 30,000 units.

Another major UK chainstore has caught the Nintendo bug. Although best known as a leading food retailer, Tesco has added the NES and associated software to its shelves. They join Sega's Master System, Mega Drive (Genesis) and Game Gear.

- Stuart Dinsey

Stuart Dinsey is editor of Computer Trade Weekly, a leading trade publication servicing the European video game and computer software business.

NOT LIGHT INDUSTRY S

As the only company with a 24-Bit home system, SNK has put themselves in the position of catering to the consumer looking for game play that offers the largest memory and most detailed graphics. With the emphasis on price currently so high in the minds of consumers, SNK's high-end Neo•Geo system sets a standard and an example for the upscale market.

SNK has long been known as a top producer of quality video game titles. With the Neo•Geo, this status has changed to that of being the company behind the most powerful home video game system available to the consumer. With a solid, highly interactive line of titles and a machine capable of playing games that rival the size of a CD-ROM, SNK plans to stay at the forefront of the video gaming community with an increased level of attention to the consumer.

EGRN speaks with SNK's director of marketing Kent Russell.

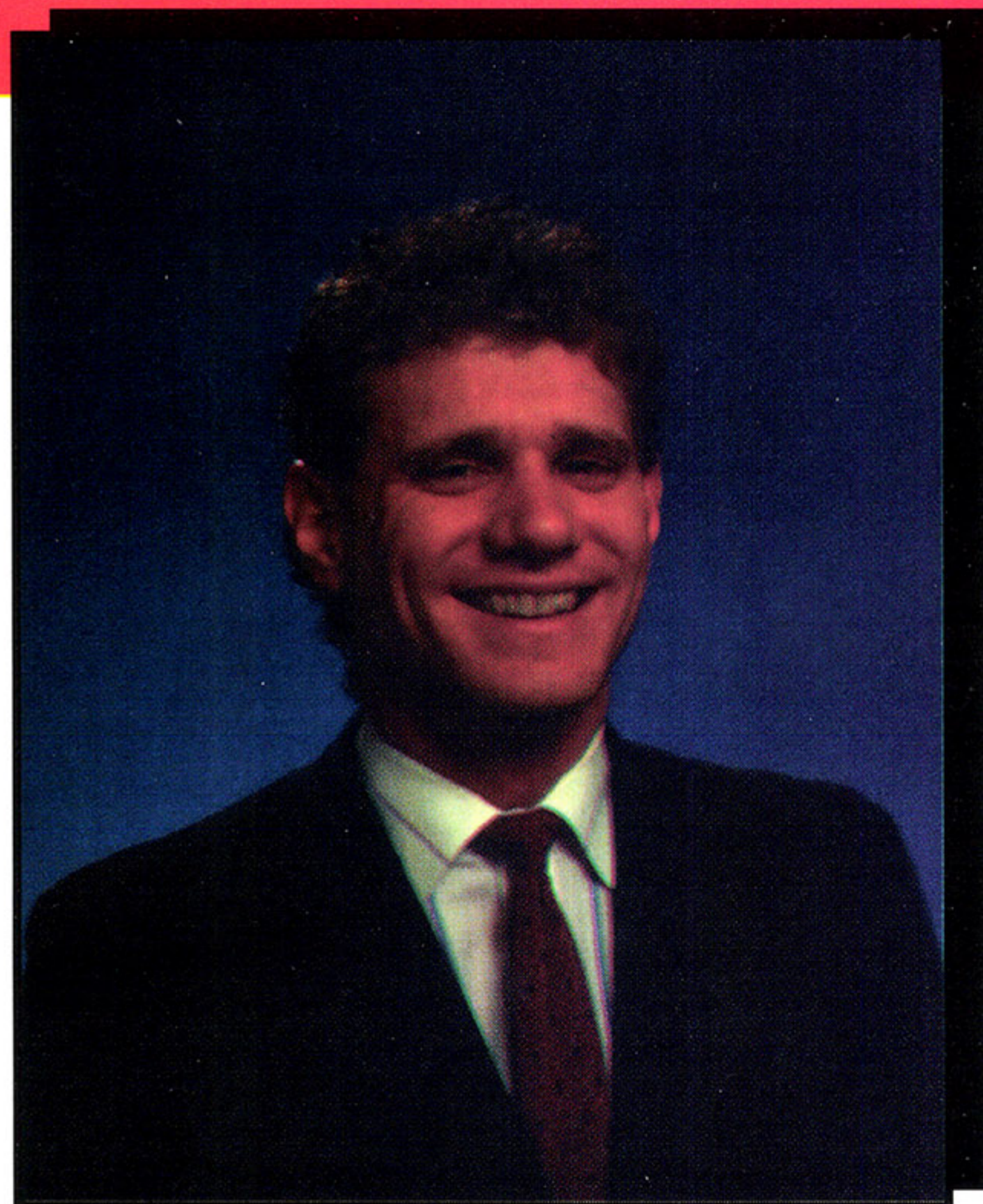
EGRN: SNK's Neo•Geo system in on the high end for home video game systems. What role do you feel price plays in today's market?

Kent Russell: "We feel that price is very important, but price vs. value is the biggest key. A lot of people include us in the video game arena with Sega, Nintendo, and NEC, but due to our price, we're obviously not in that category. Our games are more adult-oriented. It's the only real arcade system. We've got a \$7,000 arcade system, and that stan-up uses the exact same hardware and software as in the home machine. We're not going into the market place and offering someone a choice. It's an easy choice. We've got a high-priced item that's the very best quality."

EGRN: Do you feel the consumer is more interested in price or quality?

KR: "Our particular target market demands quality. Our market is a 25-35 year old, affluent adult male. They're looking for quality. These are the guys driving BMW's, wearing Rolex watches, and making \$60,000 a year. They're spending \$650 on our system, they're not looking at price. They're looking at getting the very best."

EGRN: What kinds of promotions and publicity can the retailer look for from SNK in the next few



**Kent Russell, SNK Home Entertainment
director of marketing**

months?

KR: "We're planning on running a television campaign, a magazine campaign all the way through January. We're working on a special memory card give-away, which is a great value. We're doing some national store promotions as well."

EGRN: With the high price tag, have you encountered any retailer resistance to carrying the Neo•Geo and its related products?

KR: "Yes, definitely. The first and foremost thing we have to battle when we walk into a store is the price. What we stress is that this is not a 1-Bit or 4-Bit game cartridge. These are 50 and 60 meg cartridges. It's not a Nintendo game. The games are for a professional game system. We're not looking for a piece of the Nintendo market. We're looking for maybe one in every 300 Nintendo players. Again, we're looking for that small niche. We wouldn't want to be in a K-Mart or a Wal-Mart. We want to be in a Software Etc., Babbages, or Electronics Boutique. We want to be in those higher end stores."

EGRN: What steps is SNK taking to insure that the games are of a quality level that would demand the higher price?

KR: "The cartridge size is probably the biggest thing. Nintendo's games

are one or two meg per cartridge, and I think Sega's highest game is 8 meg. Our system is built for 330 meg, and our lowest meg cartridge is 26 meg, with League Bowling, and it goes up to 62 meg in our golf game. That's where the quality comes in. We're taking steps to insure that these are high meg cartridges, that the graphics are incredible, that there is stereo sound, real voice, and we're starting to develop more for the consumer market, because the consumers have been demanding more titles."

EGRN: Do you intend to seek third party licensees for the Neo•Geo?

KR: "We're looking at a few third party American companies right now. We do have 12 third party licensees in Japan right now, plus the 300 research and development people at SNK. A lot of those games in Japan are made first as a coin-op, they become a hit title, and we bring them over for the consumer market. We're looking at a couple of companies in Los Angeles to develop consumer titles, probably sporting titles."

EGRN: Does SNK plan to pursue licensed game titles?

KR: "Probably in the future, but not right now. In Japan, they have. There's a famous singer on one of our Mah-jongg games that we pay a license to. We'll be coming out with a game called "Super Ape-Man," who is in Japan what Superman is here, and we pay a license for that. SNK corporation is used to paying licenses, and once we've got a couple of years under our belt here, we'll probably do that."

EGRN: What steps is SNK taking to broaden their market for the Neo•Geo line as well as keep current consumers interested in the machine and prevent them from moving on to a different system?

KR: "Probably the biggest thing we're doing is rentals. We're pushing rentals, hitting it harder and stronger than any company. We've signed on Comtron, which is a very big video distributor, we're in video rental stores nationwide. We're even in about 60 Blockbuster franchisees. The biggest thing there in broadening our market is that it brings people into the Neo•Geo. For all those

people, when they first hear about the system think, 'Wow, this is incredible!' and then hear the price point and think, 'I can never afford that,' rentals are the way to go. They walk into their local video store and can rent a Neo•Geo and take home \$1,000 worth of gear, play it, and consider that this is something that they can consider buying. So basically, we're broadening our market through the use of the rental market."

EGRN: What is the largest factor in convincing the retailer of the viability of the Neo•Geo?

KR: "All we have to do is turn it on, and they can see the difference. They can see that our characters are full-sized instead of little tiny figures. They can see that our characters blink and that their mouths move when they speak, so they can see the power there, and they can see why the price point is there."

"We're trying to push the system as a compliment to a home entertainment center. These people that have the 42" television with the full stereo built right into their wall, the Neo•Geo is the perfect compliment. As a high-end video game system, it fits right in. It matches all of their higher-end audio gear, and it's a conversation piece because it's so sleek and unique."

EGRN: There have been rumors that SNK may seek to add a CD-ROM drive onto the Neo•Geo. Do you foresee CD-ROM in the future for this system?

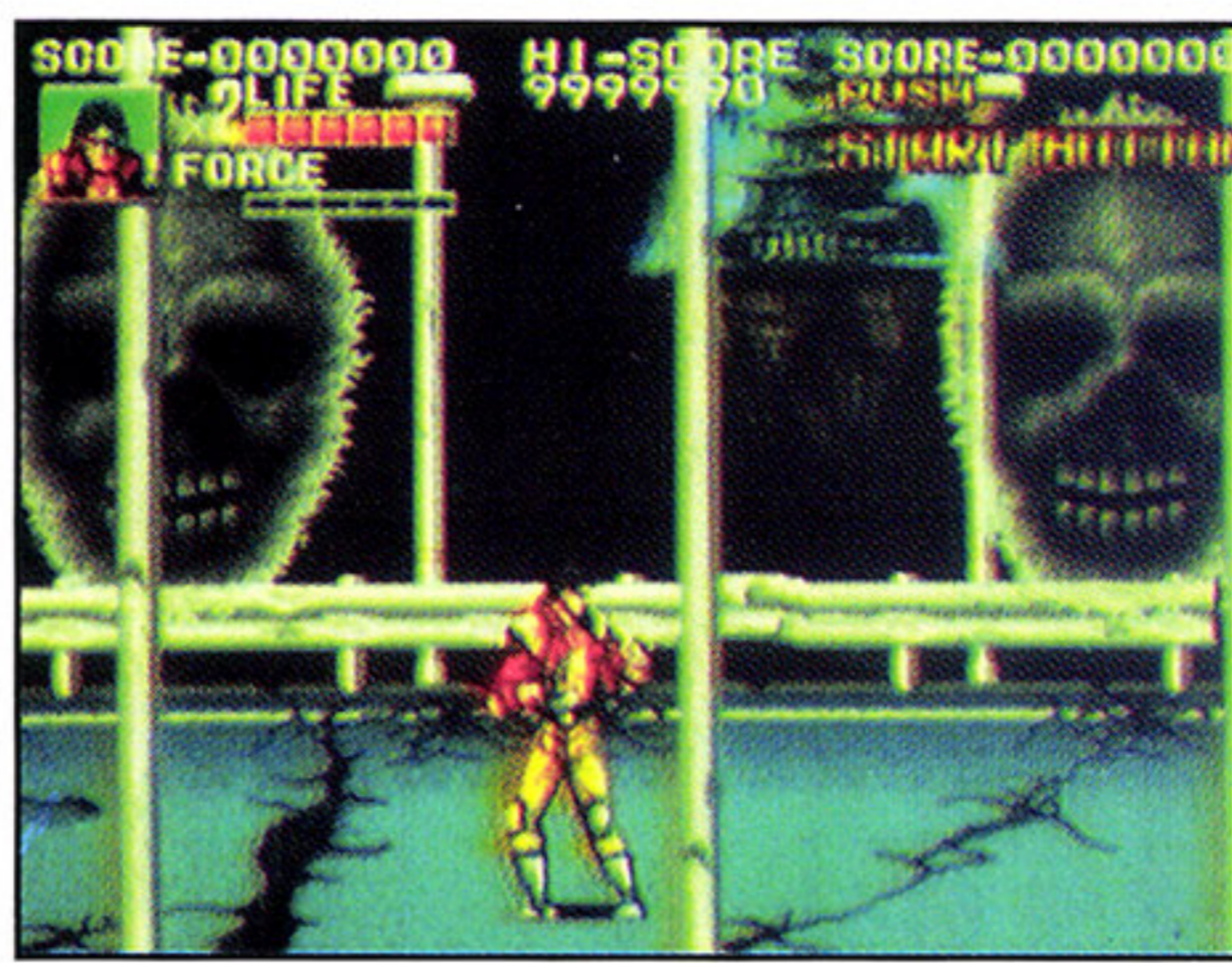
KR: "We're not looking at CD right now. The reason is that our current system is already so powerful that it would be a moot point for us to come out with a CD. The read time on a CD is so slow, and we have these massive cartridges that give just as much power as a CD with no read time. There's no slow boot-up time. It's just instant gameplay."

EGRN: There have also been rumors that SNK may move the Neo•Geo's software to include a more productivity oriented line.

KR: "Possibly. We're looking at educational games. We do have the memory card, which you insert and can lock in your name and a lot of

ON SNK'S DESIRED CONSUMER. . .

"We're trying to push the system as a compliment to a home entertainment center. For people that have a 42" television with a full stereo built right into their wall, the Neo•Geo is the perfect compliment. As a high-end video game system, it fits right in. It matches all of their higher-end audio gear, and it's a conversation piece because it's so sleek and unique."



SNK's fighting games have received accolades from gamers

ON SNK'S ROLE IN THE MARKETPLACE

"It is the only option for a 24-Bit system. So our role there is that we're setting the standard in the industry. We're the leader in the 24-Bit professional arcade systems. . . Everything we bring to the consumer market is . . . setting a standard for 24-Bit machines."

data. It will save up to 19 games on there, and it will tell you what level they're saved at, so we've already started to make it interactive. There's an interactive menu--you can check to see if your controller is working and if all four buttons work. We've also got the multi-link cable which links one Neo•Geo to another, so that the two players have two different perspectives on the same game.

"We're currently monitoring consumer trends to see what's going to happen out there. Fiber optics is a big thing, and pretty soon everything; telephone lines, cable lines, is going to go through one little cable. We're a little ahead of the game with the multi-link cable, because depending on how things go, we can probably take that multi-link cable and turn it into some kind of modem feature. We are looking at that, but it all depends on what the future holds."

EGRN: How will the release of the Super NES affect your market?

KR: "It won't. If anything else, it will make the consumer more aware of our system. Again, it's a different price point, it's marketed towards kids, it's Nintendo. It won't affect our market at all because we don't see ourselves as

competing against Nintendo. We think it may make consumers aware that there are steps up from an NES."

EGRN: Have the price drops on the TurboGrafx-16 and the Genesis affected the sales of the Neo•Geo?

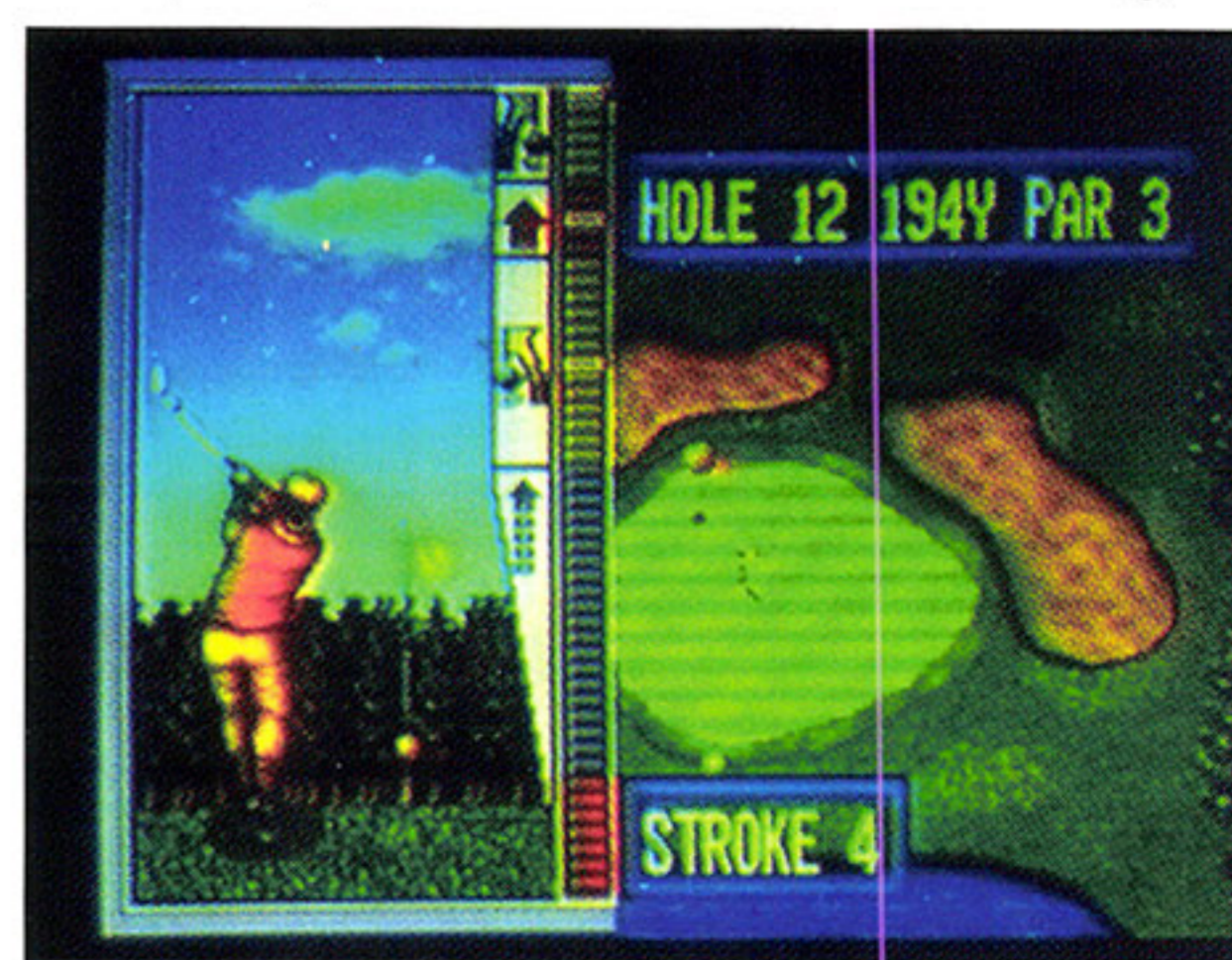
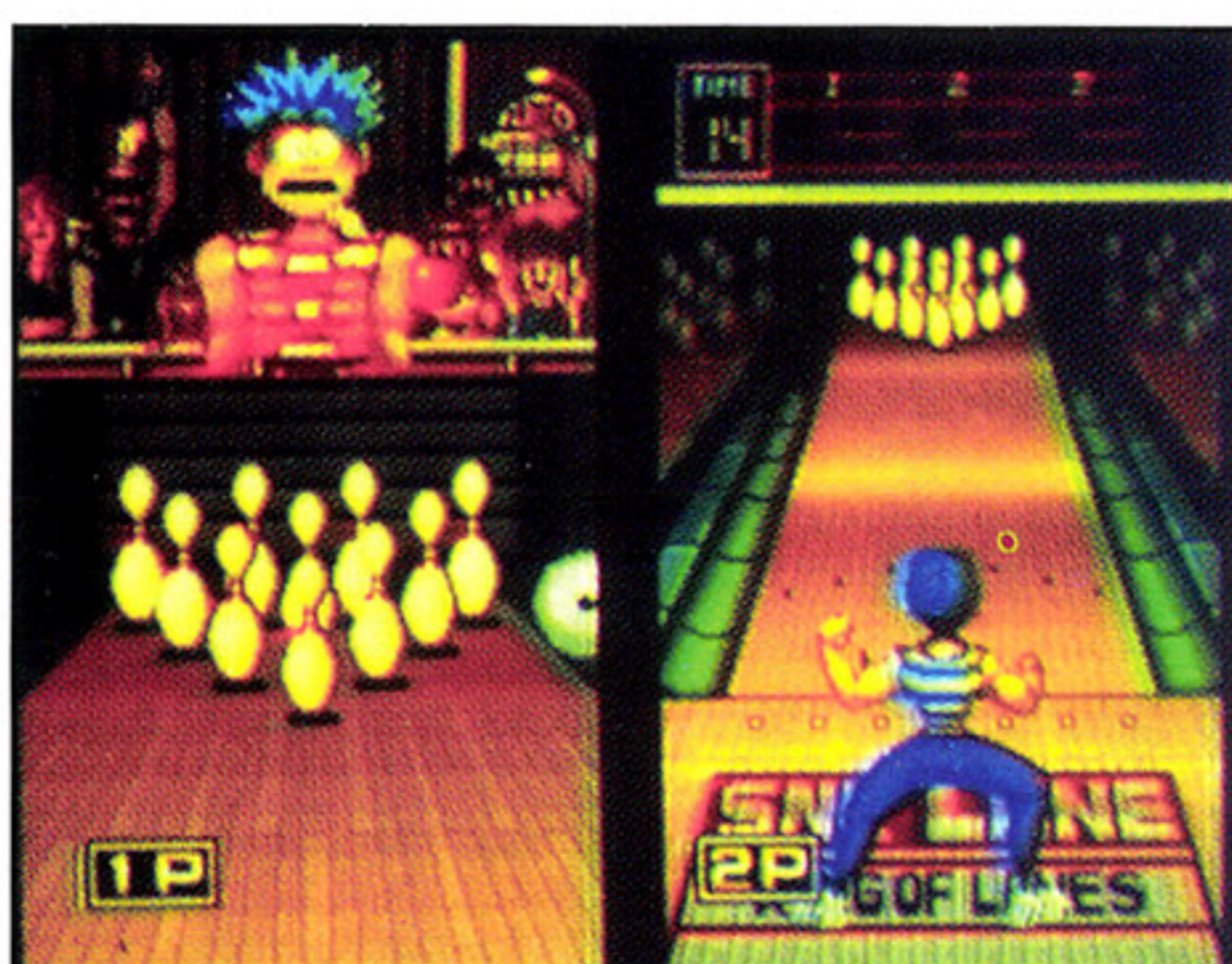
KR: "No. Again, same point. We're in a different ball game. We're in adult oriented stores as opposed to toy stores."

EGRN: Is there the possibility of a new hardware configuration or portable from SNK?

KR: "No. The power that we're putting into these cartridges makes it too big for a portable."

EGRN: What role do you feel the Neo•Geo plays in today's video game market?

KR: "It is the only option for a 24-Bit system. So our role there is that we're setting the standard in the industry. We're the leader in the 24-Bit professional arcade systems. We've proven that with our coin-op division which has been around for 13 years. We're number 6 in coin-op in the world, every game we release is in the top 5 in the arcade, and our titles are in the top 10 in the arcade. Everything we bring to the consumer market is already a proven hit and is setting a



Neo•Geo consumers have been vocal about the high quality of sports titles available for SNK's machine. Due to their success, SNK is looking to possibly arrange for a third-party licensee to create more sporting games for the Neo•Geo system in the future.



standard for 24-Bit machines."

EGRN: Who is SNK's consumer now, and how will that change in the future?

KR: "Affluent males between 25 and 35 and advanced players who already own one of everything else. 20% of our buyers earn over \$60,000 a year. That's what our warranty card information is telling us. Our target market has been hit right on the head. As for it changing in the future, we're monitoring their changes to see if they'll look to us for more productivity oriented software."

EGRN: It has been suggested that SNK may look to develop games for another system, possibly the Super NES. Do you feel that you can support another system as well as adequately support your own?

KR: "No. As you know, we've been involved with Nintendo for years, but we're completely dedicated to Neo•Geo right now. SNK Home Entertainment is solid, full-bore Neo•Geo. We know we've got a hot product, and we know it's the most powerful, so we're going to stick with it."

EGRN: What do you see as the future of video games?

KR: "It's very exciting. There are all kinds of things happening. Productivity software, educational software, holography . . . virtual reality is going to be the future of video games. I also

think that gaming systems should look toward a Prodigy-style network where systems can work together, so that we aren't limited by our living rooms. We're looking at a system where people don't have to sit in front of the same television set, but can play in different states. I think you're going to see more live people involved in video games, less cartoonish figures, at least for our market."

Would you care to offer any parting thoughts about the industry and SNK's future?

KR: "I think SNK as a whole will continue to be 50% coin-op and 50% consumer division. We'll continue to produce coin-op titles and consumer titles, and more of them. We're finding that people want more sporting titles, so we'll probably be producing a football game, a hockey game. We're also looking at more role-playing games, which would definitely be for the consumer market. SNK will definitely be producing more for the consumer market."

SNK's continues to keep its finger on the pulse of its main consumer as it heads into a position of dominance over the high-end video game systems. With well devised plans for both short-term and long-term goals, SNK will continue to offer consumers the ultimate in gaming experiences.

ON THE FUTURE

. . . virtual reality is going to be the future of video games. I also think that gaming systems should look toward a Prodigy-style network where systems can work together, so that we aren't limited by our living rooms. We're looking at a system where people don't have to sit in front of the same television set, but can play in different states.



The Neo•Geo has proven its adaptability with shooters like Ghost Pilots.

EGRN

**COVER
STORY**

*By Steve Harris
and Steve Honeywell*



THE 8-BIT QUESTION

While the 16-Bit Wars Heat Up with Nintendo's September Release of the Super NES, the 8-Bit NES is Fast Becoming an Icon of the Past. Despite the Huge Numbers of 8-Bit Hardware Present in American Homes, the Market for this Software Seems to be Fading. Many Retail Stores are Indicating Difficulty in Moving 8-Bit Product and Many Game Producers Seem Unwilling to Create New 8-Bit Games.

"People are starting to complain about high prices on 8-Bit NES cartridges. We're not going to stock them. We'll get them for people if they want them, but only as a special order." Marc Camron at Power Play Games is unhappy about some of the new releases for the NES. His customers no longer want to pay large amounts of money for games on a system that many retailers and consumers feel will soon become obsolete and abandoned.

The question of 8-Bit is no longer concerned with how much or how little Nintendo will continue to support the NES. Rather, the emerging concern is whether or not consumers will continue to purchase games for a lower-end system with so many choices now present in the 16-Bit segment.

Quality Vs. Price: Do Consumers Want a Good Game or a Good Deal?

For many consumers, the balance between the quality of a product and the price of a product can be difficult to achieve. People are interested in buying the best as much as they want to save money. Nowhere is this more apparent than in the 8-Bit game market.

The feeling from retailers is that game quality is still more important to the game player than price is. Representatives at Berry Marketing said "With 'AAA' 8-Bit games, \$49 to \$54 is no problem. With inferior games, pricing is the only movement vehicle." But while quality may be more important, much of the consumer's decision is influ-

enced by price. This is more evident with games that have had their prices reduced due to slow sales with original price tags.

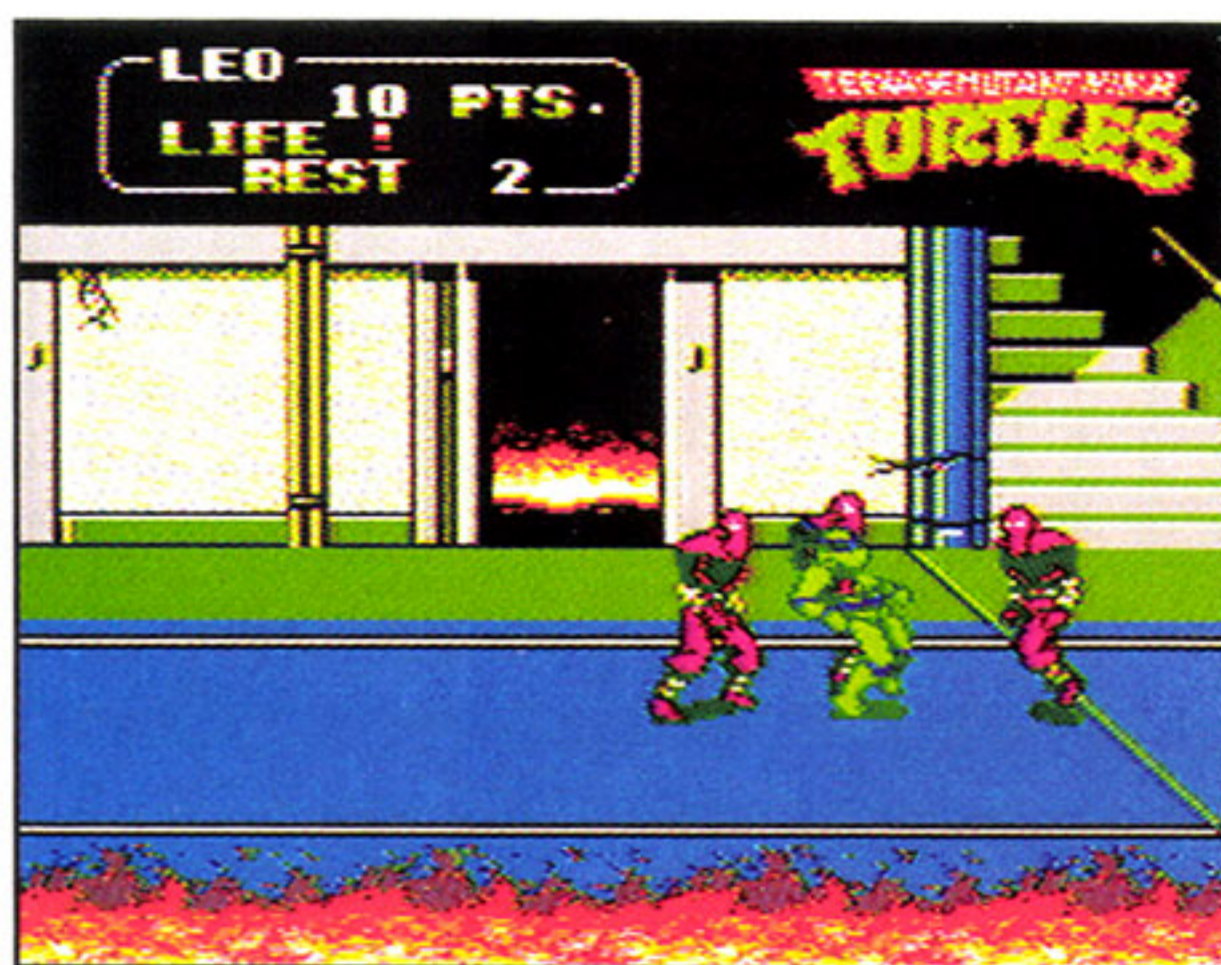
Closeouts: Can an Unsuccessful Game Become a Low Priced Hit?

Closeout is a word to once strike terror into the heart of even the bravest of retailers. Recently, the number of closeouts on 8-Bit games has been increasing. Retailers have been forced to move product by lowering the prices of NES software so dramatically that virtually no profit is made on the sale. In some cases, product has been sold at lower than cost just to get the games off the shelves and make room for the newer games.

Because of this, retailers are leery of ordering large quantities of new NES games. In times that are already financially squeezed, by a slow economy and the retail market, retailers are fast becoming tired of getting burned on software that doesn't sell.

In some cases, not even the lower price moves the cartridges. Debra Scott at Wizardrome commented "Closeouts offer no substantial increase in the sales of a game." Scott went on to say that while consumers are generally excited about new products, once a product is old, consumers rarely stay interested.

Closeouts and discount prices have also affected the publishers of game software. Bing Gordon,



Even successful licensing is playing less of a part in the sales of 8-Bit product. Popular names like Teenage Mutant Ninja Turtles and G.I. Joe no longer have the selling power in 8-Bit that they do in 16-Bit nor do they share the same potential in furthering similar 8-Bit titles.

VP of Electronic Arts said that the appearance of closeouts in the 8-Bit market "convinced [Electronic Arts] to exit the 8-Bit business."

Rentals: Playing the Game Without Paying the Price

The fact that many stores and outlets have been offering NES owners the option of renting software instead of buying has also cut into NES cartridge sales. Joe Robbins of Sunsoft relayed this thinking by saying, "Don't forget the factor of rentals. They are now a considerable problem as they do diminish sales."

Due to the declining interest in the NES and no decline in prices for the new software, the number of rentals have increased dramatically. Consumers looking to play a particular game and wishing to avoid a \$40 or higher price tag will usually opt to rent the cartridge for a week. This action, while unpopular with those attempting to sell games, offers the best of both

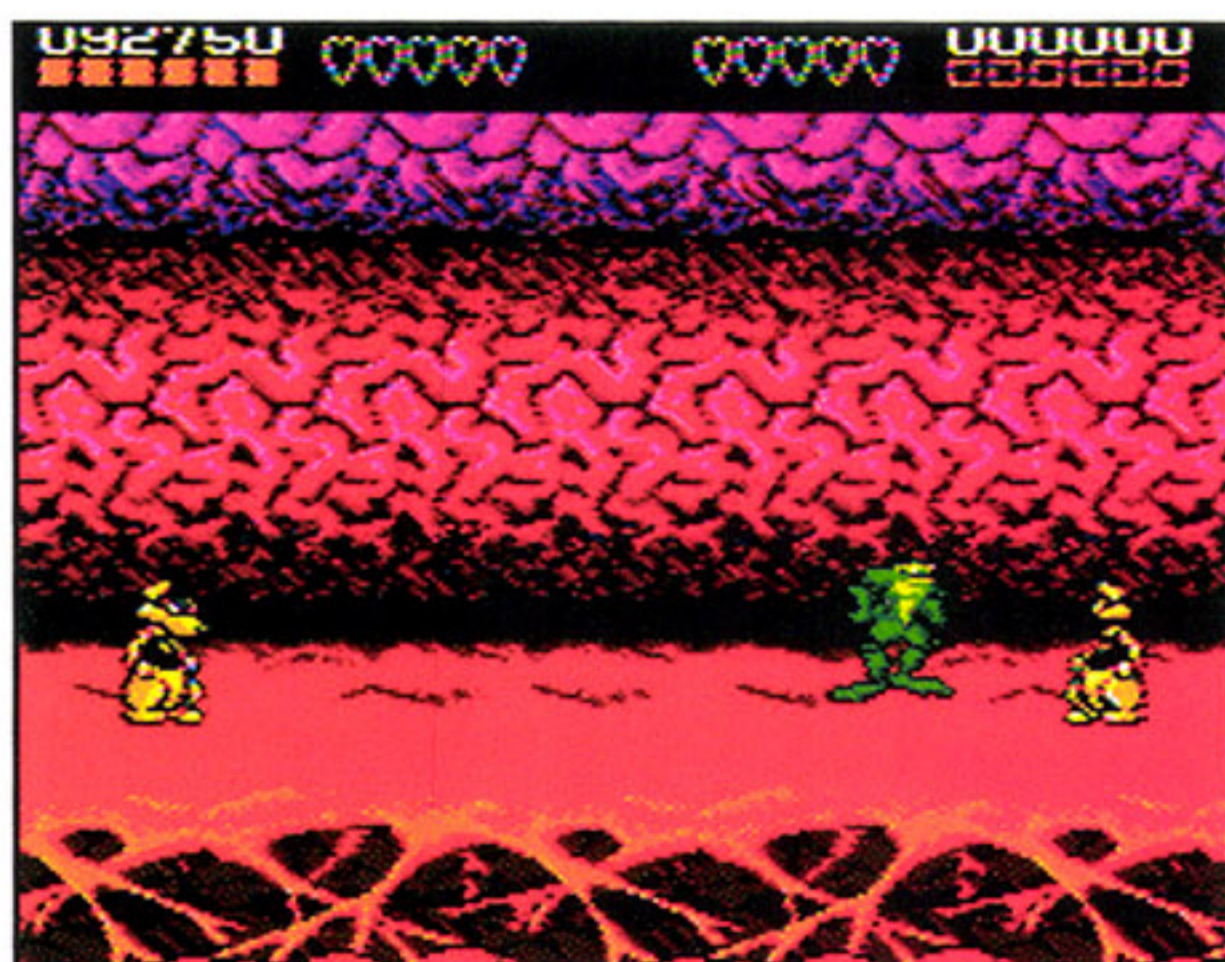


worlds to the consumer. The game player gets to play the game as well as avoid the price.

New products like the Game Genie that will soon be marketed by Galoob may also have a positive boost on game rentals and a negative effect on sales. The Game Genie gives players the ability to augment their game cartridges while they are playing them. The unit gives the player three "wishes," each of which can be used to make the game more difficult or easier. Game players who buy a Game Genie will then have the ability to rent a game and finish it within a few plays. Again, the gamer gets everything he or she wants out of the game and does not have to pay for the software.

Inferior Products: Does 8-Bit Still Live Up to Consumer Expectations?

The 8-Bit market has also had a



Despite quality, advertising, and high consumer awareness, the sales figures for 8-Bit games have been drastically reduced from those attained in previous years. The emphasis on 16-Bit systems appears to be much of the reason for the drop in interest in the 8-Bit video game market.

problem with the influx of lower quality games. Consumer feeling seem to indicate that game producers are putting more effort into their 16-Bit products and are already treating the 8-Bit market as an afterthought. Much of this feeling comes from the consumer and retailer-held feeling that game companies are now much less willing to release new 8-Bit products.

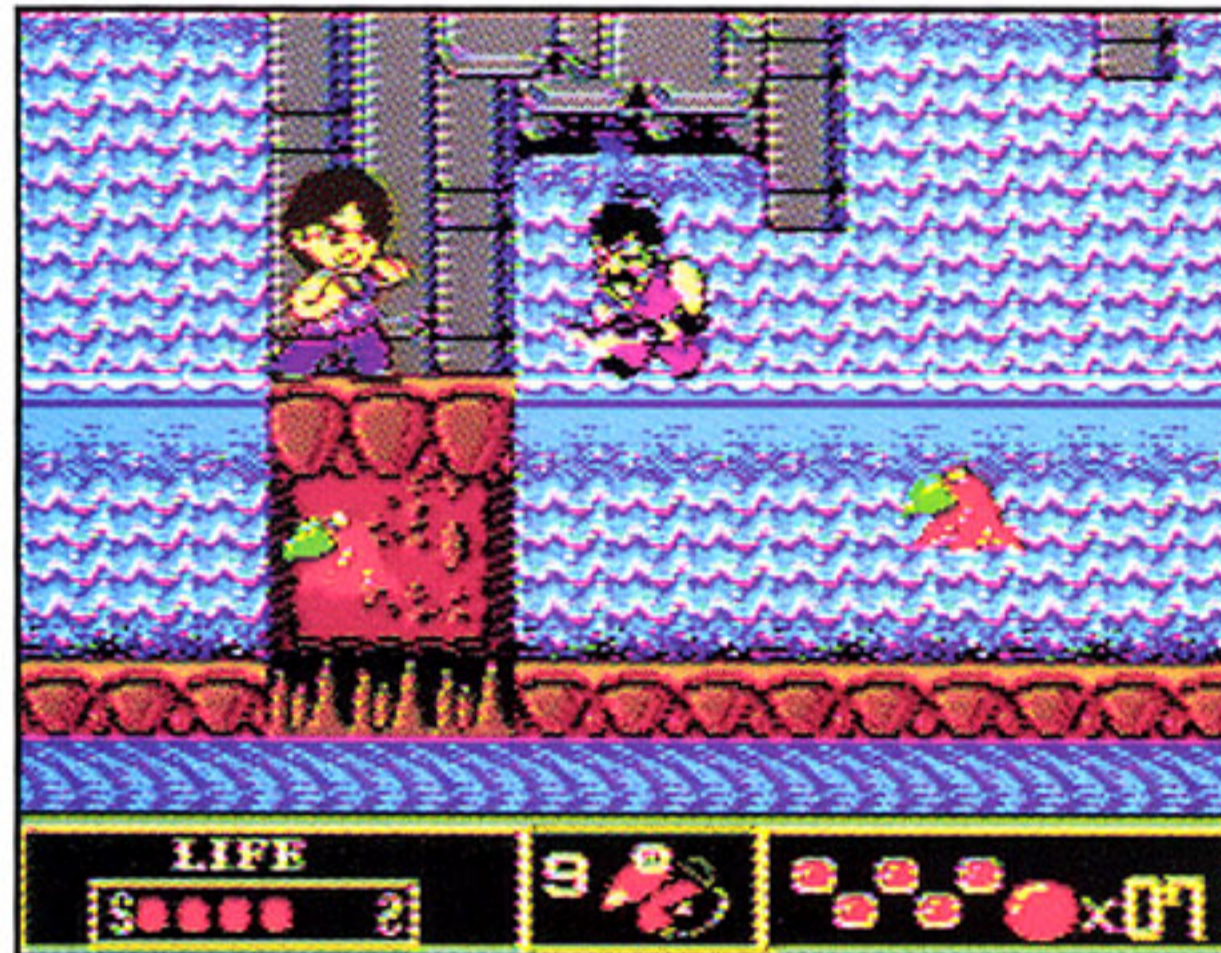
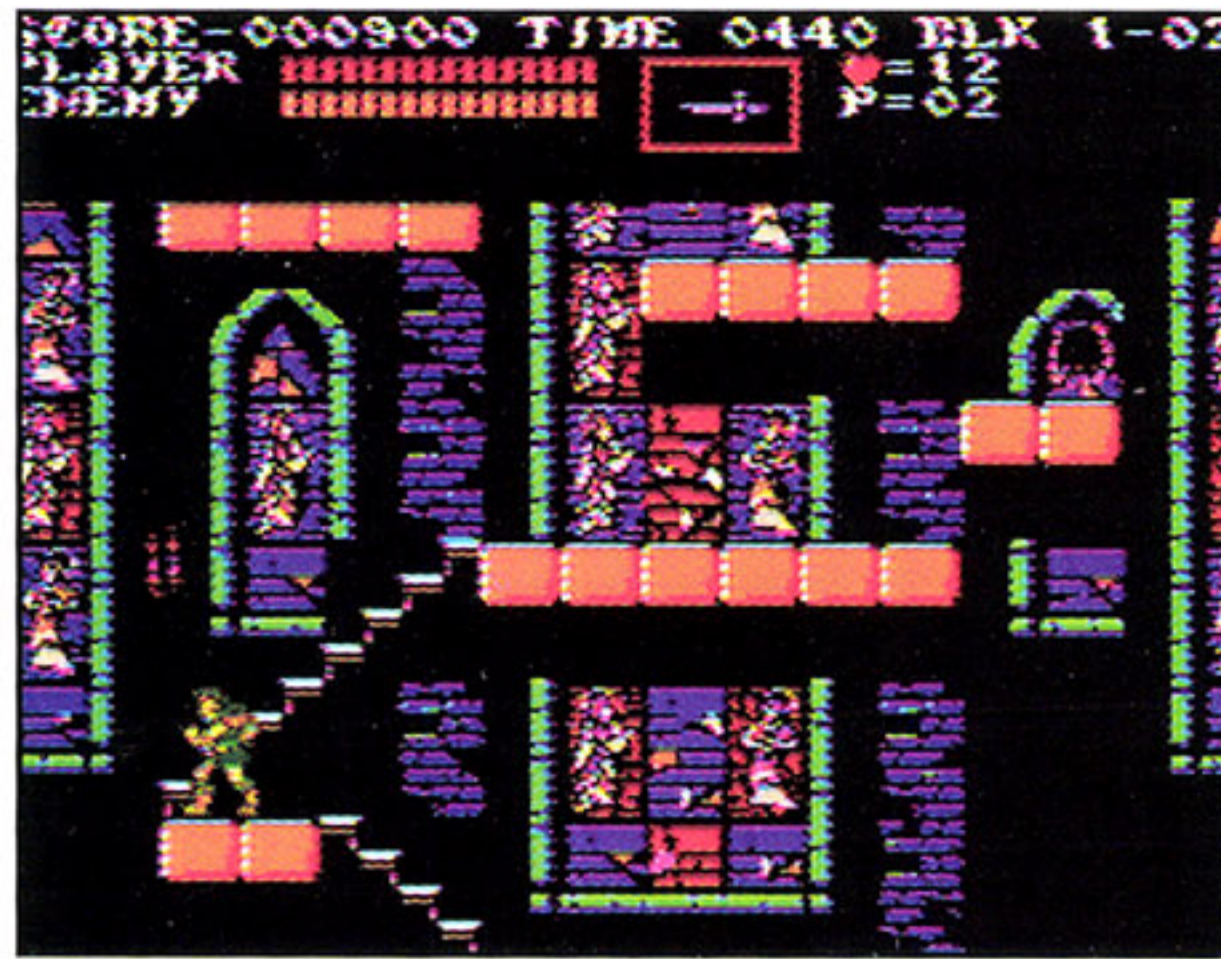
Shawn Cunningham at Home Entertainment Direct said, "Games for [the NES] just aren't being released. I've seen a lot of cases where games that were promised keep getting delayed." Cunningham went on to say "Nobody pays high prices for 8-Bit game anymore. We used to sell a lot of them, but now people look at them and would rather have a Genesis."

Joe Robbins of Sunsoft mentioned that the reason for the increased number of closeouts was due to "a proliferation of poor licensed product . . . in the last year." This increase in lower quality games has adversely affected the market. Like retailers, consumers are tired of getting burned by paying higher prices and getting less enjoyment from a cartridge.

Nintendo Loses Face: Outcry Over Nintendo's Policies

In addition to causing qualms about the future of 8-Bit video games, Nintendo's recent announcement concerning the Super NES is also causing an outcry among the public, especially parents. A recent survey done by The Atlanta Journal-Constitution polled responses about the new Super NES from 400 callers. Virtually all of the callers were upset with the idea of Nintendo releasing a new machine.

Most of the complaints are coming from parents who are upset by the fact that Nintendo does not intend to make a converter to play NES games on the Super NES. Geneva Bosak, one of those who



Closeouts on 8-Bit games have slowed, but retailers have worries that 8-Bit titles will soon be selling at less than cost.

took part in the poll, said "It's just not responsible of Nintendo to do that. Nintendo almost has a monopoly on the market. I'm sick of changes so you always have to upgrade the system." Ginger Stephens, another participant, commented "How will I explain to my son that I'm not buying the new Nintendo? Easy. I say, 'We're getting ripped off.' Kids understand ripped off."

Nintendo did consider developing an adapter for NES to Super NES but decided against it. Bill White, director of advertising and public relations for Nintendo said, "We talked at length about an adapter so the new system could play the old games. But the economic trade-off wasn't acceptable. It would have added \$75 to the cost of the new system."

In making the decision to not offer an adapter for 8-Bit games to the Super NES, Nintendo appears to be going against the advice in their own booklet printed in 1989. This pamphlet, called "The Facts on Home Video Games," read "Make sure the system you choose won't be 'obsolete' in a year or two. Some manufacturers introduce new models that don't play the games developed for their original system."

Nintendo says that it won't abandon the 8-Bit market, but the lack of an adapter makes many consumers leery of this promise. While this lack may not hurt the sales of the Super NES, it will more than likely have a detrimental effect on the future sales of NES interest. People will become unwilling to invest hundreds of dollars into a system that cannot be then upgraded to the next level.

Sega's Point of View: 8-Bit as a Secondary Market

While consumers are familiar with Sega's Genesis system, many are not as aware of their 8-Bit machine, the Master System II. Sega has invested a great deal in advertising their 16-Bit machine in

print and on television but have concentrated less on the Master System's publicity.

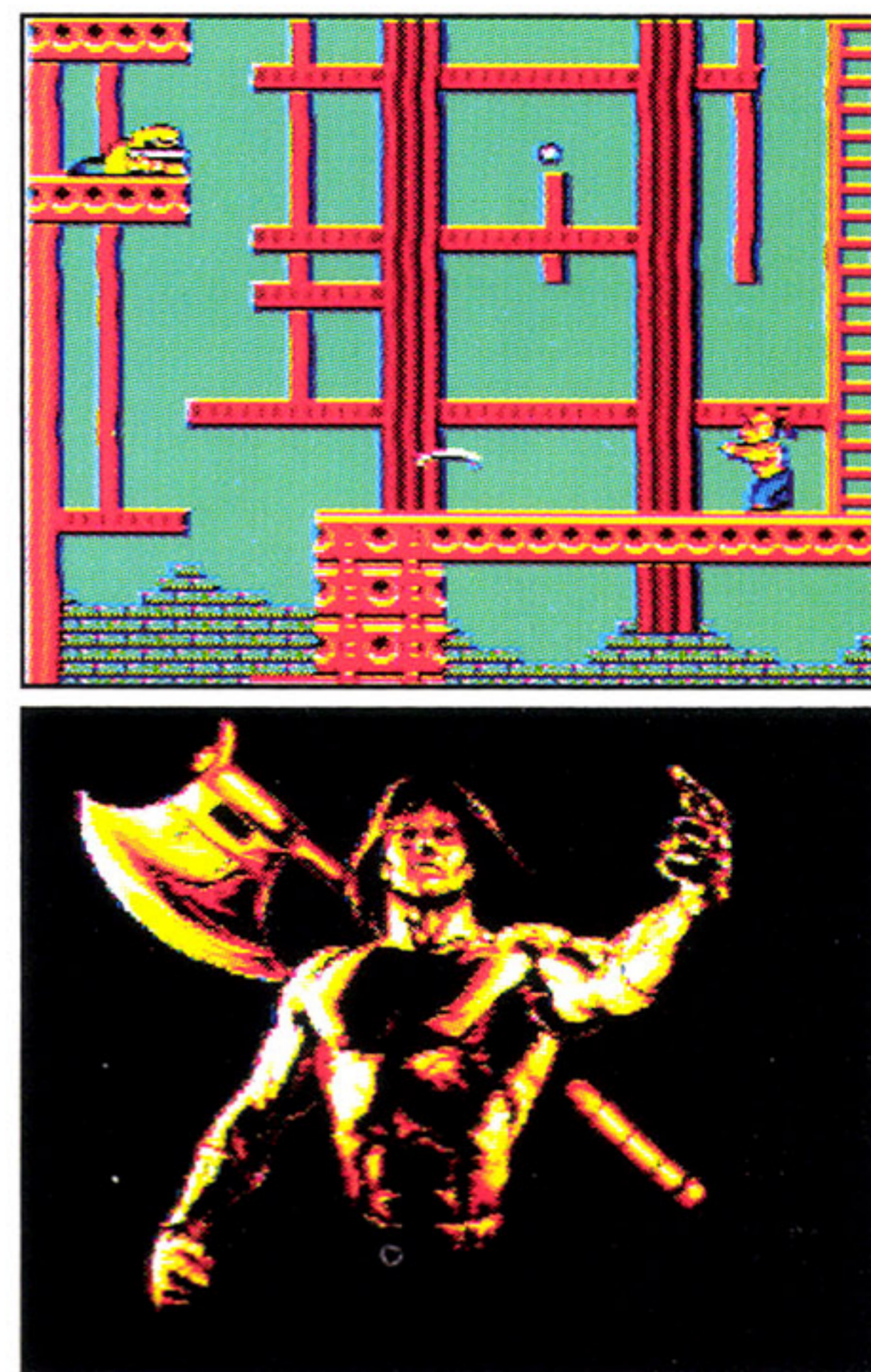
Priced at \$49, the Master System II is the most affordable video game system on the market. In spite of its cost, however, Nintendo's machine has far outstripped the Master System in sales. In an effort to appease those consumers who had made an investment into 8-Bit, Sega released the "Power Base Converter" which allows gamers to play Master System games on Sega's more popular Genesis system.

Al Nilsen, director of marketing for Sega, commented "[Nintendo] made a mistake. When we came out with [the Genesis] in 1989, we had an adapter to allow players to use our 8-bit games." Sega has also continued to adapt some of the more popular 16-Bit titles for play on the 8-Bit machine. Among other games, Sonic the Hedgehog is currently in the works for the Master System.

The Power Base Converter could create a market in itself. Consumers who are unwilling to jump into the 16-Bit market immediately have the option of buying the Sega Master System with the possibility to upgrade to the Genesis in the future. Consumers are tired of getting systems that play games that cannot be adapted to a new system. These consumers may feel that the expandability of the Sega systems offsets the lower popularity and fewer titles available.

Sega, however, has no worries about the future of their 8-Bit machine. Judy Lange at Sega recently commented "We believe there will continue to be a good market for 8-Bit products, and if our competitors choose to discontinue their support for 8-Bit, we would be happy to grasp the opportunity."

However, this opinion contradicts that of Al Nilsen. In a recent interview, Nilsen commented that "by 1993, it'll be all 16-Bit." The next two years, it would then seem, will be critical to the survival of 8-Bit.



Despite its low price, the Sega Master System II has had trouble attracting new game players. To help consumers make the transition from 8-Bit to 16-Bit, Sega has offered an adapter for the Genesis

The Question for the Future: Will 8-Bit Survive the 16-Bit Boom?

Before closing the book on the 8-Bit market, one has to remember the huge number of 8-Bit machines currently present in the American homes. Almost one household in three has an NES, making this one of the largest markets of any sort. Whether or not game publishers, and more importantly, Nintendo will abandon these many customers remains to be seen.

The feeling from retailers is that the 8-Bit market has seen its heyday and will continue to decline until it no longer exists. Retailers, when asked their opinion of the future of 8-Bit sales, were virtually unanimous in stating that the market's recent decline is not due to economic trends. Instead, they feel that this drop is because of the burgeoning interest in 16-Bit games and hardware.

Sam Gorin at Video Games Excitement said "There aren't a lot of 8-Bit people out there anymore."

Obviously, the 8-Bit people are still there but their interest in the system is not.

In spite of the retailers' reservations, many game producers continue to state that the 8-Bit market is viable and that they will continue to publish games for the NES. Joe Morici of Capcom suggested "With the upcoming 16-Bit Nintendo system it will be even more crucial to price the product right the first time. The over \$40 bracket will still be viable for top titles well into the future. We must remember the 30 million units still in play." Morici went on to say that despite the continued viability of higher-end 8-Bit products, that "Manufacturers need to realize that not every title can command a \$50 retail."

The future of the NES and other 8-Bit machines will more than likely be decided this holiday season. With the push by Nintendo, Sega, and NEC for the 16-Bit customer, 8-Bit may get lost in the shuffle. Price will remain a determining factor for many consumers, but the majority appear to have lost their appetite for 8-Bit, preferring instead the menu 16-Bit offers.

EGRN NEW PRODUCT CALENDAR

As the start of the Christmas season, September sees a huge number of new releases. First and foremost, of course is the long awaited release of the Super NES from Nintendo. Nintendo has achieved huge percentages of market share with both their 8-Bit and hand-held game systems, and many expect them to repeat their successes with the Super NES. While it has the highest price tag of the three 16-Bit machines, awareness of the product is good and many game players are insisting on waiting for this hardware.

Also worth noting are the game cartridges coming out in tandem with the Super NES. While Nintendo has packaged Super Mario World with the unit, F-Zero and Pilotwings as well as Sim City may do as much to sell the hardware due to the excellent uses of the unit's capabilities. Also coming out are Konami's Gradius 3, Actraiser from Enix, Super R-Type from Irem, and Jaleco's Super Bases Loaded.

While the hockey season is a few months away, NEC is releasing TV Sports Hockey for the TurboGrafx-16. The TV Sports line has been a proven seller for NEC, and the hockey game does include the feature of allowing up to five people to play at the same time. Hockey games have become more popular recently and TV Sports Hockey should continue this trend.

Capcom has converted their hero Megaman over to the GameBoy for the Christmas season. The game should prove just as popular to portable users as the entire Megaman series has been for the 8-Bit market.

ACTRAISER

Enix-Super NES-\$64.99

Actraiser makes excellent use of the Super NES hardware in many facets of the game.

ALTERED SPACE

Sony-GameBoy-\$24.99

Altered Space is an action/adventure set in 3/4 perspective on a space ship.

ARCUS ODYSSEY

Renovation-Genesis-\$69.99

This cartridge offers players the chance to adventure simultaneously.

BATTLE UNIT ZEOTH

Jaleco-GameBoy-\$28.95

With its mechanized robots, Zeoth will appeal to fans of RoboTech.

BLADES OF STEEL

Konami-GameBoy-No price available

The popular NES hockey game has been converted for play on the GameBoy.

BO JACKSON BASEBALL

Data East-NES-\$49.95

This cartridge should sell from association with the famous athlete.

BUGS BUNNY CRAZY CASTLE 2

Kemco-GameBoy-\$27.99

A sequel to the first Bugs Bunny game, Crazy Castle 2 will appeal to younger players.

CAPTAIN PLANET

Software Toolworks-NES-\$44.95

This title ties in to the animated television series and has been licensed heavily into other products.

EGRN'S PICK HIT



Nintendo's Super NES will change the 16-Bit market dramatically in the year ahead.

CASTLEVANIA 2

Konami-GameBoy-No price available
Konami continues the successful Castlevania series on the GameBoy with this excellent conversion.

CRYSTAL QUEST

Data East-GameBoy-\$27.95

Crystal Quest combines elements of both puzzle games and action titles.

DRAGON WARRIOR 3

Enix-NES-\$54.99

Enix's Dragon Warrior 3 continues this line of role playing titles.

FASTEST LAP

NTVIC-GameBoy-\$27.95

This racing game allows players to create their own vehicle.

F-ZERO

Nintendo-Super NES-\$49.95

F-Zero makes excellent use of the scaling and rotation features available.

FINAL FANTASY ADVENTURE

Square-GameBoy-\$39.95

This cartridge continues the line of excellent role playing adventures.

FINAL FANTASY LEGEND 2

Square-GameBoy-\$39.95

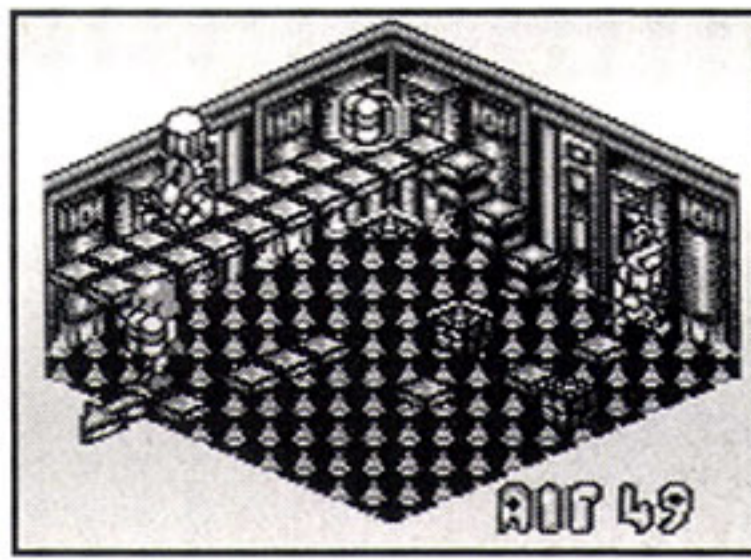
Final Fantasy continues its string of successful adventures on the GameBoy.

ELECTRONIC GAMING RETAIL NEWS

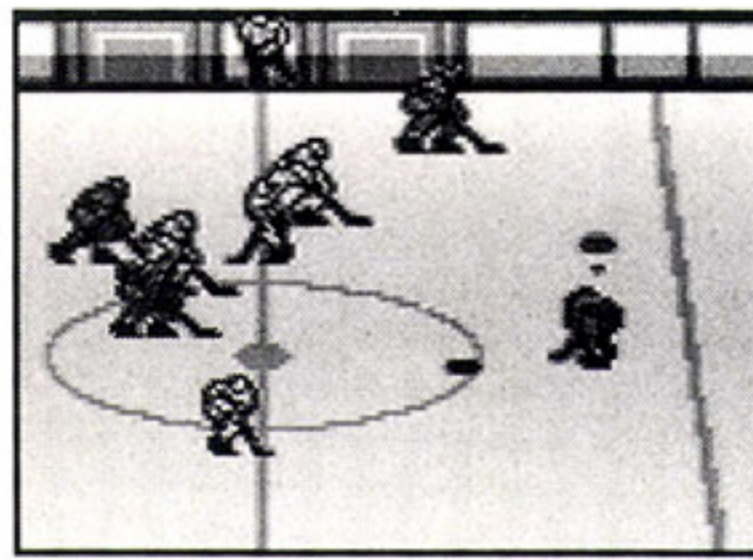
NEW PRODUCT CALENDAR



Actraiser



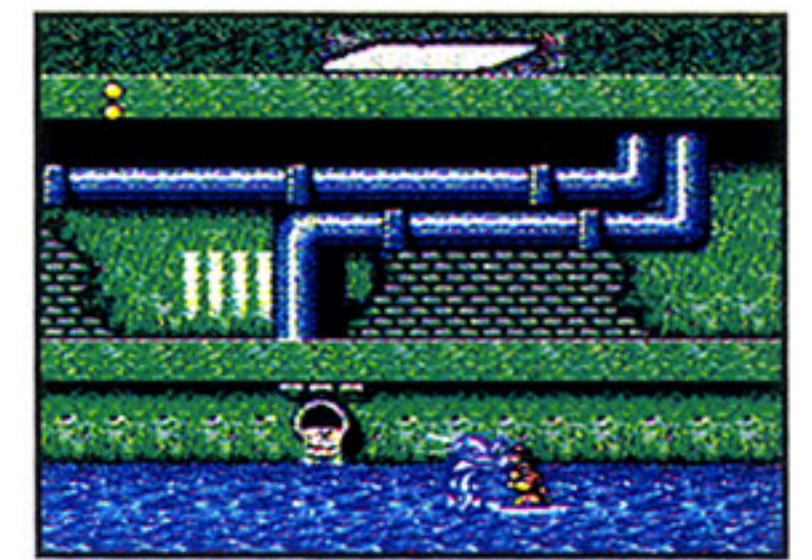
Altered Space



Blades of Steel



F-Zero



Frankenstein

FRANKENSTEIN

Bandai-NES-\$44.99

Players must hunt down the famous movie monster in this horizontally scrolling action game.

GAUNTLET 2

Software Toolworks-GameBoy-\$31.95

A sequel to the first Gauntlet, this cartridge will capitalize on the success of the first game.

GRADIUS 3

Konami-Super NES-\$49.95

Gradius 3 is the largest and most difficult of the popular line of Gradius action titles.

INFOGENIUS

GameTek-GameBoy-\$39.95

The first line of productivity products for GameBoy, InfoGenius will attract older GameBoy users.

ISHIDO

Atari-Lynx-\$39.99

A puzzle game, Ishido blends elements of several classic games into a unique format.

KLAX

Software Toolworks-GameBoy-\$27.95

This classic puzzle-style game makes its appearance on the GameBoy.

MAGIC DARTS

Romstar-NES-\$47.95

Magic Darts is an adaptation of the classic barroom game with an interesting cast of characters.

MEGAMAN

Capcom-GameBoy-\$29.95

Capcom's famous hero makes his appearance on the GameBoy in this

excellent conversion.

MICRO MACHINES

Camerica-NES-\$49.95

Based on the Galoob toys, Micro Machines pits players courses made of common household items.

MIKE DITKA FOOTBALL

Accolade-Genesis-\$59.95

This football game features actual NFL teams with particular strengths and weaknesses.

MOTOR CITY PATROL

Matchbox-NES-\$44.95

Players act as a big-city police officer hunting down a series of criminals.

MS. PACMAN

Tengen-Genesis-\$39.95

Based on the arcade classic, Ms. Pacman will attract fans from the original version.

NINJA GAIDEN 3

Tecmo-NES-\$49.99

The third Gaiden title, this game is both longer and harder than the first two.

PILOTWINGS

Nintendo-Super NES-\$49.95

Pilotwings is a flight simulator-style game that demonstrates the strong points of the Super NES.

PRINCE OF PERSIA

Virgin-GameBoy-\$29.99

This GameBoy title contains excellent graphics and animation combined with an original quest.

RAIDEN TRAD

Bignet-Genesis-\$69.99

Bignet's Raiden Trad is a vertically

scrolling shooter that sports superlative graphics and sound.

RBI 3

Tengen-NES-\$49.95

The third RBI game, RBI 3 contains improved graphics and sound.

ROBIN HOOD

Virgin-NES-\$49.99

This cartridge ties in with this summer's movie. The plot of the game follows the movie very faithfully.

ROCKIN' KATS

Atlus-NES-\$45.99

This horizontally scrolling action game has cute graphics and will appeal to a younger audience.

ROMANCE OF THE THREE KINGDOMS 2

Koei-NES-\$74.95

Koei continues their series of historical simulations with this game set in ancient China.

RYNE SANDBERG PLAYS BASES LOADED 3

Jaleco-NES-\$49.95

The third Bases Loaded title, this game carries the endorsement of the famous baseball player.

SAINT SWORD

Taito-Genesis-No price available

Saint Sword is an action adventure that allows players to change their character into man-animal hybrids.

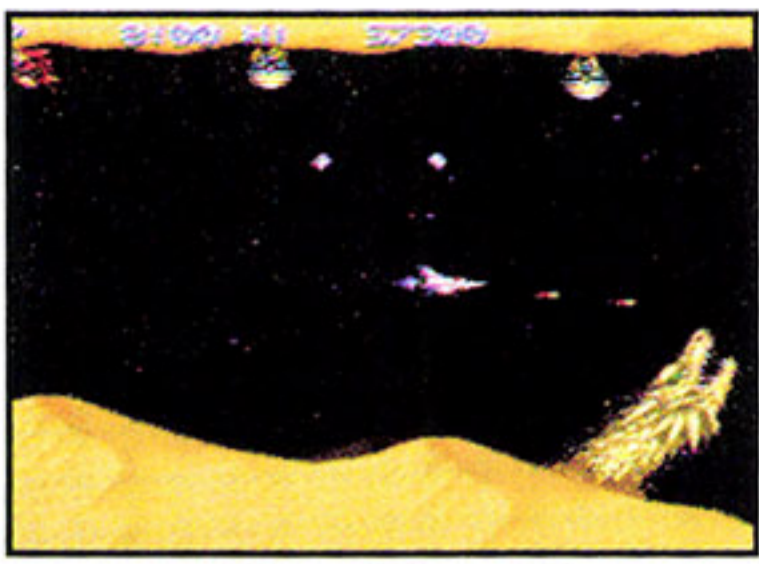
SESAME STREET ABC/123

Hi Tech-NES-\$44.95

This cartridge contains two of HiTech's educational games featuring Sesame Street characters.

ELECTRONIC GAMING RETAIL NEWS

NEW PRODUCT CALENDAR



Gradius 3

SHINING IN THE DARKNESS

Sega-Genesis-\$69.95

This game is a first-person perspective role playing adventure with excellent graphics.

SIM CITY

Nintendo-Super NES-\$49.95

This excellent conversion of the popular computer title will be released with the Super NES.

SLAUGHTER SPORT

Razorsoft-Genesis-No price available

Slaughter Sport is a combination of several team sports. This game contains graphic violence.

SLIDER

Sega-Game Gear-\$34.95

A puzzle game, Slider's low difficulty and cute graphics will appeal to younger children.

SOLITAIRE POKER

Sega-Game Gear-\$29.95

This game contains a Las Vegas-style poker simulation and will appeal to an older audience.

SPEEDBALL 2

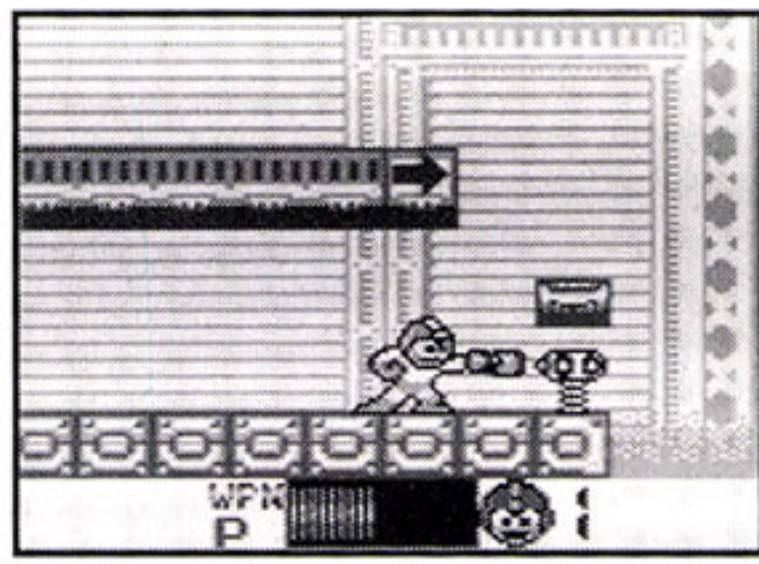
Arena-Genesis-\$49.95

Based on the original Speedball, Speedball 2 has better animation and game play. This game also contains graphic violence.

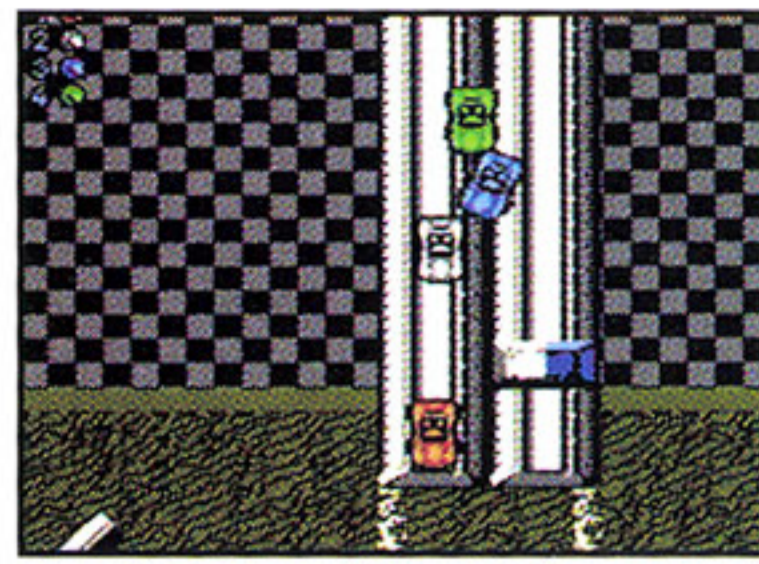
STREETS OF RAGE

Sega-Genesis-\$54.95

Streets of Rage offers superlative



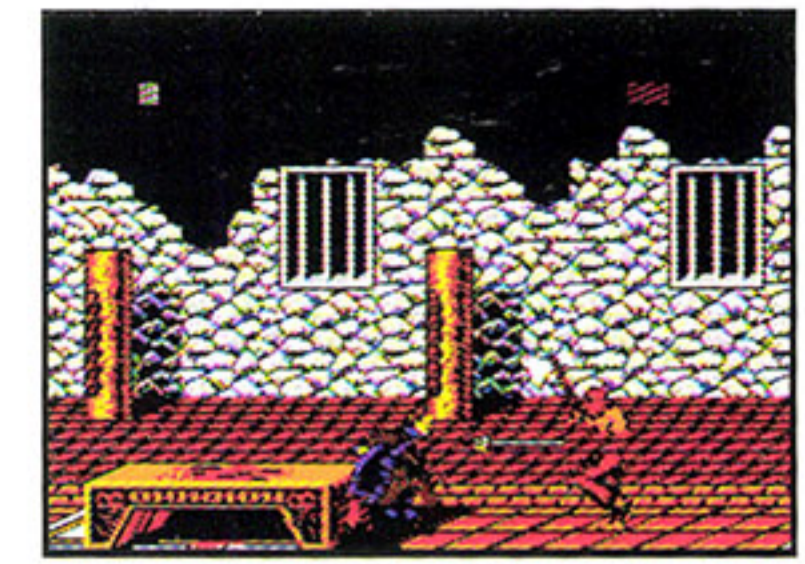
Megaman



Micro Machines



Raiden Trad



Robin Hood

music, gameplay, and graphics and boasts forty different moves.

SUPER BASES LOADED

Jaleco-Super NES-\$59.95

Jaleco has updated their classic Bases Loaded to coincide with the release of the Super NES.

SUPER NES SYSTEM

Nintendo-\$199.00

The Super NES will be packaged with Super Mario World and is this month's EGRN Pick Hit.

SUPER R-TYPE

Irem-Super NES-\$69.95

Irem's Super R-Type contains improved graphics and sound from the original NES version.

TASK FORCE HARRIER

Treco-Genesis-No price available

Task Force Harrier is a vertically scrolling action game featuring good gameplay and graphics.

TRAX

HAL-GameBoy-\$28.95

In this GameBoy title, players operate a tank driving through enemy territory.

TURBO SUB

Atari-Lynx-\$34.99

This Lynx game features superlative graphics and action from a first person perspective.

TV SPORTS HOCKEY

NEC-TurboGrafx-\$51.99

NEC continues their line of successful sports games with TV Sports Hockey.

VICE: PROJECT DOOM

American Sammy-NES-\$49.95

American Sammy's Vice contains elements of both action and adventure games.

WHERE'S WALDO

THQ-NES-\$49.95

The character from the very popular series of puzzle books makes his first appearance on the NES.

WHO FRAMED ROGER RABBIT

Capcom-GameBoy-\$29.95

Based on the highly successful movie, Roger Rabbit has a non-violent theme.

WORLD CLASS LEADER BOARD

Sega-Game Gear-\$39.95

This conversion of the successful line of computer golf games contains superior graphics and detail.

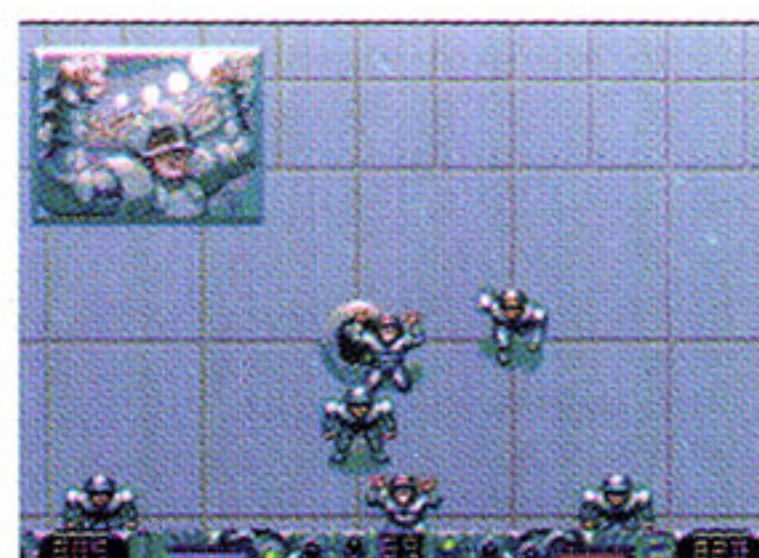
YO BRO!

NEC-TurboGrafx-\$61.99

NEC's Yo Bro! is a skateboarding action game that will find many fans in younger players.



Saint Sword



Speedball 2



Streets of Rage



Turbo Sub



TV Sports Hockey

GAMETRONIX

FOR NEXTDAY DELIVERY OR PRODUCT INFORMATION CALL 1-713-341-6868
FAX ORDERS AND INQUIRIES 713-342-4630



MEGA DRIVE CD-ROM



GALAXY FORCE II (M/D)



VALIS IV (PC-CD)



SUPER GHOULS & GHOSTS (SFC)



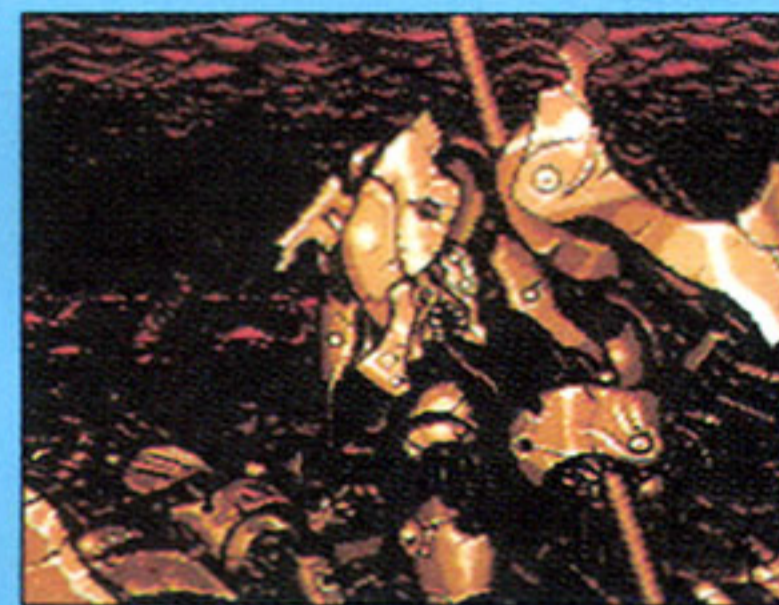
BEAST WARRIORS (M/D)



MONSTER FIGHTER (MD-CD)



BARE KNUCKLES (M/D)



SPBIGGAN (PC-CD)



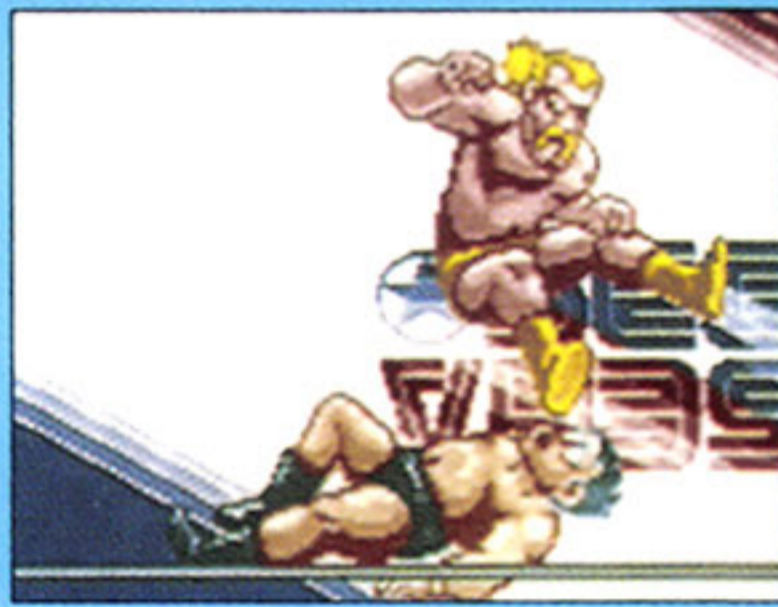
JOE and MAC (SFC)



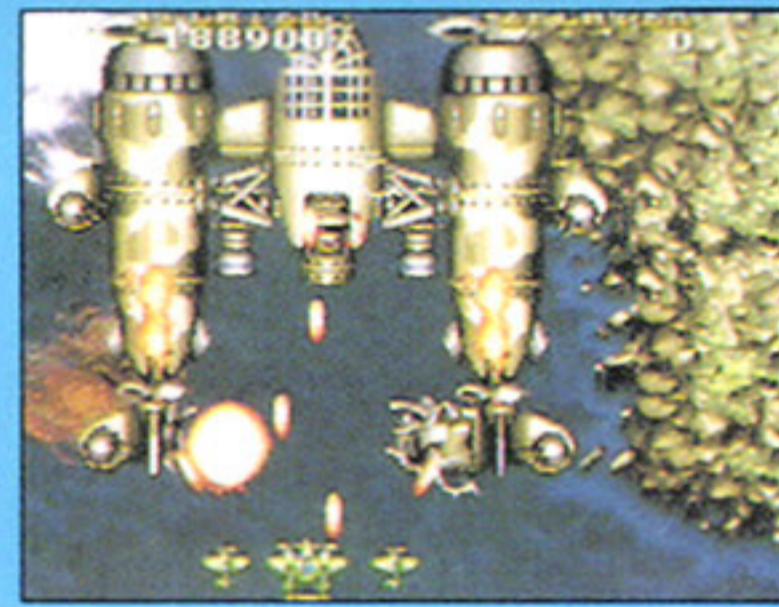
SAINT SWORD (M/D)



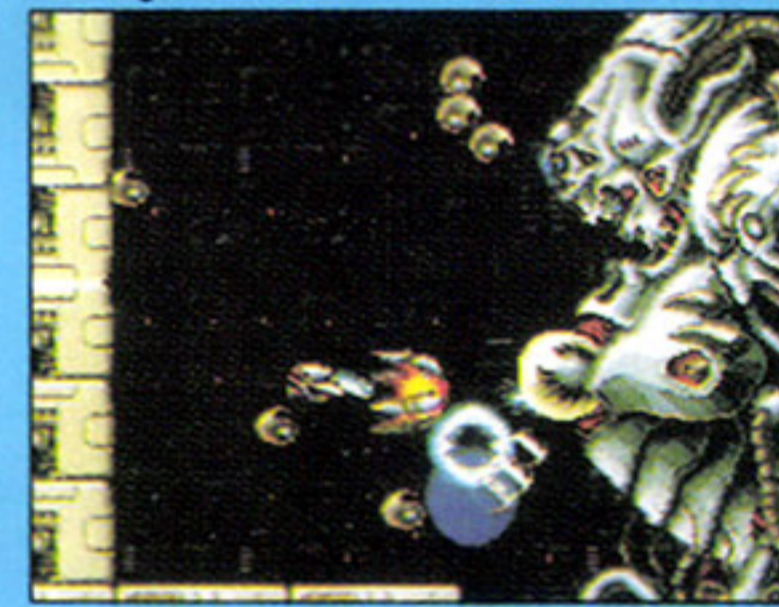
EL VIENTO (M/D)



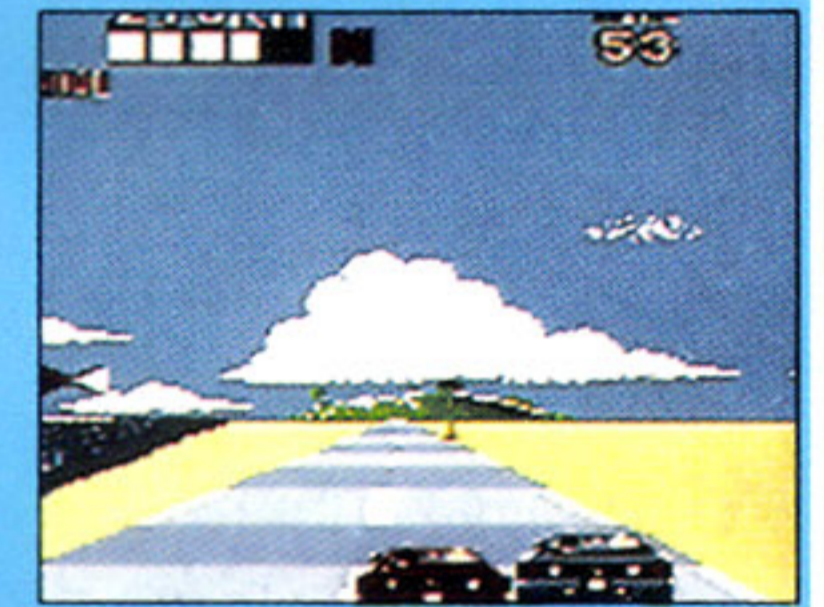
WRESTLE WAR (M/D)



1941 (SUPER GRAFX)



SUPER R-TYPE (SFC)



OUTRUN (GAME GEAR)

MEGA DRIVE

Genesis Converter \$29.99
SG 3600 Controller \$34.99
Mega Drive CD-ROM \$CALL

Allen Storm
Allisia Dragoon
Assault (CD)
Bare Knuckle
Beast Warriors (8M)
Blue Almanac (RPG)
Bonanza Bros.
D-Axe
Dando (RPG)
Devil Crash
Devil Hunter Yoko
Double Dragon II
Dragon's Lair (CD)
Elemental Master
Exile (8M)
F-1 Hero (Racing)
Fastest One (Racing)
Fire Mustang
Galaxy Force II (8M)
Kuuga (Action)
Majyuura (Action)
Marvel Land (8M)
Mega Tracks (Racing)
M.E.R.C.S.
Monster Fighter (CD)
Moonwalker II (CD)
Ninja Warriors
Outrun (8M)
Phantasy Star IV (CD)
Power Drift (8M)
Pro Baseball '91
Raiden (8M)
Ring of Jewels
Ringside Angel
Rolling Thunder II
Saint Sword
Spaceship Gomola
Super Monaco 2 (CD)
Syd of Valis (8M)
Thunder Fox (8M)
Undead Line
Vapor Trail (8M)
Verytex
Wonder Boy III
Wrestle War
X.D.R.
Y's III (8M/RPG)
Zero Wing (8M)

PC ENGINE

PC/Turbo Converter \$29.99
CD Rom ROM 3 \$CALL
Coregrafx II \$CALL

Avenger (CD)
Bonk's Revenge
Bural (CD)
Cadash
Champion Wrestler
Cyber City 808 (CD)
Cyber Combat Police
Dead Moon
Devil Hunter Yoko (CD)
Download
Download 2 (CD)
Dynasty Warriors (CD)
Eternal City
Exile (CD)
Fantasy Zone 3-D (CD)
Final Soldier
F1-Circus '91
Forgotten Worlds (CD)
Hellfire-S (CD)
Jackie Chan
L-DIS (CD)
Legend of Hero Tomma
Legion (CD)
Loom (CD)
Metal Stoker
Motor Roder II
M.U.S.H.A. (CD)
New 1943
Outrun
Overhauled Man II
Parasol Stars
Power Eleven (Soccer)
Pumping World (CD)
Ray Xanber II (CD)
Road Spirits (CD)
Shadow of the Beast (CD)
Silent Debuggers)
Spbiggan (CD)
Stay with You (CD)
Super Darius (CD)
Super Darius 2 (CD)
The Manhole (CD)
Valls III (CD)
Valls IV (CD)
Vasteel (CD)
W-Ring
Young Master
Y's III (CD)

SUPER FAMILCOM

Super Famicom \$CALL
Area 88
Act-Raiser
Big Run
Castlevania IV
Darius Twin
Dodge Ball
Dragon Slayer
Drakkhen
Dungeon Master
Earthlight
EDF
Final Fight
Final Fantasy 4
Fourth Dimension
Football
F-Zero
Ganba League
Goemon
Gradius III
Hole-In-One Golf
Hyper Zone
Jerry Boy
Joe and Mac
Kunio
Otogirlsou
Pro Wrestling
Raiden
SD Gundam
STG
Super Ghouls & Ghosts
Super Pinball
Super R-Type
Super Tennis
Super Ultra Baseball

JB King Joystick
JB King Turbo Adaptor
XE-1 SFC Joystick
SUPER GRAFX
Super Grafx \$289.99
CD ROM Adaptor \$79.99
Aldynes
Battle Ace
1941 Counter Attack (8M)
Darius Plus
Ghouls n' Ghosts (8M)
Grand Zort
Strider

NEO GEO

Neo Geo Gold \$579.99

Alpha Mission II
ASD: Last Guardian
Baseball Stars
Basketball
Blue's Journey
Burning Fight
Cyber-Lip
Ghost Pilots
King of the Monsters
League Bowling
Magician Lord
NAM-1975
Ninja Combat
Puzzled
Riding Hero
Sengoku
Super Spy
Top Player's Golf

GAME GEAR

Game Gear Unit \$149
Game Gear White \$CALL
Accessories \$CALL
Berlin Wall
Chase H.Q.
Devilish
Dragon Crystal
Fantasy Zone
Ganma
G-LOC
Golden Axe
Griffin
Haley Wars
Head Buster
Joe Montanna Football
Junction
Kinetic Connection
Mappy
Mickey Mouse
Outrun
Pac-Man
Pro Baseball '91
Psychic World
Revenge of Drancon
Ryukyu
Shinobi
Super Golf
Super Monaco GP
Tennis
Woody Pop

SEGA GENESIS

Abrams Battle Tank
Allen Storm
Acrus Odyssey (8M)
Bimlmi Run
Centurion
Crystal Quest
Death Duel
Faery Tale Adventure
Fantasia
Galares (8M)
Hardball (8M)
J.V. Wrestling Superstars
Ka-Ge-Ki
King's Bounty
Midnight Resistance
Might and Magic II
M.U.S.H.A.
NHL Hockey
Onslaught
Paperboy
PGA Tour Golf
Phantasy Star III
Power Ball
Raiden
R.B.I. Baseball
Sagala
Slaughter Slush
Sonic the Hedgehog
Spiderman
Star Control (12-Meg)
Storm Lord
Street Smart
Task Force Harrier (8M)
Warrior of Rome (8M)
688 Attack Sub

ATARI LYNX

New Atari Lynx \$99.99
A.P.B.
Hard Drivin'
Hydra
NFL Football
Ninja Gaiden
Robotron
Scrapyard Dog
Stun Runner
Tournament Cyberball
Turbo Sub
Vindicators
Warbirds
Xybots

Not responsible for typos. All prices & policies subject to change without notice. Restocking fee for all C.O.D.s that are sent out but not received. Overnight delivery \$12; 2-day \$6; 5-day \$3; COD's \$4
GAMETRONIX -- 1606 QUARTER PATH -- RICHMOND, TEXAS 77469

CIRCLE #113 ON READER SERVICE CARD.

RETAILER'S VOICE

What Does the Super NES Hold In Store For Retailers...

Shawn Cunningham, President of Home Entertainment Direct, Inc. shares his views on the release of the Super NES and the future of video gaming.

The Super NES: Deja Vu?

The long awaited Super Nintendo Entertainment System is finally here. What does this mean to retailers and to the video game market? In order to answer this question we should all take a retrospective look at the video game market. Only by analyzing and understanding the past can we accurately predict the future.

In 1985, Nintendo rebuilt this market from scratch, and it created a monopoly in the process. Over the years, Nintendo has streamlined their distribution which allowed them to secure complete market control. By carefully selecting retailers and licensees, Nintendo has tightened the noose around the market's neck. The profit margins retailers are allowed to make are horridly low. The only pockets being lined are Nintendo's own.

If you are a new retailer coming into the video gaming market and are interested in going direct to include Nintendo's line of products, forget it. Nintendo has not authorized any new accounts direct nor through their distributors for approximately three years. Why? Because Nintendo has already established their channels of distribution through retailers.

Bear in mind that this is from a retailer's perspective, which, I'm sure, is shared by many.

Furthermore, Nintendo has proceeded to squander their money pursuing litigation against companies such as Tengen and Camerica. Their only real argument is that said companies would not agree to

pay Nintendo for their Seal of Quality. For example, comparing R.B.I. Baseball by Tengen to many other "approved" titles leaves one wondering whether that litigation money would have been better spent insuring that the Nintendo Seal of Quality held meaning.

Are we to expect the same sort of treatment from the "Big N" with the release of the Super NES? In my opinion, yes. But on a positive note, Nintendo has been unsuccessful at quelling Tengen or Camerica. Despite Nintendo, both are shipping product as I write this column.

Another bright point is that while Nintendo fell asleep at the wheel, Sega has established themselves as the 16-Bit market leader. Nintendo no longer rules the video gaming market, nor do I think they are capable of stealing Sega's market share away.

Sega's Genesis is a strong quality 16-Bit machine. It offers crisp graphics and clear sound with a processor speed much faster than that of the Super NES. The Super NES' slower processor causes flicker and slowdown when multiple objects appear on screen simultaneously. This will greatly impair game play in many Super NES titles, especially two-player games.

So when customers ask our company which system to buy, we will recommend the Sega Genesis. Our reasons are basically simple. The Genesis bundle includes Sonic the Hedgehog, one controller, and appropriate cables for \$149. Sonic the Hedgehog is by far the biggest jewel in Sega's crown. The Super NES bundle includes Super Mario World, two controllers, and appro-



priate cables for \$200. By comparison, Super Mario World is flat, featureless, redundant, and does not have the look or feel of a 16-Bit game.

So where does this leave the retailer? Nintendo is in the position to lead the market with a customer driven product. Will They? They will sell millions of units to customers worldwide. Of this, we have no doubt, but will they continue to use unorthodox marketing methods? If so, what effect will this have on their share of the market?

This market is healthy, even in the recession. New technologies soon to be introduced will help this market to grow and prosper.

For example, the Sega Genesis CD Drive is coming to American shores as well as many other new and exciting products. I predict that the future of the video game industry will continue to grow and mature as long as we realize the world does not revolve around Nintendo alone.

- Shawn Cunningham

Shawn Cunningham is the President of Home Entertainment Direct, Inc. Home Entertainment Direct, Inc., while not an authorized Nintendo dealer, is a California-based mail-order video game company.

The opinions expressed in this article are those of the guest columnist and do not necessarily reflect those of the editorial staff of Electronic Gaming Retail News or Sendai Publishing Group, Inc.

SENDAI PUBLISHING GROUP

**The Leading Name in
Consumer and Trade Publications
Serving the Video Game and
Electronic Entertainment Industries**

The Sendai family of companies, led by the Sendai Publishing Group, are made up of a wide array of businesses that all serve to interact with the video game and electronic entertainment industry. Sendai's involvement in the explosive re-birth of the consumer video game market ranges from consumer support services to game design and development to interactive marketing materials. Combined with active liaisons between Sendai's North American operations and over a dozen additional countries around the world, Sendai companies cover every aspect of this exciting business.

The Sendai Publishing Group is made up of a variety of interactive consumer and trade publications that highlight the latest developments from within their specific fields. Sendai produces five leading publications specifically targeting the video game and electronic entertainment industry, including Electronic Gaming Monthly,

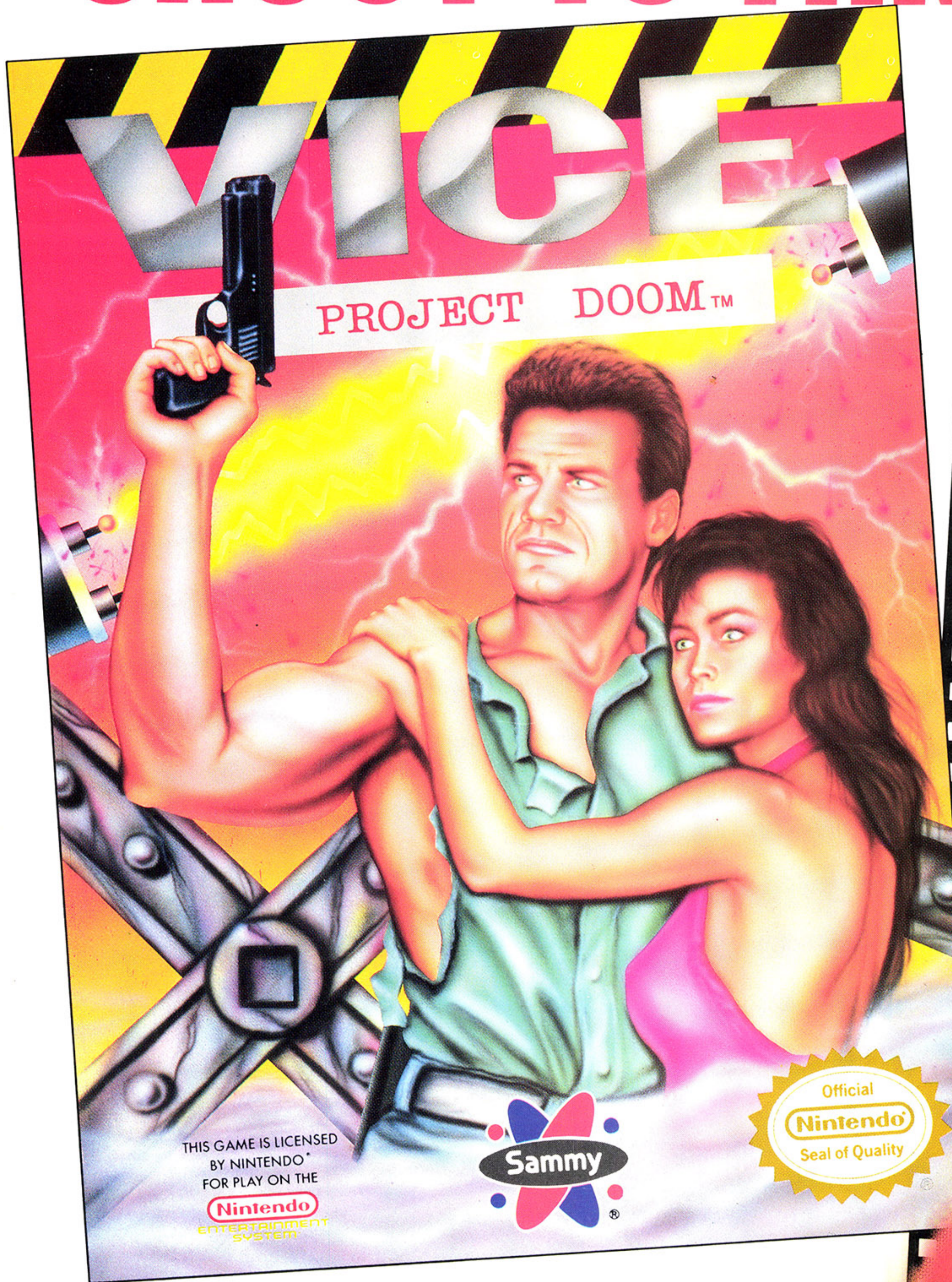
which covers all video game systems and cartridges available in all formats; Mega Play, which highlights the latest products for the Sega 16-Bit and hand-held systems; Super Gaming, the only magazine to solely cover video games on an international level; Computer Game Review, which focuses in on entertainment software for popular computer formats and Electronic Gaming Retail News, the only trade publications specifically serving the video game industry. The Sendai Publishing Group distributes nearly 1,000,000 copies of these five titles alone every month, reaching well over 1,000,000 active game players as well as all major members of the industry itself.

With the leading magazines and periodicals in the field, the Sendai Publishing Group has made a strong commitment to the future of the entire electronic entertainment industry and hopes to serve your company through each of these publications.

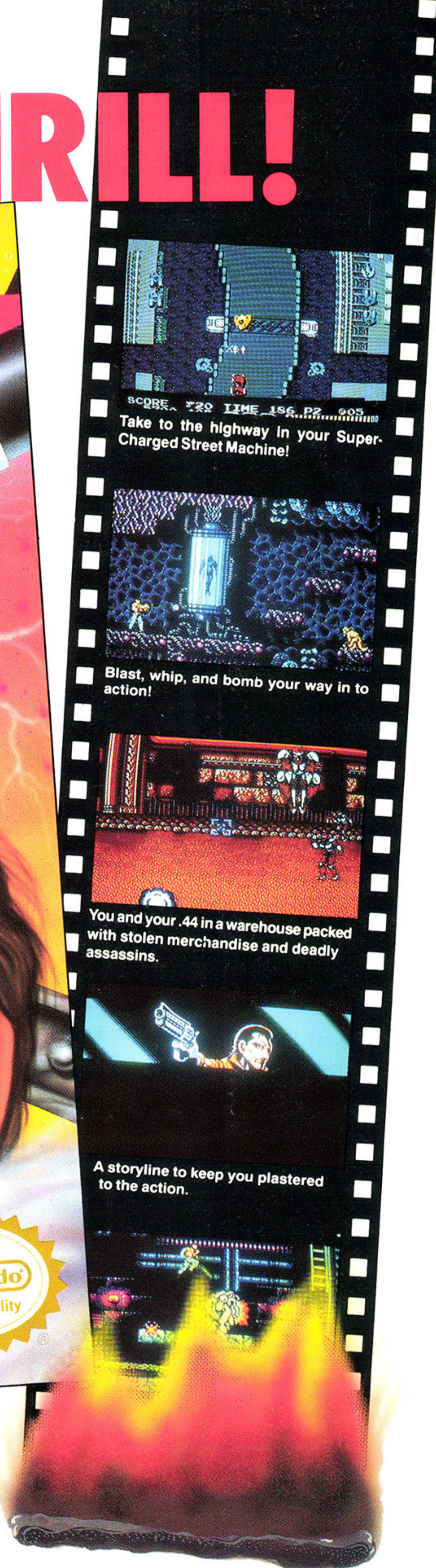
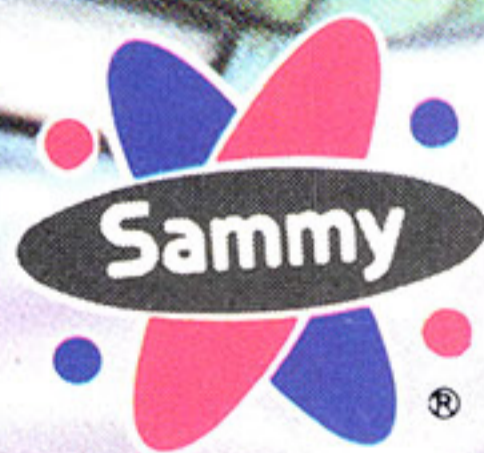


**SENDAI
PUBLISHING GROUP, INC.
CHICAGO • TOKYO • LONDON**

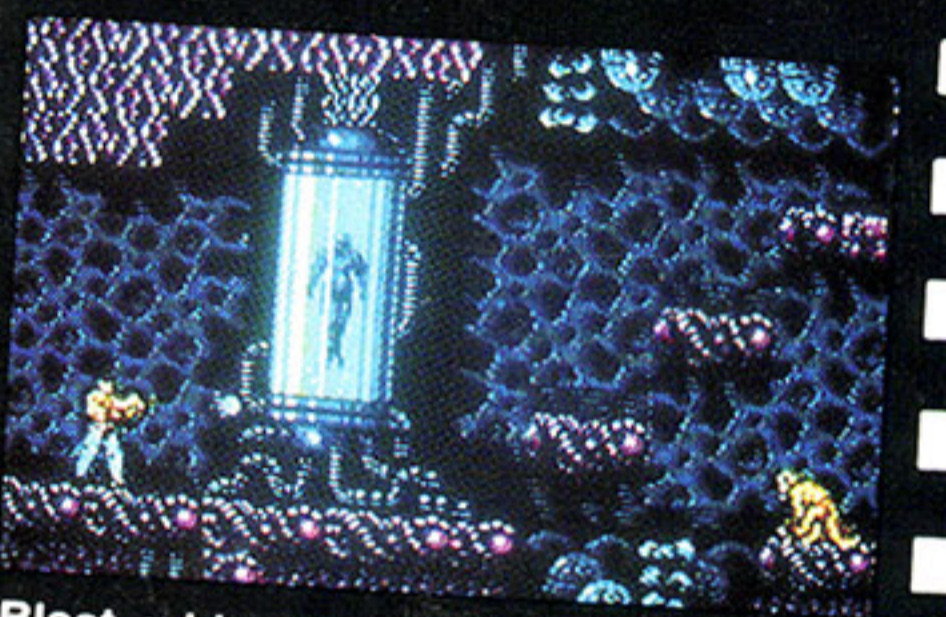
SHOOT TO THRILL!



THIS GAME IS LICENSED
BY NINTENDO®
FOR PLAY ON THE
Nintendo
ENTERTAINMENT
SYSTEM



Take to the highway in your Super-Charged Street Machine!



Blast, whip, and bomb your way in to action!



You and your .44 in a warehouse packed with stolen merchandise and deadly assassins.



A storyline to keep you plastered to the action.



Vice officer Quinn Hart is on an assignment unlike anything he's ever seen! Weird bodies are turning up dead, top secret weaponry is missing, and organized crime is at an all time high. But Hart's up against something more than the Mob, street gangs, or even hostile terrorists.

A new force has risen and Hart finds himself plunged into a conspiracy of terror!!



American Sammy Corporation

2421 205th St., Suite D-104, Torrance, CA 90501
PHONE: (213) 320-7167 • GAME TIPS: (213) 320-7362

SAMMY™, VICE: THE PROJECT DOOM™ are trademarks of American Sammy Corporation. Nintendo and Nintendo Entertainment Systems® are registered trademarks of Nintendo of America, Inc.