

March 2nd, GDC 2011

1 Hour Video Game MBA

Charlie Cleveland - Game Director @ Unknown Worlds

charlie@unknownworlds.com

<http://www.naturalselection2.com>

Make Mantra (Art of the Start)

Valve - Change the face of games
Blizzard - Expand reach of core games
Penny Arcade - Celebrate nerd culture
US Air Force - Kick butt in air and space

A good mantra means your business is still relevant no matter what technological or sociological changes happen in the future.

Success in your DNA

There is no "right" mantra. The authenticity and the extent that companies align to it matters more.

Value Categories of offerings (Experience Economy)

Commodity -> Good -> Service -> Experience -> Transformation
Coffee beans \$.01 a cup -> Branded coffee \$0.25 -> Diner coffee \$1 -> Starbucks \$3
Less competition and more value as you ascend

Strategy Canvas (Blue Ocean Strategy)

Make chart of key factors that your offering rates in
Chart your competitors. Make sure your profile looks different, and make sure to add one or more categories they don't compete in.
Connect the lines. If they are similar, you are in a red (competitive) ocean. If different, you could be in a blue ocean (free from competition).

Define the nightmare (Four Hour Work Week)

Fear is bigger when not defined. Exercise:

Describe your worst-case scenario. Be vivid

- How bad would this be (1-10)? Temporary or permanent?
- Percentage chance of it occurring
- What could you do to get back to where you are today?

Describe your best-case scenario. Be extra vivid.

- How GREAT would this be? Temporary or permanent?

- Percentage chance of it occurring

Find your soulmate(s)

Most successful companies are formed by 2 or more “soulmates”. Single founder companies are rare. Half your company with your soulmate will be worth more than 100% without.

Don't write a business plan (Rework)

Think of them as “guesses” instead of plans. You don't know anything about your business when you first start. Plans are often ignored, or worse, lock you in later.

Begin at the beginning (Growing a business)

Not office space, not lawyer, not raising money, etc. Strip out everything you can from your game idea and still be able to call it by the same name. Portal example (you could remove everything but the portal gun and still call it Portal).

Now start working on this.

Bootstrap

Most businesses can be bootstrapped. It's lazy to think you can only do it if you convince someone else to give you money.

Making money takes practice

This is a skill, like anything else, and it gets better the more you practice. Eventually you'll need to get good at making money anyways, so start learning now.

Sell your by-products (Rework)

We built a Lua IDE (Decoda) for our own use, then realized we could sell it. We've made \$100k so far with 0 marketing. What do you need to build that you might be able to sell?

Launch now (Art of the Start)

1. Take your best shot at a prototype
2. Release it
3. Iterate quickly

We shipped our “engine test” which was one level, one weapon and some target dummies that players could shoot. Multiplayer didn't even work. It energized our community, gave a morale boost to our team, showed our customers we weren't vaporware, and put ~\$30k in the bank. What can you ship right now?

Parkinson's Law

“Work expands to fill the time available for its completion.”

Marketing is like fire (Pyro Marketing)

You can make a forest fire from a tiny spark.

1. Gather the driest tinder (find the people most likely to buy)

2. Touch it with a match (give them an emotional experience, demo, etc.)
3. Fan the flames (help them spread the word)

Have \$10,000/hour ideas

We made \$40k from a few hours of work with our Overgrowth bundle. We raised \$100k from less than 10 hours of work with our NS2 holiday sale. If you sit down with this as a goal, you'll be surprised how often you can do it.

Profit is like oxygen

For a company, profit is like oxygen. It's not the goal of life, but it's required for it.

Small, fat and happy (Growing a Business)

Strive to make your company like this. Large companies have peaked. Market is so differentiated that size is no longer an advantage. The only organism that grows continually is cancer.

Size/Innovation Pattern (Beyond Entrepreneurship)

Small Company -> Attract innovators -> Success and growth -> Become large -> Attract risk-averse people -> Install bureaucracy -> Innovative people leave -> Reduced innovation

Hire when it hurts (Rework)

Don't hire to make your life easier. Hire because it's painful not to. If you lose someone, see if you can get by without them before replacing.

Strive for new problems (Growing a Business)

Your company will always have problems. They are a sign that you're in a rapid learning phase. A sign of success is when you have new problems.

Recharge your batteries

Starting your own business can be lot of work and stress. Recharge your batteries with whatever makes you happy and rekindles your passion. For me it's that's watching Aliens, Lord of the Rings director's commentary and listening to Tony Robbins. Go figure.

Trust your passion

The fire inside you is telling you what you most need to do and what you are most good at. It's telling you your purpose. Listen to it. Your passion will give you the persistence which is incredibly important to starting a business. Your passion is infectious and it will draw enough customers towards you to allow you to flourish.

Business lets you become you (Growing a Business)

"The business you can succeed with is distinctly and utterly you and yours. It is unlike any other business in the world. Being in business is not about making money. It is a way to become who you are."

Make a dent in the universe (Steve Jobs)

This is your life's work. It's incredibly important. Do something you're proud of and make sure that if you stopped, people would notice.

Remembering Seumas

11 years ago, I came to my first GDC. It was called the CGDC back then and it was in San Jose. That year, I met Seumas McNally. We both had games in the IGF but Seumas was in a wheelchair. He was dying from Hodgkin's Lymphoma and he was only 21. His whole family had come down to support him. I remember being a bit freaked out, probably because it was the first time I had been so close to a dying person. Especially one that was so similar to me.

Seumas' game, Treadmarks, won three awards and I think the conference organizers gave him a last minute guest lecture, knowing he wouldn't be back, next year. Seumas died less than a month later. I think he needed to show the world his game, and that kept him going. Once that was done, he was done.

When I heard the news, all I could think of was that disappointed look on his face when I had declined a friendly invitation to dinner with he and his family. I guess I was just too busy. I regretted not doing what I knew was important to me, and I regret it even more now.

You don't have forever. What game do you want to be remembered for?

Books referenced

Beyond Entrepreneurship, by James Collins and William Lazier

Blue Ocean Strategy, by W. Chan Kim, Renee Mauborgne

Built to Last, by James Collins and Jerry Porras

Four Hour Work Week, by Tim Ferriss

Growing a Business, by Paul Hawken

Pyro Marketing, by Greg Stielstra

Rework, by Jason Fried and David Heinemeier Hansson

Small Giants, by Bo Burlingham

The Art of the Start, by Guy Kawasaki

The Experience Economy, by B. Joseph Pine II and James Gilmore

Other books and resources

A Simpler Way, by Margaret Wheatley and Myron Kellner-Rogers

Be Heard Now, by Lee Glickstein

Crush It, by Gary Vaynerchuk

Free, by Chris Anderson

In Search of Excellence, by Tom Peters

Mediation Oasis podcast

Presentation Zen, by Garr Reynolds

Steve Pavlina's Blog (<http://www.stevpavlina.com>)

The E-Myth Revisited, by Michael Gerber

The Long Tail, by Chris Anderson
The Naked Presenter, by Garr Reynolds

Music

The Antikythera Mechanism, by BT (This Binary Universe)
Breathe Me, by Sia (Six Feet Under)

Special thanks

Max McGuire
Cory Strader
Brian Cummings
Matt Regan
Rich Kain
Colin Wiel
Josh Sacks
Steve Meretsky
Lee Glickstein

What game do you want to be remembered for?