

B.C. the Canadian nerve centre: Sector's revenues climb to more than \$1 billion annually with more than 800 firms

Vancouver Sun

Wednesday, June 29, 2005

Page: F7

Section: Outlook B.C.

Byline: Gillian Shaw

Source: Vancouver Sun



Ian Smith, Vancouver Sun

New media sector is anchored by companies such as Blast Radius, Mainframe Entertainment and gaming stalwarts Electronic Arts and Radical Entertainment.

It's not all fun and games in British Columbia's new-media sector.

While you may think B.C.'s new media is just about The Simpsons duking it out with The Sims to win gaming fans, the reality is that interactive digital content has transformed this province into the largest new-media hub in Canada with everything from e-learning to a convergence of gaming and movie making.

New-media revenues have climbed to more than \$1 billion annually with more than 800 companies working in the space.

It's a case of delivering the right talent at the right time.

"There is very high growth potential, no question about it," said Gurval Caer, president and chief executive officer of Blast Radius. "We are building on a couple of strengths that happen to combine in Vancouver and B.C."

Caer points to B.C.'s background in traditional classical media skill sets, in animation, story telling and film. The classical skill sets are combining with current technology in new media companies here.

"The combination of those two worlds should make B.C. a pretty unique place in the world," said Caer. "Certainly in Canada it is a unique combination, and in North America. Of course we all have to think about California as well, but I think EA and Blast and others have been demonstrating that we can compete against our North American counterparts and our California counterparts."

The sector is anchored by companies such as Blast Radius, Mainframe Entertainment and gaming stalwarts such as Electronic Arts and Radical Entertainment. They have been joined in the neighbourhood by a Disney studio to make Vancouver home to international industry heavyweights.

"When you look at the number of big studios that have a presence here, it is huge," said Danielle Michael, former vice president business development at Radical, which was recently acquired by the France-based Vivendi Universal Games. "I don't know of any other North American market where there is the presence of every major company."

"The opportunity to be that centre for gaming in North America is not unrealistic. If we're not there yet, I think we will be."

The educational institutions here have spun off their own companies in the sector, among them **AirG**, formerly known as AirGame Wireless Inc., which was started by three Simon Fraser University engineering students about five years ago. It launched as a maker of online multi-player mobile games and has expanded into mobile entertainment, messaging and other mobile applications and services.

"This is definitely a booming sector," said Allison Webb, communications manager at **AirG**. "We have been recruiting aggressively since the company was founded and particularly in the last three to four months."

B.C.'s educational institutions are also turning out sought-after grads. The planned addition of a joint graduate program in digital entertainment through the University of B.C., along with Simon Fraser University, the BC Institute of Technology and Emily Carr Institute further indicates the creation of a critical mass that is fuelling demand.

Blast Radius has seen its Vancouver office numbers jump by 40 to 50 per cent in the first six months of this year, to about 150 employees, and that is expected to increase to 175 or 180 people by the year-end.

At a recent digital media recruiting fair, the event's producer Shylo Smith said more than 500 people came through the doors, dropping off resumes and demo reels for companies like Electronic Arts, Radical Entertainment and Relic.

"Internationally B.C. is getting even more on the map because Disney has opened up a studio here," said Smith, who is a director of Vancouver's chapter of SIGGRAPH (Special Interest Group on Graphical Display.)

Smith said he doesn't foresee a slowing down in demand in the follow up to the current frenzy over the next generation gaming consoles.

"I hear a lot of talk about how people think the industry will fall off after the next gen comes out, but I don't see that in B.C.," he said. "There are more projects out there than there are people to fill them."

Michael would agree. She said Vancouver is on a trend that should see it with more people in the industry, even though fewer titles will be released.

"My take is it that there will be more people working on fewer games; it will be hit driven," said, Michael, who recently announced that she plans to leave Radical to spend time with her family. "In the coming generation of consoles everybody has their eye on the female market and other markets outside the core male market - everybody is talking about it, finding the Holy Grail - that is finding the bigger audiences."

Rick Mischel, chief executive officer of Mainframe Entertainment Inc., said the drop in worldwide demand for animation, both in television and in the direct video market reversed, starting about a year ago.

"I think it is nothing but good news," he said of prospects in that sector here. "In B.C., what you have at the same time is a recognition that British Columbia has some of the best animation talent in the world.

"We have a great infrastructure of training schools in B.C. and in Canada. Vancouver is a city that attracts talent because of the quality of life here and now we have high growth companies like Electronic Arts and Mainframe," said Mischel, whose company has grown from 110 employees to 300 in the last year.

"There is a recognition that Canadian studios are performing at the same level as any studio in the world and you see that recognition in Disney coming up and opening a new interactive games studio.

"It is really fuelling itself and hopefully that will continue."