



FORMER MAINFRAME EMPLOYEES REACH OUT TO OUTSOURCING



Rick Mischel, the former CEO of CGI-animation studio Mainframe Entertainment, today announced the foundation of **Reach Games**, a new company devoted entirely to third-party asset production for the video game industry.

Reach Games will provide art, design, modeling, animation and localization services to developers and publishers. The studio will be based in Vancouver, British Columbia. "After a decade at major publishers, I know their need for cost effective, high quality work. We plan to meet that need with a best practices, flexible project management approach at Reach," said former head of Mainframe's Game Division Ali Kojori, who will join Mischel in the venture as general manager of Reach. Kojori is no stranger to the industry, having begun his career in Electronic Arts before serving as a producer at Ubisoft on several console titles.

Mainframe Entertainment is famous for having created the first ever CGI animated series, *ReBoot*, in addition to subsequent CGI titles such as *Beast Wars: Transformers* and *Shadow Raiders*. Mischel (pictured left) joined Mainframe in 2003, helping to return the company to profitability, as well as planning its sale to Rainmaker Entertainment in 2006. Michael Douglas, who previously lead Mainframe's Creative Services Division, will join Reach as Art Director. Ivan Allan--who spent 12 years at EA working on *NBA Live* and *Need for Speed* franchises--will serve as the company's senior producer. Allan recently spent time at Nokia working in support of the N-Gage platform, and will be the resident mobile games expert on the team.

Outsourcing is nothing new to gaming. A report from the UK research company Screen Digest last year claimed that the video game outsourcing industry will grow from \$1.1 billion in 2006 to \$2.5 billion by 2010. The same report estimates that up to 90% of development studios will use outsourcing by next year.

Only a handful of domestic outsourcing companies exist, with much of the business being done overseas where labor costs run low. In a recent article on the topic, the Hollywood Reporter spoke with Shiraz Akmal, VP of operations and product development for THQ. While noting the savings that overseas outsourcing can achieve, he joined other developers in expressing caution over the practice, emphasizing that communication breakdowns can lead to inferior product. "If you can specify the art precisely, if you can get things really locked down to where the artist knows exactly what you want, you can get the work done for half the cost in Eastern Europe compared to North America without compromising quality," he said. "But if there's still some fuzziness with the design, if you need a very quick iteration and want to discuss it with the artist beforehand, you probably want someone who is locally accessible."

"When I used to work at Midway where we outsourced a large majority of the art, one of the hard lessons we learned was that when we tried to outsource all the art, we ran into trouble," said Hugh Falk, president of Florida-based outsourcing studio Shadow in Darkness. "I mean, there are people who outsource offshore trying to save money, but you usually get what you pay for."