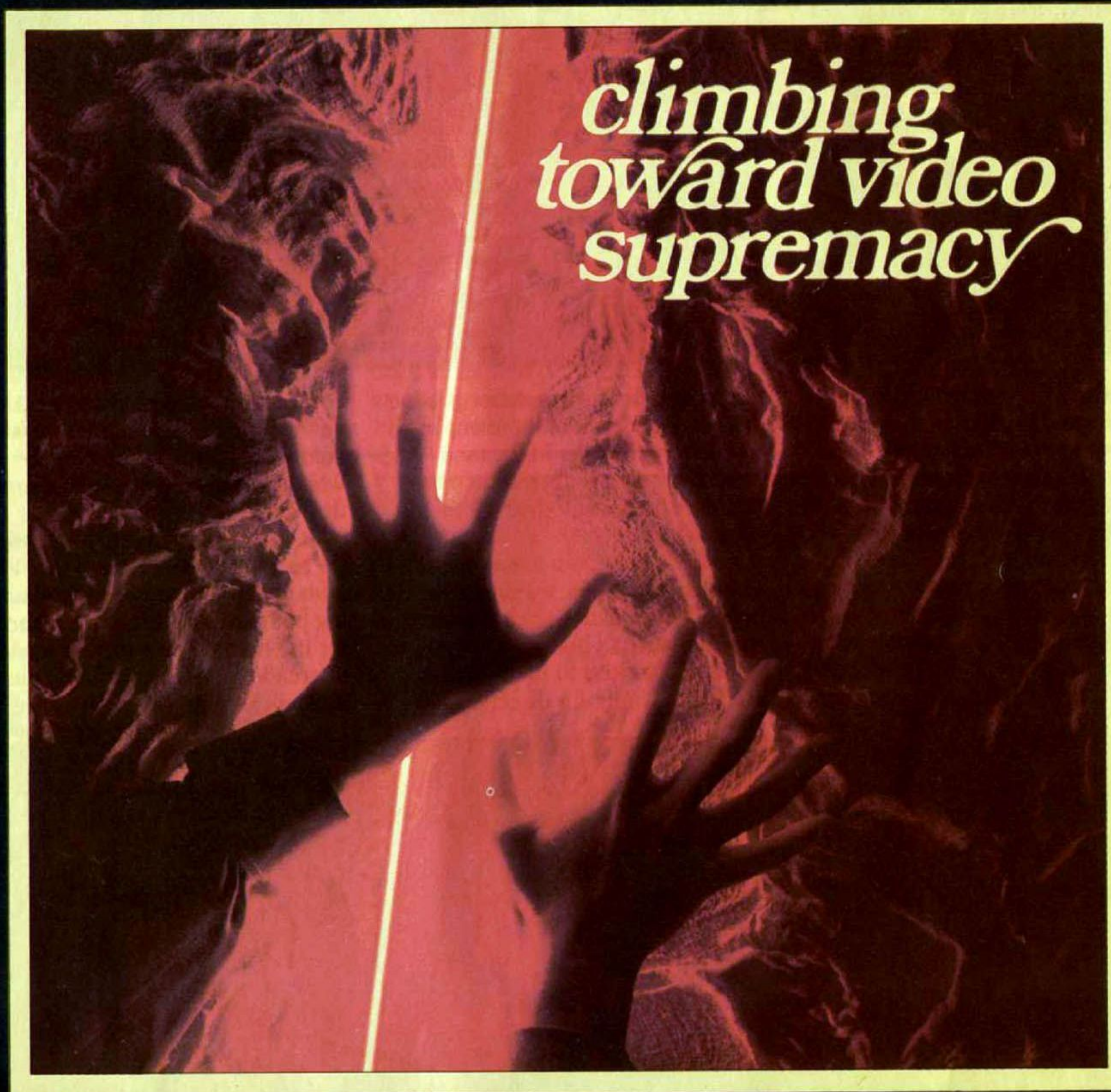


COLECO



*climbing
toward video
supremacy*

PHOTO BY DOUG BAIRD 1982

Fifty years ago, Coleco Industries was the Connecticut Leather Company—whence the name Coleco—a distributor of shoe repair supplies. Today, Coleco is a leisure-time corporation with annual sales totaling \$178 million, a firm which manufactures everything from portable *Pac-Man* to *Dukes of Hazzard* power cycles to Mr. Turtle pools. Coleco is also a company which has recently begun producing videogames, a line-up which may well establish the Hartford-based supplier as the one to beat.

The growth of Coleco is the archetypical

American Success Story. Shortly after it was founded by Russian immigrant Maurice Greenberg, the company branched from heels, laces, and shoe polish into rubber boots, helping New Englanders to cope with their severe winters. The company remained in footwear for a decade, until Maurice's son Leonard convinced his father to use their existing stock of leather to expand into leather-craft. The wallet-making and keycase stitching kits designed by the younger Greenberg did so well that licenses were quickly obtained for Mickey Mouse



Problems beyond Coleco's control crippled one of their pioneer efforts.

PHOTO BY DOUG BAIRD © 1982

Moccasin kits, Howdy Doody Bee-Nee kits, and the like.

Coleco grew steadily until 1956, when Leonard bought a small vacuum forming machine and used it to produce an eclectic line of toys. The plastic farm animals, army mess kits, and futuristic space helmets were all quite popular, but when Coleco turned to plastic sporting equipment such as pools, sandboxes, sleds, and toboggans, the company's fortunes

skyrocketed. These outdoor products remain a bedrock of the company, abetted by the ever-in-demand "ride-ons," those low-slung plastic three wheelers kids use to tear up the asphalt.

Arnold Greenberg joined the family business in 1966, leaving a successful law practice to contribute much-needed in-house legal and administrative skills to the booming company. Under his direction the

corporation went public in 1971. Five years later, Coleco entered the video field with Telstar, a Pong game which sold nearly one million units that year.

"It was really a natural extension for us," Arnold Greenberg told *Video-gaming Illustrated*. "We were making pinball machines and air hockey for the home, lower priced versions of arcade games, the coin-op hits. Suddenly, in the early 1970s, we

PHOTO BY DOUG BAIRD © 1982

The arrival of state-of-the-art Coleco Vision has stirred more excitement in the industry than any event in years.



found electronics in the arcades. We thought that what we saw was pretty clever, like Pong, and decided to figure out how we could do that so it would sell for \$50 retail." At the same time, Coleco was unwittingly laying the groundwork for its current electronics operation: none of the staff working on Coleco's existing electric and electromechanical games like *Electric Football* had experience in the computer field, so new personnel had to be brought in. When Telstar was eventually discontinued, that staff was turned loose on new projects.

Hand-held, microprocessor-based games joined the Coleco line in 1979, highlighted by topselling *Electronic Quarterback* and *Head to Head*, and Coleco continues to prosper in this field. At the present time, production can barely keep up with consumer demand for portable versions of those arcade legends *Pac-Man*, *Don-*

key Kong, and *Galaxian*. In fact, during January Coleco was forced to pull all their *Pac-Man* television from the New York area because, even with 100,000 games rolling off the production line—a figure which has more than doubled since then—they couldn't fill orders fast enough. Doubtless after next month's release of *Omega Race*, *Berzerk*, and *Frogger* history will repeat itself.

Given their long-time dominance in outdoor recreation, Coleco has always been anxious to make greater inroads on a market that was less seasonal, less dependent upon regional snowfall or sunshine. Capitalizing on their table-top electronics, Coleco committed \$1.5 million into the starting of a videogame division. They did so not without reservations. Telstar had perished when a dock strike and production problems caused the company to miss the 1977 Christmas season. They were

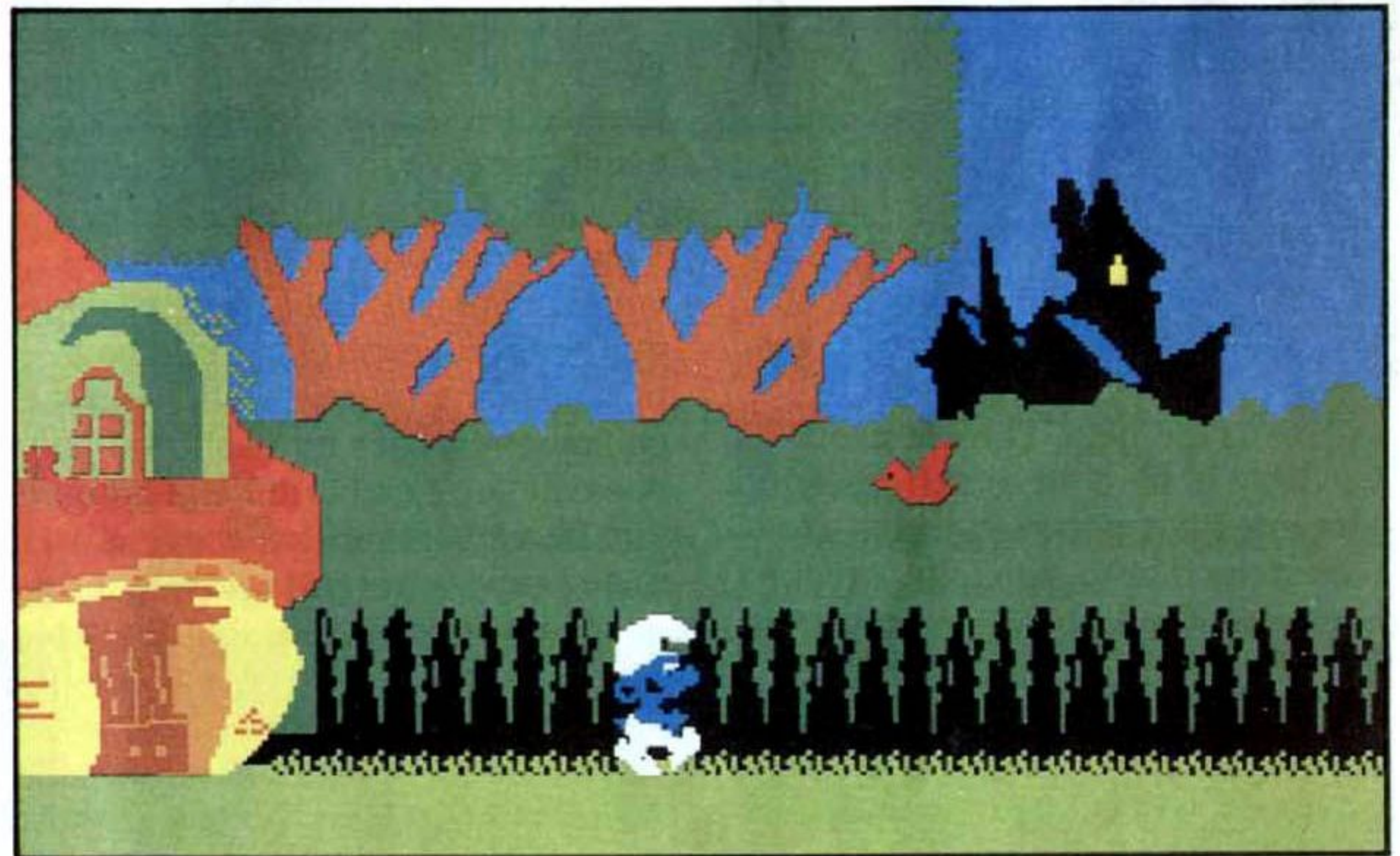
forced to liquidate the Telstar inventory way below cost, a financial blow which was nearly fatal, losing the company \$27 million that year. However, the table-top games allowed Coleco to refine its engineering techniques, and the singular shipping problem which hamstrung Telstar could not affect the videogame setup.

Coleco has not made what anyone would describe as a low-profile move into the field. Not only is the company releasing twenty-three new videogame cartridges, they've created their own master console dubbed ColecoVision (which retails for \$160 as opposed to \$130 for Atari and \$230 for Intellivision), with a remarkable three-in-one control (joystick, knob and keypad). Nor has the company shied from producing hardware to interface with the master component: They've developed a conversion module which allows

PERIPHERAL VISION

THE SMURF WARS!

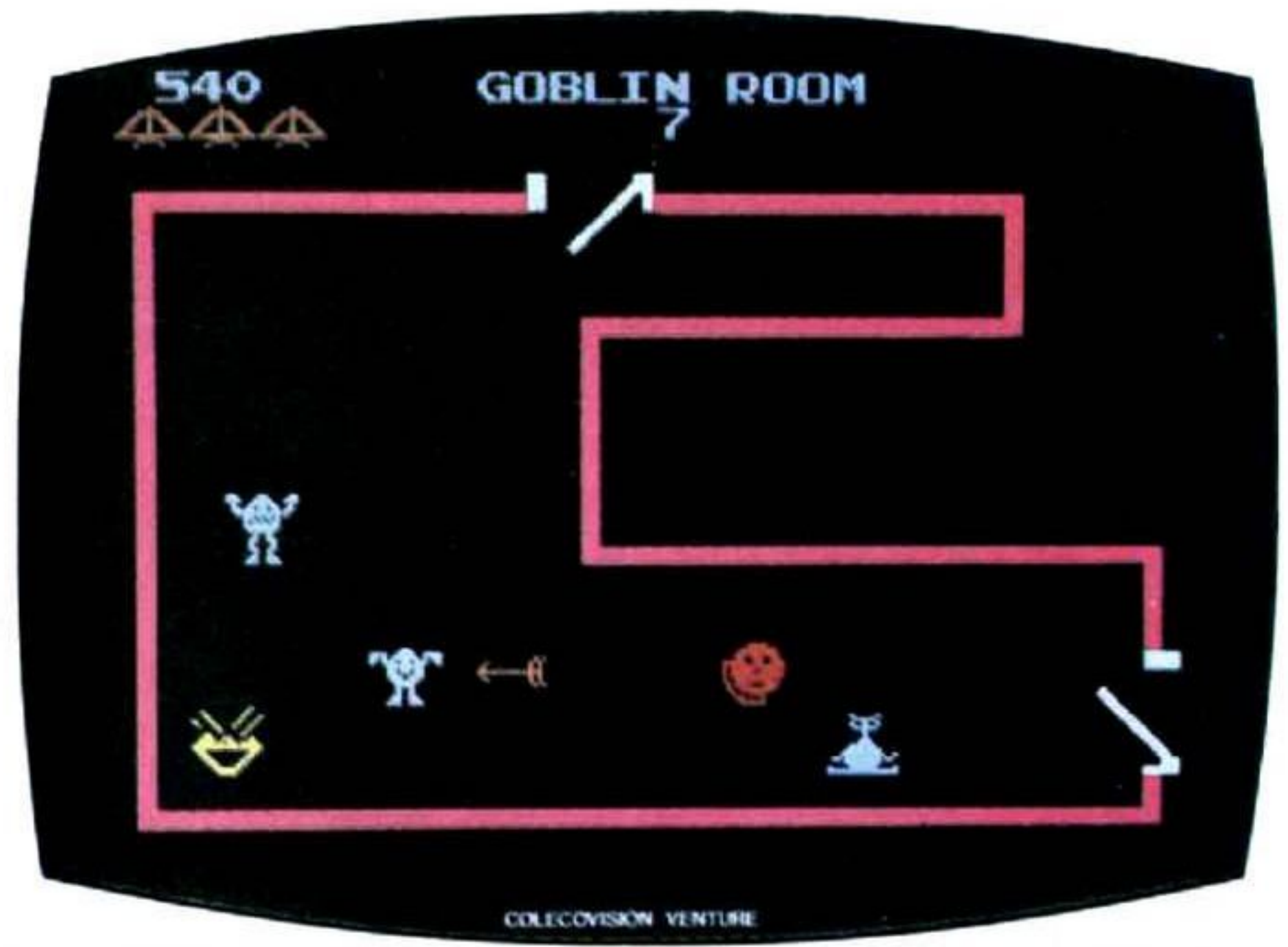
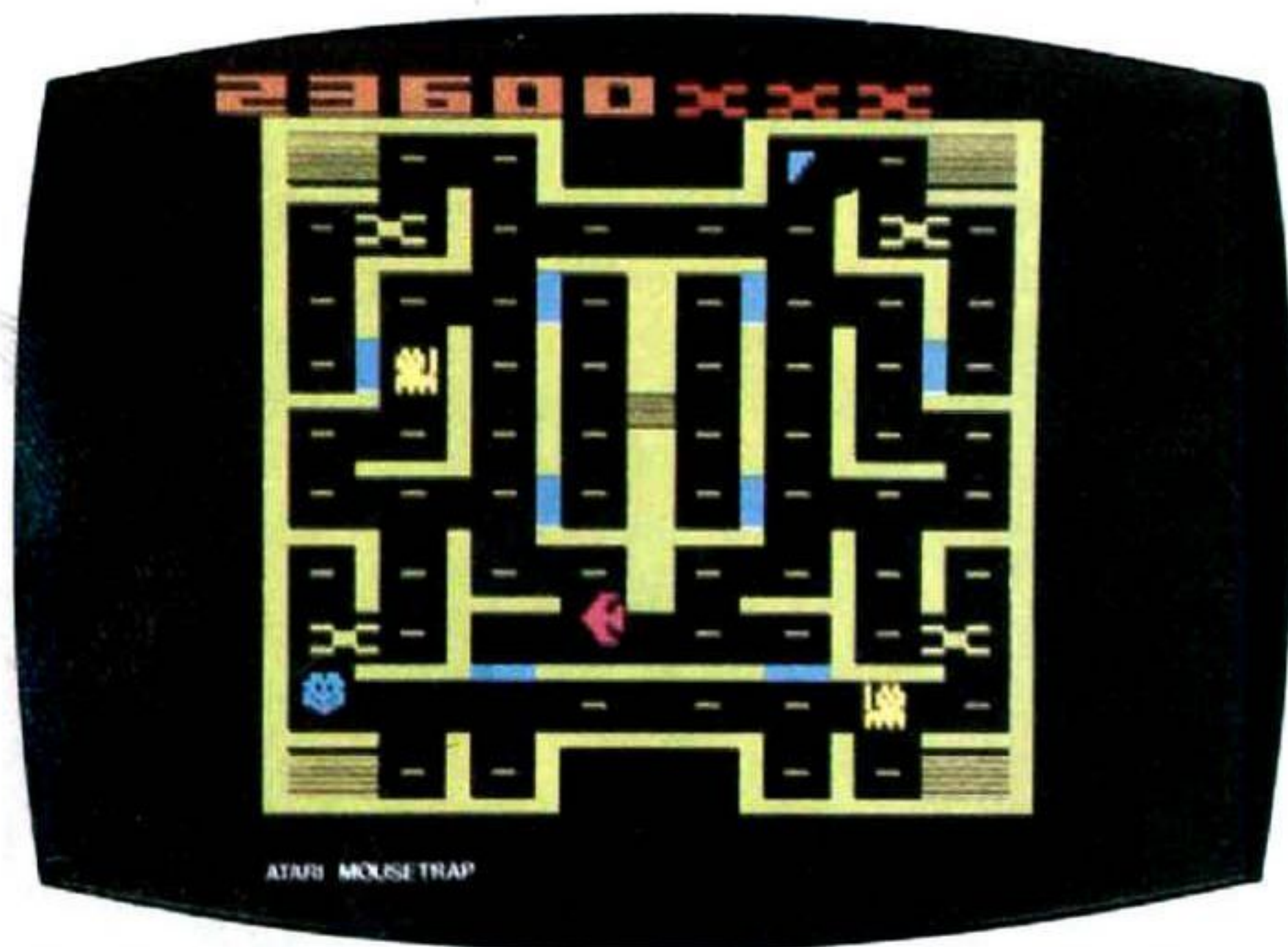
Of all the licenses Coleco has landed, none may prove more valuable than the Smurfs. Arcade licenses will attract arcade players to Coleco cartridges, and provide proven quality where gameplay is concerned. But the Smurfs are going to appeal to young and old alike who may not be videogame fanatics. For those consumers who already own a videogame system, Coleco has the Atari- and Intellivision-compatible editions of their two Smurf cartridges. But what Arnold Greenberg hopes is that Smurf-happy newcomers to videogaming will go for ColecoVision and its superior animation cartridge. That hope of selling consoles as well as cartridges was behind his thinking



when he went after the property for videogaming. Nor was he lacking firsthand knowledge about the Smurf phenomenon: Coleco has other Smurf products which are selling so fast they seem to bypass the stores on their way from factory to child. As one Coleco employee puts it, "I don't know why we bothered to put wheels on our Smurf ride-ons, train, and doll carriages. Those things fly off the shelves."

Coleco is not alone when it comes to cashing-in on these little blue folk who stand three apples tall: Wallace Beerie and Company, which agreed to represent the Smurfs in 1979 when the European critturs came stateside, will have put over a half-

million Smurf-generated dollars in the bank by the end of this year. They should have no problem surpassing that sum next year: The astonishing popularity of the NBC Saturday morning Smurf cartoon series, and the continued success of the Pierre "Peyo" Culliford children's books which introduced the Smurfs in 1958, suggest that we're witnessing the birth of a media staple on par with the likes of Mickey Mouse and the Peanuts troupe. If this is so, 1982 may well be the year that the magical Papa Smurf, Grouchy Smurf, the evil Gargamel, Smurfette, and their kin took on *Pac-Man*, *Asteroids*, and the entire Atari line to give Coleco a shot at the videogaming crown. 🎮



A pair of arcade games come to the home, thanks to Coleco. The screen pictured for Mouse Trap (left) is for the Atari-compatible cartridge. The screen for Venture is from ColecoVision.

their console to accept all Atari, Activision, and Apollo cartridges, and next year will unveil a module to convert ColecoVision into a personal computer.

Arnold Greenberg feels that this all-out effort is the only way for Coleco to go if they are to meet their goal, which is to make ColecoVision *et sequens* the best and topselling videogame system of the 1980s. To this end, Coleco has created a most impressive lineup of software. A balanced blend of science fiction, fantasy, action, and sport, their list also features some of the choicest licenses in the field. The company was able to land these extremely hot properties even though licensors were reluctant to sign with anyone but current industry leaders Atari and Intellivision. This is understandable, since most contracts call for licensors to share in the licensee's profits. However, the holdouts were swayed when Coleco decided to make cartridges not only for ColecoVision, but less sophisticated versions for Atari and Intellivision as well. As a result, in addition to the twenty-three ColecoVision games, ten titles are being made available for Intellivision owners, eight for Atari. Of course, another consideration which works solely against Atari in this licensing process is that they make arcade games as well as home games. Understandably, many of their competitors in the arcade field do not want to fatten Atari's coffers with profits from their own licenses.

Personally, Greenberg believes that the overriding factor which won Coleco so many licenses is the fact that ColecoVision doesn't "betray"

those elements which made the games popular in arcades in the first place.

"Manufacturers of coin-op games have reputations to look after, and they want their names attached to the best product possible."

Accordingly, he feels that in addition to the fine graphics of his system, licensors also saw that they could preserve the quality of *gameplay* in the versatility of ColecoVision's controls. Greenberg states with confidence that Coleco provides more precise control over game action than any other system—and the equipment speaks for itself. Not only does the joystick permit eight-direction movement nestled above a multi-purpose keypad and two independent action buttons, but the "roller controller" gives players the opportunity to change speed and position simultaneous with the other activities of gameplay. No other control system puts all of that capability in one unit.

(About the only bet Coleco missed



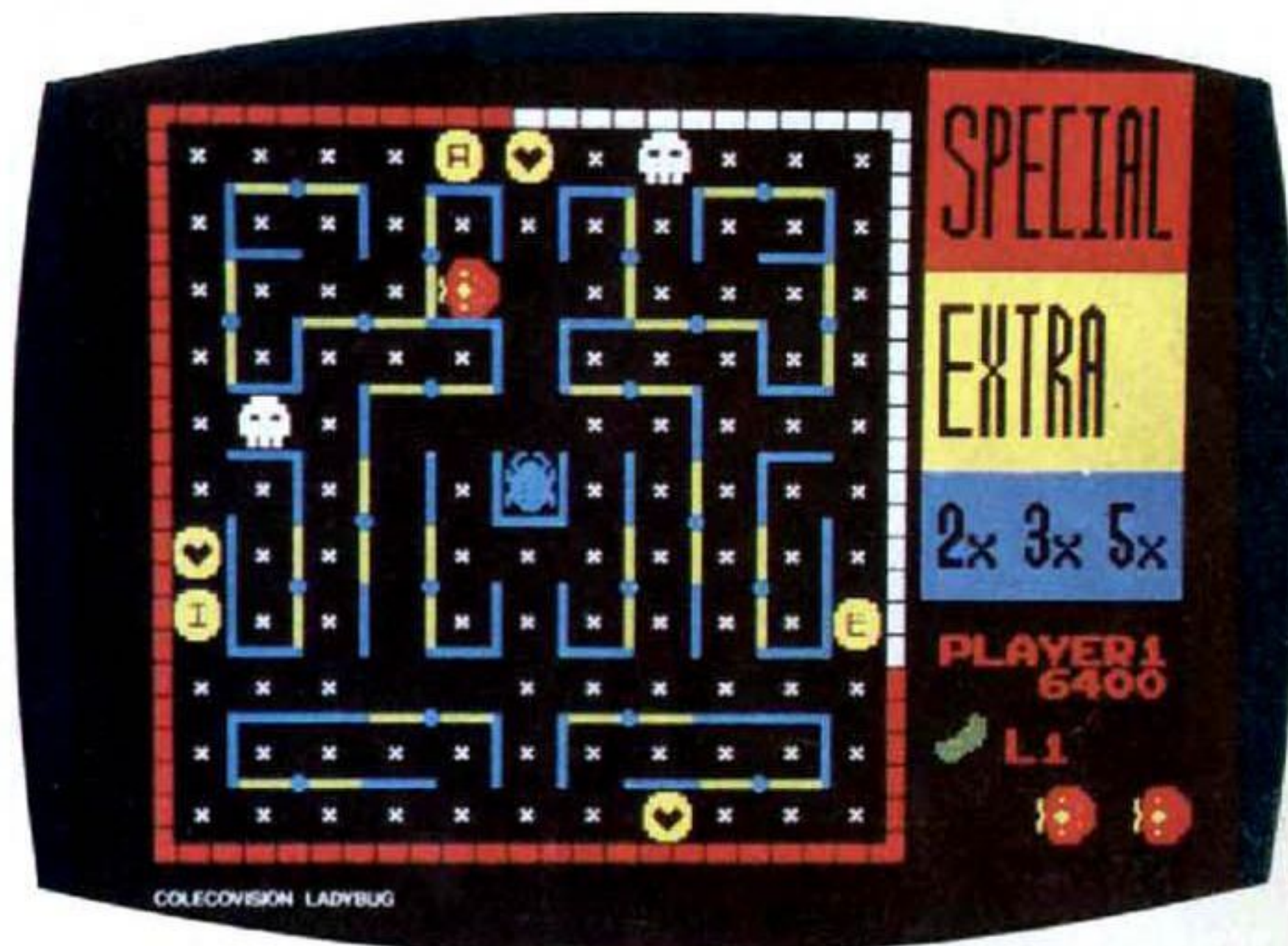
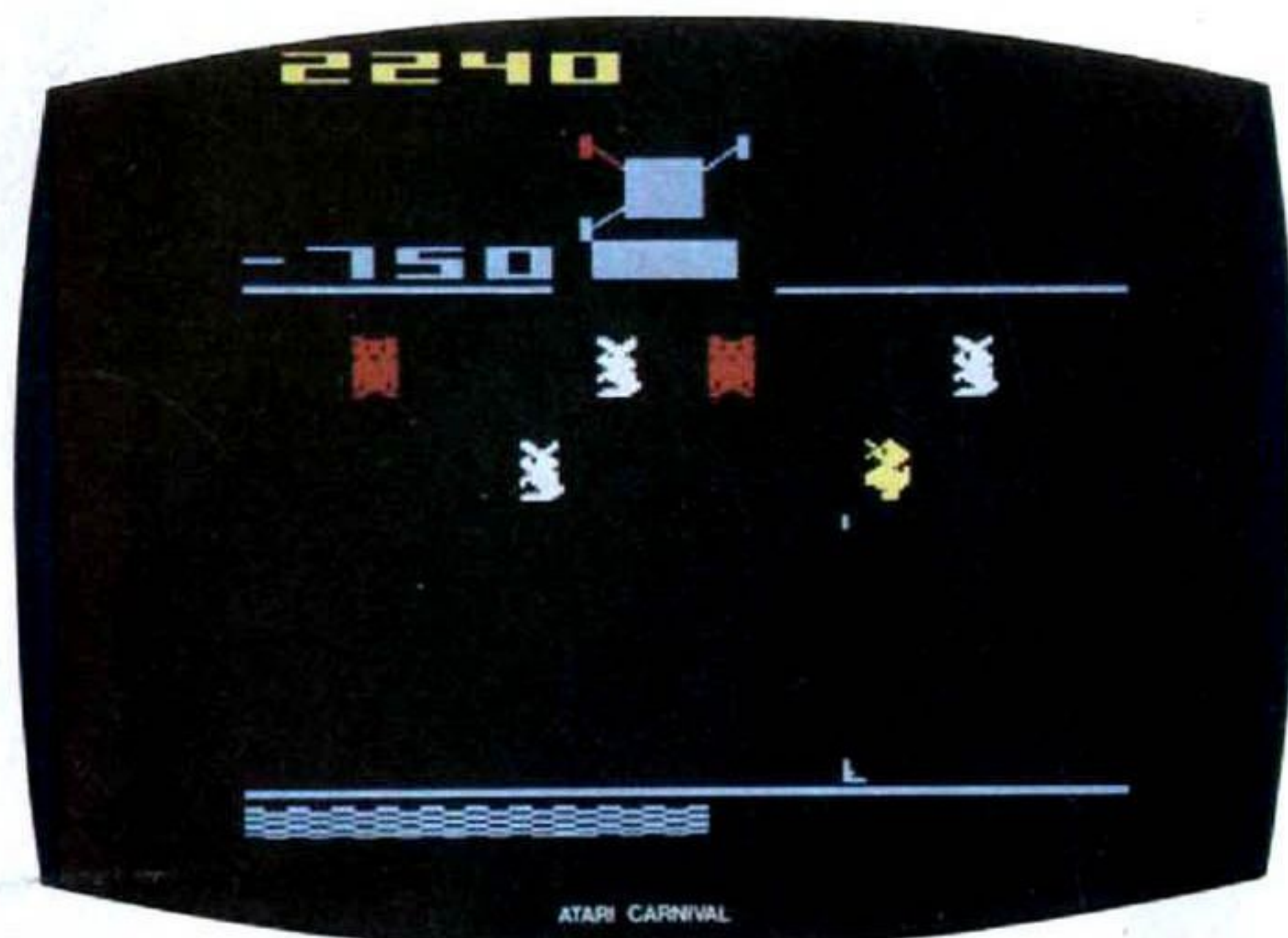
With an impressive fidelity, Donkey Kong comes to home videogaming.

was pressure-sensitivity as in "Le Stick," which will be discussed next issue.)

The most visible license is *Donkey Kong*, which is packaged along with the ColecoVision console—a sales-inducing cartridge superior to *Combat* and *Las Vegas Poker and Blackjack* which come with the Atari and Intellivision sets, respectively. An extremely faithful home screen translation of Nintendo's arcade smash, the *Donkey Kong* scenario features an ape who captures a carpenter's girlfriend and carries her to the top of a steel fortress. The carpenter must walk, run, climb ladders, and most importantly dodge barrels chucked by the ape as he races to the top of the edifice to rescue his inamorata. *Donkey Kong* is also available in Atari and Intellivision versions.

The other Coleco licenses are no less exciting than *Donkey Kong*, all of them bound to please even the most discriminating arcade-goers.

Coleco has all but raided the best of what Exidy has to offer: *Mouse Trap*, *Side Trak*, *Venture*, *Rip Cord*, and *Spectar*. *Mouse Trap* allows the player to guide a nimble rodent through the halls of a house, gobbling down bits of cheese and trying to avoid a hungry cat. If the mouse is unable to keep ahead of the pursuing puss, there is a secret tunnel which provides sanctuary. The player also has the option of making a dog bark to temporarily frighten the kitty. *Side Trak* is similar in that you're chased around a maze while trying to retrieve objects. In this case you're a train engineer rushing to pick up passengers as you travel around a tangle of tracks—hunted,



Coleco's target-shoot game Carnival (left) is pictured in its Atari version. The dressy screen beside it is the home version of the arcade hit LadyBug, shown in ColecoVision format.

all the while, by a killer locomotive. Though reminiscent of *Pac-Man*, the arcade version of this game in fact preceded the august maze-runner by two years. *Venture* is a series of games within one game, as the player goes from chamber to chamber trying to claim treasures, each guarded by a monster which must be slain. The player can stop at any point—though, as the game title implies, nothing ventured is nothing gained. *Rip Cord* likewise allows a gamer to play it safe or go for all the marbles. An airplane flies across the screen at different heights, and at some point you must bail out. There

is no wind factor as in Atari's *Sky Diver*, but there *are* helicopters which putter in and out and demolish the chutist upon impact. If you find your stomach turning nervously to cork, you can always end the jump early by landing on a cliff or a building; obviously, the closer you come to the ground the more points you score. Finally, there is Exidy's *Spectar*, based upon that company's *Targ*. The challenge is to travel through a maze while blasting various impasses; clear the screen and, unlike *Targ*, a new one appears, with a fresh layout and different cul-de-sacs.

Lady Bug and *Cosmic Avenger* are based upon the Universal arcade games. Similar to the Exidy maze games, *Lady Bug* requires the player to direct the insect around a torturous circuit, eating up dots as she goes, making certain not to consume poisonous capsules which litter the route, nor fall prey to one of the evil bugs which give chase. The only means of escape from the predators are revolving doors strategically situated about the maze. (The location of the doors differs from that of the arcade version, because, explains designer Tom Helmer of Coleco, "the

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The incredible space obstacle course called Zaxxon, pictured in all its glory! Pictured are challenges from the arcade and home versions, including the jagged laser barrier and homing missiles.

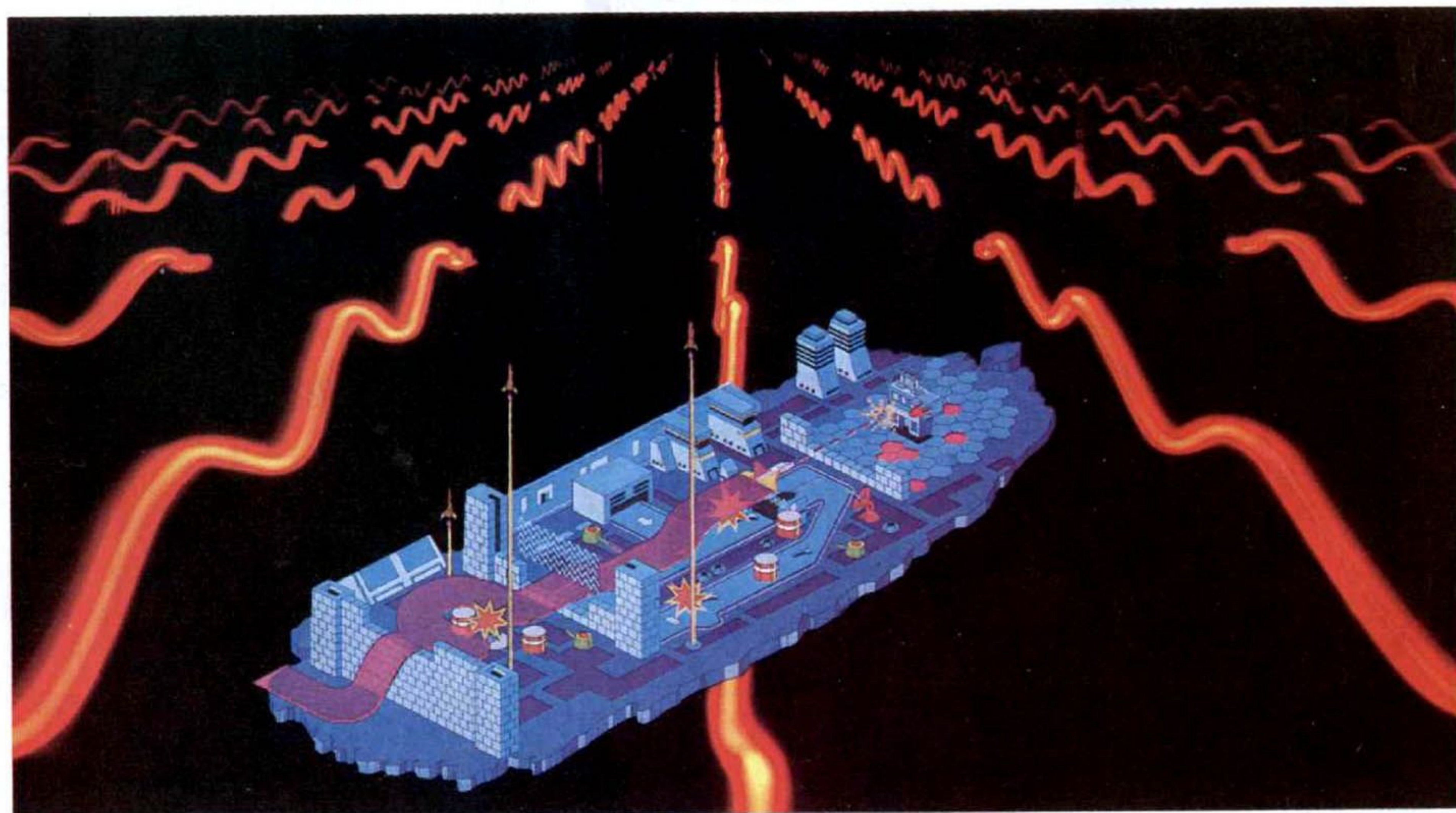


PHOTO BY DOUG BAIRD © 1982

COLECO

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arcade game is longer than it is wide, unlike most televisions—and we can't very well ask people to put their TVs sideways to play the game.") *Cosmic Avenger* is not so quaint as *Lady Bug*, the player waging one-person war against an alien civilization. The object is to maneuver the ship over land and undersea, firing at the enemy's missile launchers, rockets, tanks, and submarines while dodging return fire and mines.

The games from Sega/Gremlin, arguably the finest in the Coleco repertoire, are *Turbo*, *Zaxxon*, and *Carnival*. The graphics in the first two games are, in a word, breathtaking. Conceptually, *Turbo* is not unlike *Night Driver* from Atari or Astrovision's *Zzzap*. The object is to drive a car as far and as fast as possible without crashing, the point-of-view being from the eyes of the driver. The difference between this game and the others is that the scenery is not a white picket fence rolling by with occasional Lego-like geometric blobs representing houses and trees. The scenery—city streets, country roads, bridges, and tunnels—is magnificently detailed, the perspective changing dramatically as the player speeds along. *Zaxxon* is even more impressive, a space battle which pits the player's starship against the combined forces of an extraterrestrial fleet. Unlike *Cosmic Avenger*, this is a "dimensional" game, seen from over the player's craft. The vessel actually casts a shadow on the planet's surface as it swoops in low to engage enemy space-planes, rising to avoid walls, force fields, and other obstacles. *Carnival*, less striking graphically, is nonetheless great fun. It's a shooting gallery game with a twist: when least expected, the targets come to life and eat the player's bullets!

The last and most unusual of the licensed games is a pair of Smurf adventures, featuring the little blue people of book and TV fame. In *Smurf Action Game*, the object is for an heroic Smurf to evade pits, bats, cats, and birds while he journeys to the castle of the evil Gargamel. There, he must climb to a ledge where a Smurfette is held captive. In the *Smurf Educational Game*, a



Frogger, the popular arcade game, is also a Coleco table-top unit.

Smurf guides youngsters to mathematical problems such as "3 mushrooms + 2 mushrooms = ?"

Tunnels and Trolls is another fantasy-oriented game, though not quite so lighthearted as the Smurf cartridges. Cut from the *Dungeons and Dragons* cloth, this program comes closer than any to capturing the role-playing aspect of *D & D*. Unlike similar games from Intellivision, Atari, Odyssey, and Astrovision, *Tunnels and Trolls* allows players—in the person of a gutsy dwarf—to get stronger and wiser as they move from adventure to adventure. The impetus to succeed and to continue the argosy is thus more satisfying than the shallow accumulation of wealth. The player's nemeses include dragons, giants, and other assorted monsters; the player is never obliged to confront any of them, though without engaging in battle there is no self-improvement.



Coleco's table-top version of the arcade game Donkey Kong.

With the exception of *Dimensional Puzzles*—Rubik-like shapes which can be turned for viewing from any perspective—the remainder of the Coleco cartridges are videogame staples: *Head-to-Head Baseball*, *Head-to-Head Football*, *Fidelity's Chess Challenger*, *Fidelity's Las Vegas*, *Fidelity's Horse Racing*, and *Skiing*. Among all of the games, those which will be released in Atari format are the two Smurf cartridges, *Mouse Trap*, *Carnival*, *Venture*, *Lady Bug*, *Cosmic Avenger*, and *Donkey Kong*; for Intellivision, the Smurfs, *Carnival*, *Lady Bug*, *Cosmic Avenger*, *Mouse Trap*, *Venture*, *Donkey Kong*, and both *Turbo* and *Zaxxon*, whose detailed graphics remain impressive on the sophisticated Intellivision. To have made these two games for Atari would have simplified graphic details to the point of making it not worth the effort.

Despite the company's ups-and-downs over the years, Wall Street is predicting nothing but success for Coleco and ColecoVision. The independent brokerage firm of A.G. Becker is convinced that by the end of 1982 the videogames will have helped the company's income "surpass the \$300 million mark," nearly double that of 1981, while Adams, Harkness, & Hill gushes about Coleco's "video system that has better graphics than Mattel [*Intellivision*] which in turn means that it has far superior graphics to Atari," and counsels its clients that "there is a lot of money to be made by investing in Coleco."

Arnold Greenberg is flattered, but realistic. "I don't think that in 1982 any company will displace a single sale of any other company. The whole videogame field will be production-limited, and the top companies will sell all they can produce." He believes that 1983 is when the battle for supremacy really begins, "because by then we'll all be able to get out as much software and hardware as we want."

Can ColecoVision realize its ambition to become the bestselling videogame system of the 1980s? The struggle will be uphill, Greenberg admits, but he is quick to note, "A company which was founded in the midst of the Depression, by a young man from Russia who hadn't a penny to his name, is not one to be intimidated by challenge." 