"We're Just Getting Started"

What a decade-long, strange trip it's been, to paraphrase the bard of Bay Area folk rock, Jerry Garcia, in writing the chapter on Global VR in the annals of coin game success.

The story has its roots in Texas and New England and finds its heroes at present in Silicon Valley, toiling in the historical shadow of the first great video game success story with more than a few members of the original crew back on board. Just look at the names on the roster, including Mark Sherman, Frank Ballouz, Mike Taylor and Elaine Shirley. No, this is not an Atari déjà vu.

Global VR got its start in the late 1990s as part of the red hot movement of the day to leverage the promise of the PC for the sake of reduced R&D costs and the promise of a vast pool of potential content. They are one of the few companies from that movement remaining.

The factory, founded by Massachusetts native Milind Bharvirkar, is also the last in a long line of related, and sometimes combative, developers of one particular strain of the virtual reality craze. Their VR Vortek, now a staple in most high-end game rooms, represents a final draft of the so-called boom-mounted VR game, which emerged in the mid-1990s as an answer to health and operational concerns surrounding the more maintenance-challenged head-mounted display. (For more on Global VR’s roots in the VR world, see our sidebar interview with Bharvirkar).

Today, Global VR is one of the most-talked-about players in a more traditional sector of the business, that of making upright video games for street locations. The team roster also reads like a partial who's who of the coin-op and gaming industries, including chief technical officer Aaron Baker; executive VP engineering Ken Bayer; vice president of sales Mike Taylor; vice president of marketing Caryn Mical; vice president of finance Jim Thompson; director of business development Debbie Minardi; VP international business development Frank Ballouz; international sales manager Lou Rudolph; and regional sales managers Nancy Jansen, Elaine Shirley and Marty Smith.

Last year, they introduced what has become the firm's flagship product, EA Sports PGA Tour Golf, and earlier this year followed that up with the launch of an online tournament system to complement the popular title. In many ways, this new product also represents the culmination of many years of thought and debate in this industry by finally adapting a big-name consumer title, with literally millions of fans,
for the specific needs of the coin biz.

In fact, Bharvirkar says this has been the mission of Global VR all along to create a company that could tap into the growing resources of the home video game industry and still cater to the needs of operators by taking that raw material and repackaging (and essentially retooling) it in a way that will make money on location. It's not a matter of needing to reinvent the wheel but more like making a few minor adjustments to the drive train and adding some heavy-duty tires, still not cheap but a lot less than the now-ill-fated model of creating hardware and software from the ground up.

"This approach, using the talents of major game publishers to bring top-notch content to coin-op, has already proven successful both with our Vortek product and, more recently and even more profoundly, with EA Sports PGA Tour," said Bharvirkar. "And we are continuing to explore our relationships with partners in consumer publishing. I can't say much more except to assure you that we have big things in store for coin-op in the coming year. We're just getting started."

**In the Beginning**

Global VR launched their first product, the VR Vortek, in the spring of 1999 with a price tag comparable to other deluxe videos of the time. The unit offers walk-up-and-play capability, enabling attendant-free operation. With a unique cable-free BMD, players simply grasp the game control handles and pull the over-sized hood into place, no matter what their height. The deluxe system, which can be networked for competitive play, features superior optics, a highly responsive force feedback system and stereoscopic vision. Today, the company offers the game platform in three different configurations: standard, deluxe, and the new linkable Vortek V3, which was introduced late last month at ASI. Full product details are available on the company website at www.globalvr.com.

VR Vortek was launched in 1999 with one title, Heavy Gear II, and has since followed with seven additional titles: Sin, Beachhead 2000, Incoming, Operation Blockade, and Beachhead 2002 and Beachhead: Desert War. The unit enjoyed initial popularity with a handful of early adopters but really took off with the first Beachhead title, a popular software upgrade that saw impressive collections.

"The Vortek has great software and the unit itself really brings you into the game," said sales topper Taylor. "You feel like you are really involved. The unit's unique configuration really translates a certain physics of the action."

The success of Beachhead also helped spread the word about Global VR to a whole new community of operators (including many street routes that operate in bigger locations like bowling alleys, truck stops, etc.), prompting Global to, in turn, take a closer look at this much larger market.

Last year, Global VR launched a standalone game unit for operators wanting to tap into the Beachhead craze in more traditional street stops like restaurants and bars. Called the Pup, this upright trackball configuration proved popular with operators across the country. Last month at ASI, Global VR introduced the successor to the Pup in an upgraded format called the GVR SX. (By the way, Global VR was also slated to release a brand-new, upright shooting game, featuring Activision's Soldier of Fortune title in a brand-new cabinet configuration. However, the details were still pending as this issue of RePlay went to press. Look for more information on this game in next month's ASI coverage.)

In the interim, Global VR also acquired the assets to another factory attempting to develop a PC game
platform and leverage the possibilities of networking, Interactive Light of Santa Monica, Calif. That firm filed for liquidation bankruptcy, and GVR was able to save the firm's valuable content including several sports simulation games including the soccer title Kick-It and two football games. Today, they continue to sell Kick-It units to operators around the globe and to service the entire family of products, providing parts and expertise to their operator customers.

Golf, Anyone?

In early 2001, the name Tiger Woods began to be heard around the coin machine water cooler and it wasn't a rehash of Sunday's golf telecast, either. GVR had secured a license to bring the popular EA Sports Tiger Woods PGA Tour Golf game to coin-op, offering what might well turn out to be stiff competition for another, already popular coin-op golf game.

Ultimately, the game was released without Tiger's name, but to no less fanfare. The issue, according to company tops, had to do with restrictions on promotions, an area in which they have big plans. In fact, GVR intends to leverage the PGA (Tour) license for a whole range of promotions, including on-location competition when the actual tour comes to town as well as the ability to earn affinity points in the video game tournaments that will be good for PGA (Tour) licensed merchandise online. In addition, they have discussed offering special prizes like the chance to play a round with a real PGA pro or box seats at professional sporting events.

The factory also intends to use its licensing relationship with EA Sports to keep the game fresh, with the newest version already showing a significant visual improvement with crisp graphics that reveal every detail of the course action. "You are going to see continuous upgrades with more courses and more players each year," Bharvirkar told a packed house of leading U.S. distributors last summer when the firm held a meeting in the Bay area to launch the game. "I am pleased to say that the EA Sports PGA Tour Golf experience is as close to an emulation of (the true golf experience) as you will find. From the ripple effects of the water to the true swing of the club to the cheers of the crowd, I am proud to say that our game captures the game of golf in its purest form."

Earlier this year, Global VR launched their first cash prize tournaments, handing out prize money totaling $10,000. The grand prizewinner took home $5,000, and 99 additional cash prizes were awarded. Future tournament plans call for play on both real and new fantasy courses, with a prize pool that will increase on a regular basis. The prize pool for April has increased to $25,000.

The tournaments are run on a flat-fee basis for operators and are designed to appeal to a wide range of players. They will offer new and challenging tournament courses, cash grand prizes and a prize pool that promises to be in the millions of dollars before long. In addition to cash, Global VR plans to include PGA Tour merchandise in its prize offerings.

GVR has also introduced a form of league play called the Tour Challenge Mode that will offer access to the game's special Fantasy Courses as well as the chance to win so-called bankable points that can also be counted toward redeeming an online licensed prize in lieu of cash winnings.

"We started out trying to create virtual experiences, and have evolved into creating real-life communities of players," concluded Bharvirkar. "That's what's truly amazing about this industry: the ability to create a game that will ultimately have a very real impact on people's businesses and personal lives. Who could ask for a better job?"
Sidebar Interview with Global VR's Milind Bharvirkar

"Don't Sell Your Route"

Global VR Topper Says the Future Looks Better Than Ever for Coin-op

The driving force behind this month's Cover Story is Global VR founder Milind Bharvirkar, or simply Milind (pronounced "ma-lend") to those who know him even casually. He's intense, charismatic and sometimes controversial, but he is also well-liked by his customers and has even earned the begrudging respect of some of his competitors for the tenacity with which he has pursued his vision.

The 35-year-old company president may have added a few gray hairs to his coiffure in recent years, but the youthful sparkle in his eye reveals the passion that has fueled his company's rise from the ranks of virtual reality upstarts to full-fledged video game factory.

In the midst of battling a lawsuit (see story elsewhere in this issue), RePlay editor Steve White caught up with Milind to put the question to him about where he came from and where he is headed. During the course of that interview, he expressed what may seem like irrational exuberance to many, saying: "Your average street location will finally have the opportunity to promote something on a larger scale, almost like a mini Dave & Buster's. In my humble opinion, it's the wrong time to sell your route."

SW: You seem according to all reports to have a genuine passion for arcade games. Were you an avid player of games in your youth? What were your favorite games?

MB: I do love making games. Have a passion about what you do for a living, and it won't feel like a job. My favorite game, by the way, was Galaga. The important thing to remember, though, is that I love selling games more than making games. Too often in this business, developers make games that they would like, and they forget about what the market wanted.

Tell us a little about your personal and professional background so the readers can have a sense of where you are coming from. Where did you grow up? Detail some of your early professional experience. What led you to the coin-op games industry?

I'm from Springfield, Mass., New England Patriots country. I went to U-Mass where I studied business and engineering, although I never finished an engineering degree. I also served eight years in the National Guard. Most of my early years were spent working for a mentor of mine who owned several businesses. I progressed into corporate sales and sales training, but eventually I left Massachusetts in search of warmer weather. Soon after, a friend of mine was looking for help raising capital in the coin-op industry. I decided to help him. That's how I got in the business.
You started in the virtual reality game space, a place that has seen numerous companies, now discredited, come and go. What attracted you to that technology and led you to believe that it could be a viable form of game room entertainment?

A few years back, virtual reality was the hot buzz in our industry. Virtuality (a U.K. manufacturer that later went out of business) had great success out of the gates, but it was short-term due to all the problems with HMDs (head-mounted displays). The first time I saw a BMD (boom mounted display), it looked to make all the sense in the world. But I was disappointed in the quality of the games in both systems. I knew if we married a great game with a BMD system, it would be innovative and fun and operator-friendly.

I remember seeing a boom mounted shooting game (possibly using a tank theme) at the 1994 AMOA in San Antonio that in some ways represents your company's ancestry. Can you explain the evolution for us?

Sure, I think the name of that company was Virtual Systems. A friend of mine, Franklin Wilhelm, worked for that company. For some unknown reason to me that company went out of business, yet it had great success selling the first BMD system. Franklin started his own company, which I helped grow in its early stages. We lost Franklin to a tragic illness before the company went out of business, which I know was a loss for our entire industry. I'm confident he would have made a difference in our business. Nonetheless, I was persuaded by investors to pick up the business from where it ended: thus, Global VR.

At what point did you launch the company that has become Global VR (Virtual Technologies Inc.)? Tell us how you got the firm off the ground.

I was living in Massachusetts when a company in San Jose offered to fund my project. After moving out to California, the company ran into some hard times and was unable to move forward with the funding. So, out of my apartment, I wrote a business plan, and within a month, I recruited a few engineers. The rest is history.

What happened to the effort to standardize the game platform using Windows and Intel hardware (remember the Open Arcade Architecture Forum), a movement that Global VR was a part of? Do you think it's still possible?

Intel lost interest after receiving moderate success. Out of the 80-plus companies in the OAAF, only a handful were successful. I think standardizing a game platform using Windows and Intel hardware is possible. But that won't help our industry unless manufacturers build fun games with the technology. In the home industry, nine out of 10 games lose money. We face the same challenges in our industry. That's why I think Global VR is important to the future of coin-op. Beyond our hardware technology, we have a talented team that knows how to build fun games.

You were ahead of the curve in advocating the use of modified consumer software for coin-op. What spurred that vision, and what has allowed you to keep at it over the past five-plus years?

When I worked for my first company in the industry, we proved to have a great hardware system but a lousy game. I would watch people play our system for the "novelty" experience, but they would not play the game twice. We spent $2 million making that lousy game from scratch. I was one of the first people to approach home publishers for their content. I knew it was possible to recreate a game for a fun experience in the coin industry. It's not easy or cheap, though. Today, we spend millions porting games for coin-op, but it is still a fraction compared to what a company like Electronic Arts spends for a AAA
What do you see as the biggest competitive force to our industry as a whole, and how do we go about winning the customers' (i.e., the players') business and loyalty?

The biggest problem with our industry is the majority of products are made for another market (Japan). We need more companies to localize products for the domestic market. That means meeting with players, operators, distributors and locations to understand what the market needs. At this point, it's obvious that tournaments have a lot to do with the recent success of our industry. Tournaments have built organized player communities that never existed in our industry, and it has built a sport out of video gaming. The problem is many of today's tournaments are catered toward high-end players, which explains why there is such a discrepancy in revenue between many games. We intend to reinvent tournaments so that we can cater to both the high-end and average player.

Look into your proverbial crystal ball and tell us what you see for the future of the coin-op games industry.

The near future never looked better! What this industry needs and is about to be delivered is a line of products that are priced for the street market with consistent high-quality software and annual updates, all tied into one central tournament system. Your average street location will finally have the opportunity to promote something on a larger scale, almost like a mini Dave & Buster's. In my humble opinion, it's the wrong time to sell your route. Beyond that, stayed tuned, Global VR has even more big plans that will soon be revealed.

What's the biggest question about this industry that remains unanswered for you?

That's an excellent question. First, will we be able to penetrate the nearly 70% of street locations out there that don't have coin-op? Today's food franchises are concerned about their brand and the environment they provide for their customers. They don't want us to stick in traditional arcade games that don't match the atmosphere they have designed. We need to specialize for this market. How many manufacturers are willing to do that? Second is a question targeted toward ourselves. Today's world changes faster than it ever has. What used to take 20 years now happens in five years, and the speed of this cycle is always increasing. Our industry is four to five years behind the home consumer market, and the consumer market changes every six months. The one critique I have of the industry that I love is this: we are slow to change. In order to move into the future with a solid place at the table, are we, as an industry, ready to embrace the necessary changes for us not to survive but to flourish?

SW: Thanks, Milind.