Aeden Brookshire Mr. Pool COM 150-A 16 October 2024

Informative Speech Outline

Introduction

- I. (Attention) Cyberpunk 2077 is a brilliant game with incredible graphical capabilities and over 105 hours of content—including the main story *and* all side missions—but, it was not always this way. If we turn back to 2020, upon the game's release on December 10th, we find a very rough launch. A Gamesradar+ post by Hirun Cryer, a freelance reporter and writer at Gamesradar+, lists *many* of the various glitches and bugs that were (and possibly still are) found in the game. These range from harmless graphical errors—like a tree bending and smearing across the screen. To more harmful system errors that make the game nearly unplayable—a player attempting to take down an enemy, only to be launched and killed by the fall damage. This post doesn't even mention all the story breaking bugs that make many missions nearly impossible to even start properly. For a team with over 1300 awards and over 80 million copies of games sold, why was this game released so half-baked and in such an unplayable state?
- II. (Need) By understanding why some games are released in such horrible conditions or never get released at all—sometimes even with the entire team getting fired (IE: Private Division with their KSP 2)—you'll know how to save your money from bad game releases. Especially when it comes to large preorders like Cyberpunk 2077.
- III. (Authority) As someone who has thoroughly researched this topic and experienced some similar let downs on game releases, I will walk you through how these problems occur and how to avoid investing in an unfinished game.
- IV. (Central Idea) Today I am going to talk about the significance of shareholders on AAA game companies.

Body

- I. First, who even are the shareholders? How have they become so important to the game industry? And what are the signs you should look out for when planning to invest in an upcoming game?
 - A. According to Adam Hayes, an assistant professor of sociology and anthropology at the Hebrew University of Jerusalem, "A shareholder is a person, company, or institution that owns at least one share of a company's stock or a share of a mutual fund." Video game companies usually start as small startups. In their early days, they typically require funds from venture capital investors. Because of this heavy dependency the companies have on shareholders, the biggest shareholders of a company tend to hold the most power in the company.

- B. To understand their impact on industry, let's look back at 2020. When everyone was quarantined during the pandemic, more games were being played than ever before. A post by the National Library of Medicine says that there were around 2.7 billion gamers in 2020. This was huge for the game market and brought in huge amounts of investors. In a post by Brent Vegliacich, a manager of private equity at Selbourne Consulting, it's explained that "Investment in the gaming industry [...] reached a new high [...], up 77% from 2019." This massive increase in profits was great for the industry. But once everything settled down and everyone started going back to work, these numbers plummeted. Here's where the shareholders come into play. They began pulling out money from these companies and their projects, this drove the industry into a economic nose dive. According to a Wikipedia article, "Over 10,000 jobs were lost in 2023, and an additional 13,000 jobs were lost in 2024 from January to September. [...] Including major job cuts from Embracer Group, Unity Technologies, Microsoft Gaming, Electronic Arts, Sony Interactive Entertainment, Epic Games, Take-Two Interactive, Sumo Digital and Riot Games."
- C. So, how can you avoid investing in these bound-to-die companies and projects?
 - 1. First, look at a company's track record. Focus on companies with a good history of meeting deadlines and delivering successful games. Companies that very commonly put their workers into crunch time are a *red flag*. Crunch time, according to Wikipedia, is the "compulsory overtime during the development of a game." They also state, "Crunch is common in the industry and can lead to work weeks of 65-80 hours for extended periods of time, often uncompensated beyond normal working hours."
 - 2. Next, look at a company's financial stability. More specifically, their diversified income streams. Ensure that they are not overly reliant on a single game's success or the funds of an investor.
 - 3. Similarly, be cautious of companies where shareholders exert too much control over creative decisions. If an investor prioritizes short-term profits over long-term success, it can lead to poor-quality releases.
 - 4. Last, look for companies with committed investors. This is harder to spot but, it is important to recognize that investors may pull out if they lose confidence in the project's direction, *especially* during the early development stages.

Conclusion

- I. (**Summary**) So, I have now told you who shareholders are, how they have become so important in the game industry and the signs to look for when planning to invest in an upcoming game.
- II. **(Zing)** According to a post by AFP News on International Business Times, "Video game maker CD Projekt RED has lost billions in value since the ill-fated launch of its much-hyped Cyberpunk 2077 title last week [...]," the page also

- explains how the company's stock value sank from roughly over 10 billion dollars to 8.8 billion dollars in a week.
- III. (Closure) Shareholders play an important role in game companies. They can often make or break a game's release. Hopefully now that you are aware of the telltale signs of a risky investment, you can make an informed decision—

 especially when it comes to those risky pre-orders.

Works Cited

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