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Informative Speech Script

Introduction

- I. **(Attention)** For the CD Projekt Red team, with over 1,300 awards and over 80 million copies of games sold, why was Cyberpunk 2077 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—you’ll know how to save your money from bad underdeveloped 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)**
 - A. Today I am going to talk about the significance of shareholders on AAA game companies by explaining who shareholders are and their role in game companies
 - B. Then discussing the impact of shareholder pressure on recent game releases like *Cyberpunk 2077*
 - C. and finally offering insights on how gamers can avoid falling victim to poorly managed launches influenced by shareholders.

Body

- I. Who even are the shareholders and how have they become so important to the game industry?
 - A. 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.
 - B. 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 on shareholders, the power in the company tends to be held by the biggest shareholders.

II. The impact of shareholders on recent games (like Cyberpunk 2077)

- A. In 2023, the Embracer Group—an entrepreneur group that funds teams like Gearbox, Deep Silver Volition and even Coffee Stain Studios—had a \$2 billion funding deal fall through.
- B. This led to widespread layoffs and the closure of many studios, including Volition (The team behind the Saints Row games).
- C. Similarly in 2020 we saw the poor release of Cyberpunk 2077.
 - 1. With shareholders eager to capitalize on the holiday season, heavy pressure was put on the CD Projekt Red team—Despite the team pushing for more time to fix bugs, particularly on last-gen consoles.
 - 2. From an Esports and The Law article by Brian Roberts, “Kicinski allegedly misled investors during a September 4, 2020 conference call to discuss CD Projekt’s financial results, stating Cyberpunk 2077 would be playable from day one, November 19, 2020, for Xbox One and PS4, and that ongoing development work was normal.”
 - 3. The faulty release caused the team to lose around \$50 million in refunds alone.
 - 4. Due to the console’s nearly unplayable performance, the game was dropped from the PlayStation store and Sony and Microsoft would be forced to offer customers a fully refund.
 - 5. New York Times post by Mike Isaac—a reporter that covers tech companies and Silicon Valley—and Kellen Browning—a reporter covering the tech industry and video game industry—states:
 - a) “Lawyers and investors in Warsaw are circling the situation, contemplating a class-action lawsuit against the company for what one attorney described as potential criminal “misrepresentation in order to receive financial benefits.””

III. So, how can you avoid investing in these bound-to-die companies and projects?

- A. 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*.

- B. 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.
- C. 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.
- D. 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)** Now let's go back to the failed deal with the Embracer group.
 - A. What if a bigger deal had fallen through?
 - B. Would we have lost the Gearbox team?
 - 1. The team behind the Borderlands franchise, Tony Hawk's Pro Skater 3 and the Duke Nukem games.
 - C. What if we lost Coffee Stain Studios?
 - 1. The team behind games like: Satisfactory, Goat Simulator and Valheim.
 - D. What if it were any other team? What if the team behind one of your favorite games were to disappear from failure to meet unrealistic shareholder pressures?
- 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

- “Mergers & Acquisitions: Key Considerations for Video Game Transactions.”
RSS, www.selborneconsulting.com/post/mergers-and-acquisitions-key-considerations-for-video-game-transactions. Accessed 20 Oct. 2024.
- Isaac, Mike, and Kellen Browning. “Cyberpunk 2077 Was Supposed to Be the Biggest Video Game of the Year. What Happened?” *The New York Times*, The New York Times, 19 Dec. 2020,
www.nytimes.com/2020/12/19/style/cyberpunk-2077-video-game-disaster.html.