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## New home videogames poised for comeback

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Home videogames, the spectacular rags-to-riches-to-rags electronics gadgetry of the late 1970s and early 1980s, are poised for a rebirth.

That's the word from three major marketers hawking a new generation of game consoles and cartridges loaded with improved graphics at last week's Consumer Electronics Show here.

Atari Corp., Nintendo Corp. of America and Sega of America say they will have arcade-quality games on the market for Christmas and revive the long-dormant segment. They plan to spend a combined \$35 million on advertising in the last four months of the year.

The entire videogame category accounted for less than \$5 million in ad spending in 1985. U.S. sales of videogame consoles plummeted from a high of 8.2 million units in 1982 to about 1 million last year, according to the Electronic Industries Assn. Sales are projected to rebound to the 3 million-unit level this year, with most of the action expected in the fourth quarter.

A strong recovery could further threaten the sluggish market for low-price home computers, which stole the CES spotlight from videogames four years ago. Last week's show had only one major exhibitor of home computers, Atari. Struggling Commodore International Ltd. showed its computers in a small room off the show floor.

Sunnyvale, Cal.-based Atari, which pioneered the videogame business and controlled about 70% of the market during its early '80s peak, will break a two-pronged spot tv campaign in September for its game consoles and software. Atari has tapped yet another new agency, Richard & Edward's, New York, to handle the effort.

Richard & Edward's has created separate 30-second tv commercials supporting the Atari 2600 (an under-\$50 machine targeted at 5-to-12-year-olds) and the 7800 (a more sophisticated, under-\$100 player geared to teens). The 2600 spot, themed "The fun is back," pitches classic 2600 games such as Space Invaders via a rap music theme. The 7800 spot touts the arcade-like quality of the system and more advanced software with the claim "We've reinvented the videogame."

Atari has been handling its advertising in-house since it parted late last year with Humpal, Leftwich, Luack & Sinn, Palo Alto, Cal. Richard & Edward's is the fifth agency to work on the account since Jack Tramiel took over the company in mid-1984 from Warner Communications.

Atari told dealers at CES that it plans to ship 2 million units of the 2600 this year, up from about 1 million in 1985.

Unexpected strong sales of that machine last Christmas prompted Atari to expand its commitment to videogames this year (AA, Jan. 27).

Redmond, Wash.-based Nintendo of America, which began marketing its videogame gear in the U.S. only last fall in a limited test in New York, will spend \$20 million this fall on ads to support the national rollout of its Nintendo Entertainment System. To enhance its reception with dealers, Nintendo has enlisted Worlds of Wonder, marketer of the Teddy Ruxpin bear, to manage its sales team for the fall introduction.

The Nintendo system features an interactive, videogame-playing robot, a hand-held video "gun" and flashy arcade-like graphics. Nintendo is the U.S. arm of a Japanese electronic-games marketer of the same name, best known here for its Donkey Kong arcade game. Nintendo claims a 95% share of the home videogame market in Japan and a 50% share of the U.S. arcade market.

Nintendo agency Geers Gross Advertising, New York, has created two 30-second commercials for a network and spot tv campaign set to break Spet. 8. One spot targets the primary market for the videogame system -- children ages 8 to 15 -- and the other promotes the system and 27 game cartridges to parents.

Gail Tilden, Nintendo spokeswoman, said at the CES that the company is projecting sales of 1.5 million units of the \$160 NES by yearend.

Sega of America, the U.S. marketing arm of Japanese videogame marketer Sega Enterprises, unveiled at the CES a compact videogame system that features game cartridges about the size of a credit card.

San Jose-based Sega told dealers at CES that Nintendo's successful market test of its system encouraged the decision to roll out Sega's Master System this fall, backed by a planned \$9 million ad effort. The company's president, Bruce Lowry, is a former Nintendo executive.

Sega's \$150 system accepts the company's compact-size and standard game cartridges. Print ads, created by J. Walter Thompson USA, San Francisco, feature hightech graphics and the theme "Now, there are no limits." Sega has said it plans to review agencies this month (AA, May 26), but JWT is handling the account for now on a project basis.

Sega expects to sell 750,000 to 1 million units of Master System this year. The company says it will offer 20 to 25 games.

**LANGUAGE: ENGLISH**

**GRAPHIC:** Photos 1 and 2, Mom, Dad and two sons marvel at the numerous fun activities available in Nintendo of America's new videogame package in this new spot from Geers Gross Advertising, New York.