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Subject: EA responds to criticism

Posted by [terminator 101](#) on Thu, 30 Nov 2006 23:19:57 GMT

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<http://www.gamespot.com/news/6162530.html>

Quote:Electronic Arts' game adaptation of the hit summer movie Superman Returns was originally expected to release alongside the movie in June. However, in May EA told investors that it was "prioritizing game quality higher than making that date," and so had delayed the game to coincide with the movie's release on DVD.

EA's Superman Returns finally arrived in stores last week and was met with unkind reviews. Now one industry analyst is calling the situation "a microcosm of EA's continuing woes," and pointing to it as one part of a larger downward trend for the publisher.

"Poor reviews and quality are beginning to tarnish the EA brand," Pacific Crest Securities analyst Evan Wilson told investors in a note distributed this morning. "According to our ongoing survey of GameRankings.com aggregated review data, Electronic Arts' overall game quality continues to fall."

A sister site to GameSpot, GameRankings.com compiles and averages review scores from hundreds of press outlets to allow readers access to a variety of opinions on any given game.

"Reviews of all of EA's annualized titles, its primary source of profit, have declined over the past two years," Wilson noted. "Although market share has not declined dramatically to date, in years such as 2007, which promises to have tremendous competition, it seems likely if quality does not improve. EA's aggregate review has also declined significantly in the past two years."

Wilson listed 20 of EA's recent annualized franchises, with averaged GameRankings scores by year across all platforms. For more direct comparisons, he also included scores for just the PlayStation 2 versions of the games. In nearly every case, the most recent version of an EA game scored lower than the version released in 2004. The company's NHL franchise maintained its 75.1 percent average across all platforms, while its MVP Baseball franchise notched up its multiplatform average from 86.3 percent to 86.7 percent.

As for which series were falling short, Wilson singled out "dramatic swings" in the average PS2 review scores of some of the company's top franchises. The analyst's numbers show that Need for Speed's averaged score has dropped 5.8 points, and NBA Live shed 13.1 points over the last two years. He noted that reviews don't always correlate to sales, but they tend to mirror a game's quality, which can affect its retail fortunes.

"The widespread industry belief is that one or two bad iterations can ruin the long-term value of a license, and we agree," Wilson said.

According to Wilson, EA has also missed some opportunities with its attempts to establish new franchises. He noted poor reviews of Superman Returns, Batman Begins, Marvel Nemesis, NFL Head Coach, and Arena Football in particular. And while The Godfather fared better with the critics than that batch, Wilson said the game's development and marketing costs kept it from meeting EA's profit expectations.

Wilson couldn't point to any one thing within EA that would cause a decline in game quality, but he said the company failed an attempt to standardize its studios on the RenderWare engine, was enduring "excessive employee turnover" that lowered the average experience level at the company, and that it has perhaps focused too much on quantity and not enough on quality.

Despite the down tone of the note, Wilson remained positive on investing in EA as a long-term opportunity, calling it "the marquee developer and publisher of video games."

"However, higher-than-expected development expenses, a ballooning number of developers and poor game quality have hurt EA's operating structure, in our view. Electronic Arts' growth rate and earnings power, we believe, will lag its top competitors in the near term."

And the response from EA

Quote:An EA representative has responded to Wilson's note, saying, "The EA brand is strong with great games from franchises that continue to break sales records. Across the portfolio, EA always strives to drive innovation and quality into its titles. EA continues to invest in next-generation development and technology which will translate into high quality gaming throughout the next console cycle."

No comment from me. It took them that long to figure it out? And that response is pathetic wit big "P".

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