

Purple Pawn's

2012 Worldwide Game Industry Survey

Covering non-sports, non-video games

<http://purplepawn.com>

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Introduction

This report contains the results of a survey sent to over 7,700 companies in January and February 2013. The companies surveyed are companies that make money by means of traditional and modern tabletop games, which are games that are not sports (ball games, yard games, billiards, bar, and similar games) and not video games (console, PC, mobile, and handheld electronic games). Products of interest include:

- Board games
- Card games and collectible or trading card games
- Tile games
- Dice games and poker materials
- Role-playing games
- War games, and miniatures created for tabletop war games
- Puzzle or Solitaire games (but not true puzzles, such as jigsaw, brainteaser, etc)
- Any product or service used to create, enhance, organize, market, sell, ship, or package these games

Any company, regardless of its primary industry, that makes money through these games – via licensing, publishing, producing, selling, and so on – was considered.

I visit all of the websites and/or contact by email all of the companies that I survey as well as several hundred others. I received fewer responses this year than in previous years: 212 responses. This year's data and analysis reflects my research and the lighter-than usual pool of responses, so its representation as regards the industry as a whole must be weighed accordingly.

Summary

4.7% of the companies I researched closed in 2012 (or effectively earlier, but they finally admitted it in 2012). Single-game game companies closed at twice the frequency (7.7%) of other companies (retailers 4.4%, other companies around 3.4%).

I received responses from 22 countries and 29 US states. 2012 was apparently was much like 2010 and 2011. Of those companies that didn't close, the overwhelming majority are doing fine or even better than last year – only 15% report doing worse than last year.

23 companies in my research acquired another company (or were acquired). 4 opened new subsidiaries. 64 companies indicated that they are expanding company assets compared to only 7 that indicated that they are consolidating.

Among the responding retailers, the top five performing game lines from 2010 and 2011 – Hasbro's *Magic: The Gathering*, Mayfair Games' *Catan* products, Rio Grande Games' *Dominion* products, Game Workshops' *Warhammer 40K* products, Paizo's *Pathfinder RPG* products, and Days of Wonder's *Ticket to Ride* products – were the top again this year. *Pathfinder* products

outperformed *D&D* products by 2 to 1, just as they did last year. *Cardfight: Vanguard* is a new entry that topped the charts at several retailers, while gaming accessories, including card sleeves, continue to be strong dependable sellers.

The top selling product lines are just that: lines, not just products. *Magic, Catan, Dominion, Warhammer, Pathfinder, Ticket to Ride, Carcassonne, Yu-Gi-Oh* are families or products with multiple entry points and mix-and-match expansions.

Allegedly high selling mainstream games like *Monopoly* and *Scrabble* are not reported by the responding retailers, which do not include major retailers such as Wal-Mart, Target, or Toys-R-Us. Amazon.com doesn't list *Monopoly* in its top selling games¹. Target, Toys R Us, and Barnes and Noble list *Monopoly Classic*². Wal-Mart lists *Monopoly Millionaire*³.

Mainstream game sales are driven by brands and licenses, where the underlying nature of the game is less relevant than the brand association; in this way, games are just interactive toys. Hasbro leverages its *Monopoly* brand through licensing to other game publishers, such as Winning Moves and USAopoly, and through *Monopoly*-related merchandise. Hasbro's revenues from the actual sales of in-house produced *Monopoly* board games is unknown. Hasbro does not reveal sales specifics, but its annual report indicates that its game and puzzle sales in 2012 were driven by *Magic: The Gathering, Twister, Battleship, Transformers, and Angry Birds Star Wars*⁴. Mattel's toy sales are driven by Disney, Barbie, and so on, with little attention paid to their game properties (with the exception of *UNO, Skip Bo, Phase 10, some Angry Birds* products, *Blokus*, and *Out of the Box* games).

I suspect that *Magic: the Gathering*, and not *Monopoly* (including its licensed versions), was the best-selling proprietary game in the world in 2012, in terms of revenue. This is even more likely if you include *Duel Masters*, a *Magic: The Gathering* spin-off whose English version was abandoned by Wizards of the Coast but is still published by Takara Tomy and is wildly popular in Japan. I also suspect, from the limited information that I can collect from distributors and various retail outlets, that *Magic* rivaled *Yu-Gi-Oh* (and may have beaten it if you include *Duel Masters*) as the best-selling proprietary game in the world in 2012, in terms of unit sales (despite the Guinness-verified "world record" awarded to Konami in March 2011 for their 25 billion cards sold⁵).

Unfortunately, there is no way to know for sure.

2012 brands that drove mainstream game sales included movies like *The Dark Knight Rises, The Hobbit, The Avengers, Battleship, Brave, The Amazing Spider-Man, Madagascar 3, and The Lorax*, book series *Fifty Shades of Gray* and *The Hunger Games*, and TV shows *CSI, Glee, Doctor Who, A Game of Thrones* (also a book series). In 2013 we can look forward to the next *Iron Man*, the next *Hunger Games*, the next *G. I. Joe*, the next *Star Trek*, the next *Thor*, the next *Hobbit*, the next

¹ http://www.amazon.com/Best-Sellers-Toys-Games/zgbs/toys-and-games/166220011/ref=zg_bs_nav_t_1_t,

² <http://tinyurl.com/cpy4w4p>, <http://tinyurl.com/cz3knha> and <http://tinyurl.com/c26w3pn>

³ <http://tinyurl.com/c7j4mqd>

⁴ <http://investor.hasbro.com/releasedetail.cfm?ReleaseID=738955>

⁵ <http://www.guinnessworldrecords.com/world-records/7000/best-selling-trading-card-game>

Monsters Inc, a *Superman* reboot (*Man of Steel*), *The Wolverine*, Dreamworks' *The Croods*, and maybe a late year *Mortal Kombat*.

Video games and accessories were down again in 2012, despite hot selling titles from franchises like *Call of Duty*, *Halo*, and *Madden NFL*⁶. Some video game franchises, such as *Starcraft*, *Halo*, and *Angry Birds*, have licensed their brands to create cross-promotional offline games.

More Information

If you would like specific information about anything in this survey, additional analysis from the responses, or would like to contract a specially-run survey, contact me at shadejon@gmail.com to arrange specifics.

Names and specific identifying information about the companies that participated in this survey are not available. The database of game companies and their contact information is not for sale.

About Purple Pawn

Since 2008, Purple Pawn's followers include top industry professionals and influential fans. With over half a million highly-targeted views in 2012, our readers and listeners get the best in industry news and trends. For year-round coverage of game news and industry information, visit Purple Pawn at <http://purplepawn.com>.

I have been writing about games since 2004 and have a personal relationship with the owners of many game publishers, designers, and game journalists. I have published a game in two editions (also as an Android app) and have designed several other games and expansions. I design and run game events at conventions and for companies and consult about the game industry to aspiring designers and publishers. My personal blog is at <http://jergames.com>.

Participate

To participate in future surveys, send your name, company name, website address, and email address to shadejon@gmail.com.

⁶ http://www.huffingtonpost.com/2013/01/11/top-selling-video-games-2012_n_2456680.html

Overview

I currently limit the companies to those that have a working website and those that have an email contact. I limit the companies to those that made money from games; organizations that give away games for promotion or other reasons I exclude.

I divide the industry into the following categories:

- **Suppliers:** Provide products or services to help other companies make or play games, including miniature manufacturers, designers, illustrators, painters, consultants, printers, paint, plastics, and paper manufacturers, and other companies with ties to the game industry.
- **Publishers:** Create in-house games, products, and books; may use suppliers to help create the products, and distributors and retailers to help sell them.
- **Single-game Game Companies:** A subset of publishers, an sggc designs, publishes, and markets a single game or line of games (including differently themed versions of the same game, or college or junior versions of a single game). Sggcs are often startup or designer-owner companies and generally perform differently than other publishers.
- **Distributors:** Buy or take on consignment games that they did not publish and sell or distribute these games to retailers. If you only distribute your own games, I don't count you as a distributor.
- **Retailers:** Receive from publishers, sggc's, or distributors games that they did not publish and sell these to the general public.

Note that some companies fit into more than one category.

In out of the way countries, i.e. ones that don't have strong original game publishers, game retailers are nearly always also game distributors, and often also game publishers, in that they produce the games locally in the prevalent language, either legally (by license) or illegally.

There are two additional categories of companies in the game industry that I do not survey: facilitators (convention organizers, lotteries, casinos, etc) and journalists (web sites, books, etc).

Questions

These are the questions that I ask:

1. What is the name of your company and your name? If you are a subsidiary of another company, what is its name? If you have subsidiaries that would fit into one of the above five categories, what are their names?
2. Where is your main office located (city/country)?
3. With respect to your game offerings or consultations only, where are the people who buy your goods or services located (cities, regions, or countries)?

This is interpreted by the respondents as either a) to where do you market, or b) where are your actual buyers. Although this year one company answered "All three: cities, regions, and countries."

4. How many years has your company been involved – in any way – with the game industry?

"In any way" confuses some people, but most answers are sensible.

5. With respect to your game products only, how many people does your company employ directly, including part-time? Include yourself and count all part-time employees as 1/2. Do not consider outsourced suppliers (painters, designers, component manufacturers, etc) who may receive their own copy of this survey.

6. With respect to the game industry only, into which categories would your company fall (Supplier, Publisher, SGGC, Distributor, Retailer)? Did this change from last year?

Some people don't like my categories and answer in their own way: some sggc's like to consider themselves publishers. Some companies that sell their own games to the public consider themselves retailers. I map their answers to my categories, and massage their responses, as required.

7. With respect to the game industry only, did your company start, expand, consolidate, merge with another company, acquire another company, or cease to operate in 2012? By expand or consolidate, I mean add or cut back on employees, distributors, retailers, or product lines.

8. With respect to the game industry only, and compared to 2011, how was 2012 for your company? Great (+10% or more), good (+2% - +9%), average (-1% - +1%), poor (-9% - -2%), very poor (-10% or less). Indicate if your response is with respect to units sold or profit collected. Skip this question if your company did not operate for at least 6 months in 2011.

Note: This question, rather than one asking for specific profit values, is less threatening, though some companies will still not answer it.

Since companies self-report, it is possible that they lie to me about how well they are doing in order to convince me (or maybe themselves) that they are doing great; this is despite the fact that the information in this report is not associated with any particular company

9. If the question makes sense for your company, and with respect to the game industry only, what were your 5 bestselling products (or product lines) in 2012? Please break this down to (or combine to) product lines (e.g. "Big Brand CCG", not just "CCGs"). Indicate if your response is considering units sold or profits collected.

Some companies answered separately regarding units sold and profits collected. Although I have this information, I left the details out of this report. Some companies do not answer this.

This question went through a lot of flux during the questioning period this year. It originally asked for "bestselling lines", and I received answers like "board games", whereupon I sent a follow-up email

asking them to break that down into actual product lines. Only the last several hundred companies actually got the question as it is formulated above.

Only the answers from retailers make it into this report. Bestsellers from publishers are company-specific (obviously) and so can't be reported here.

10. Which products or services would you like Purple Pawn to mention or review on its site during the next year? Does your company have a story or company profile that would be of interest to our readers?

Note: This question is used as the basis for posts on our site throughout the year. There is mutual benefit for companies to give us interesting information and for us to have access to that information.



Closures

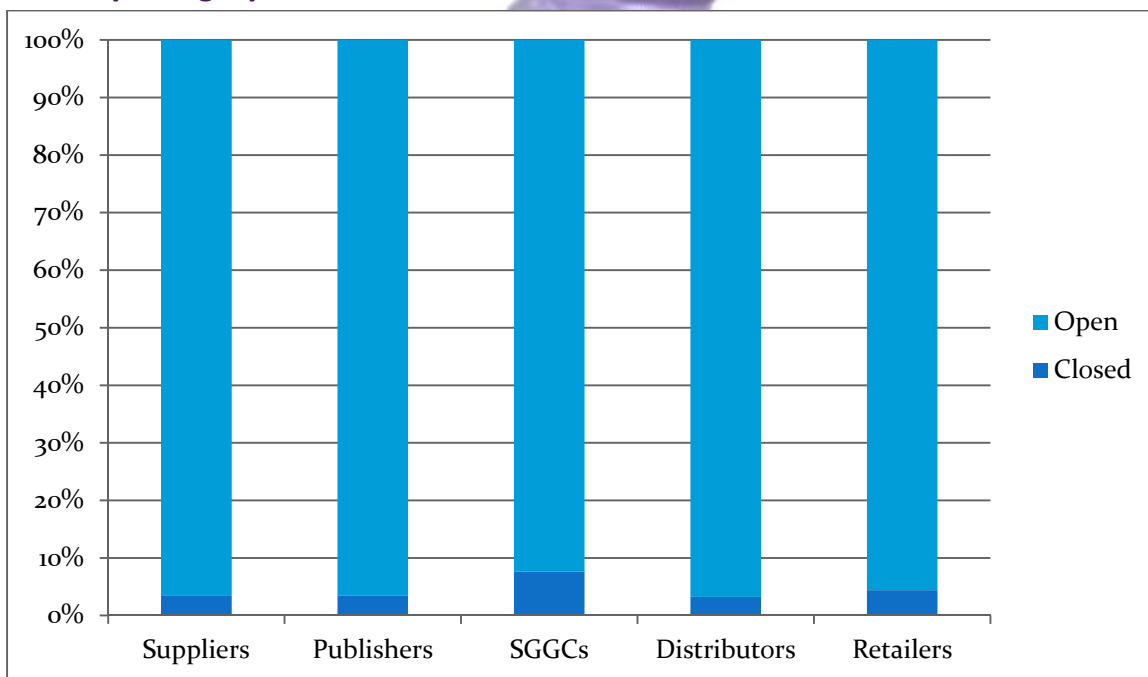
My company list contains 8,461 companies whose existence catalogued over the last three years, not including those I already know to have already closed by the end of 2011. A closed company is one that no longer existent, was acquired, or no longer sells games.

Of the 8,461 companies, 386 I found to have closed since last year, for a closure rate of 4.73% in one year.

To collect this information, I visited the web sites of all 8,461 companies. If the site appeared to be disused or non-existent, I followed up by searching Google, Facebook, and various forums to see if there was any news of the company. When in doubt, I assume that company is still functioning.

A functioning website is no proof that a company is still functioning. Conversely, a non-functioning website is no proof that a company is not functioning. Some sites that I consider closed may have re-opened with another name and web site but without any redirection to the new site. I did not look closely at all web sites to see if they continue to sell games, so some companies that I listed as open may, in fact, be closed.

Closures by Category



7.67% of the SGGCs I listed in my database closed within the last 1-2 years; many more perhaps maintain a web presence but are closed or have no effective sales. Retailers closed at a 4.41% rate; some were acquired by other retailers or replaced by new ones.

Responses

Of the 8,075 companies which remained in my database after eliminating those that had closed, I emailed 7,786 of them. The companies I didn't contact are those for which I did not have a contact email or those who had requested me not to contact them.

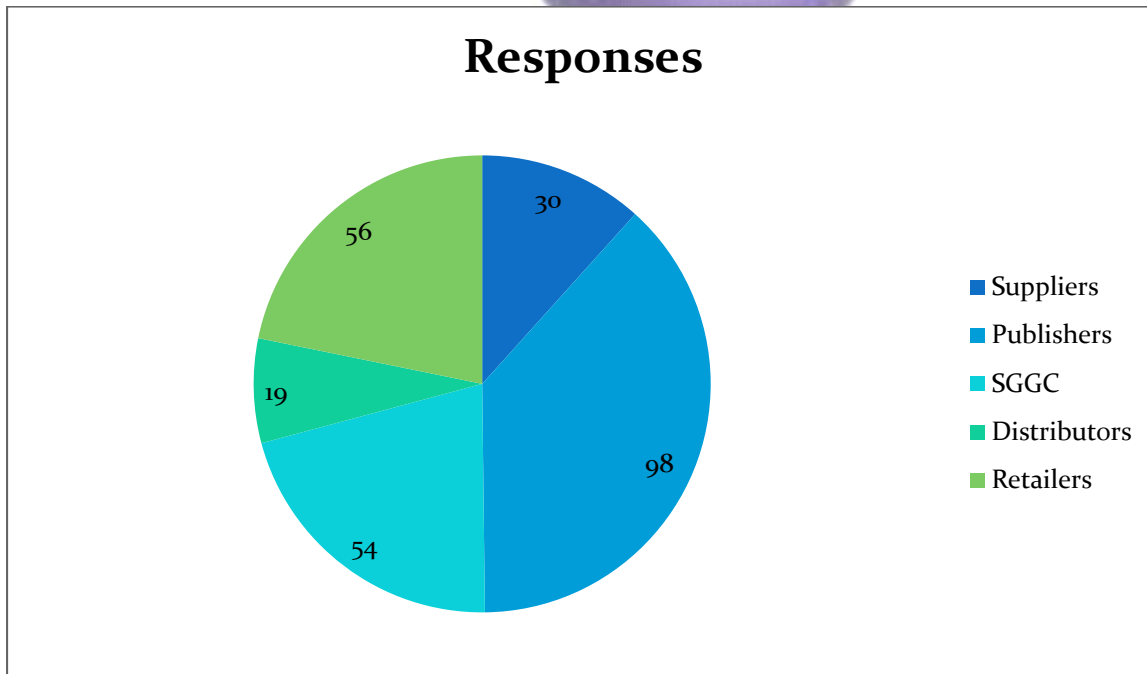
1,230 companies were surveyed this year for the first time, 519 for the second time, and 6,037 for the third time.

Response Rate

I expected a response rate of between 5% to 10%. I received 212 responses for a rate of 2.72%, far less than last year's response rate of 5.63%.

98 companies responded to the survey for the first time (they may not have responded in previous years or they may have been among the ones surveyed for the first time). 57 companies responded for the second time, 57 for the third time.

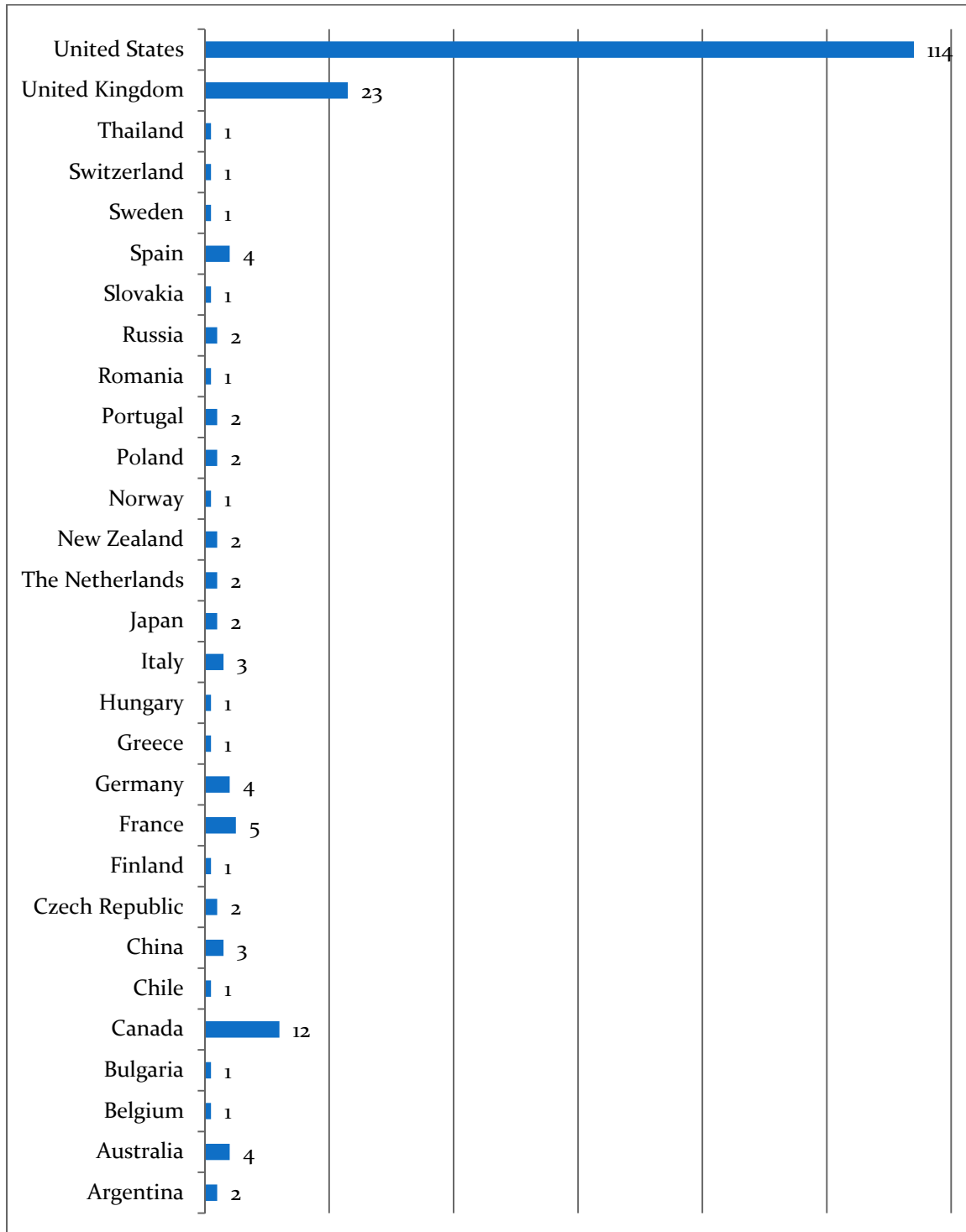
Responses by Company Type



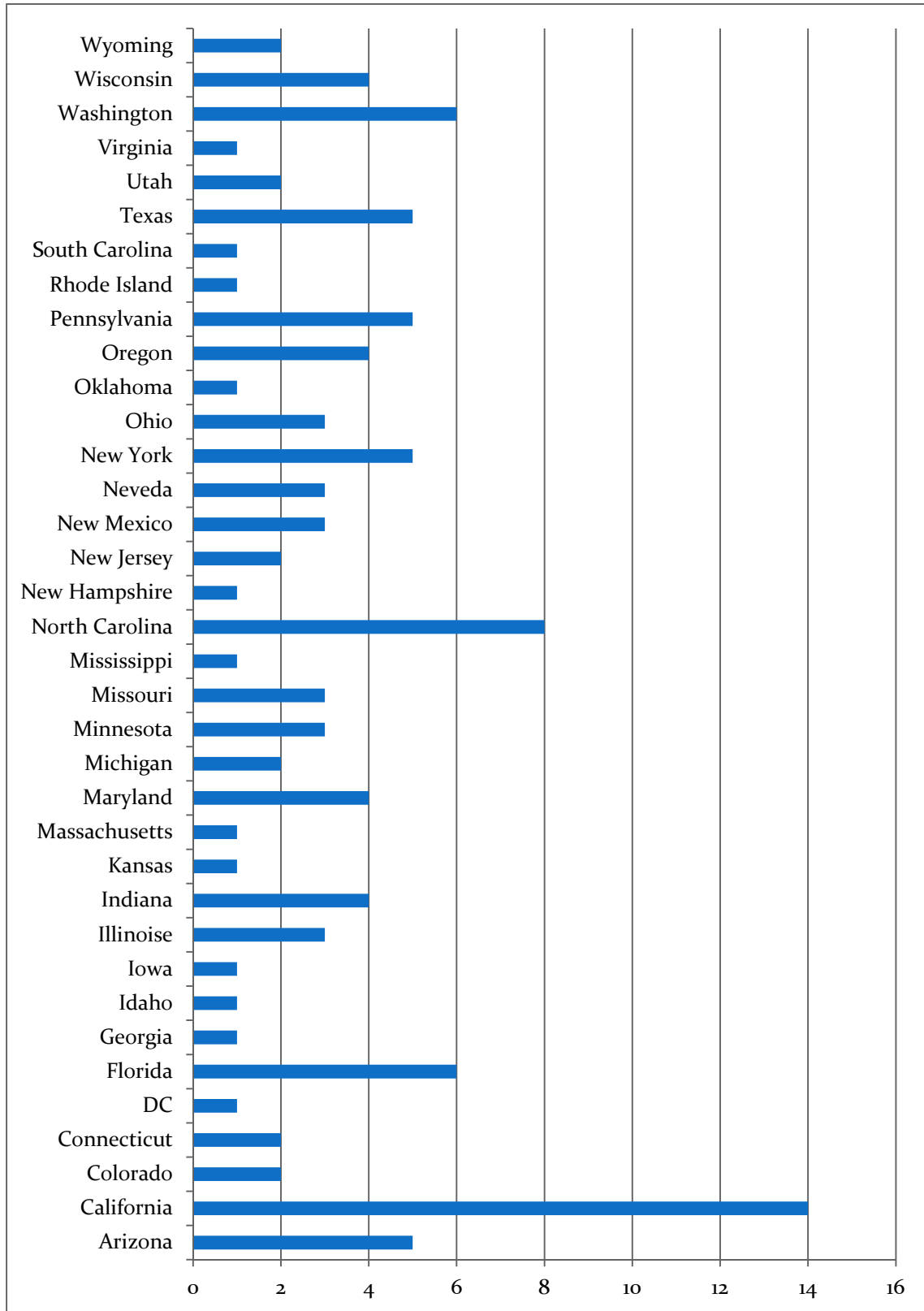
Note that some companies belong to multiple types and are counted in each type.

Responses by Company Location

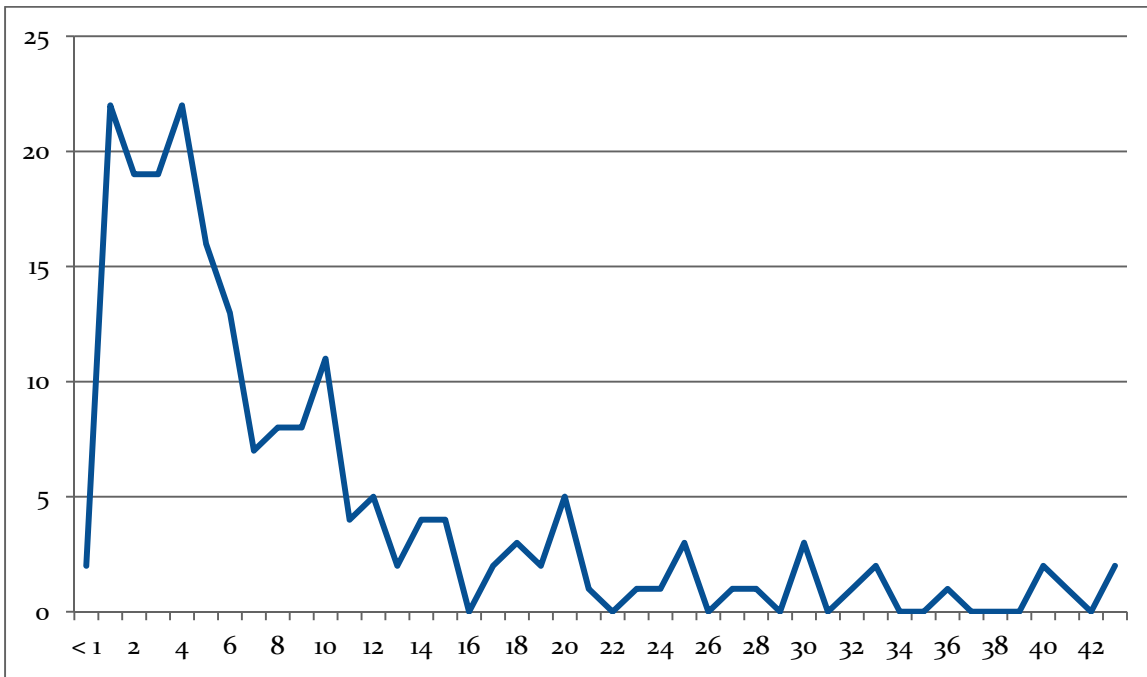
The responses came from 29 countries, primarily from the United States.



In the US, the responses came from 36 states (counting DC):

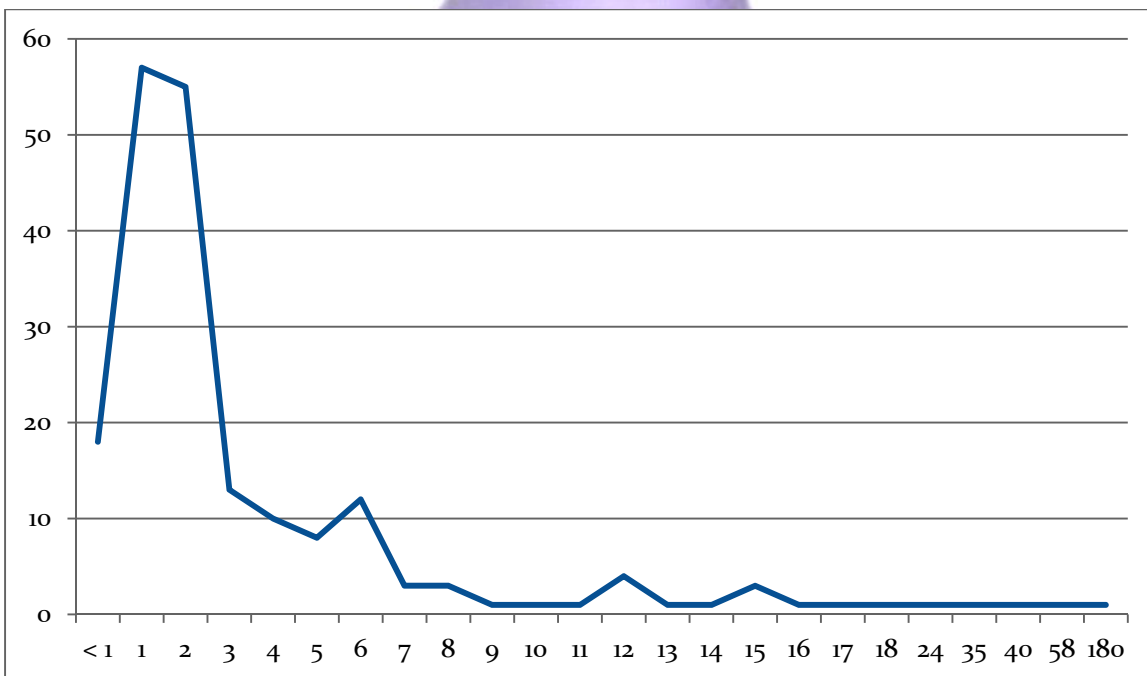


Responses by Company Ages



Not every respondent included their company's age.

Responses by Company Size



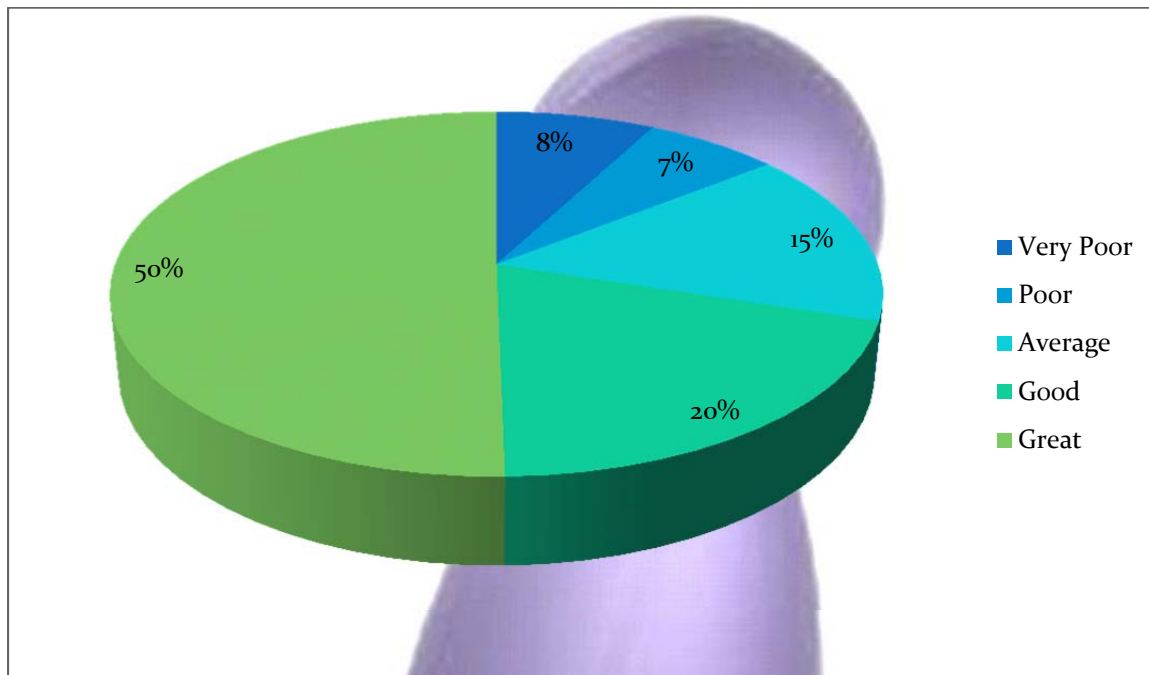
Not every respondent included their company's size. I counted part time employees as 0.5 people. After 18 people, there were single responses for 24, 35, 40, 58, and 180. Many companies with 1 or 2 people are done as hobbies or side work to people with day jobs.

2011 Results

Considering only the respondents, 7 companies consolidated while 88 expanded (including acquiring another company or another company's stock). Several closed their website, while one closed their brick and mortar store to move to online sales only. 5 reopened after a closure or bankruptcy.

Among companies that closed, only a handful responded to tell me this.

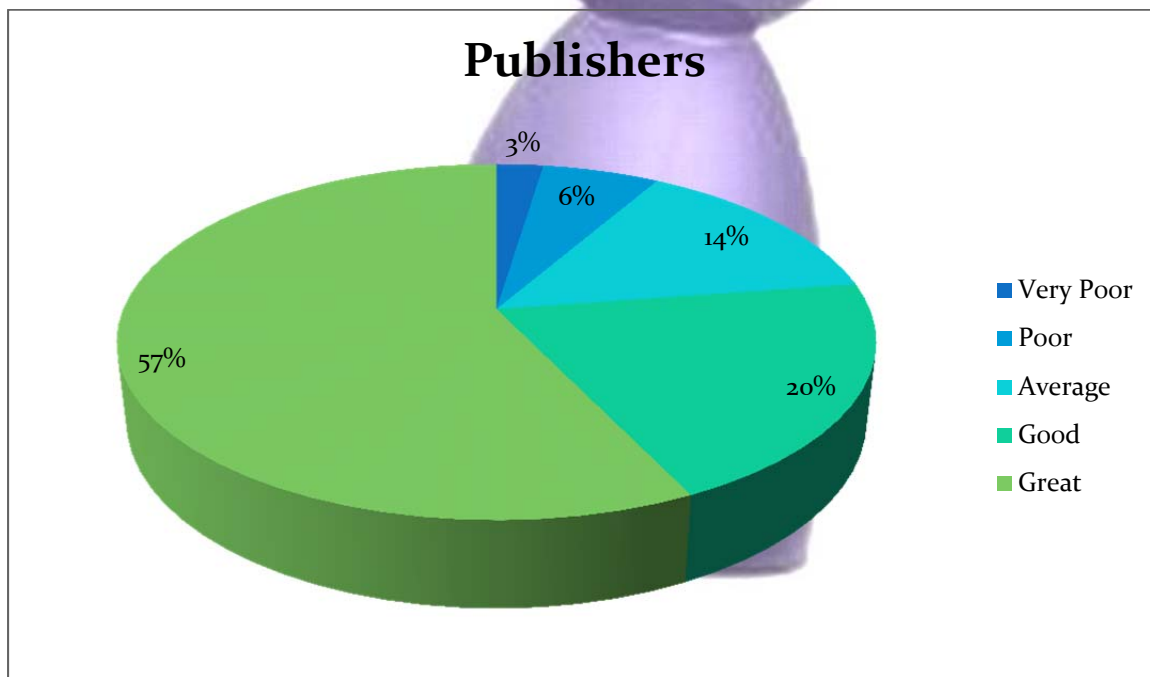
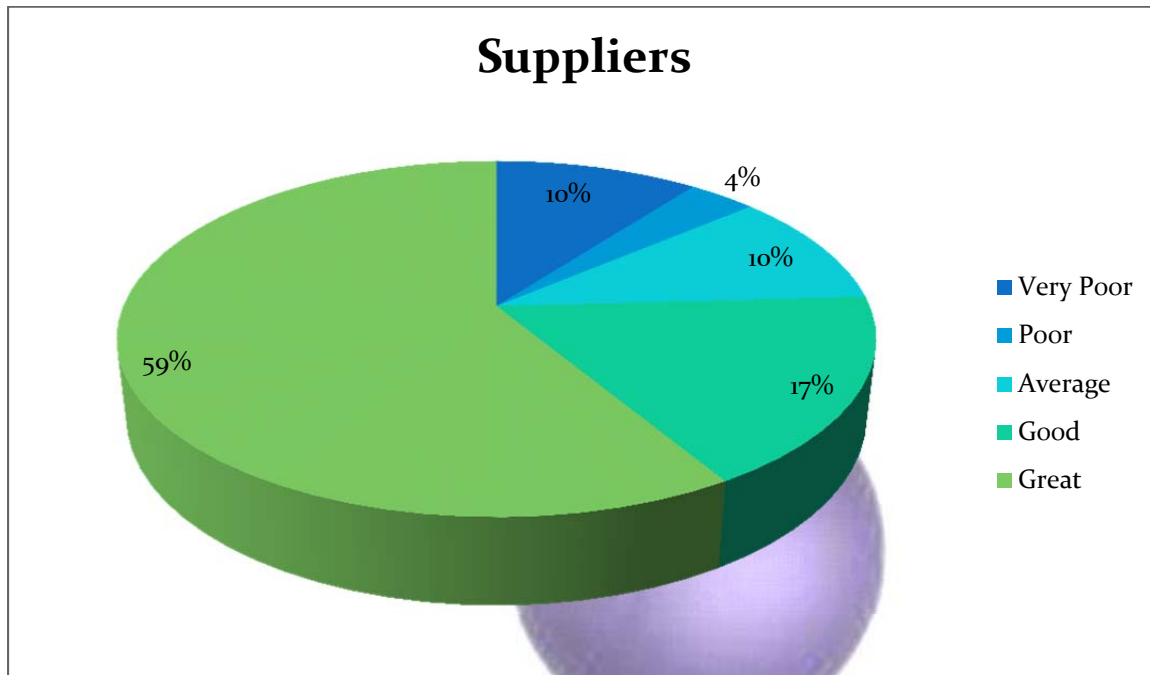
2011 Sales Results

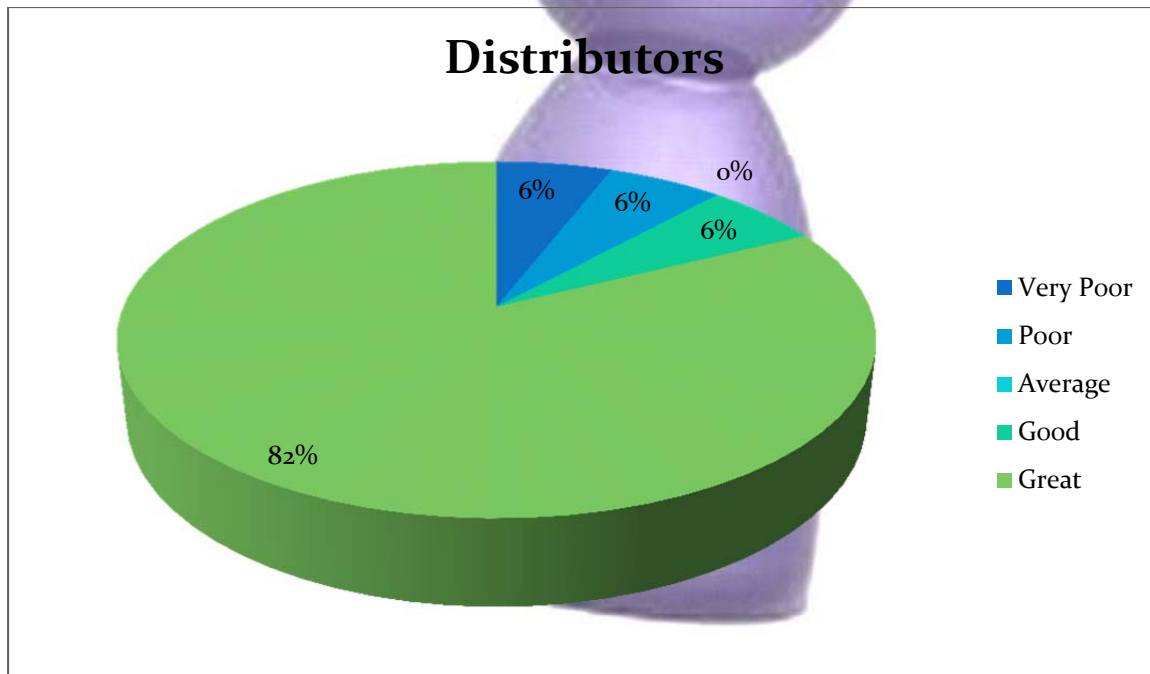
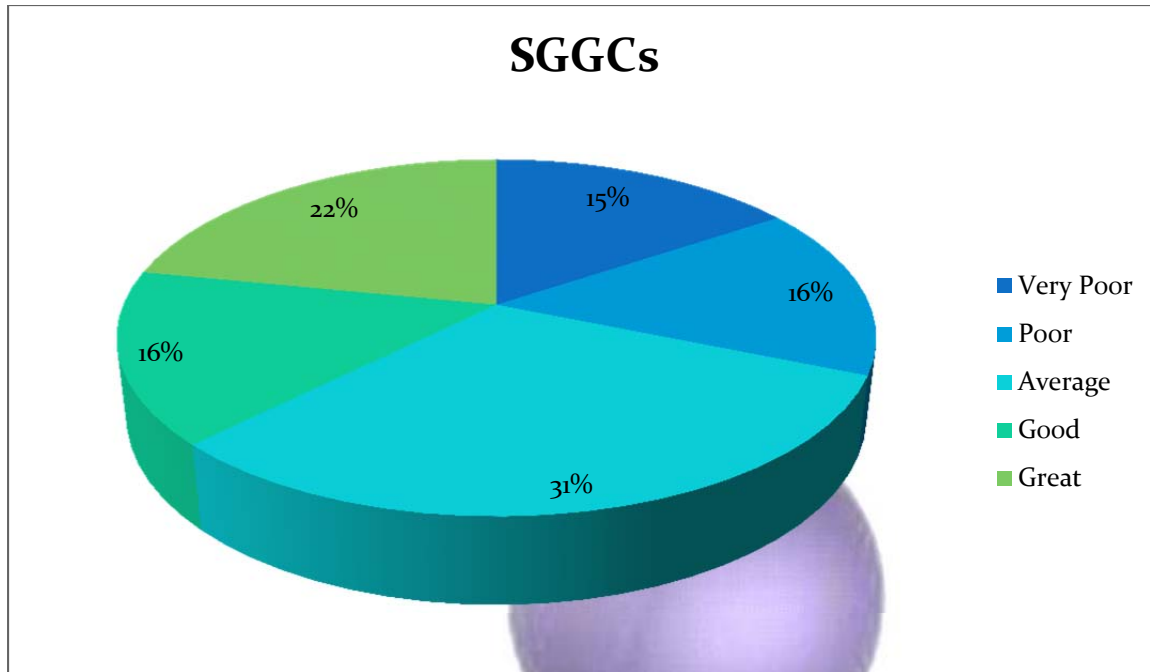


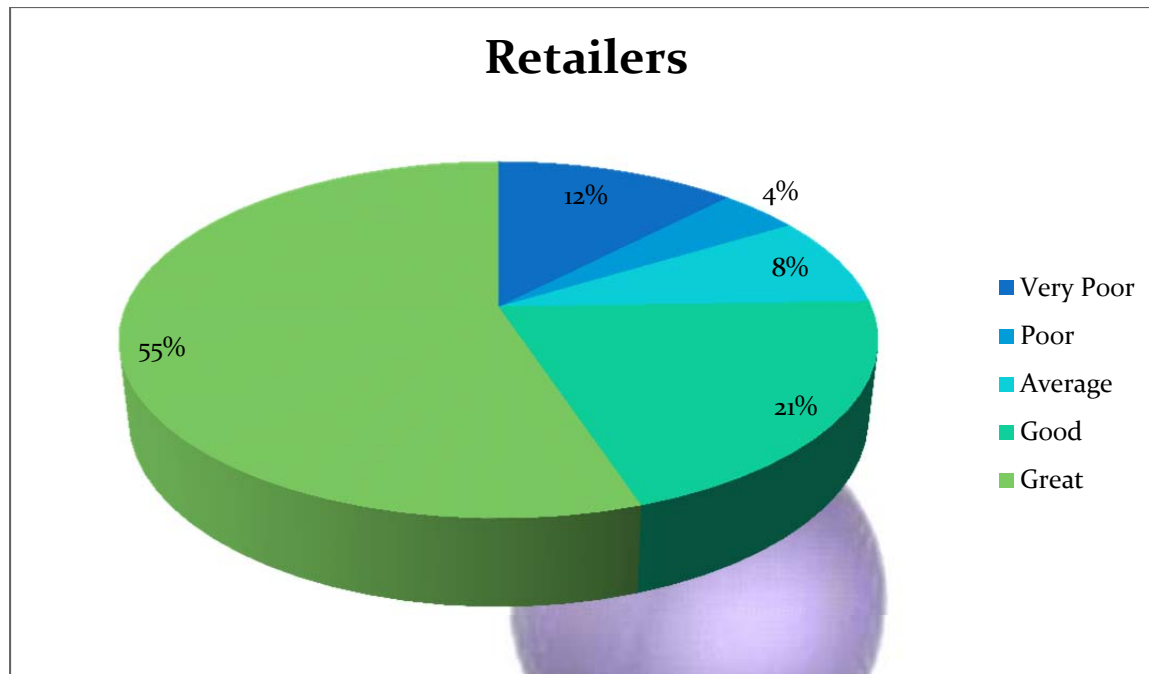
- Great = +10% or more
- Good +2% - +9%
- Average -1% - +1%
- Poor -9% - -2%
- Very poor -10% or less.

Very poor and poor are up a point from 2011. Average is down from 22%. Good is down from 22%. Great is up from 44%. Considering that the results came from mostly different companies and were given voluntarily without any means of verification, the results are not scientific. Companies may wish to tell me that they are doing better than they are, for whatever reason. Companies not doing well may elect to not report their results.

Sales Results by Company Type







Sales Results of Respondents Who Also Answered in 2011

2011 / 2012 →	Close	Very Poor	Poor	Average	Good	Great
Very Poor	—	1	—	2	1	1
Poor	1	1	1	1	1	2
Average	—	—	1	3	3	3
Good	—	—	1	2	8	5
Great	—	2	3	1	1	28

Best Sellers

The following are bestsellers from 47 retailers, considering only items that appear in at least two responses. The numbers in parentheses is last year's bestsellers (from 64 retailers).

Product	Publisher *	Sales (last year)	Comments
Magic CCG line	Hasbro / Wizards of the Coast	24 (31)	Magic continues to be a strong seller in all types of retail outlets.
Catan line	Mayfair Games	14 (14)	Catan outpaced Dominion this year.
Warhammer lines	Games Workshop	11 (13)	Including minis and RPGs. GW produces new products every year.
Dominion line	Rio Grande Games	10 (13)	Still solid performance for three years running.
Ticket to Ride line	Days of Wonder	8 (10)	

Product	Publisher *	Sales (last year)	Comments
Pathfinder line	Paizo Publishing	8 (9)	Pathfinder outperformed D&D 2 to 1 for the second year.
YuGiOh CCG line	Konami Digital Entertainment	7 (7)	
Carcassonne line	Rio Grande Games	6 (7)	
Warmachine/Hordes line	Privateer Press	5 (9)	
Munchkin line	Steve Jackson Games	5 (6)	
HeroClix line	WizKids	4 (5)	WizKids rebooted its company last year.
Dungeons and Dragons lines	Hasbro / Wizards of the Coast	4 (4)	5 th edition was announced in Jan 2012, but it won't arrive until late 2013 or 2014. ⁷
Cardfight: Vanguard	Bushiroad Inc	4	2011 Japanese CCG developed by Yu-Gi-Oh and Duel Masters developers and tied to a new anime series.
Pokemon CCG line	Pokemon	3 (5)	
Dixit line	Asmodee	2 (3)	
Fluxx line	Looney Labs	2 (3)	
Forbidden Island	Gamewright	2 (2)	
Rory's Story Cubes	Gamewright	2 (2)	
Small World line	Days of Wonder	2 (2)	
UNO line	Mattel	2	
Zombies line	Twilight Creations	2	Series of horror-themed board games
Legend of the Five Rings line	Alderac Entertainment Group	2	
Ascension: Chronicle of the Godslayer	Gary Games	2	2010 deck building game from Magic Pro Tour champions

* Multiple publishers publish most game/game lines; only one is presented in the table.

Note that gaming accessories, such as dice, tokens, card sleeves, and so on, when taken together provide a significant amount of revenue for many retailers.

Note that just because a game sold well at 10 retailers, but a second game sold well at only 2, doesn't mean that the first game sold more units or produced more profit than second one did.

Notably absent because they scored at least 3 on last year's list: 7 Wonders, Fantasy Flight Games, Pandemic, Bohnanza, Checkers/Chess, En Garde RPG, and Jungle Speed.

⁷ <http://www.forbes.com/sites/davidewalt/2012/08/20/whats-next-with-dungeons-and-dragons/>