



Epic MegaGames

The New Name in Computer Entertainment

October 10, 1991

Todd Daggert

Seattle, WA 98105

Dear Todd:

Thanks for getting in touch. We've looked at Ezanya and have decided that you're pretty good! Maybe we can get you working on a new project.

Right now we have three teams working on future games (Me -- Jill of the Jungle, Allen Pilgrim -- KiloBlaster, and Craig Pell -- Animac.) We like to match up a programmer, artist, and musician to develop a game, since the pro's do it that way.

Are you familiar with games on the new Nintendo and the Sega Genesis? That's the quality we're shooting for. Games like that do well in shareware, but they must be extremely good (look at Apogee's Commander Keen and Duke Nukem for example.)

We have some pretty good marketing in place, and it will improve in the future as our newer games are released. ZYT has managed to pull in 600 registrations, and it doesn't even have graphics!

Just wanted to let you know that we'd like to have you work with Epic MegaGames. We're out here for the long run, so there is absolutely no rush -- if you want to start in January, we'll be there for you! I'll call you later to talk.

Best Regards,

Tim Sweeney

Epic MegaGames

Potomac, MD 20854

Information about royalties

We generally pay 40% from the sales of a game to the game's authors. Why 40%? Here is an approximate breakdown of where the money goes:

- 40% Author Royalties
- 40% Expenses
- 20% Profit for Epic MegaGames

Expenses include the cost of disks, postage, and order-taking (generally, 25% of the price of phone orders goes to the order takers, who have to pay the phone staff and phone bills.) We also spend a lot on marketing and promoting products -- for instance, mailing disks to 400 vendors worldwide and uploading the software on the nation's top bulletin boards. The cost of releasing a new program is over \$1000.

The author royalties are divided between the people who have input in creating the program, including:

- Programmers
- Artists
- Musicians
- Game designers
- Royalties for material we license from other companies

Commercial publishers usually pay the authors only 5%, which demonstrates how much more efficient it is to market shareware is than commercial software. The big publishers might charge \$50 for a game, but most of the money is eaten up by advertising and packaging. We can sell the same game for \$30 and give the authors better royalties while giving our customers a better deal too. Everybody wins with shareware.

Epic MegaGames

Information

Calendar for 1991

- 15 October *Epic MegaGames* makes its public debut!
Town of ZYT 3.1 and *ZYT's Proving Grounds* released.
- 15 November *Animac* by Craig Pell, release date.
- 1 January *Jill of the Jungle* official release date.
ZYT Game Design Contest: Deadline for entries.
- 1 January *Best of ZYT* release date. Royalties for contest winners.

Products

The original *ZYT* series contains four volumes: *Town of ZYT* (shareware), *Caves of ZYT*, *Dungeons of ZYT*, and *City of ZYT*.

The upcoming *ZYT* series has three volumes: *ZYT's Proving Grounds* (shareware), *ZYT's Lost Forest*, and *ZYT's Monster Zoo* (by Allen Pilgrim).

Jill of the Jungle is a 256-color scrolling game, reminiscent of Nintendo. The three-game saga will be part shareware and part commercial.

Best of ZYT will be a medley of game boards entered into the Game Design contest. It will be followed by a big series (8-12 games) created by ZYTers.

Also, negotiations are under way to publish games from other authors and to act as a U.S. distributor for foreign game authors. Potomac Computer Systems is already an author member of the ASP, and Epic will apply under "Shareware Publisher" status when the ASP creates this new membership category in January.

The Epic MegaGames Team

Ken Mocabee (Advanced Support Group) manages the toll-free ordering line
Andrew Saucci (MegaPost) has handled BBS distribution and will be joined by a team of uploaders when the new products debut
Chip Hageman (Misty Mountain BBS) runs the multi-node ZYT Developer's conference and may take on the job of organizing an Epic support network
David Fernau, "The Official ZYT Advisor", hint files & game hints
Allen Pilgrim, creating ZYT's Monster Zoo for the new series
Craig Pell, author of soon-to-be-released Animac arcade series.
John Beck, testing and documenting game worlds for the Best of ZYT series
John Palett-Plowright, Artist for Jill of the Jungle & others
Adam Rixey, Artist for Jill of the Jungle

Nildram Software, Epic MegaGames distributor in the U.K.

Several new artists are submitting work and we're looking for a good MIDI musician and more game designers with experience in C.

Distribution

Games are distributed as shareware in the United States and Canada. We are leaning towards foreign software distributors to reach the commercial market overseas (Apogee currently does this with some games.) The U.S. retail market is a possibility, too, but the enormous costs (packaging, advertising) are prohibitive.

Our shareware products reach over 250 U.S. vendors, 150 user groups, and 40 of the country's largest bulletin boards and services. Copies are serialized so we always know where the registrations come from.

Nothing official yet, but several companies want to form an alliance to bring Epic MegaGames into the retail market.

Epic MegaGames •

• Potomac, MD 20854
• 800-788-0787 (Orders Only)