

## Stop Ignoring This Startup

Nicholas Carlson, *Silicon Alley Insider*  
June 19, 2009

Anyone doubting that social gaming is the next big growth area for the video-game industry should note which way top executives in the industry are moving.

Social gaming startup Playdom has poached EA's COO John Pleasants and made him CEO.

Mark Pincus's social gaming startup Zynga gets a lot of press for its projected \$100 million 2009 revenues, but Playdom is the other startup in the rapidly developing space you have to know, too.

Industry sources keep telling us it's profitable and PaidContent says Playdom sells \$10 million worth of virtual goods per quarter.

While still COO at EA, John did a Q&A with PaidContent where explained his enthusiasm for the social-gaming and virtual goods:

Let's talk about those social aspects. Companies like Zynga and Playfish are making millions of dollars from social games. Does EA feel the need to compete—and if so—how do you do it?

"We have huge regard for companies like Playfish; they don't have high customer acquisition costs and they're getting users to bite on micro-transactions from the start. So we're in investment mode, and we'll be announcing deals with companies that will be of note some time in the near future. We're also building four social network games from the ground up—in addition to a platform that connects game-play feeds from the consoles to a player's social network. Then there's Pogo.com. We're working on back-end stuff like better SEO, new user interfaces and adding micro-transactions to the core subscription model. It's not necessarily a competition—since we already run one of the largest online and social gaming sites standing right now—it's more about creating this comprehensive package of social activity for every person that plays one of our games."