

Indie Outsourcing for Any Budget

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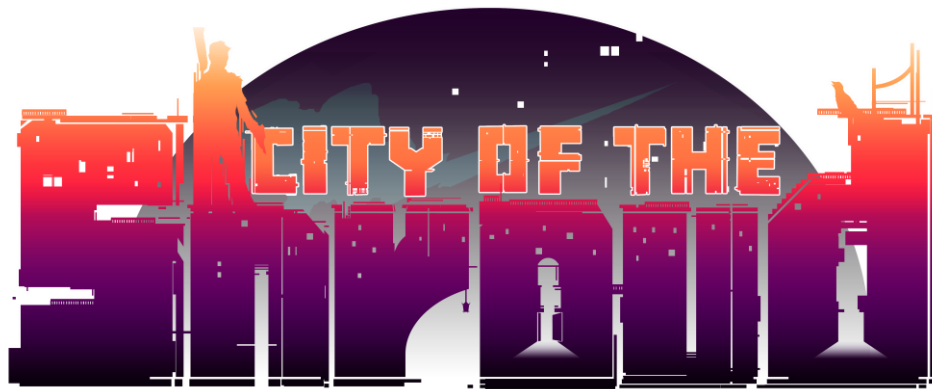


GAME DEVELOPERS CONFERENCE™ EUROPE
CONGRESS-CENTRUM OST KOELNMESSE · COLOGNE, GERMANY
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Outsourcing with Limited Resources

How have we, cash-strapped developer, worked with others to build games?





Self Introduction

4 years at Capcom Japan



Founded Abyssal Arts



Fulbright Fellowship in
Economics





Abyssal Arts

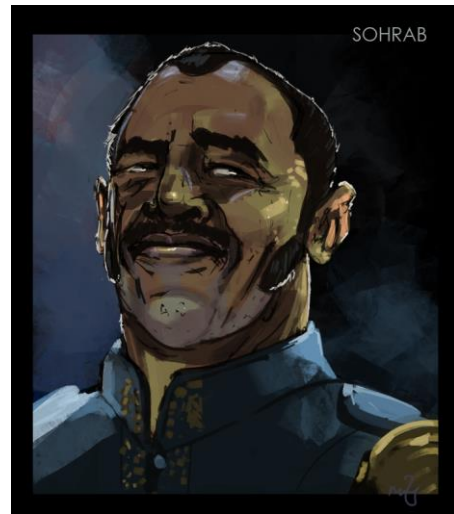
Primary Collaborator for Zombie Playground





Abyssal Arts

Developing City of the Shroud™





Abyssal Arts

Developers living in US, UK, Spain, and Japan





Co-Development on ZPG

Previously met through old jobs,
went indie at the same time

Complimentary skillsets

Wanted to work together despite
limited resources





“Mates’ Rates” + Revenue Share

Revenue share reduced up-front dev costs

Higher share for finishing sooner

Even if we finished early, could still use remaining budget to continue development





Aligning Incentives



Encourages aiming for quality and speed

Aligns goals and enables us to complete the game



Points of Caution

- Are tasks clearly defined and divided?
- How much creative control do you have?
- Is there a clear path to release?
- Do you have a reasonable sales estimate?
- Is revenue gross or net?

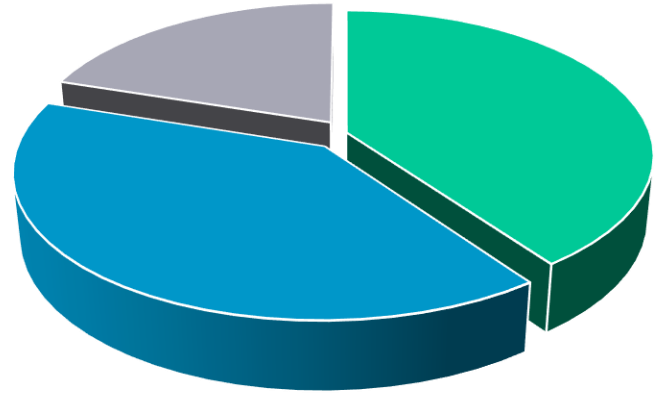


Deal Breakdown

9 months worth of budget*

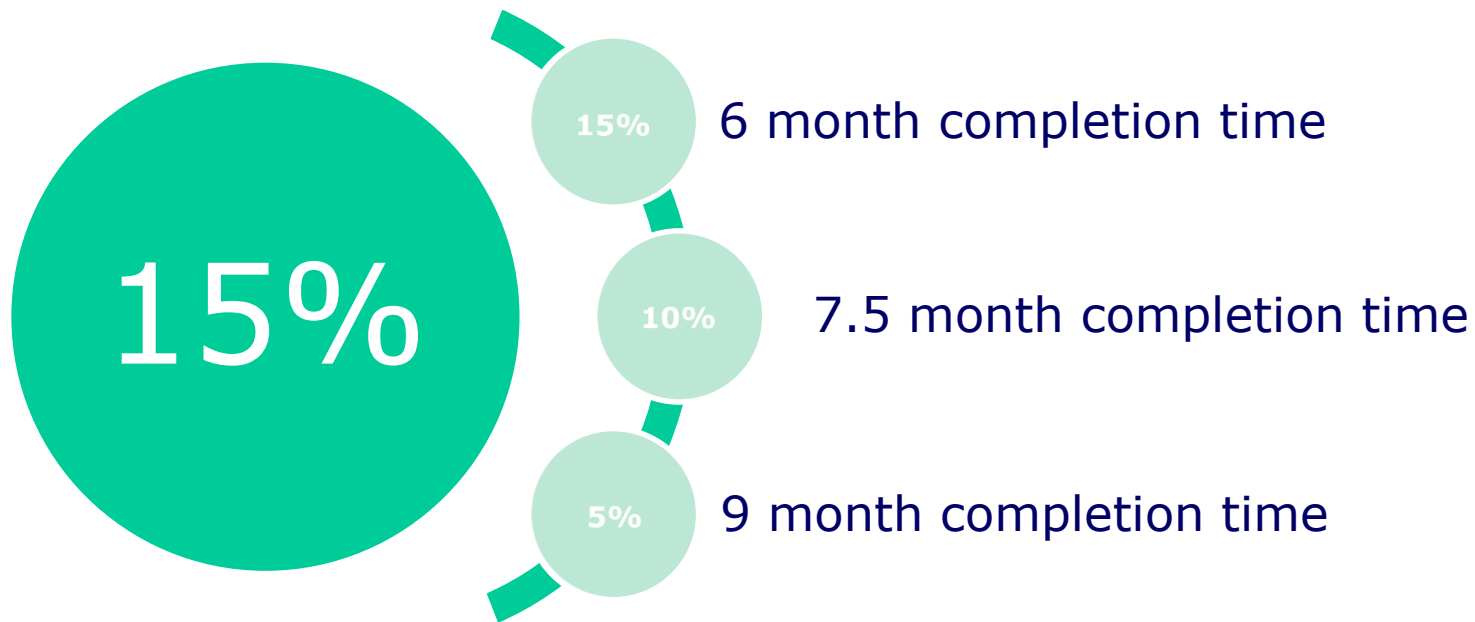
Minimum time necessary:
6 months

Mutually agreed that this was
reasonable





Deal Breakdown





End Result





What did we do with the extra time?

Improved the game!

Graphics, controls, a boss, AI, networking code, UI, and regular build updates to backers...

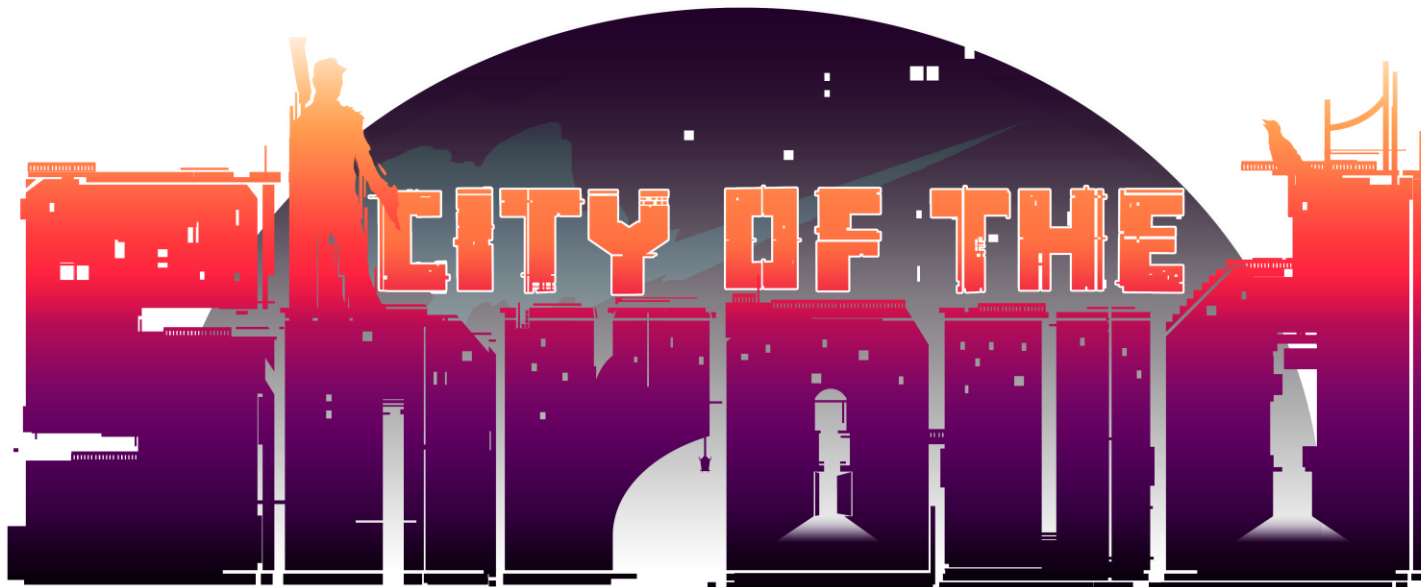


“Better than most”
-Jim Sterling



What about Internal Development?

Bootstrapping development of City of the Shroud™





Building and Supporting Our Team

Most team members came from personal relationships

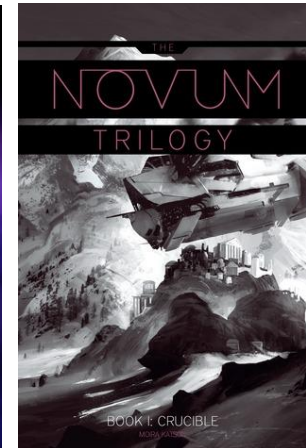




Team Makeup

Former AAA wanted to try a new approach/broaden their skills

Others wanted to transition into games using already-developed skillsets





Team Makeup

- 1 Producer/BizDev
- 1 Writer/Marketing & PR
- 1 Programmer/Designer
- 2 Network/Backend Engineer
- 1 Concept Artist
- 1 Composer





Structuring the Game Like a Startup

Vesting revenue share

Formula based on “Founders’ Equity Calculator”

Abyssal acts as a hub for developers

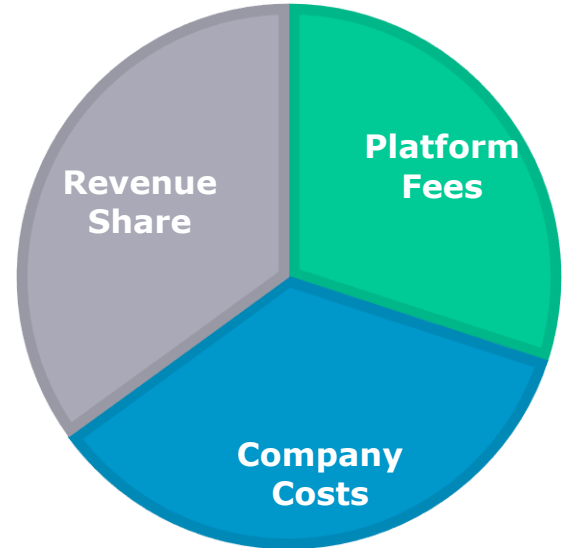




Deal Structure

Each team member earns a % of gross revenue

Devs vest towards their potential total over time by working on the project





Weighting Contribution

Self-Evaluation based on 5 criteria:

- Idea
- Business Plan
- Commitment and Risk
- Responsibility
- Domain Expertise



Example Weighting Structure

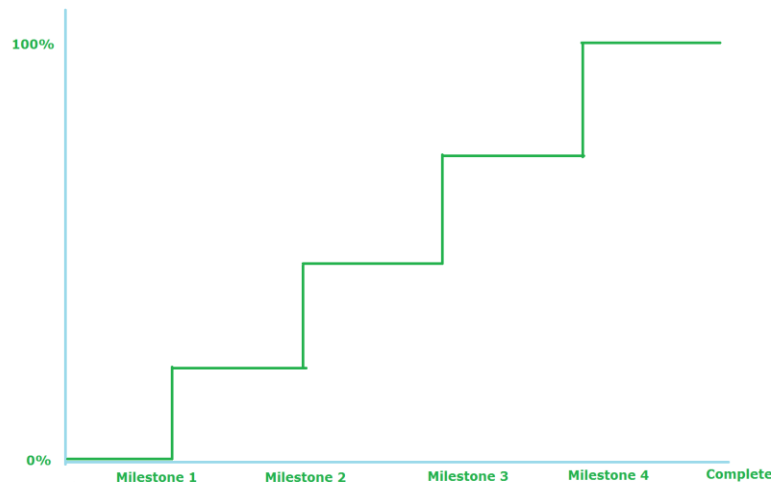
	Weight	Dev 1	Weighted Score	Dev 2	Weighted Score	Dev 3	Weighted Score
Idea	5	7	35	1	5	0	0
Business Plan	7	1	7	9	63	0	0
Commitment	10	8	32	4	28	3	30
Responsibilities	8	10	100	6	40	4	32
Domain Expertise	4	8	64	7	48	4	16
Total			238		184		78
Rev %			47.6%		36.8%		15.6%



Vesting and Cliffs

Vesting incentivizes developers to complete all responsibilities on the project

Cliffs act as project milestones, clarifying major goals

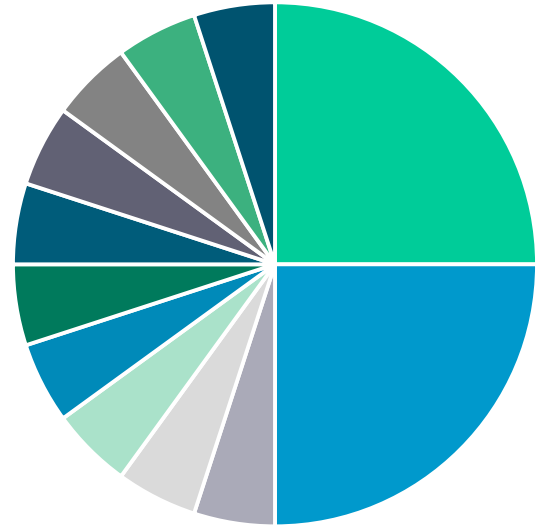




Vesting Schedule

Vesting based on milestones:

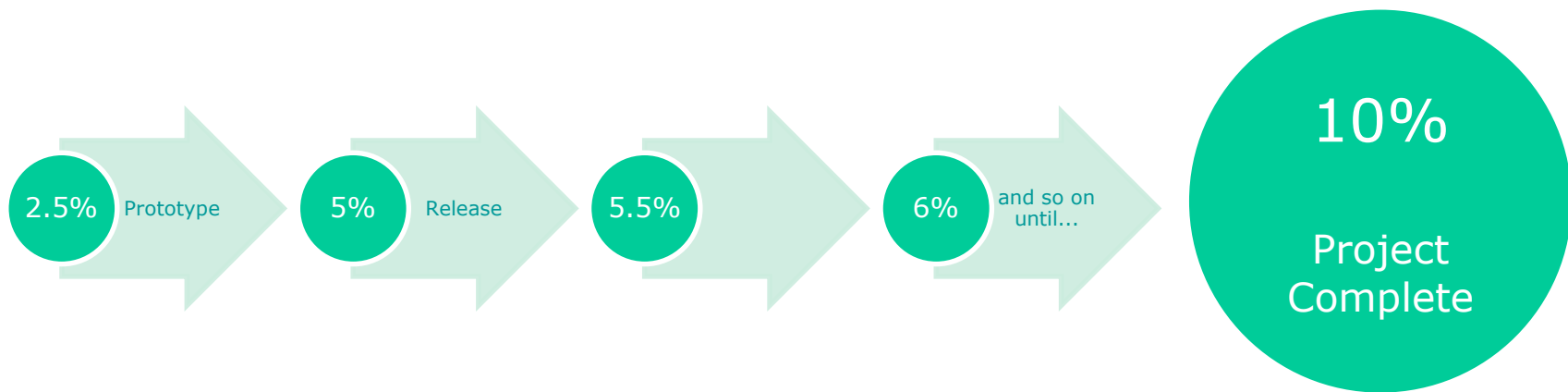
- Prototype: 25%
- Initial Release: 25%
- Remaining 50% spread evenly over total number of planned updates





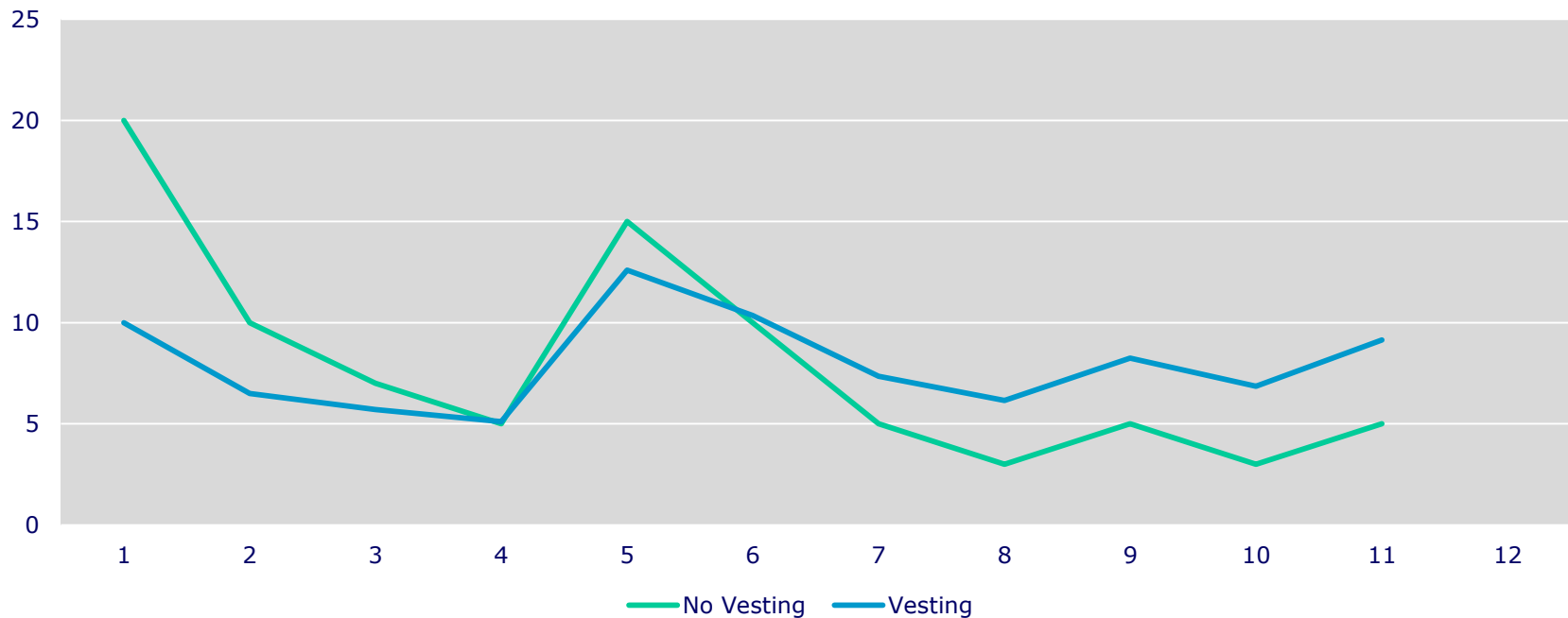
Vesting Example

Dev A can earn up to earn 10% of revenue:



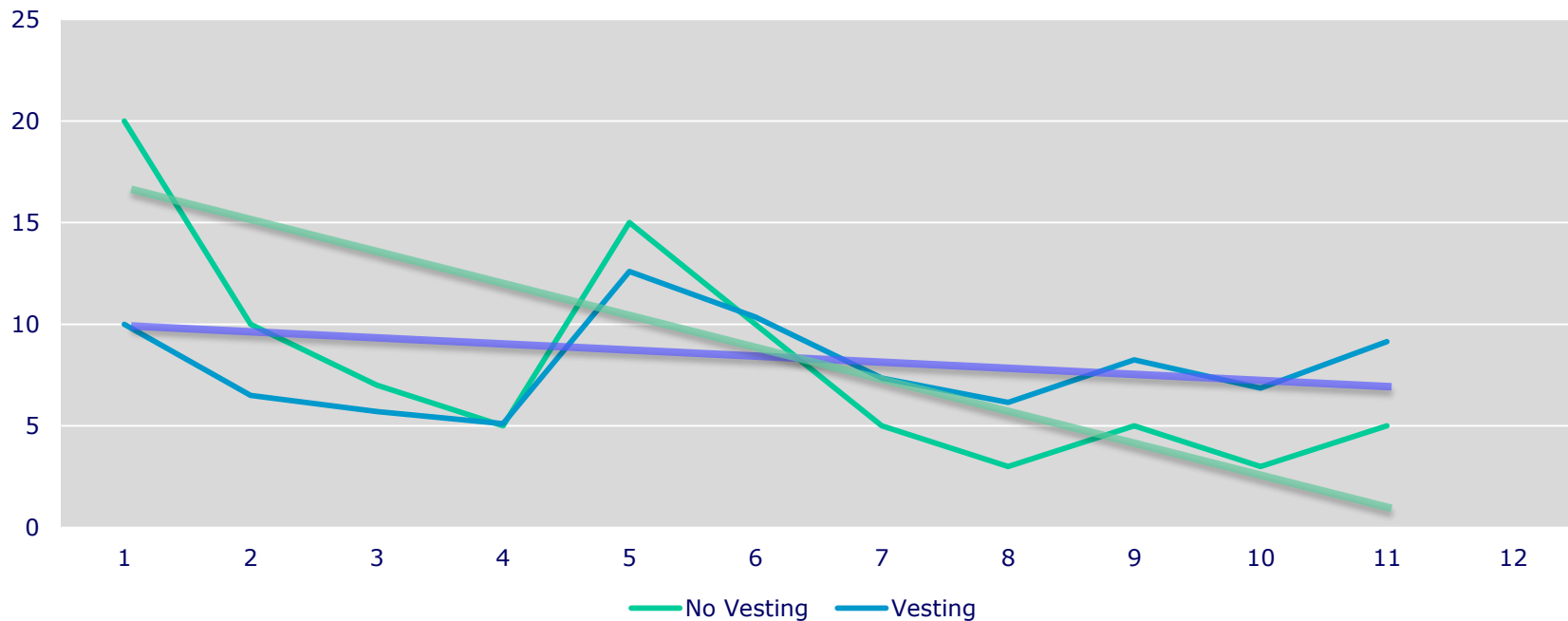


Vesting to Smooth Curve



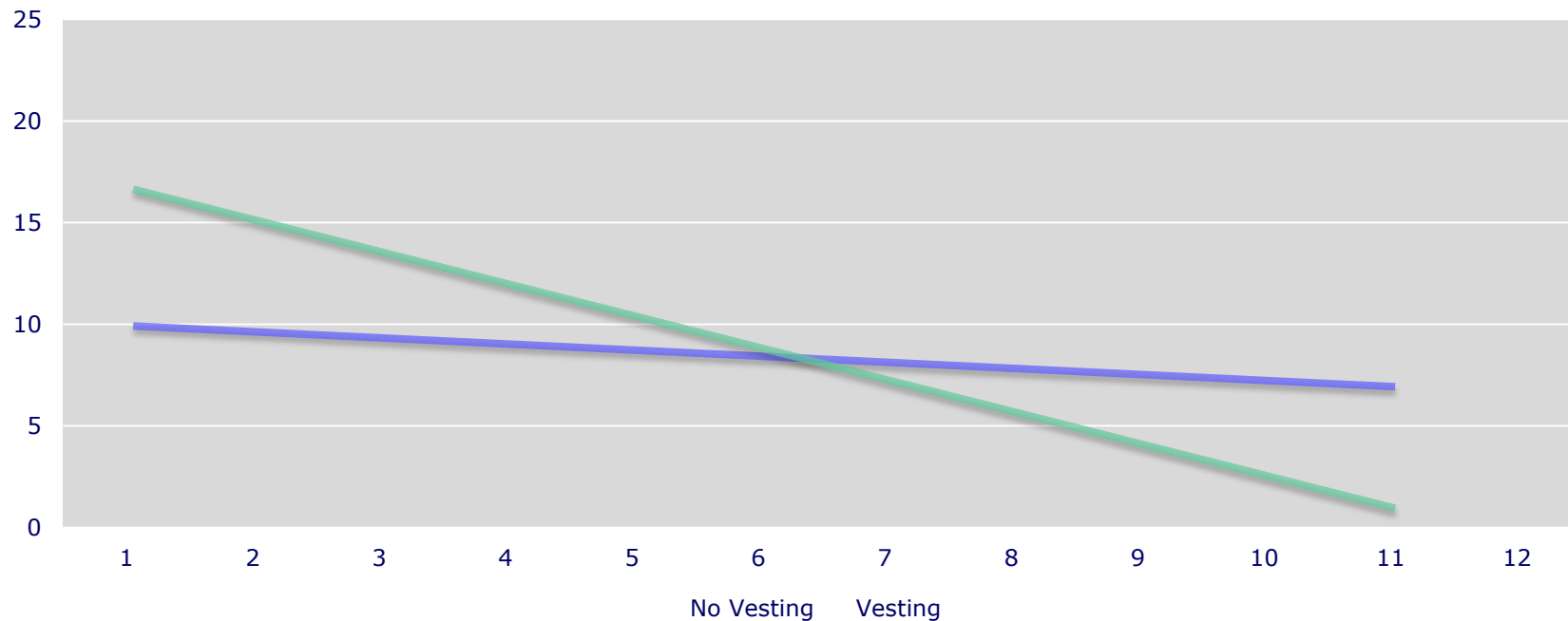


Vesting to Smooth Curve





Vesting to Smooth Curve





Potential Issues

People over- and under-value contributions

No defined conditions for the project, ownership, or management

Developers also need to be protected





Resolving Potential Issues

Have a trusted producer/manager

Make the safety of the project the priority

Protect developers in the contract





Benefits of the System

Incentivizes and rewards stability and dedication

Developers are fairly compensated

The project and team members are protected





What We've Learned

Rev share can be used to reduce up-front costs

Possible to create a framework for a revenue share project

Successful implementation can open new options to resource-constrained companies



Questions?

Please feel free to get in touch:

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Twitter: @shibusuke



Helpful Links

Founders' Equity Calculator:

- <http://thinkspace.com/how-to-divide-equity-to-startup-founders-advisors-and-employees/>
- <https://www.andrew.cmu.edu/user/fd0n/35%20Founders'%20Pie%20Calculator.htm>

Grayson Chalmers, XDS 2013:

- <http://www.graysonchalmers.com/wp/xds/>

Why Developers Outsource: The Less Obvious Advantages of External Production, Anton Wiegert:

- http://www.gamasutra.com/blogs/AntonWiegert/20140726/221960/Why_Developers_Outsource_The_Less_Obvious_Advantages_of_External_Production.php

Building Epic Worlds Through the Strengths of Outsourcing, Chris Mielke:

- <http://www.gdcvault.com/play/1019231/Building-Epic-Worlds-Through-the>