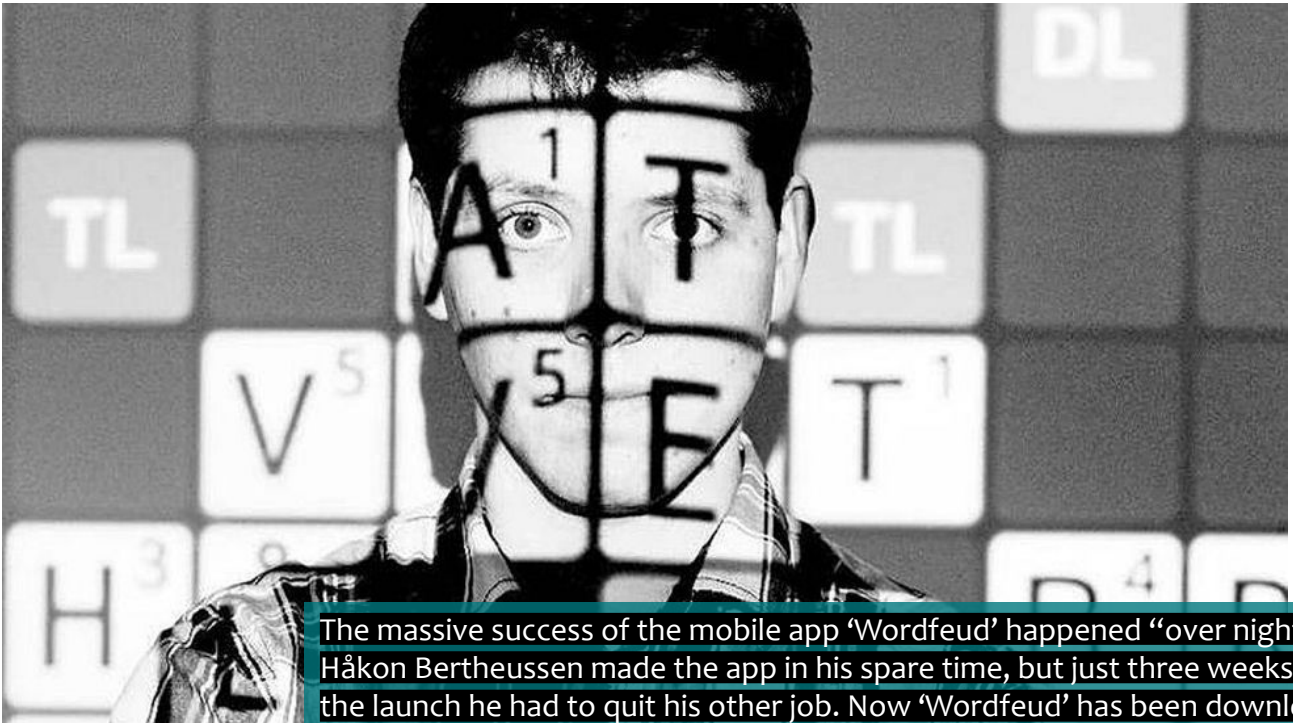


# An overview of the Norwegian game industry

Joakim Pedersen for Scandinavian Game Developers



The massive success of the mobile app 'Wordfeud' happened "over night". Håkon Bertheussen made the app in his spare time, but just three weeks after the launch he had to quit his other job. Now 'Wordfeud' has been downloaded more than 16 million times. Bertheussen, as the lonely wolf who creates a game out of his geeky passion and interest, represents what many other young and independent game developers are dreaming of.

Photo: Mari Vold



# An overview of the Norwegian game industry

This report is based on research done by Scandinavian Game Developers and the newly released report on the current status of the Norwegian games industry, commissioned by the Norwegian Film and TV Producers' Association. The latter was released at the JoinGame conference in Voss in January 2012. That was the first report on this topic in Norway, and is the first in a planned series of reports. It is made by Kristine Jørgensen (University of Bergen) and Jørgen Tharaldsen (Artplant), and gives a good overview certain areas of the Norwegian game developers environment.

The key numbers from that survey is telling us that the Norwegian game industry is expanding and developing in a positive direction:

- 73 registered companies are working with game development (versus 35 in the previous survey from 2009)
- The Norwegian gaming industry has 745 employees, of which 353 are working in Norway
- More than 50 Norwegian games are expected to launch during 2012.
- Total revenue is over 200 million NOK.
- Most of the active companies were established at the end of the last century (-00's).

From the survey we learn, not surprisingly, that the main activity is concentrated around the capital. Oslo is home to over 1/3 of the registered companies, and we also find many of the companies in the adjoining counties. Trondheim, home of the Norwegian university of science and technology (NTNU), also has an active game developing community. And also on the west coast, in the area around Bergen, we see high activity. However, we can also see that there is a game company in almost every region in the country.

According to the survey, approximately half of the companies are pure gaming companies, while the other half are doing other activities in addition to game production. About 1/3 of the companies are self sufficient, in the sense that they do not do commissioned work. For the rest, making commercials, apps, installations and other interactive services on contract is an essential part of their income.



Snow Castle is currently experiencing success with their adventure game 'Hogworld: Gnarts Adventure' for iOS, and the game has also received positive reviews from Wired and from the AppStore costumers.

## Company profiles:

*Funcom* ('Anarchy Online', 'Age of Conan', 'The Longest Journey', and the soon to be released 'The Secret World') is without doubt the major player, and is representing almost half of the total revenue from games in Norway. About half of Funcom's employees are working in Funcom's offices in Oslo, while the other half is working in their offices in other countries. In total there are 310 people working for Funcom abroad.

*Playfish* (Facebook hits 'Pet Society', 'Restaurant City' and 'Country Story'), a company from Tromsø who was bought by EA for around 400 million dollars in 2010, did not make their revenue public, but is probably belonging in the higher end of the scale as well.

Håkon Bertheussen and his company *Bertheussen IT* who made the extremely popular 'Wordfeud' did not include their revenue in this survey either. However, it is clear that this would add a significant amount to the total revenue of the Norwegian game industry, when we know that 'Wordfeud' has reached more than 16 million downloads. In a recent interview, Bertheussen reveals that he easily earns revenue around 100.000 NOK per day.



Funcom is without doubt the leading company in Norway. Their new MMORPG 'The Secret World' will be released later this year.

Photo: Funcom

These three companies are without doubt the most successful when it comes down to revenue. While Bertheussen IT still is owned completely by Håkon Bertheussen himself, and only has 2 fulltime and 2 part-time employees, Funcom and Playfish stands out from the rest when it comes to number of employees and ownership. The majority of the registered companies are small and independent. 78% of the companies says that no Norwegian or foreign company have any ownership in their company. Most of the companies that participated in the survey say they have less than 10 employees. Five companies say they have between 11 and 20 employees, and only four companies have more than 20 employees.

## Established support systems:

The two main funding bodies for games in Norway are the [Norwegian Film Institute](#) and [Innovation Norway](#). According to the survey, 26 of the companies (53%) have received funding support through the Norwegian Film Institute, and 20 (41%) have received funding from Innovation Norway. Innovation Norway has granted establishing support to 16 of the companies, and development funding to 5 of the companies. Innovation Norway has also granted other kinds of support, and has definitely played an important role for the professionalization of the Norwegian game industry.

19 companies (39%) have received funding from other support systems, like the [Arts Council Norway](#) and [Fond for Lyd og Bilde](#), or from communal or district support systems. 8 companies say they have received funding through [The Research Council of Norway](#) in form of tax reduction or through their VERDIKT programme.

In 2008 the Ministry of Culture stated that computer games now is an important cultural expression, which takes a big part of especially children and young peoples media habits. The market is strongly dominated by foreign productions, and games are now included in the purchasing programme for libraries to support the access of games with Norwegian language and content to the public. In 2011, 2 million NOK was included in the state budget for libraries to purchase Norwegian games. If the games are to be available on physical or digital shelves, similar to the Danish “download” (downlån) system, is yet to be decided.

5 (10%) of the companies in the survey say they have received support from Nordic Game Program, while 2 (4%) have received support from EU MEDIA.

The highest amount of funding comes from Norwegian Film Institute, The Research Council of Norway and the EU, all with over 1 million NOK. Innovation Norway has granted up to 1 million NOK. Mid-level funding comes from Nordic Game Program, while the regional film funds and others have contributed with support less than 250.000 NOK.

‘Panic Attack’ by Derail Games is a good example of the creativity that often comes to show in the indie game world. The developers themselves call it “the Devil’s favourite game”, and it is one of several that has been published on Xbox Live Indie Games.



## Networks and associations:

There is a wide range of forums and groups of interest. [The Norwegian Film and TV Producer's Association](#) (Produsentforeningen) is representing the more established end of the gaming companies.

[JoinGame](#) is a resource network supported by the Research Council. It is the most popular and is open for anyone with a interest in games, featuring game developers, companies, educators, researchers, and so on.

[Spillmakerlauget](#) is based in Bergen and is a forum for game developers in the western part of Norway.

[Game On!](#) is the Norwegian Computer Society's group for games and interactive entertainment. Through seminars and meetings they want to contribute to develop the game industry, and to create a sufficient environment for game development in Norway. Head of the board is producer Jarle Snertingdalen from Funcom.

[Spillforeningen](#) (a.k.a. NSM) is an organization for professional producers and distributors of games in Norway. Spillforeningen is the organizer of Gullstikka – the annual award ceremony for the game industry in Norway, first time arranged in 2003.

[KANDU](#) – «Kreativ norsk dataungdom», is, in addition to being an organization that promotes the interests of young people interested in computers, arranging [The Gathering](#) – a computer party that gathers about 5000 technophile youth every year.

[Det store dyret](#) (The Big Beast) is an active online forum for all things related to 3D movies and games production.



Norwegian Game Awards is an important social event. It is run by the student organization Start NTNU in Trondheim.

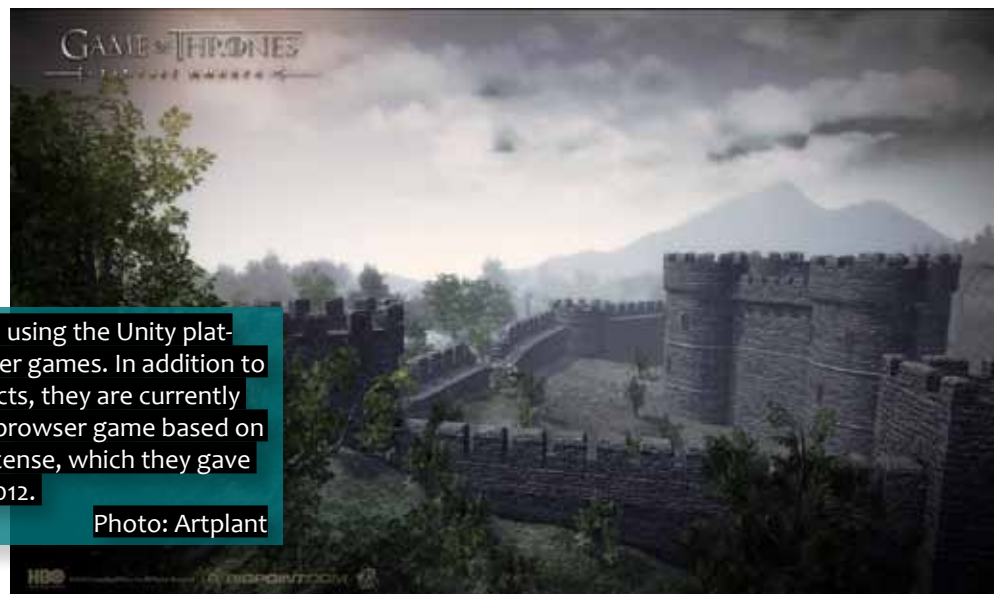
Photo: NGA

[Norwegian Game Awards](#) is Norway's largest game development competition, and their purpose is to promote games and game development among students and to boost creativity and innovation. The crew behind NGA comes from Start NTNU, a student organization at the Norwegian University of Science and Technology promoting entrepreneurship. The second goal with NGA is therefore to inspire the participants to consider starting their own game development business as a career after studies.

# Education

Several universities and college universities are now offering game related programmes.

- [NTNU](#) (Norwegian University of Science and Technology) in Trondheim is offering a 2-year master programme in game technology, and in industrial design (with game design as a possible specialization).
- [Hedmark University College](#) has several bachelor programmes for games and other digital media. Campus Hamar was one of the first to offer a game education in Norway in 2003.
- [NITH](#) (Norges informasjonsteknologiske høyskole) in Oslo offers a wide range of game related bachelor programmes.
- [NOROFF University College](#) also offers a bachelor programme in interactive media, as well as a two-year course in 3D game design and a 1-year course in 3D design and animation.
- [Gjøvik University College](#) offers a bachelor programme in programming for games.
- [Narvik University College](#) offers a bachelor and a master programme in computer science.
- [Nord-Trøndelag University College](#) offers a bachelor in multi media technology.
- [University of Bergen](#) is offering a bachelor programme in digital culture, and a one-semester course on master level in computer games and computer games culture.



Artplant is specializing in using the Unity platform to create 3D browser games. In addition to two other exciting projects, they are currently working on a MMORPG browser game based on the 'Game of Thrones' license, which they gave a sneak peak of at GDC2012.

Photo: Artplant

## Serious games

As mentioned above, about 2/3 of the active companies are doing contracted work. The report does not look at this up close, but states that by experience we can expect that much of this is in the industrial and “serious game” segment. It seems that the attitude in general still is that working within this segment is first and foremost to keep the business running. But with powerful clients like for instance Statoil, and the offshore industry in general, we can already see the contours of this becoming the core of some of the companies. The potential is without doubt present for this to occupy a much bigger part of the picture. Also, like the other Nordic countries, Norway has a solid welfare society, and we can see a growing interest and engagement from the health and education sectors as well. A couple of initiatives illustrate this:



Statoil has taken initiative to use games within their company, and is arranging the annual Industrial Gaming conference in Trondheim.

Photo: Statoil

[Industrial Gaming](#) is an initiative from Statoil to collaborate with game developers. The event takes place in Trondheim and has the form of an annual one-day conference and networking platform.

[Norwegian Game Conference](#) was arranged for the third time this year (2012), and had a focus on so called gamification in the health sector. Last year (2011) the focus was on games and education.