

An Interview with

Jim Ireton, GoldStar's key to 3DO sales success.

by Don Hicks

I first met Jim Ireton at the launch of GoldStar's new 3DO system in early November in New York. Mr. Ireton had just joined GoldStar a few weeks earlier as Vice President of Sales and Marketing. His chief responsibility was the new 3DO system with the added necessity of creating a space for GoldStar's 3DO system in a market dominated by the powerful Panasonic system.

Jim Ireton is a soft spoken, quiet, confident man who would seem to be more appropriately placed at the main office of a large bank than as a main host for a major sales event. His quiet style and forthright approach does not match the stereotype of a quick talking sales executive. However, it is this same confidence that Jim Ireton gives to others.

My next meeting with Mr. Ireton was at the Winter CES in Las Vegas. He was on a seemingly endless run of meetings and conferences. This was his opportunity to put a lifetime of

video business expertise to the test. While his direct approach to the video game business is new, it is also effective. When we asked Jim Ireton to explain some of his views and how he became GoldStar's leading man in this market, he immediately took time from his harried schedule.

Ireton: Video games is a whole new marketing business. It's not like selling a TV or VCR, this is sizzle and you have to create the magic. You have to work off of the 3DO magic. They're (The 3DO Company) out there advertising the software and software is the key. Without the software this box doesn't mean anything. Without us partnering with 3DO, EA and Crystal Dynamics it will never happen. This thing could be the greatest thing in the world, it could retail for next to nothing, but, without the software it does not matter. They (GoldStar) liked where I was going because they thought it was the

direction this machine should go, so GoldStar hired me around November 1.

3: Your background was with Sega and retail?

Ireton: Before Sega I spent more than 15 years as a retailer. I spent 7 years at Child World and most recently was Vice President of Merchandising at video games. I've sold video games pretty much my entire career from the launch

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of Nintendo in the US through the launch of Sega and ultimately joining Sega after I left Child World.

3: That was a great growth experience for you.

Ireton: It was. Sega is a fabulous company and they taught me a lot about the manufacturing end. As you look around our booth at today, you see the influence of all my past. We've done many, many things right and the few things we didn't do right, I hope we've learned from. We haven't done everything right here today but we have good checks and balances.

3: You have new displays that you are creating for the retailer?

Ireton: We have a display that is modular both for cost and for presentation. We've put together a form of display that is similar to a Sega or Nintendo style display. In the design we knew there were some customers who would prefer a kiosk. So it's an interactive display whose important



Jim Ireton taking a moment's rest at WCES in front of GoldStar's new packaging.

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section is made up of components. Those components can be broken apart and become free standing kiosks. Each of the display pieces come from the same design. That allows us to keep our costs down and still create unique looks for each of our accounts. It is very exciting and I'm very pleased with that.

3: You're job is to get GoldStar into as many outlets as possible?

Ireton: My "Big Picture" job is to run the multimedia division of GoldStar, focusing on 3DO today. My first task was to hire a team of people because I can't do all of this myself. The second objective is to get distribution of our brand to the retailer. The third goal is to open a software company to market, develop and co-develop software for the 3DO platform as well as other platforms.

3: That is a big job. The software division alone is a big undertaking. You feel you need such a division?

Ireton: Yes. We're telling people at the show that we have already signed four titles. Actually we've already signed five titles as I got another one last night that will be announced through a press release soon. Two of the titles will ship in June, one in September, and two in November. I'm currently in negotiations for another six titles. We fully expect to have between 20 and 25 GoldStar first party titles by Christmas of 1995. The studio will be in San Jose and I'll also be interviewing for a producer to run the studio for me.

3: Why San Jose?

Ireton: We picked San Jose because most of the best developers are on the west coast and we want to be where the talent is.

3: What is your major effort in the next six months?

Ireton: We feel our major effort has to be to make sure that we don't let anything slip through the cracks. That we cover every single base except the final one (for the consumer) which is should I buy a 3DO system, should I buy Sony, or should I buy Sega? We want to eliminate every other obstacle except for the consumer saying here's

why, because that really depends on the marketing and the software.

If we have good packaging, good bundles and good retail partners and software companies are developing their fourth and fifth generation software, then the question lies with the consumer and the consumer is king. We have to create great gameplay for the consumer. We can't force it down their throats and tell them we are here you have to buy it.

That's not the case. The competition is fabulous but if our gameplay is better the gamers and consumers will move toward the 3DO platform. I think many consumers have more than one platform. I think what Sony and Nintendo have done is raise the awareness of the 3DO platform and now the \$399 price is no longer a barrier.

They validated what we are doing. We know that we offer an interactive multiplayer that does other things. The announcement of the DVO (MPEG module) and the free Total Recall from Live Entertainment is just another example of the technology that GoldStar can bring to the marketplace.

3: We're going to see that in the marketplace this first quarter of 1995?

Ireton: Yes. It is currently in production in Korea. The deal with Live Entertainment happened right before the show so they are currently in the production of the movie Total Recall. The retail partners are very excited about it.

3: You have announced a new bundle. When does that become effective?

Ireton: The new bundle will be shipping in about two weeks. A lot of things for a show like CES happen behind the scenes. We wanted to have not just one announcement but this and this and this and this. So the new bundle with old packaging should be here in about two weeks. We are going to have a limited edition product which will have Shock Wave, Kodak CD and FIFA Soccer as we make the transition.

We are also showing our new packaging. Our new packaging will be shipping in six to eight weeks and that will include Shock Wave and FIFA.

3: Why did you change the packaging?

Ireton: We liked the feeling of excitement with the old packaging, but, in talking to the consumers and retail partners and looking at where we were going in terms of mass market-



The conceptual design for GoldStar's new modular point of purchase displays. It can be configured as a stand-alone kiosk or a variety of interactive displays.



GoldStar's MPEG adaptor will be available in the first quarter of 1995 at \$199.95 and bundled with Total Recall.

ing, we felt that we had missed an opportunity to show the product.

Our product is gorgeous. It has a slide out tray and it is a very high tech product. Our competitor has a flip top tray (Panasonic's new FZ-10) and we believe our product with the slide out is a much better feature. So we

Marketing Manager. I have a small but very talented executive group that I believe the trade will trust and they are very enthusiastic about where we are going.

3: This is a competition, not only with other platforms but also with Panasonic, what is your view of this?

The phrase I like to repeat is that Panasonic is our competitive partner. We both share the same goal, raising the installed base of the 3DO platform both in the US and worldwide. We each offer strengths and we each bring those strengths to each other.

want to show it. We are proud of our product. In the old packaging, this didn't come across.

We also want to keep the 3DO lettering. 3DO is very, very important. Whether it is on our merchandising, our signing, or our product, you will see 3DO everywhere. You will still see GoldStar but 3DO is what we are selling.

We've talked about quite a few things. In the press kit you will see that I have hired Paul Rynshall from Spectrum Holobyte as our Director of Sales, Shay Hogan from US Gold as our Sales Manager, and Marjorie Adis from Sony in New Jersey to be our

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The Panasonic name is fabulous. The GoldStar name is fabulous. As you can tell, their design is a flip up and ours is a slide tray. They have a different bundle and we have a different bundle. We strongly believe that a retail partner should carry both.

Consumers like a choice. Like when you go to buy a TV and there

are so many brands. This is a 3DO business and the consumer can choose which they would like to play.

We also have different distribution partners and, by being where we are, Panasonic can be in one distribution channel that they are good at and we may be in another that we are good at. Together we will raise the installed base.

We are also, as is Panasonic, a publisher. So, quite selfishly as a publisher, it is important to me that the software base is raised. Whether it is raised through Panasonic or GoldStar, the ultimate fact is that it is raised.

3: The announcement of Panasonic being in the Wal-Marts must open doors for you.

Ireton: It does a couple of things for us. First of all it shows that Wal-Mart, once again, is showing their vision. The world's largest retailer is demonstrating that the multimedia business is happening and that they are willing to commit early to being a partner in that business.

It also reaffirms what we are saying in the trade that the 3DO business is really happening and that in order to get into the business in 1995 you have to get into it today. To get the stores ready, the marketing ready and the advertising ready so that the consumer will know that when they're driving down the street and they want 3DO software, they've been in Wal-Mart for other things and seen the demonstration. One just can't open up the doors September 1 and be in any kind of a new business like this.

We are very pleased with the Wal-Mart announcement, however there are many other fine retailers that we are in negotiation with which we can't talk about today, but will compliment what we are doing.

3: Any last words for the 3DO community?

Ireton: Yes. We are pleased to be here. It's been a lot of fun for me. It's been a lot of work, but I enjoy the challenge of getting this division up and running. Now I'm really excited about the business potential of the 3DO platform.