

The Game Industry Of **FINLAND**



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The Finnish Game Industry



The Finnish game industry has been growing dramatically during the past three years. In Q1/2014 Finnish game industry consists of more than 200 companies.

Significant part of the companies develop mobile games, but there is development virtually to all existing platforms. The start-up scene is vibrant. Over 50% of the existing game companies have been established during last couple of years.

The most well-known Finnish game companies are at the moment Supercell with its Clash of Clans, and Rovio with its Angry Birds, but these superstar companies are just the tip of the iceberg.

Though most of the well established companies are located in capital area, the development of the game industry is rapid in regional areas also.



The Finnish Game Industry

Pictures of the front cover;

- Fingersoft / Hill Climb Racing
- Frogmind / Badland
- Grand Cru / Supernauts
- Rovio / Angry Birds Classic
- Supercell / Clash of Clans

Pictures of the back cover

- Cornfox & Brothers / Oceanhorn
- Redlynx / Trials Frontier
- Remedy / Quantum Break
- Supercell / Hay Day
- Tribeflame / Benji Bananas

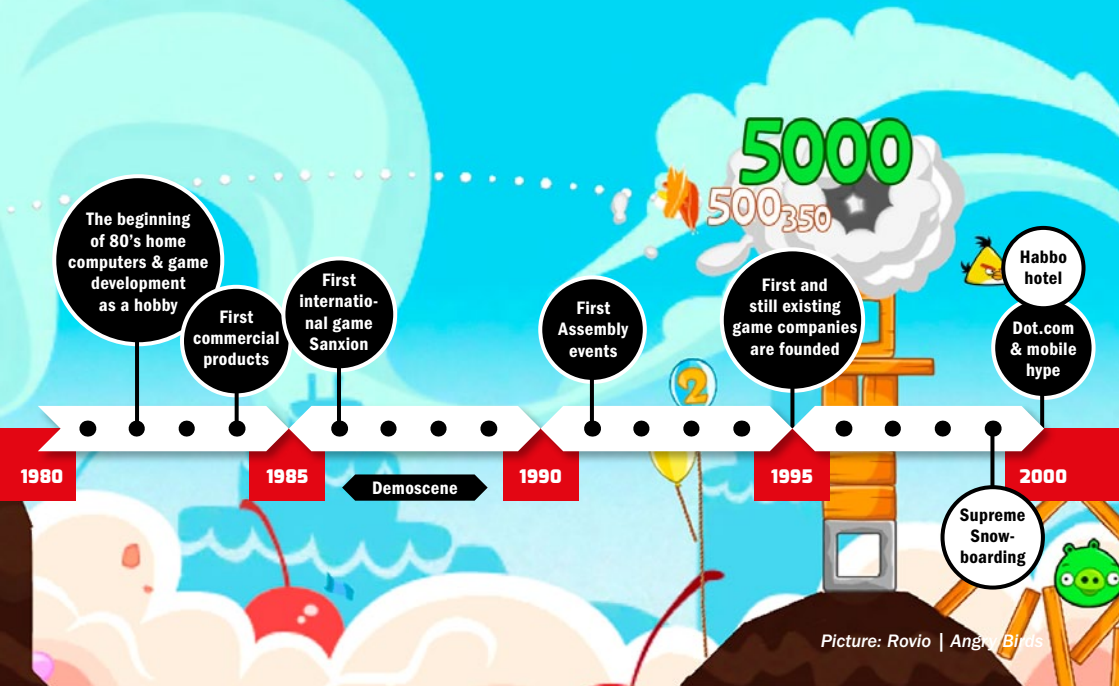
GROWTH:
2012-2013
260%

The global nature of game business and small size of the domestic market mean that the game industry is now a key component in Finland's exports and economy, with well over 90% of the production exported.

It is also worth noticing that the total impact of the Finnish game business is even bigger than the value of the core of the industry (game development and services). When additional business activities and investments are taken into consideration, the total value of the entire branch is over two billion Euros.

Key statistics of the industry are presented in this brochure. Following pages present some facts and figures about one of the most dynamic game development countries at the moment.

Roots of The Finnish Game Industry





2000

Max Payne

Digital distribution in PC platform (Steam)

Investment recession & The growth of Nokia

2005

Facebook games and social gaming

Digital mobile distribution expands (Appstore)

Angry Birds

2010

2011-2012 Big international investments to Finnish Game Companies

Changes on business models

51% of Supercell was acquired with \$ 1,5 billion by Gung Ho & Softbank (15.10.2013)

2015

HayDay & Clash of Clans

2020

Picture: Rovio | Angry Birds

Total Value

of the Finnish Game Industry 2013



GAME INDUSTRY CORE

900 million €
(USD 1236 million)

INVESTMENTS

110 million € (USD 151 million)

MERCHANDISE & LICENSING

100 million €
(USD 137 million)

TOTAL 2210 million €
(USD 3035 million)



MERGERS & ACQUISITIONS

1100 million € (USD 1511 million)



Turnover

of the Finnish Game Industry Core
(game development) 2008–2013



Financial Transactions

2011-2013

USD
1.72
billion

Name of the company	Type of business	Amount	Year
PLAYRAVEN	Mobile games	\$ 2.3 million	2014
SUPERCCELL	Mobile games	\$ 1.5 billion	2013
		\$ 130 million	2013
		\$ 15.0 million	2011
SERIOUSLY	TBA	\$ 2.3 million	2013
SMALL GIANT GAMES	Mobile games	\$ 0.8 million	2013
GRAND CRU	Mobile games	\$ 11.0 million	2013
		\$ 2.0 million	2012
APPLIFIER	Game play recording	\$ 4.0 million	2012
		\$ 2.0 million	2011
BEIZ	Mobile games	\$ 1.0 million	2012
OVELIN	Mobile games	\$ 1.4 million	2012
ROVIO	Multiplatform + licensing	\$ 42 million	2011
GREY AREA	Mobile games	\$ 1.9 million	2011

Financial Transactions

Name of the company	Type of business	Acquired by	Year
FUTUREMARK GAME STUDIOS	PC games	Rovio	2012
REDLYNX	Console, mobile and PC online games	Ubisoft	2011
ROCKETPACK	PC online games and HTML5 technology	Disney	2011
UNIVERSOMO	Mobile games	THQ	2007
BITBOYS	Technology/Engine	ATI/AMD	2007
HYBRID GRAPHICS	Technology/Engine	Nvidia	2007
MR GOODLIVING	Mobile games	Real Networks	2005
SUMEA	Mobile games	Digital Chocolate	2004

GREENFIELD INVESTMENTS

→ EA opened a studio in Helsinki September 2012.

→ Game development tools provider **Unity** also opened a studio in Helsinki November 2012.

→ **Playground Publishing** opened an office in Kotka during 2013.

CAGR = Compound Annual Growth Rate

in the Finnish Game Industry

CAGR 2004-2013

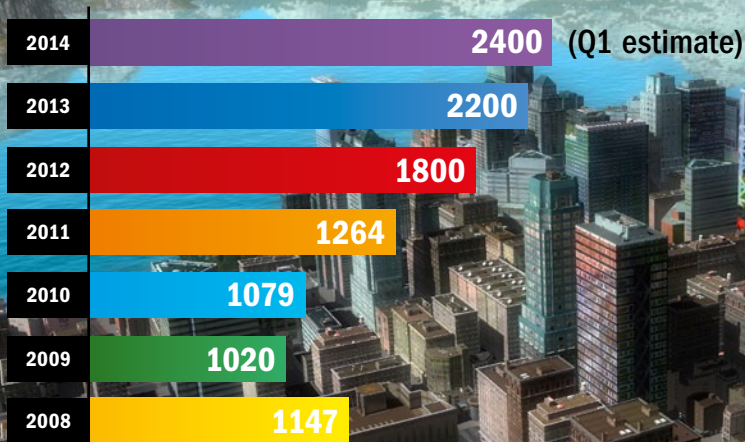
39.5 %

Long term CAGR of the Finnish game industry shows that the game industry in Finland has been growing significantly faster than the global game market.

If the growth continues at the same rate, the turnover of the Finnish game industry will multiply to year 2020.

Number of Employees

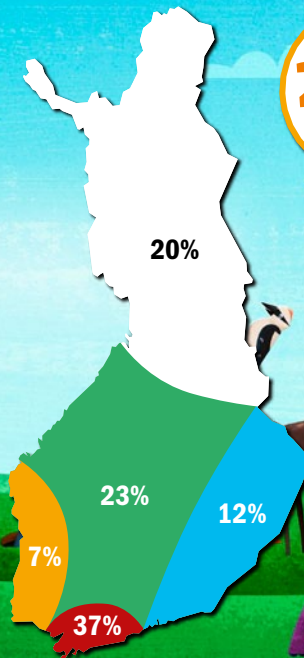
in the Finnish Game Industry 2008–2013



Location of the Companies



* Capital Area	37 %
* Central Finland	23 %
* Western Finland	7 %
* Eastern Finland	12 %
* Northern Finland	20 %




200+
companies
in total

Regional Hubs

- ✳️ Kotka: Playa/Cursor, Teemu Saarelainen
- ✳️ Kouvola: Kinno, Mika Lammi
- ✳️ Kajaani: Kajak Games, Kavio Cluster, Kimmo Nikkanen
- ✳️ Turku: Turku Sciencepark, Patrik Uhinki
- ✳️ Tampere: Tampere Game Factory, Antti Salomaa
- ✳️ Jyväskylä: Expa, Jonne Harja
- ✳️ Oulu: Oulu Business Kitchen, Jussi Autio
- ✳️ Helsinki: Otaniemi Marketing, Leigh Eving
- ✳️ Joensuu: Joensuu Gamelab, Veikko Miettinen

Shining Stars: SUPERCELL

The background of the slide features a dynamic scene from the game Clash of Clans. In the foreground, a Barbarian with a yellow helmet and a large sword is roaring with his mouth wide open. Below him, a Wizard in a blue hooded robe is casting a spell, with gold coins floating around him. In the background, other Barbarians and a Golem are visible, along with flying arrows and debris, suggesting a battle in progress.

- * 140 employees
- * Company founded in 2010
- * \$ 1.5B financing for 51% of the company by SoftBank and GungHo (2013)
- * \$ 130 million financing (secondary share sales) by Index Ventures, IVP and Atomico (2013)
- * \$ 12 million Series A financing round lead by Accel Partners (2011)
- * \$ 3 million in Seed and Tekes financing (2010-2011)
- * Clash of Clans #1 grossing in 143 countries
- * HayDay #1 grossing title in 102 countries

Shining Stars: ROVIO

ANGRY BIRDS GO!

- * 800+ employees
- * Company founded in 2003
- * \$ 42 million investment (2011)
- * Angry Birds (2009),
Angry Birds Seasons (2010),
Angry Birds Rio (2011)
- * Angry Birds Space, Bad Piggies,
Angry Birds Star Wars (2012)
- * Angry Birds Go (2013) 2 billion
downloads in total for all Angry
Birds titles
- * Rovio Stars Publishing program
(Tiny Thief, Juice Cubes,
Icebreaker: A Viking Voyage)

Shining Stars: FINGERSOFT

- * 12 employees
- * Company founded in 2012
- * 100 million Hill Climb Racing downloads in total



Shining Stars: FROGMIND

- * 3 employees
- * Company founded in 2012
- * Over 7 million Badland downloads in total

Shining Stars: REMEDY



- * 100+ employees
- * Company founded in 1995
- * Max Payne 1&2 over 7 million sold copies
- * Alan Wake franchise over 4 million sold copies
- * Published Death Rally, 16 million downloads
- * Agents of Storm (iOS) in open beta
- * Quantum Break (Xbox One) in development

Shining Stars: REDLYNX | UBISOFT



- * 100+ employees
- * Company founded in 2000
- * Trials series has sold 3.5 million units on console and PC
- * 30 million mobile game downloads
- * Acquired by Ubisoft in October 2011
- * Trials Frontier is the first Trials mobile game

Picture: Redlynx | Ubisoft | Trials Frontier

Shining Stars: HOUSEMARQUE



- * Creators of the critically acclaimed RESOGUN, Dead Nation and Super Stardust HD
- * Based in Helsinki with 50 employees
- * Worked on over 20 games since 1995
- * Old-school arcades brought to modern age

Something in the Water?

Finland has:

- * Excellent technological know-how especially in mobile platforms (partly due to Nokia)
- * Public R&D funding (mainly by Tekes)
- * Companies are born global because of small size of domestic market
- * Flexibility to adapt changes in business
- * Best practice sharing
- * Strong game developers community, gaming culture and co-operative spirit (e.g. demoscene, Assembly, Game Jams)
- * Functional industry networks (e.g. IGDA, Neogames and Suomen Pelinkehittäjät)

Education

- * Aalto University; www.aalto.fi/en
- * University of Tampere/Tampere Research Center for Information and Media; www.uta.fi/sis/trim
- * Centria University of Applied Sciences; <http://web.centria.fi/>
- * Helsinki Metropolia University of Applied Sciences; www.metropolia.fi/en/
- * Jyväskylä University of Applied Sciences; www.jamk.fi/en
- * Kajaani University of Applied Sciences; www.kamk.fi/en
- * Kymenlaakso University of Applied Sciences; www.kyamk.fi/Frontpage
- * Lahti University of Applied Sciences; www.lamk.fi/english/
- * North Karelia University of Applied Sciences; www.karelia.fi/en/
- * Oulu University of Applied Sciences; www.oamk.fi/english/
- * Tampere University of Applied Sciences; www.tamk.fi/en
- * Turku University of Applied Sciences; www.tuas.fi

Education



- * Kouvola vocational college;
www.ksao.fi/en
- * Laajasalon opisto;
www.laajasalonopisto.fi
- * North Karelia Municipal
Education and Training
Consortium /Pelitalo;
[www.pelitalo.org/
pelitalo_english.html](http://www.pelitalo.org/pelitalo_english.html)
- * Oulu Vocational College;
www.osao.fi
- * Sataedu; <http://sataedu.fi>

Skene – Games Refueled

- * The Finnish game engine generates hits after hits
- * Skene aims to strengthen Finland's position as hotspot for game and entertainment industry and to accelerate the Finnish game industry growth
- * Skene is the first Tekes programme dedicated solely to game industry
- * Focus in game start-ups

www.tekes.fi/skene



Tekes Systematic Game Industry Funding Continues in Skene

- * Skene provides funding, expertise, matchmaking, foresight and global networks
- * Tekes game funding attracts foreign investments: almost every game company that has received VC funding, has had Tekes funding
- * The amount of Tekes funding to game development projects varies from tens of thousand to over one million euros

Tekes, the Finnish Funding Agency for Innovation in Figures

- * Tekes annual budget EUR 600 million
- * Over the years Tekes funding to the Finnish game industry EUR 65 million
- * Over 100 Finnish game companies funded by Tekes
- * Skene budget EUR 70 million

Companies Funded by Tekes



"With the long term partnership with Tekes we are able to deliver best in class technology and drive a leading edge R&D effort. Support from Tekes is paramount when we take on challenging "win-big" endeavours."

Matias Myllyrinne, Remedy

"Supercell would not exist without Tekes."

Ilkka Paananen, Supercell

"Projects with Tekes have effectively helped Rovio to network with other Finnish entertainment companies. Both short-term and long-term research and development is critical part of these joint projects."

Veikko Hara, Rovio

INVEST IN FINLAND

Invest in Finland is a government agency that promotes foreign investments into Finland. We assist international companies in finding business opportunities in Finland and provide all the relevant information, guidance and networks required to establish a business in Finland.

When doing business with us, you will always be assisted by sector-specific teams of experts. As well as assistance, these teams provide comprehensive information concerning your sector. Our services are always tailored to meet your precise needs.

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NEOGAMES

Established in 2003, Neogames Finland ry (Association) is the Hub of the Finnish game industry. Neogames is a member based non-profit organization created for the purpose of enhancing the operational environment of the Finnish game industry.

With its pioneering philosophy, Neogames has established an extensive network of contacts along with an intimate working knowledge of every aspect of the Finnish game industry that is unparalleled.

Neogames also works closely with a number of related public sector organizations. If you need to know anything about the Finnish game industry or meet anyone, please, let us know. We can help.

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IGDA FINLAND

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IGDA (International Game Developers Association) is a non-profit professional society that is committed to advancing the careers and enhancing the lives of game developers by connecting members with their peers, promoting professional development, and advocating on issues that affect the developer community.

The mission of IGDA Finland is to promote the development of careers and professional skills of individual game developers (and individuals of related industries) based in Finland, and to further develop the international recognition of the Finnish game developer community.

IGDA Finland brings Finnish game industry professionals together in monthly meetings with more than 400 participants spread out to six cities

Go to www.igda.fi to learn more.

ENTER THE FUN!

Picture: Tribeflame | Benji Bananas

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Picture: OoKoohKo | Zero Tolerance Hero

Tekes



neogames
HUB OF THE FINNISH GAME INDUSTRY



igda Finland

Finnish Chapter of the International
Game Developers Association



INVEST IN FINLAND



SWING!

ACTION!