



Daniele Azara

Palzoun: a young company that believes in the future of entertainment

[04/01/2010][by **Lucio Bernesi**]

Daniele Azara started working with a number of up-and-coming software houses in Rome in the '90s before becoming a Lead Designer for **Ludonet Spa**. Over the years, he worked actively on the development of a technology for a persistent online world that was a forerunner to "Second Life" as well as on a number of videogames such as "Final Justice" (FPS multiplayer), "Brothers, Battle for Yamato" (TPS\RPG multiplayer), "GP-Moto Race" (the first Nokia widescreen mobile racing game) and "**Il Rosso e il Nero**, the Italian Civil war", a FPS that was entirely made in Italy. In addition, Daniele's teaching credentials are excellent. Starting in 1999, he was the chairman of the faculty of computer science at the *Libera Università* of the **Norman Academy** for four years and currently holds a seasonal chair as a lecturer on "Game design fundamentals" for the Master's course on Multimedia Content Design at the **University of Florence**.

GameSushi met him in his capacity as **Palzoun Entertainment's** Production Director, representing the first Italian producer of multiplatform videogames with a cinematic business model.

GameSushi: Hello Daniele and welcome to GameSushi's pages! Can you give us a general overview with respect to Palzoun: how was it born, how is it evolving over time, and what are its goals?

Daniele Azara: Thank you for your kind welcome. I am very pleased to be representing Palzoun on your pages since we are regular GameSushi readers!

Palzoun was established in the summer of 2008 and became fully operational in 2009. The company is headed by the Chairman of the Board of Directors, Mr **Massimo Gentili**. He is Nokia's former Managing Director as well as Ericsson's CEOs, and is appointed to its Global Corporate Board. Mr **Camillo Montani Natalucci** is the company's Managing Director. He boasts a lengthy experience in the BBDO communication sector (he was responsible for some of the most famous advertising campaigns of the '80s and '90s) and has been operating as an entrepreneur in the entertainment industry for over 10 years.

Palzoun has adopted a cinematic, "production company-based" business model. We acquire videogames from development companies and release them onto the market. We assess products at any stage of development, from "concepts" to "gold masters".

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Furthermore, we are also available to act as co-producers for our potential partners. A number of companies believe in their own projects, but do not or cannot invest the necessary resources in them. Palzoun can support these projects both financially and with collateral activities, such as acting as a broker.

Moreover, the company has also focused its efforts on a complex series of promotional, managerial and legal activities that are intrinsic to the interactive entertainment sector. As a rule, software houses cannot organise these activities in an efficient manner, because they often face budget constraints. It is important to remember that the greater the initial drive, the greater the lever when dealing with publishers.

Our short term objective is to release our first products on the market and to explore other avenues for investments and returns in the sector. As a production company, Palzoun has a two-fold objective: 1) to create quality games that 2) generate satisfactory economic returns.

Given its nature, it is obvious that Palzoun can be considered to be an experimental company in Italy to all intents and purposes.

GameSushi: Tell us about your role as a Production Director and of the "pros & cons" of this position.

Daniele Azara: I have a double role, since I am both the **Executive Production Director** and the **Creative Director**. As the Executive Production Director, I am responsible for choosing which projects are presented to the company's decision making board. I also work with Producers to ensure that the videogames that are launched function correctly, while maintaining high level dealings with all those that are not directly involved in development. In short, I am responsible for ensuring that the company achieves its pre-established targets in terms of timing and costs.

On the other hand, as the Creative Director I am in charge of generating new Concept Designs and IPs. In addition, I oversee our in-house creative team. Above all, I guarantee that the functional and artistic vision of a project remains unaltered - without loss of concentration - until it is completed. Indeed, it would be impossible to do all this without the support and hard work of our skilled, professional staff. Palzoun is a wonderful, close-knit and highly motivated, team.

I have been entrusted with a great deal of responsibility, requiring both study and constant focus. The advantage is that I get to do what I love doing and I feel privileged for this reason. If users like our products and play them to have fun, then I will be able to describe myself as truly and utterly satisfied.

GameSushi: What challenges will you be taking on next?

Daniele Azara: From a certain point of view, Palzoun's own existence is a challenge. We have to fill in the gap that separates us from the international industry, confirm the quality and playability of our products, and convince other partners and institutions of the potential for economic returns in the videogame sector.

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As of today, we have completed our initial phase of activity, which was brought to a close with the release of the first developments, contracts for the coming year, and the preparation of a production plan for 2010. The company will continue to be committed to the creation of high quality products in the coming year for both the casual and hardcore market, while focusing specifically on multiplayer and social components.

At a lower level, our greatest challenge will be marketing the first products we release. In particular, this is true for **Bang!**, which is a board game we developed together with SpinVector - a company from the Benevento area with which we boast a solid, multi-year partnership.

We will also be announcing a highly unusual and exclusive iPhone/iPod "racing game" soon.. I cannot tell you anything more about it at the moment, but I am sure it will make a splash.

Palzoun's creative team - the **Noname Team** - is also working hard on a project that is a challenge, in and of itself. It will be the first Triple A Tactical Shooter game to be developed in Italy. The game's pre-production phase lasted approximately seven months and is currently undergoing completion. Now, we need to find resources required to finalise its development and ensure its distribution. I hope I will be able to tell you more soon, since it is a very ambitious project.

Lastly, we are also setting up a series of partnerships with training companies and consultancies in order to put in place long term collaborations that can have a positive influence on the development of professional resources for the sector. Personally, I have prepared a course of study on "videogame production & design" that focuses entirely on the gaming experience, which I would like see taught in public or private institutions interested in training this type of professional. The industry has a desperate need for this if it is to hope for healthy growth.

There are a lot of irons in the fire, but I do not want to expand on this topic any further and take up time that could be spent discussing other issues.

GameSushi: Bang! has proven to be a great success. Were you surprised after seeing the figures it achieved? How will this brand be "treated" in the upcoming months?

Daniele Azara: Bang! is a spaghetti-western board-game with a cartoon-based, cynical, light-hearted, cheerful and ... "lethal" approach that has conquered the heart of over half a million players around the world and has been the recipient of several international awards. Palzoun purchased an exclusive licence for the product from daVinci Games so it could turn it into a multiplatform videogame. Bang!'s worldwide success should not be a surprise. It is a valid, international and extremely entertaining product.

We love Bang! unreservedly. The electronic version we are working on with SpinVector has kept the flavour and possibilities of the original game unaltered, but has made it even easier to understand. We have re-adapted the rules to make the international mechanism even more

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intuitive and have given all 30 characters - who were already fantastic - a complete overhaul to create a striking graphic style and add both animation and details, all of which make Bang! a board-game suitable for both the most die-hard of players and the larger public of causal gamers in general.

Bang! The Videogame will be a medley of the original version and the integration of three expansions: High Noon, Dodge City and A Fistful of Cards.

The Bang! brand is a quality guarantee. We are working closely with daVinci Games – who have entrusted us with the project while rejecting proposals from other international publishers – to create a top quality product that is true to the brand. In addition, we have a great surprise in store for the soundtrack, although I cannot talk about it yet. As such, readers are welcome to visit the Palzoun website and our blog.

The game will be launched "cross-platform" on iPhone and PC during the first few months of 2010. Furthermore, we also aim to launch it on PSN as well.

GameSushi: Working in Italy - in the videogame sector - is a true test of courage and passion. How do you see "your/our" future in a country that finds it difficult to give the videogame industry the right amount of importance (primarily in economic terms)?

Daniele Azara: This is a complex issue that risks being trivialised in a few sentences. Courage and passion are certainly not lacking. From my point of view, it is unthinkable to believe that our industry will be subjected to a swift, ongoing transformation in the short term without the authorities intervening in a substantial manner. Above all, it requires interventions from private investors who are interested in making a profit from these activities.

The main problem is that the videogame sector is a high risk industry, particularly at this point in time. Unfortunately, on average, Italian companies at the moment are not attractive to investors. There is too much craftsmanship. Moreover, there is too little talk of business sometimes, and the wrong attitude is often adopted. For the authorities, the first step could be to lower corporate taxes in the entertainment sector, channelling - both material and intangible resources - towards entities that can support development in the sector. Moreover, it is equally essential for companies to be given the chance to understand that development is a starting point and not the end goal. What is more, they must also realise that activities that are often seen as collateral are instead of primary importance both in life and for economic development. If, on top of this, we also add the intrinsic difficulties inherent to managing a company in our country, what becomes obvious is that the whole framework must be dismantled first, before it can be analysed and solved, one piece at the time.

While some companies are fighting over the limelight as if engaged in a popularity contest in Italy,

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top Groups around the world - who pull the manufacturing and financial strings - define standards and regulations, and are thrilled that these potential competitors have absolutely no influence, even though they would not be wrong in fearing them, particularly at a creative and artistic level.

GameSushi: Do you believe that the State should use direct interventions to fund these new opportunities for employment, like it does in other European countries for example?

Daniele Azara: The Italian State does not have a history of intervention on dwarf industries. Moreover, with a turnover of approximately € 18 million per year, which is equal to that of a medium-small company (there are hundreds of thousands of these in Italy), calling it a "dwarf" is an optimistic euphemism.

However, given its limited size, interventions to support corporate growth, technological research, and tax breaks could be very important.

Companies could become more attractive in this manner. More money in your pockets means more time, and more time equals increased possibilities for personal and professional growth. Development is hard work, whether it concerns small projects or huge blockbusters. Taking a break from the screen is a privilege that few software houses can afford today.

More than just direct capital injection, awards for national competitions, incentives for training schools, and taking advantage of the entertainment medium in sectors such as serious gaming, e-learning and advergaming/social gaming at a commercial level through suitable payments could all be a means to successfully support development within the scope of a business sharing perspective.

I often hear my colleagues discussing venture capital. Even though venture capitalists invest millions of euros in high risk companies every year, they are used to thinking in the short term. If we are to convince them to take part in an attractive videogame product (that is: high investment-high return) we must convince them to wait a few years, plus licensing periods, plus submission, plus analyses, plus launch on the market. All this without a "history of success" to back us up.

Therefore, direct capital injection does not appear to be a solution. Although these companies have outstanding technicians and creative thinkers, they do not have the production and marketing figures required. Furthermore, they lack the necessary experience and "insider" dealings, which cannot be gained here. Then, there are our colleagues abroad. Perhaps the State could start funding their return in a lavish manner. And I am not just talking about the videogame industry.

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I would like to conclude on a positive note. Fifteen years ago, the companies of the northeast were tiny and had highly reduced turnovers. It was a dwarf industry and the State did not intervene. Nonetheless, these companies managed to organise themselves and create an efficient network. Today, they are Italy's economic driving force.

GameSushi: In this respect, how are you dealing with the economic downturn, which has affected every sector of the economy, to a greater or lesser extent?

Daniele Azara: I often think that having a Palzoun ten years ago would have been completely different. It is a difficult moment, not just because of the downturn – which has had an effect on the entertainment sector as well as on the videogame industry – but because of the transformations the market is currently undergoing. Let me explain myself better. Our first industry model was based on a very simplistic production-distribution system. As it evolved, this primitive marketing form turned into a cinematic “studio” model that featured a handful of leading players with great marketing and financial capacities and in-house developers, in addition to a wide-ranging landscape of independent players who were trying to be noticed (often so that they could be acquired).

New consoles developed for digital delivery hit the market in 2005-2006. Mention of these had been first made in the '90s (few today remember that the first Xbox had online functions). At this point, videogame sellers started thinking of two things. The first was to attract “non-players” with suitable products while the second was to ensnare back former gamers, who had stopped playing because they had become bored by the repetitiveness of the products (can you blame them?).

The “rush to entice users” brought us to where we are today, with digital delivery promising direct access to the market for independent players without the need to resort to publishers (something which is not always true, however). The introduction of “non gamer” platforms such as Wii or iPhone have caught the attention of possible users and drawn them away from manufacturers such as Microsoft and Sony (Natal, Wand, etc.), while the economic downturn has been tough on everyone.

Had we had Palzoun ten years ago we would have been better prepared to take on the challenges of time. We have a single objective today: to find the right products and gain the returns required to climb to the top, towards larger and more important operations.

In this respect, I see Palzoun as something that must be safeguarded and protected, because Italy does not have the wealth necessary to have relaxed businesses. In this context, the risks become even greater.

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