Computer-game combinations take place of simple games

Bally and Mattel introduce modular systems which add on to basic game components

Combination computer-game systems introduced by Bally and Mattel showed the way the business is evolving, as personal computers pre-empted Convention Center space and attention once devoted solely to video games.

Bally and Mattel, both known until now for their entertainment units, introduced modular computer systems with programmable game capabilities. Both start with a programmable game and add an optional computer unit to build the complete system.

Bally's new system is on three levels. Level I is Bally's Professional Arcade game, now known as the computer video console ($300 for the two-player model; $330 for the four-player model).

Level II adds a BASIC programming cassette and audio cassette interface ($50) to the console.

Level III is the programming keyboard, a 60-key alpha-numeric typewriter-style keyboard that uses a new graphics language, GRAFIX, in conjunction with the system's 256-color output. Bally expects the Level III keyboard to be available in the third quarter at $650.

During a WCES demonstration, Bally Consumer Products General Manager Bob Wiles termed GRAFIX the first graphic computer language designed for consumers. He noted that it is self-teaching, since programming instructions are given the user on request. It is also expandable by the user and permits multi-level programming, allowing the user to write one program while running another.

Mattel's modular computer-game system, called Intellivision, comprises two main units: a master component that can provide entertainment through pre-programmed ROM game cartridges; and a 64-key typewriter-like keyboard that uses pre-programmed software for such things as family financial management, physical health and self-education. Cost to the dealer for each of the two components was given as $165 each.

The remote controllers for the master component use an "overlay" system in which each game comes with printed overlays that fit over the keys and tell how to play the game.

Mattel's David Chandler works the controls of the Intellivision system, programmed in this case for a game of backgammon. This is one of some 20 software programs Mattel is bringing out for the system in 1979.

One of the early entrants into the business, Apple Computer, did not introduce any new products, but conducted seminars for retailers in a nearby hotel salon. Gene Carter, vice president of sales, said Apple doubled its retailers last year and is still expanding.

"We're still missing 30 cities in the 100 top markets," Carter remarked. He said the average Apple dealer sells five or six computers a month.

At the Atari exhibit, most of the excitement centered on the two new personal computer systems, the Atari 400, a general-purpose system priced at $450; and the more specialized Atari 800 with expandable memory, an array of peripheral components and a software library, at $900.

Other computer exhibitors included APF, which plans to enlarge its line with an under-$500 unit in the second half of the year; Ohio Scientific, which was promoting its low-end Challenger 1P priced at $349; Exidy, which introduced a $300 expansion unit capable of computer speech, to be added to its Sorcerer computer line; Interact Electronics, which is offering 14 taped programs valued at $294 to purchases of its computer; and Teal Industries, a new entry in the U.S. market.

Although two potential industry giants, Texas Instruments and IBM, reportedly are preparing to invade the personal computer market, there were no signs of it at the January show. ■ TONY RUD

Fear termed big hang-up for computer purchasers

Marketing and merchandising tips are dispensed for computers, games, calculators and digital watches

One reason people don't run out to buy a computer is that it "scares hell out of 'em," in the opinion of Larry Castriotta, merchandising vice president of Team Central, the consumer electronics retail chain that has been in home computers almost since their start.

The ordinary person doesn't understand the computer. He gets the feeling society is moving faster than he is, and if he buys one, "he will no longer be the smartest thing in the house."

So the retailer's sales pitch should be directed toward persuading the consumer that *he* controls the computer, not the other way around. "The computer is a useful friend, not an enemy invading your home."

Speaking at the morning WCES seminar on computers, video games, calculators and digital watches, the Team Central executive said his company had sold a lot of computers but it hadn't been easy. Although the industry has built a better mousetrap, he added, "the world is not beating a path to our door."

For the manufacturer, Castriotta recommended that usability, not technical excellence, be the prime goal. For the retailer, he stressed the need to decide the degree of investment and commitment the store can make before selecting the kind of computer to sell.

That consumers gradually will take over a bigger share of the computer market was predicted by market analyst Bill Meserve of Arthur D. Little Inc. Meserve said that in 1978 consumers bought 10 per cent of the 242,000 units sold, with another 10 per cent going to very small business and the rest to hobbyists and professionals.

By 1982, Meserve said, the industry will reach the $1 billion mark at the manufacturer level (excluding $20 million in pre-packaged software), with consumers buying 20 per cent, very small business 40 per cent, hobbyists and professionals 40 per cent.

Saying that large-scale hardware sales depend on development of software for specific purposes, Meserve listed Texas Instruments, Atari, Mattel, Bradley and Parker Brothers as companies able to make the "large front-end investments" necessary to succeed. He named Radio Shack, Commodore, Pertek and Apple as companies that need to adapt specific strategies—such as focusing on one market segment or establishing an OEM relationship—that will enable them to build upon their "installed base."

Different ways personal computers can be used were described by Phil Roybal, product marketing manager of Apple Computer Inc. Roybal outlined one traditional application—the management of information—and one non-traditional application—aid for the physically disabled.

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