
Subject: For Amusement Only: the life and death of the American arcade

Posted by [TMC](#) on Sat, 06 Jul 2013 23:15:04 GMT

[View Forum Message](#) <> [Reply to Message](#)

<http://www.theverge.com/2013/1/16/3740422/the-life-and-death-of-the-american-arcade-for-amusement-only>

If you've never been inside a "real" arcade, it could be hard to distinguish one from say, oh, a Dave & Buster's. Authenticity is a hard nut to crack, but there are a few hallmarks of the video game arcade of days gone by: first, they have video games. Lots and lots of video games, and (usually) pinball machines. They're dark (so that you can see the screens better), and they don't sell food or booze. You can make an exception for a lonely vending machine, sure, but full meals? No thanks. There's no sign outside that says you "must be 21 to enter."

These are rarely family-friendly institutions, either. Your mom wouldn't want to be there, and nobody would want her there, anyway. This is a place for kids to be with other kids, teens to be with other teens, and early-stage adults to serve as the ambassador badasses in residence for the younger generation. It's noisy, with all the kids yelling and the video games on permanent demo mode, beckoning you to waste just one more quarter. In earlier days (though well into the '90s), it's sometimes smoky inside, and the cabinets bear the scars of many a forgotten cig left hanging off the edge while its owner tries one last time for a high score, inevitably ending in his or her death. The defining feature of a "real" arcade, however, is that there aren't really any left.

To say that Nolan Bushnell single-handedly created the arcade would probably be overstating it: coin-operated machines had been popular in America for decades by the time he got his start in the early '70s, and the pinball arcade had a storied (and notorious) spot in American history. It is also undeniable, however, that the video game arcade would not have happened without him. The video game arcade had its roots in 1971, when Computer Space, the first commercially sold, coin-operated video game, was designed by Bushnell and Ted Dabney. Though considered a failure at the time, the game was revolutionary, and formed the foundations of a new industry. It also marked the beginning of a long, illustrious, and world-changing career for Nolan Bushnell. In 1971, however, Computer Space looked anything but illustrious, and the idea that there would soon be arcades dedicated entirely to video games was the furthest thing from anyone's mind — except for maybe Nolan Bushnell's. To understand the ecosystem that Bushnell and his ilk injected themselves into to create the modern video game arcade, however, you have to go back a lot farther than the 1970s.

YOUTH GONE WILD

The arcade has always been aligned with the coin-operated amusements industry, and — since the birth of pinball — with youth. By definition, an "amusement arcade" is a place that houses coin-operated machines, and for the first half of the 20th century, that meant pinball. The first successful coin-operated game was called Baffle Ball, created by David Gottlieb in 1931.. Gottlieb and Co. was founded in 1927 in Chicago, where most of the big amusements companies were based: ABT Manufacturing was founded there in 1924, Bally in 1932, Williams in 1943, and Midway in 1958. Bally and others originally made much of their money manufacturing slot machines. The coin-operated amusements industry, which developed jukeboxes, pinball machines, slots, gumball machines, and later video game cabinets, had its roots in gambling, a controversial industry in America. Most states had laws against or heavily regulated gambling, but

the slot companies quickly found ways around the prohibitions. Gumball machines, for example, were used to sidestep state gambling laws against cash payout machines by offering gum as a prize, leading to widespread and long-standing distrust of vending machines by would-be regulators. From the beginning, pinball machines were a subject of municipal debate revolving around one main question: whether or not pinball machines were "games of chance," which by definition meant that they were gambling devices. As early as 1934, operators, game manufacturers, and distributors argued — most often unsuccessfully — that pinball was a game of skill, and not inevitably connected to gambling. It was true, of course, that some early pinball machines manufactured by companies like Bally and Williams did offer a cash payout and also that early machines, which lacked bumpers and flippers, were largely luck-based endeavors. Cash payouts were quickly abandoned as it became clear that pinball and gambling weren't a comfortable (or legal) match.

The first full-fledged and highly publicized legal attack on pinball came on January 21st, 1942, when New York City Mayor Fiorello LaGuardia banned pinball in the city, ordering the seizure of thousands of machines. The ban — which would remain in effect until 1976 — was the culmination of legal efforts which had started much earlier, and which could be found in municipal pockets all over the country. LaGuardia, however, was the first to get the job done on a large scale. A native New Yorker of half-Italian, half-Jewish ancestry, LaGuardia despised corruption in all forms, and the image of the stereotypical Italian gangster was one he resented. During his long, popular tenure as mayor of New York City, he shut down brothels, rounded up slot machines, arrested gangsters on any charge he could find, and he banned pinball. For the somewhat puritanical LaGuardia, pinball machine pushers were "slimy crews of tinhorns, well dressed and living in luxury on penny thievery" and the game was part of a broader "craze" for gambling. He ordered the city's police to make Prohibition-style pinball raids and seizures its "top priority," and was photographed with a sledgehammer, triumphantly smashing the seized machines. On the first day of the ban, the city police confiscated more than 2,000 pinball machines and issued nearly 1,500 summons. A New York Times article of January 23, 1942 informed readers that the "shiny trimmings of 2,000 machines" had been stripped and sent off to the country's munitions factories to contribute to the war effort.

New York City Mayor Fiorello LaGuardia was photographed with a sledgehammer, triumphantly smashing the seized machines

Though probably overstated at the time, pinball's relationship to organized crime certainly existed. The end of Prohibition didn't bring an end to the mob, but it did require the diversification of portfolios, adding the distribution of vending machines, cigarette machines, jukeboxes, and pinball to the "amusements" of booze and prostitution. LaGuardia's mission gave voice to sentiments which hearkened back to the moral outrage of the Prohibition era, too, most of which had nothing to do with organized crime. Pinball, a "pointless game," was attractive to children, and this worried parents and "concerned citizens." Seth Porges, a writer and expert in the history of pinball, says there were "off the books" justifications for the banning of pinball in addition to those that were actually used to make it illegal. On the one hand, he says, "they successfully made the case that pinball was a type of gambling," but under the surface was a much more temperance-fueled, nearly religious belief that pinball was a tool "from the devil," which corrupted youths. Newspapers across the country essentially nodded their heads in agreement as games of all sorts — billiards, and even "old ladies' bridge clubs" — were held up to scrutiny. At the time, it was easy to make the case that pinball was morally corrupting,

at least insofar as it was a gateway to gambling, as well as a complete waste of time. Many large cities followed in New York's footsteps, including Los Angeles and Chicago (San Francisco is one of the only major cities to have never banned the game), and pinball bans became fairly commonplace across the United States.

PINBALL INNOVATIONS

1933 Mechanical tilt

1947 Flipper

1953 Two-player machine

1956 Multiball

1974 Digital scoring

1975 Solid state electronic

The pinball manufacturers proved highly adaptable and innovative, however. The invention of the flipper by Gottlieb in 1947 helped to launch pinball more firmly into the "game of skill" category, and manufacturers began to aggressively pursue a family-friendly image. Of course, that didn't matter to much of the country where pinball was illegal, forcing machines into even seedier locations like porn shops and dive bars. New York City's Greenwich Village neighborhood became a haven for backroom pinball machines. Like so many things which are illicit, though, the attraction of pinball only increased in the prohibition years following World War II, and, by the 1950s, the quickest route to proving your rebel status in America was to be seen within a few feet of a pinball machine. That cliché would later be reinforced in the form of the leather jacket-wearing, authority-bucking pinball wizard The Fonz from Happy Days. In many municipalities and towns where pinball was not illegal, a required paid licensing system (which made the machines taxable at rates of up to 50 percent) was put into effect, limiting the number of machines in one location.

Most machines now bore an ominous sign reading, "For Amusement Only," to make it clear there that the money changed hands in one direction only. Amusement parks began printing custom tokens which couldn't be confused with legal tender. Pinball flourished where it could, even while its reputation with the concerned citizens and parents of America was overwhelmingly horrific. Mothers and small PTA groups formed bands which demonstrated at candy stores and tiny arcades where their young ones were whiling away hours and cash in lieu of doing their homework. Much like their later counterparts with video games, parents feared "zombified," disconnected children unable to "think logically" as the pinball racket "bleeds millions of dollars from youngsters each year." Parents, warned Better Homes and Gardens in October of 1957, should "act now to keep your child from being victimized."

The period between the late 1940s and the introduction of a new type of arcade game in the early 1970s — the video game — was one of continued controversy, growing attraction of games for young people, and innovation for the machines. The Supreme Court in California overturned the pinball ban in 1974, and on May 13, 1976, the City Council in New York City voted 30 to 6 to overturn the ban on pinball after nearly 35 years. The Council legalized pinball following a demonstration of it by Roger Sharpe, who was then considered to be the world's best pinball player. Sharpe recalls that the demonstration lasted about fifteen minutes. "I played the first two balls and did my explaining of the machine layout and what the objectives were in the game as well as the nature of pinball design before I launched the third ball and, I suppose, changed the destiny of pinball," he says. His aim in the demonstration was to prove, once and for all, that

pinball was a game of skill, and he was successful. Times had changed, seemingly in favor of pinball, and arcades dedicated just to games were once again a realistic business proposition. Unfortunately for pinball, something new was on the horizon.

THE "GOLDEN AGE"

This was the environment that brewed Nolan Bushnell, a Clearfield, Utah-born, lapsed Mormon. It was a world he knew well by the time he graduated from the University of Utah in 1968 with a degree in electrical engineering. Bushnell had spent his summers working at Lagoon Amusement Park in Farmington, Utah, and had unsuccessfully applied for a job at Disney after graduation. "I was working at the amusement park and I ended up being head of the games department which had some arcades and the ball throwing games and things like that. I think that you kind of get the carnival ideas into your blood. It's really a very seductive work environment," he says. "I was playing games on the big computers when I was in school. In summers I was working in the arcades," he says. "I knew what an arcade game cost. I knew how much it had to earn. I really understood the economics of the coin-operated game business, and I think that I was perhaps the only person that had those two experiences, which allowed me to synthesize it." Bushnell had developed an appetite for one of the earliest computer games, Spacewar!, which was developed in 1962 at MIT, while he was at college. Spacewar! had gone viral, spreading to college campuses all over the US. This game, Bushnell says, "got all his juices going." He didn't immediately act on his impulse to try to make games, and instead went to work for Ampex Corporation in 1968, where he met another engineer, Ted Dabney.

It was Dabney and Bushnell who created the Spacewar!-inspired Computer Space. Computer Space was the first commercial arcade game released by Palo Alto-based Nutting Associates in 1971. The complicated game failed to catch on with the "guy with the beer in the bar," and Nutting was ultimately disappointed with sales of Computer Space. In early 1972 Bushnell and Dabney left Nutting to form their own company, Syzygy Engineering. Their intention was to license their games to bigger companies, not make them on their own, and they quickly hired another young design engineer, Al Alcorn. "Other people have said that Computer Space was a failure," Bushnell says. "I personally felt that it was poorly marketed and could have done better. My first game out of the box made about three million dollars and the royalties from it really allowed me to start Atari." By the time Syzygy was formed, Bushnell was making what surely seemed like an unlikely prediction: video games would replace pinball. The first deal Syzygy struck was to produce games for Bally, one of the largest manufacturers of pinball in the world. When Bushnell and Dabney found out that the name Syzygy was already taken, they incorporated in June of 1972 under the name Atari, taking the name for a move in the 2,500-year old Chinese game Go, a favorite of Nolan's.

By 1971, Bushnell was making what surely seemed like an unlikely prediction: video games would replace pinball

The three men — Bushnell, Dabney, and Alcorn — looked to familiar territory for Atari's first game. Bushnell had seen Magnavox demo its upcoming home console, and its first game, Ping-Pong. Ping-Pong was essentially a remake of 1958's Tennis for Two, one of the first computer games with a graphical display, though it was never manufactured or sold commercially. Ping-Pong was transformed, under Alcorn, Dabney, and Bushnell, into Pong, a game with only one rule: "avoid missing ball for high score." Bally Midway didn't want Pong, so Atari decided to make the game itself. Pong was released in the end of 1972 and it was so successful that Atari — which had just six employees — could not keep up with orders, and many companies rushed

to copy it. Bushnell estimated that a Pong machine was generating around \$40 a day in revenue — unheard of at the time — and it sold 4,000 units by the end of 1974. Home Pong, a dedicated home version, was released exclusively through Sears for the holiday of 1975, selling more than 150,000 units during the season.

The success of Pong had wide-ranging effects in the months which followed: it made Atari the money it needed to continue producing games, it made the video arcade a viable business almost overnight, and it proved to be the beginning of the home console business. It also signaled the decline of pinball as companies rushed to produce video games. Arcade operators and games distributors quickly realized that video games had an advantage over pinball: they were far more reliable — and easier to repair — than pinball machines, which had many moving parts. "Most of these games are basically a television, a power supply, and a board," Benjamin Thoburn, who repairs old arcade cabinets, says. "If there's a problem, it's usually easy to make it playable again, sometimes in 10 minutes or less." Bushnell's understanding of the amusements industry's idiosyncratic, monopolistic distribution system stood Atari in good stead when the company created a fake competitor, Kee Games, to sidestep long-standing sales agreements to get their games into more locations (Kee Games "merged" with Atari in 1974 when the relationship was discovered).

By the end of 1974, there were more than fifteen companies actively producing video game cabinets, and technological innovations followed quickly, ushering in what became known as the "golden age" of the arcade. The release of Taito's 1975 Western Gun in Japan became significant when Bally's Midway division licensed American version Gun Fight gave its creator, Tomohiro Nishikado, the fuel he needed to make his next game a runaway hit. Gun Fight was the first game to use a microprocessor (the Intel 8080), and when he saw it, Nishikado knew the future of gaming was in the microprocessor. He would use one in his next game, Space Invaders, released in 1978. The game was so popular that some arcades in Japan were dedicated solely to Space Invaders cabinets, and within two years, it was the most successful game ever created. The introduction of high resolution vector graphics and the use of color, both in 1979, formed, with the microprocessor, the foundation upon which all arcade cabinets would be built moving forward. Nolan Bushnell's bet on video games turned out to be right: in 1976 he became a rich man when Atari was purchased by Warner Communications for \$28 million, and arcades had begun making huge profits.

As with pinball before it, though, controversy was never far away from arcade games. Exidy's violent Death Race (inspired by the cult classic Death Race 2000), released in 1976, caused a media outrage on its release, and formed the basis of the "violent video game" arguments which persist today. The game, which essentially involved running down pedestrians as its main objective, was defended by Exidy's marketing director as a "humorous arcade piece requiring dexterity." A researcher and psychologist for the National Safety Council disagreed: rather than being a passive "viewer" of violence as with television, the player was "an actor in the process of creating violence." The game prompted 60 Minutes to explore the relationship between video games and violence, and it was widely banned.

LANDMARK GAMES 1978 TO 1981

The years between 1978 and 1982 saw unprecedented growth across the entire video game industry. A January 1982 cover story in Time magazine noted that the most popular machines

were pulling in \$400 a week in quarters and the number of dedicated arcades in the United States reached its peak with around 13,000. Video game cabinets also appeared in grocery stores, drug stores, doctor's offices, and even in school recreation centers. The arcade chain Tilt began opening locations in the growing number of shopping malls across America. Beginning with Space Invaders in 1978, a string of now legendary games (see graphic above) were released in rapid succession. Simultaneously, the home console business blossomed: from the primitive Magnavox Odyssey in 1972, the concept of home gaming erupted with the Atari 2600 and the Apple II in 1977, the Intellivision in 1980, the Commodore 64 and ColecoVision in 1982, and the NES and Sega Master System in 1985.

It was 1980's Pac-Man, the most successful video arcade game of all time, released by Midway in the United States, which had the most lasting effects on the industry and the American psyche. The colorful, pizza-inspired Pac-Man and the ghosts who chased him inspired enough branded products to rival Hello Kitty, including lunch boxes, clothing, a Saturday morning cartoon and a 1982 Billboard hit, "Pac-Man Fever," which sold more than a million copies (for reference, the top-selling single of 1982, Survivor's "Eye of the Tiger," was certified platinum with sales of two million copies that year). Unlike previous video games, which seemed to appeal primarily to male players, Pac-Man appealed to everyone, allowing the hardcore player to mingle with casual gamers. The idea of professional gaming also took root, and shows like Starcade pitted opponents against one another to play the newest games on prime time television. Walter Day, owner of the Twin Galaxies arcade, proclaimed Ottumwa the "Video Game Capital of the World," and both the Mayor of the city and Iowa Senator Chuck Grassley recognized it as such. In July of 1983, Day established the US National Video Game Team, made up of what were then the country's six best players.

It was 1980's 'Pac-Man' which had the most lasting effects on the American psyche
A cursory scan of back issues of RePlay magazine, the coin-op industry's publication of record, tells the story of the arcade boom: "Industry doubles annual growth to \$3 billion" in 1980, with "everybody and his brother" getting into the arcade business. The next year, the cover boasts "Industry grosses \$7 billion annually." When Warner acquired Atari, the game-maker was a small part of its overall business, but by 1982, Atari made up 70 percent of its revenue, eclipsing both its film and music businesses. Other companies were also seeing exponential growth: Bally's sales hit \$880 million in 1981, and Williams, which made the popular arcade game Defender, hit \$126 million that year, up from \$83 million the year before.

Arcades in the late 1970s and early 1980s held a particular place in the American way of life. Like shopping malls and roller skating rinks, they were safe, isolated areas where kids and teenagers could hang out, and, with a reasonable amount of money, spend hours without their parents. Bill Disney, a pinball enthusiast and owner of The Pinball Gallery in Downingtown, Pennsylvania, says of his younger years that "most parents, they basically didn't know what their kids were doing any time of the day. They were on their bikes, out the whole day," and "they didn't care where they were." This laid-back attitude varied by family, as well as by geography, but the relative autonomy of older children in the '50s, '60s, '70s, and early 1980s, was much greater than it would be moving into the '90s. Films of the early '80s such as E.T. and The Wizard show typical, American kids, left to their own devices, playing video games and capturing aliens with their friends while their parents are at work.

FATALITY

But the golden age was destined to be a very short one. The industry was off the rails, and Walter Day told writer Tristan Donovan, author of the book *Replay: The History of Video Games*, that there were "too many arcades," with owners ordering more machines than their players could ever support. Day's hometown had four arcades (with a population of less than 10,000). By early 1982, cracks were already starting to show in the newly flourishing industry: that \$400 a day machine, *Time Magazine* reported, was often "sucker bait, dangled to obscure the dreary truths that markets are becoming saturated and that dud games... bring in no money at all."

The same story noted that by 1981, Bally had already stopped producing its blockbuster, *Space Invaders*, because nobody wanted it anymore: they'd moved onto the next big thing. The video game industry relied on novelty, and on games that challenged its players. One person could only pump so many quarters into a cabinet before he mastered the game and began to look around for the next challenge. Many arcades, *Time* writer John Skow noted, "keep one [*Space Invaders*] around as a gesture to the good old days." Game manufacturers responded to player mastery by making their new games harder, often cutting out the draw for mainstream players in the process.

It wasn't technology, or the games themselves, which caused the long and slow death of arcade gaming to begin in earnest

The big game companies were aware of their predicament: if a game appealed to the mass of players who drove the arcade industry's profits, the hardcore gamers who made up the base and spent tons of time in arcades mastering them would move on quickly, spending far less in the process. If however, a game was extremely difficult, casual gamers were put off. This dilemma would plague the industry for years.

But it wasn't technology, or the games themselves, which caused the long and slow death of arcade gaming to begin in earnest. The first hint of sickness within the industry surfaced as a growing fear — much like in the old days of pinball — about the effects of gaming and the environment of arcades on the nation's youth.

The American public's fears about arcades — seen as magnets for loitering youth and gateways to bad behavior — had never fully subsided. Even as arcades became big business and were advertised as "family fun centers," many weren't really very family-friendly, and there were isolated problems, especially in big cities. The arguments about arcades, however, were identical to those of the 1950s. In March of 1981, one hundred people demonstrated at an arcade in Franklin, New York, telling the *New York Times* that since it had opened a year earlier, vandalism and drug use in the area had risen, though no statistics were forthcoming. The arcade was closed down for lack of proper permits — a common tactic. In another *Times* article about a different arcade, a mother in Long Island, New York was quoted saying that arcades were run by the "scum of the earth," that they "teach gambling to children," and "encourage aggressive behavior" which could lead to criminal activity. "We will be victorious," she said, in getting arcades out of suburban neighborhoods. This is almost identical language to that used in the 1957 issue of *Better Homes and Gardens*, which described crazed youngsters driven "to crime" to obtain pinball money, enabled by operators who use violent tactics like "bashing in heads, or even murder" to get their machines into good locations.

In November of 1982, the US Surgeon General C. Everett Koop gave a speech in Pittsburgh, Pennsylvania on the subject of domestic violence and child abuse. After concluding his remarks,

he fielded a question about the harmful effects of video games on children. Koop said that while there wasn't yet scientific evidence of any harm, children were becoming "addicted" to video games, "body and soul." Though Koop quickly released a statement following up to curtail fears, an AP story, wired out to newspapers across the country, had done its damage. By February of 1983, psychologists were positing that the "intensity of the experience" of video games was worrisome, as was the fact that the games "seem[ed] to be real." In July of 1983, two young people were arrested in Houston, Texas for the stabbing deaths of four arcade employees in an after-hours robbery, making national headlines. By 1985, Steve Epstein's Times Square institution, the Broadway Arcade (which had been Lou Reed's wedding reception venue), was lumped in with porn shops under a plan to redevelop the area, and the business which had been in the neighborhood for 50 years was forced to close. A customer of the arcade told the New York Times, "it's a moral crusade. A lot of good things [Epstein's arcade] will get swept out with the bad" (note: Epstein moved his arcade to a different location, however, and was in business until 1997).

But the content of video games was changing. A 2003 study by Iowa State noted the "first phase," dominated by Atari, was all about abstract violence, and rarely (Death Race being the one notable exception) about violence against human beings. Bushnell is quoted in the study as saying that this was intentional, that he felt there was a difference between "blowing up a tank.... or a flying saucer" and blowing up people. "We felt that was not good form, and we adhered to that all during my tenure." He counters, however, telling us that "kids who play video games have higher IQs, it's clearly good for your brain," calling violent games studies "selective." "They love to say that playing Halo leads to a Columbine massacre, rather than look at the brain benefits." By the early 1980s, however, Bushnell was long gone from Atari, and while video games weren't yet the virtual violent killing sprees we've come to recognize, the industry was beginning to see that violence could sell games.

The outcry over gaming and arcades happened almost simultaneously with a crash in the video game industry on the heels of the Pac-Man bubble. More video games were produced, for arcades and consoles, in the lead up to 1983, than had ever been previously. The market was flooded with games, and arcade operators, who often bought machines on credit or on loan from distributors, saw massive decreases in profits.

The crash hit arcades and home console businesses, and no game signifies the failures of the industry more than the notorious E.T., produced by Atari in December of 1982 as a tie-in with Steven Spielberg's blockbuster film. Millions of E.T. cartridges were produced, sold, and then returned, ultimately ending up in a landfill in New Mexico. The New York Times reported that the media was kept away from the spectacle by guards as concrete was "poured over the merchandise."

Our culture seems to have decided that kids are better off when they're not alone with other kids

Gaming revenue, which had peaked at over \$12 billion, sank to \$100 million by 1985. It's important to note, of course, that E.T. was a terrible game, and just one of many, many low quality games cranked out at a furious pace to cash in on the growing market. Warner's stock tanked, falling from \$60 to \$20 on Atari's losses, and it began to look for a buyer for the division. "Atari under Warner was suicide," says Bushnell. "It was really a record company mentality in a technology business. They didn't realize that you have to upgrade the hardware."

Speaking to the industry at large which Atari was at the forefront of, he says there were "too many" of everything, essentially, and not enough innovation. "It could have been avoided, but the arcade business was always a niche."

The crash of 1983 nearly killed off the entire video game industry. It wasn't just arcades that suffered, though this marks the beginning of their very steep and permanent decline. History has told us that the rise of home gaming killed off arcades, and so our own laziness is to blame. To an extent, of course, that's true. If this were a history of video games, it would be time to talk about Nintendo, and the epic release of the revolutionary NES console in 1985. This event reinvigorated a decimated industry, and ultimately gave birth to the video games ecosystem we all still live in. But that didn't happen until 1985, and so it wasn't technology that killed off the arcade, not to begin with. It's fair to concede that the arcade, already dying, was allowed to stay dead because we were all happily gaming at home by the time anybody noticed that all of the actual arcades were disappearing, and fast.

It's shocking, of course, to realize that the "golden age" of video game arcades lasted just a few, short years, but if we tie it onto the turbulent history of pinball, we're looking at a much longer, institutional part of our culture which, in the 1980s, began to pass away. Like roller skating rinks and other public spaces "for young people only," our culture seems to have decided that kids are better off when they're not alone with other kids, and worried parents have been victorious in their mission to rid us of these troublesome spaces for loitering, described by New York City in 1942 as a "menace to the health, safety, and general welfare of the people." The economic problems of the early 1980s, with a recession and gas shortages certainly didn't help, either.

Nolan Bushnell, a lover of the amusements industry, didn't necessarily invent the arcade, but he certainly extended its life by a decade or so. What he couldn't combat, however, was its decades-long reputation as a poisonous element in communities, and when the nascent industry overshot its goal in 1982 by producing too much, too fast, it collapsed. Even Bushnell's own family fun center chain, Chuck E. Cheese's, was hurting by the mid-1980s, and Tilt, the mammoth chain of shopping mall arcades, began its descent, too. By the early '90s, arcades were still fairly common, but they seemed almost like strange relics from another age, with no new innovations or novelties to offer. But arcades weren't quite done, yet. They had just entered a long, deadly hibernation that would last almost 10 years.

In March of 1991, Capcom released Street Fighter II into arcades, setting off a renaissance in the business. A massive success, Street Fighter II sold more than 60,000 cabinets worldwide, which was unheard of by the early '90s. Japanese fighting games weren't new, but its combination of novel characters, hand-to-hand combat, and secret moves formed the foundation of fighting games as we still know them. It also brought a new wave of enthusiastic players out of their houses and into arcades. It was important that, while home versions were typically available the next year, they were simplified: arcade technology was simply better than what the SNES or home computer versions could offer. To get the full Street Fighter II experience, you had to be in an arcade. Street Fighter II also spawned countless clones, many of which went on to be juggernaut franchises of their own: Mortal Kombat, first released by Midway in 1992, Sega's Virtua Fighter in 1993, and Namco's 1994 Tekken.

In March of 1991, Capcom released 'Street Fighter II' into arcades, setting off a renaissance in the business

The arcade, to some extent at least, was back, and the cabinets showed up in whatever businesses remained, grossing millions of dollars for the companies that developed them in the process. Niche, fighting game-only arcades sprang up in the cities that could support them. New York City's Chinatown Fair, an arcade that had been around since the 1950s, successfully morphed into an arcade catering to fighting games. The scale, this time around, was much smaller, but it was still significant enough to constitute a "boom" of sorts. All of the fighting franchises mentioned above still produce games, including arcade versions, with the exception of Mortal Kombat, which produced its last cabinet in 1997 with Mortal Kombat IV.

Controversy followed these games, too, and a 1994 ABC News report quoted children's television icon Captain Kangaroo as saying that violent games caused "emotional damage" to children. A Senate hearing led by Joe Lieberman followed in February of '94, ultimately leading to the establishment of the ESRB (Entertainment Software Rating Board) ratings sticker system which is now on most video games. The big moment for arcade fighting games didn't really end with a bang, but a slow fading into twilight of the '90s.

ADAPT OR DIE

In 2005, there were about 25 arcades in New York City, down from hundreds just a decade before. By 2011, there were fewer than ten (you need to be liberal and count places like Dave & Buster's to even get to that figure), and one of them was the aforementioned Chinatown Fair. A tiny, ratty space on busy Mott Street, Chinatown Fair wasn't flourishing so much as it was just continuing to exist, with mostly classics like Street Fighter II, Mortal Kombat, and newer Japanese hits like Dance Dance Revolution. "You can get there from any one of the five boroughs, it's within a couple blocks from a number of trains," Kurt Vincent, a filmmaker who is currently making a documentary about Chinatown Fair told me. The urban lifestyle, he says, was more conducive to arcades than the suburbs. Vincent was drawn to Chinatown Fair for just those reasons, and had only been going there a short time when he started seeing rumors on the internet that it would close. Vincent decided to begin making a short film about the closure of this "institution" of New York City. When Chinatown Fair did close its doors on a cold night in February of 2011, many of its hardcore customers declared it the "end of an era."

It's a simple truth of the business that "all games become unprofitable after a while," so new machines are always a must

Chinatown Fair did eventually reopen, but it's not the business it once was. For Lonnie Sobel, one of several managers of the new Chinatown Fair, the model is "adapt or die." Gone are most of the classics because, he says, "they don't make any money." They've been replaced mostly with gambling-style machines, known in the industry as "redemption" games. Lonnie's got a Centipede machine, which he concedes makes almost nothing, but he keeps it around because it's a favorite of his. The industry, he says, has moved toward poker, spinning wheels, and games that produce tickets for mostly worthless prizes. Not that Chinatown Fair has tickets or tokens: all of its games have been outfitted with modern magnetic swipe machines, and none of them accept quarters. An arcade, he tells me, "can't be profitable" without redemption games — games that, ironically, considering the turbulent history, are basically gambling machines.

Lonnie is also aware that the old die-hards aren't happy with the changes he's made, but he still considers Chinatown Fair to be a "real arcade," because it doesn't make its money on food or liquor. For him, it's a simple truth of the business that "all games become unprofitable after

a while," so new machines are always a must. He's still getting the newest Tekken fighting game, but his most profitable machine, Wizard of Oz, is a take on the old coin-pusher games which are a staple at amusement parks and casinos. On our way out, Lonnie gives us a swipe card to try out Wizard of Oz. It's easy to see how someone could burn more than a few bucks at what is most certainly a game of chance. Lonnie, who doesn't totally rule out anything — even a possible future where the arcade serves alcohol — says that while Chinatown Fair in this incarnation has never had any problems, "people don't like teenagers having fun."

About an hour outside of Philadelphia, Pennsylvania, Bill Disney is trying another model: don't adapt at all. He's operated his arcade for about five years, which is only open a few days a week. "The rent is cheap here," he tells me, conceding that it's all he can do to keep the doors open. The Pinball Gallery houses around 20 pinball machines, and a back room has another 10 or 15 arcade cabinets. The atmosphere is about as "arcade" as it gets: it's fairly dark, the walls painted purple, with all of the floor space taken up by games lined up against the walls. The video game room in the back is even darker. There are soft drinks and coffee, and a coin-operated machine that doles out peppermint patties right next to the token machine.. Most of his pinball machines are the classics, and Disney has learned over the years how to service them himself. He hosts birthday parties on the weekends, where parents bring a group of kids who've never seen a pinball machine in real life. Most kids gaming experience these days, he says "is on an iPhone or a tablet." "They're surprised," he tells me, "to see the physicality of a ball moving across the playing field, hitting things, knocking things down, making sounds." Some, he says, are scared of the machines, until you tell them "it's supposed to work like that."

You get the sense that for Disney, owning the arcade is as much an educational endeavor as it is a business. Most of the machines he buys cheaply, most not in working order. Not that there are many new machines to buy anyway: Stern, whose home remains in Chicago, is the only major company in the world still making new pinball machines, producing about three new titles a year, most of them licensed from movie franchises (A small company, Jersey Jack has announced a Wizard of Oz machine). The majority of Stern's machines are sold to collectors now, and about half of their business is done overseas. For its part, Stern says business has increased about threefold over the past few years. Stern may be seeing profits rise, but Bill Disney doesn't count on his arcade alone. He's got a full-time job, and little overhead at The Pinball Gallery because he doesn't have any employees. "The arcade, as a thing, is dead," he says over lunch, "to make it a viable thing, you have to make your money on something other than the machines." Dave & Buster's, which houses restaurants and bars in addition to games, knows that well. But there are smaller players in on this new racket as well.

DIVERSIFY THE NOSTALGIA

On a rainy and cold September afternoon, I walk into Barcade in Williamsburg, Brooklyn. It's not open for the day yet, and delivery men are bringing in kegs of beer as I enter the dark, cavernous space. Barcade opened in 2004, marrying two simple ideas whose time, it seems, had come: craft beer and classic arcade games. One of its owners, Paul Kermizian, tells us that he had about four games in his apartment back then, and the combo — the beer and the games — seemed to work there, so when he and his friends decided to open a bar, they worked with that basic premise.

It's the beer, not the games, which is the moneymaker. "We're a bar with games." Williamsburg was an up and coming, increasingly affluent area of Brooklyn, and the business was

brisk. They've kept their focus tight, he says: change out the beers every so often, change out the games, but keep to the theme. Barcade "doesn't have any fighting games," he says, though they've considered putting in a separate room for them. "It's just not our style, really," he says, "our aim is more on the casual player, and fighting game diehards are different." Different in this case likely means that they don't spend as much money: Kermizian freely admits that it's the beer, not the games, which is the moneymaker. "We're a bar with games. Most of our stuff is from the '80s, because that's what we like." Fighting games are one of the things he attributes to the decline of the industry. "Fighting games are all the same," he says, "if you look around here, the games produced in the '80s, they're really varied and creative."

And he's right: the concepts are often crazy. We spend a good half an hour playing Timber, where the entire point is to chop down trees in as short a time as possible while avoiding a crazy guy and beehives. Barcade has been successful, with new locations in Jersey City and Philadelphia, the latter of which also serves food. The reality for a gamer, however, is that Barcade is one of the few places where classic arcade games can still be found in public, and in good working order. "We get world class players here," he says, pointing to the chalkboard of high scores. "They don't spend very much money and they might play Star Wars for fifteen hours on a quarter, but we also welcome that." Kermizian and his partners aren't as successful as Dave & Buster's (yet), but they have plans to expand (a Manhattan location was recently confirmed), and their name is certainly better.

THE GRAVEYARD

In Hagerstown, Maryland, Lloyd Thoburn runs a family business in a 40,000 square foot space called the CoinOp Warehouse. Its innards house hundreds of jukeboxes, cigarette machines, even those old hens that lay eggs with prizes in them that you used to see in every Kmart in the land. Lloyd, whose obsession is "basically anything coin operated," was something of a hoarder to begin with, and he opened his business about 10 years ago. "When we first started," he tells us, "we'd go into old warehouses or buildings, pull out the jukeboxes or pinball machines, and we'd leave the video games behind. Nobody wanted them."

Everyone seems to agree on one thing: the arcade is dead. That's all changed, and his son, Benjamin, is now the resident video game guy. He drives all over the country rescuing machines from defunct arcades, most of them broken, and then Frankensteins together a working game from sometimes two or three machines. They are doing a brisk business, and tell us that they ship entire containers to Europe, where American culture is a "craze," but they also sell to collectors.

You could spend days walking around, wondering at the leftover and forgotten trends of American amusements here, and Lloyd shows us some of his best specimens, which include two fortune-telling machines worth upwards of \$20,000 or \$30,000. Over 100 years of coin-operated machine history lives here, temporarily, before being brought back to life. There's nothing on the horizon, he tells us, to bring this industry back from the dead; his business has a limited lifespan, and he knows it, because coin-operated games are "thing of the past." But he seems to be making a killing while it lasts.

As I walk through one of the two or three huge rooms dedicated to old video games, I see four or five Mortal Kombat cabinets in various states of disrepair, and then, a NARC cabinet. "I've

been looking for one of these!" I say out loud before realizing I'm alone: everyone else has wandered off. Written in the thick dust of the display is one word: Barcade.

Everyone seems to agree on one thing: the arcade is dead, and most people are okay with that. No one I've asked gives me a different answer. The economics aren't there any more, the community support never was, and, of course, gaming companies make a killing in the home — almost none are even producing cabinets anymore. So it's not surprising that everyone nods their head when I ask if the arcade is really dead. "Can it come back?" "No," they shake their heads. Only one person gives a different answer, and it's Nolan Bushnell. "Absolutely, it can come back," he says, his eyes lighting up. "Creativity will bring anything back. There's so much technology out there which can't be packaged in the home environment," he adds. He's animated, and adamant that our culture has "lost something," in the disappearance of all the "informal clubhouses" as he calls them, public hangout spots for young people. Bushnell is in the minority with such a prediction, but if anyone can bet against such odds and win, it's probably him.

[http://officialfan.proboards.com/thread/476396/where-all-vid eo-arcades?page=1](http://officialfan.proboards.com/thread/476396/where-all-vid-eo-arcades?page=1)
