# The Rise and Fall of LEGO® Universe: Inception

The LEGO Group's biggest single investment in a video game cost more than \$125 million and involved more than 450 contributors and "stakeholders" over the course of its roughly five-year development but was shut down less than two years after going live.

Despite that, the LEGO Group said in a recent episode of the Bits' N Bricks podcast that, in retrospect, LEGO® Universe was in many ways a tremendous success.

The game's prolonged development brought with it a number of important insights into a vast array of complex ideas, including how the company could leverage its brand to create its first online game, the talent, infrastructure, and business systems required to run such an effort, the importance and cost of creating and maintaining robust child safety systems, and – perhaps most importantly – the need to follow one of the key rules of game development: nail it before you scale it.



While pre-production on the massively multiplayer online game started officially in early 2006, the gestation of the game's core conceits started bubbling up at the LEGO Group as early as 2002, years before even the start of the company's incredibly successful relationship with developer TT Games and its run of popular LEGO titles.

A group at the company was formed in 2002 to delve into what it would take to build a space for creating, sharing, and playing online. The concept, dubbed "Project Arena," was inspired by the rise of MMOs and a desire to decipher how children would be playing in the future.

The initial offshoot of that research led to the design of LEGO Digital Designer, a program that digitized bricks so that people could build their own LEGO structures on a computer. An internal roadmap for the evolution of LEGO Digital Designer, which came out in 2004, included several possible future concepts, one of which was called "virtual world."

By the end of 2004, a group of eight or so people within the LEGO Group started researching whether it made sense for the company to develop its own massively multiplayer online game, whether it was possible, and how much it would cost. Among the group were Ronny Scherer, who would later become the director overseeing development on LEGO Universe, and Mark Hansen, who would later become the game's senior director.

"The first time I heard about the LEGO Universe idea, I was excited by some of the people like Ronny Scherer and Mark William Hansen, because they talked so much about the possibilities of creating this fantastic LEGO game where you would basically move the play from the child's room in the physical world and to the virtual world, and to be able to create and play just like children do in the children's room," said Lisbeth Valther, who was the executive vice president at the LEGO Group at the time. "I was excited to see it because we had had quite a lot of success with some video games, but to me, the video games were more like a play theme that had been moved into the virtual world. What I was excited about was this whole idea about building a LEGO online community that could sort of expand and evolve according to what the children really wanted in this world."

In October 2005, the LEGO Group – encouraged by LEGO Star Wars' surprise success: The Video Game and the company's general positive financial outlook – gave tacit approval for the project, kicking off a year-long search for a developer.

That search started with a simple email to about 80 developers asking if they'd like to create a LEGO online game and evolved into in-person studio visits to about 50 of them by Hansen and his team.

"We got replies from 50 developers and everyone who replied, we went out and saw and did some discussion with them," Hansen said. "Just from that, we probably used seven, eight months, and two to six people involved at any one time talking to all the developers. In that discussion with those studios, that number dwindled to about 12, and then it came down to their creativity."

Those dozen were soon whittled down to just four candidates, among them Funcom and NetDevil.

Ultimately, NetDevil's camaraderie, experience, and sheer excitement about the project won them the contract in early 2006.

The timing couldn't have been better for the studio, which was located in Colorado, between Boulder and Denver. Formed in 1997 by a group of friends, the company's initial success with multiplayer online space game Jumpgate led to a contract with South Korean developer and publisher NCSoft to create a massively multiplayer online car combat game called Auto Assault.

By late 2005, the NetDevil team was wrapping up Auto Assault, and the founders began to ponder what they wanted to do next. They knew they wanted to work on another massively multiplayer online game but hoped to do so with an existing intellectual property instead of building one from scratch as they had with all of their other games.

That's when the email arrived.

"The email was just a pretty simple one-liner: would you be interested in working in an online LEGO world project?" said Ryan Seabury, who would become LEGO Universe's creative director. NetDevil co-founder and president "Scott Brown got it and forwarded it to [co-founder and studio art director] Peter Grundy and myself. When I saw it come across my desk and I was sitting there tired, hadn't gotten any sleep in, you know, months, and I saw that come across and I just kind of pushed back from my desk and was like, this could be like the greatest MMO of all time. And, uh, so I immediately ran over to Scott's office and was like, 'We've gotta do this, man. This is awesome.'"

With a contract signed for the project, code-named LEGO Worlds Online, a group of three or four people from the studio began early work on basic design questions, technical limitations, and high-level game design ideas.

In June 2007, the LEGO Group officially announced LEGO Universe as a massively multiplayer online game. The press release promised that the game would include character advancement, expansive social and community features, and provide a child-safe alternative to other massively multiplayer online games. The company said the plan was for the game to come out in the fourth quarter of 2008.

The studio, expanding at a seemingly exponential rate, moved into a massive warehouse across from their old offices. As the team grew, the studio dove into the hard work of creating the game. The biggest initial challenge was that while the LEGO Group approached the project with a specific goal in mind, it didn't have a clear path to getting there. Instead, they deliberately choose a developer to partner with that could help bring to life a shared vision of the LEGO Group's initial concept of a LEGO online game.

"They didn't know what they wanted," Brown said. "They just knew that they have this amazing IP that is loved all over the world, and they wanted to try to build an online game out of that. That's what made it so fun: nobody knew what it meant at the beginning. Right. And it was a lot of trial and error, you know, should it be exactly the TT games? Should it be totally different, you know? Is it a game that you're building for their master builders, or is it a game you're building for eight-year-olds? There were just so many questions, but it was also exciting." Unfortunately, the pre-production almost immediately started running into issues. At the top of the list was the massive time difference between NetDevil, located in Colorado, and the LEGO Group, located in Denmark. The LEGO Group wanted to be an active partner in the game's early development, which led to prolonged back-and-forth discussions often hampered by that time gap.

Other major challenges included the sheer technical issue of filling a screen with highpolygon count LEGO bricks without requiring a high-end computer to run the game. Child safety, a top concern for everyone involved, was so layered into the game's operation that it ended up costing nearly 30 percent of its entire production. And, seemingly looming over the entire project, was the blank page: there were so many possibilities that the teams at the LEGO Group and NetDevil were struggling to narrow the game down to a single vision.

The final, perhaps biggest, issue was that the team had exploded in size. What started as a 40 or so person team was now more than a hundred, and monthly payroll was hovering around \$800,000.

"You can imagine with three owners who are so heads-down on what the product is; we were not looking at a higher level from a company standpoint," Grundy said. "We didn't have the CFO clout that someone like an EA did. They were really looking into the future. And financially, the three of us were responsible for everyone's payroll. That sounds crazy, right? Three people's houses could not support the payroll if the LEGO Group decided not to pay. The capital on three houses couldn't support one month's payroll. So that's why as owners, we were like, 'We've got to do something here. We've got to get investment. We've got to restructure the company.' That's when offers and people started coming in about selling the company."

Like many video game contracts, NetDevil's with the LEGO Group required the company to hit certain milestones by certain dates to get paid. As the work and problems grew, the things that had to be accomplished for each milestone grew, and soon the studio was crunching – working long, desperate hours – more and more. That crunch, Brown now says, was one of his biggest regrets.

Then, with pressure building, stress building, everyone working long, hard hours, the unthinkable nearly happened.

And it started with a letter.

"The LEGO Group sent us a letter that we were in breach of our contract by not staying up to speed on deliverables, which surprised us because we sort of felt like there was never a decision we made alone," Brown said. "I think they saw it as a way to pressure us into maybe delivering faster where we felt like the speed was not relative to our skills or our motivation. That added immensely to the financial pressure."

In retrospect, Scherer said the decision to send the letter was not very nice, but that it was one of the only levers the company had to try and right development that seemed adrift.

That letter was the chief impetus for NetDevil to sell to Gazillion.

Gazillion was founded by venture capitalist Rob Hutter, investor Bhavin Shah, and Doom creator John Romero in 2005 to develop and publish online games. It had already managed to snatch up rights for Marvel and raise more than \$250 million over time. NetDevil hoped a mix of the Gazillion founder pedigree and money would help stabilize their finances and provide the sort of support the company needed to continue work on LEGO Universe.

Unfortunately, that's not what happened.

It was the summer of 2008, now nearly two years into development, and under this new ownership, the NetDevil team continued to work on a key problem: They still weren't entirely sure what the game was meant to be.

The second part of Bits' N Bricks two-part examination of LEGO Universe dives deep into the game's last four years. It was a tumultuous time in which Gazillion would prove to be a disastrous partner for NetDevil and the LEGO Group, NetDevils' passionate founders would leave the project and the company, and the game would finally launch and then be shut down.

Explore more...

In order of appearance

LEGO Digital Designer – About LEGO Digital Designer

<u>LEGO Factory</u> – LEGO Design byME Wikipedia page

LEGO Star Wars: The Video Game - Wikipedia

<u>NetDevil</u> - Website

Jumpgate - Wikipedia

NCSoft - Website

<u>Auto Assault</u> – Wikipedia

<u>Gazillion</u> – Kotaku

# Transcript

Bits N' Bricks Season 1 Episode 11: LEGO® Universe: Birth of an Idea

February 17, 2021 · 1:08:30



# Prologue - 00:00

#### Announcer

Please note that this episode of Bits N' Bricks contains instances of misuse of the LEGO trademark, which must always be used as an adjective and never a noun. As a reminder, it is never appropriate to refer to the company that designs and produces LEGO brand products as LEGO, rather the correct name for the company overall is the LEGO Group.

(Tune)

Announcer I hope that was severe enough. Was it severe enough?

Sound Engineer Yeah, that's great. We got it.

Announcer Alright. On with the show.

# Bits N' Bricks: Introduction - 00:40

(Introduction music to Bits N' Bricks)

Ethan Vincent

Welcome to Bits N' Bricks, a podcast about all things LEGO games. I'm Ethan Vincent-

Brian Crecente

-and I'm Brian Crecente. Together we look back at the rich 25-year history of LEGO games, chat with early developers and seasoned studios, who have all tackled the creation of video games for one of the most popular and respected toy companies in the world - the LEGO Group.

(Introduction music continues)

# Chapter 1: LEGO Universe - 01:12

#### **Ethan Vincent**

Today's episode is a two-part series, right? We're starting with part one, and we're taking a look at one of the biggest investments in game development that the LEGO Group has ever made in a single game. And that is LEGO Universe.

# Brian Crecente

That's right.

# **Ethan Vincent**

You and I were closely associated with the behind-the-scenes and the making of this game, it was very intense. For those of you unaware of the title, the idea was to create an online game that would allow adults and children to adventure in worlds built of LEGO bricks and empowered by imagination.

# **Brian Crecente**

That's right. And while on paper, the five-year project, which by the way, ultimately cost more than \$125 million at the time, included the effort of more than 450 stakeholders, but only ran for less than two years once it launched. While that effort may have been viewed as a failure, the tremendous work by both the LEGO Group and the developers at NetDevil to bring to life such a broadly appealing idea, was in many ways a tremendous success. The game's prolonged development brought with it a number of important insights into a vast array of complex ideas, including how the company could leverage its brand to create its first online game, the talent, the infrastructure and business systems required to run such an effort, the importance and cost of creating and maintaining a robust child-safety system. And perhaps most importantly, the need to follow one of the key rules of game development - nail it before you scale it.

# Ethan Vincent

And that this game ever launched despite the missteps, the challenges, the feature creep, is a tribute, I think, to the deep commitment that the hundreds of employees at NetDevil had to the project and the willingness by a massive support team at the LEGO Group to go far above and beyond to make sure the game would see the light of day.

(Music "Nimbus Plaza" track from the LEGO Universe Original Game Soundtrack by Brian Tyler)

# Chapter 2: Origins - 03:02

# **Brian Crecente**

The early 2000s was a tumultuous time for the LEGO Group. And in particular, those at the company, working on ways to bring LEGO digital experiences to life, the SPU Darwin Program, which launched in 1995 and sought to digitize the LEGO brick, among other things, was ingloriously shut down in early 1999. Many of those who came aboard at the company in the wake of the closure, either weren't told about Darwin and its efforts or treated it as a sort of bad word, not to be mentioned or even discussed.

# **Ethan Vincent**

The LEGO Group was also still recovering from its full-blown economic crisis, which saw the company post its first-ever loss in 1998. And while the first LEGO video game came out in 1995, the title Fun to Build, and seven more were released in the following years, the company was still struggling with how to represent its ideals in digital form. Ronny Scherer, who is our executive producer, right Brian on Bits N' Bricks, who we know personally, he back then was a director overseeing development on LEGO Universe. He was hired in 2002 at the LEGO Group to work with the team on helping to create a digital system of play for the company.

#### **Ronny Scherer**

I started working for the LEGO Group in May of 2002 to be exact. Like these are just a few years after Darwin was shut down and the atmosphere was not particularly exciting, like the early signs of our soon-to-come economic crisis was already there. There was not a very sort of strong focus on our love for digital play overall, which surprised me a little bit. Like I don't think that was what I had anticipated, you know, from the interview process to actually starting my job then.

#### **Ethan Vincent**

And among the dozens that Ronny worked with, was Mark Hansen who would later become the game's senior director. Hansen said that the LEGO Group was looking at what children would be doing in the future and talking through ways to solve the question of digital play.

#### Mark Hansen

Inside the company, I would say, I mean a gentle way to say that is digital illiterate. You know, they just come out of a huge making-the-digital-brick project, that was really quite important to the organization. They spent a lot of money. I was not in the organization at that time, but the memories of that project, the ideas of that project where they would go and how big that project could be - and then it failed, and it failed miserably. So it was quite hard to overcome, and so it was really about positioning that we want do something. And I think Jørgen Vig at the time as CEO and Lisbeth and Mads Nipper, I believe those

three, they were the gutsy ones who said, we can't stop where we come from and we need to go to the next step.

#### (Tune)

# **Ethan Vincent**

So maybe as a side note here, Brian, one of the gutsy ones that Mark is talking about here, who is named Jørgen Vig this took me a little bit to understand as an outsider and non-Danish speaker, but Jørgen Vig, was the former CEO of the LEGO Group and currently serves as the executive chairman of the LEGO Brand Group. So Jørgen Vig is Jørgen Vig Knudstorp, and I probably just totally slaughtered that name, but it's important to understand that when you hear the Danish say Jørgen Vig, they're talking about him, and it's what Americans would probably say Yorgen or Jorgan, you know?

#### Brian Crecente

Yeah, and he is, as you've pointed out, he's sort of the Michael Jordan of the LEGO Group.

# **Ethan Vincent**

Yeah, or Michael Yorden, you know, sorry.

(Laughter)

#### **Ethan Vincent**

That was a lame joke, like a dad joke. Anyway, let's continue.

#### **Brian Crecente**

Yeah, so work on the LEGO.com website, including adding interactive experiences was also opening the company's eyes to this different side of customers, making the company realize that children might want to play more digitally. So around 2002, a team at the company started diving a bit deeper into what it would take to create an online world. That led to the creation of Project Arena, which was this group of six to eight people working on ways to bring the digital experience, discussed by the LEGO Group, to life. Early concept boards envisioned for the project included playing with digital LEGO bricks online, all inspired by the rise of massively multiplayer online games, like at the time EverQuest, and also other sorts of multiplayer gaming in general.

Ronny Scherer

In the work we did on Project Arena-

Ethan Vincent This is Ronny Scherer speaking again.

#### **Ronny Scherer**

-some of the concept boards and vision ideas that we drew up and articulated was this idea of creating virtual LEGO objects once and using them for many different things in many different contexts. And one of the applications of this idea of building with a virtual LEGO object was playing with it and playing with it online.

#### **Ethan Vincent**

Over time, the idea began to take shape into what would become LEGO Digital Designer or LDD, a piece of software that gave users a seemingly bottomless bucket of digital bricks with which to construct. The team also worked on a sort of roadmap to envision how LDD and the digital system of play around it would evolve over time. And one of those directions was called Virtual World, which was this idea of kids coming together to create and share, and a team of eight or so continued work internally on that notion, and by the end of 2004, the group said about researching whether doing a LEGO MMO was possible and how much it would cost. It was considered a high level ideas project with a low possibility of even being approved.

# **Brian Crecente**

Right, and so a year later LEGO Factory was launched and while not a big financial success, it provided a lot of insight for the LEGO Group into how children and adults would play with digital bricks and how the company would operate a customized toy business. Here, we hear Hansen and Scherer talking a bit about both the impact of those programs and how it slowly led to exploration of an online game.

#### Mark Hansen

So then we progressed and did multiple versions of LEGO Digital Designer and enhanced the capability, understood what kids were working with and what they liked, what they disliked. And it give birth pretty much to a concept called LEGO Factory. And LEGO Factory launched August 25th of 2005. And that was a major milestone; to build or pull off that you could do a digital build and build it in a physical box-product to be sold in retail. And so a couple of months prior to launching LEGO Factory, we started the investigation into doing a massively multiplayer online game. And at that time, you know, technology for this was really an infancy stage was actually prior, World of Warcraft.

#### **Ronny Scherer**

And we later drew up sort of a roadmap for how we envisioned it to sort of evolve over time. And for me, at least, that was what became LEGO Universe, which was this idea of kids coming together, creating and sharing. But it was of course, a very different type of vision than the game that it ended up becoming.

#### Mark Hansen

The official code name we used in the beginning was LEGO Worlds Online. And, you know, everybody was like, so what is this exactly? And is virtual building going to replace the physical building? And why is LEGO putting so much effort into a project of software? There was many, many factors here in the early days.

#### **Brian Crecente**

So the push to win the LEGO Group over on the idea of LEGO Universe, sounds like it was more a war of attrition, the need to constantly pitch and re pitch the idea rather than one single spectacular presentation. During the latter half of 2004, and most of 2005, Mark Hansen and others kept pushing for the idea that the LEGO Group had to do something with online gaming and that multiplayer had to play a significant role. In one pitch, for instance, Hansen tried using physical bricks set up in front of everyone on a table to demonstrate how children could play together from around the world. But that just led to questions about how the idea didn't really line up with any existing theme sets or intellectual property.

# **Ethan Vincent**

And at the same time, you know, massively multiplayer online games were starting to explode in popularity culminating in many ways with the launch of Blizzard's World of Warcraft in November of 2004. Lisbeth Valther, Executive Vice President at the LEGO Group here, explains how the idea was initially pitched to executives.

# Lisbeth Valther

Well, the first time I heard about the LEGO Universe idea, I was excited by some of the people like Ronny Scherer and Mark William Hansen, because they talked so much about the possibilities of creating this fantastic LEGO game where you would basically move the play from the child's room in the physical world and then into the virtual world, and to be able to create and play just like children do in the children's room. And I was excited to see because we had had quite a lot of success with some video games, but to me, the video games were more like a play theme that had been moved into the virtual world. What I was excited about was this whole idea about building a LEGO online community that could sort of expand and evolve according to what the children really wanted in this world.

#### **Ethan Vincent**

Eventually the LEGO Group bankrolled early work on the concept, but it wasn't attached to any specific theme set. And this decision would go on to haunt the games development, Hansen said.

#### Mark Hansen

I mean, it was just a no-go. I mean, it was like they were so thinking, 'okay, we support it, we think it's a good idea, but we're not going to tie it to any product at this time'. And to

tell you the truth when you look back, that was probably one of the most devastating decisions we could have made in the company at that time. Because it proved out over time that they did not have enough skin in the game that it made it easy to throw rocks over the fence rather than to be part of a solution.

(Music "Crocodile Corner" track from the LEGO Universe Original Game Soundtrack by Brian Tyler)

# Brian Crecente

The idea was officially greenlit in October, 2005, just a half year or so after the launch of the tremendously successful LEGO *Star Wars*: The Video Game. While the LEGO *Star Wars* video game, and the decision to develop outside of the company, was in some ways a by-product of the LEGO Group's earlier financial struggles, by the end of 2005, the company was starting to turn profitable again. The team was given tacit approval to go forward with the concept, though it sounds like this was in part because it wasn't viewed as very risky, and the LEGO Group knew it had to do something in this space. What won over those inside the company was the idea of building out a LEGO online community that could expand and evolve with time, according to what children really wanted.

# Ethan Vincent

And after getting approval for what was code named LEGO Worlds Online, Hansen and Martin Prüss the only two still on this new project at the time, sat down with Valther and some marketing people to brainstorm ideas for how to find the right developer.

# Lisbeth Valther

I remember the brief to the team that was involved in finding the game developers. As I recall we sort of looked from a desk research point of view was quite a lot of different game developers. And what we were in particular looking for was somebody who really understood the LEGO idea and who could sort of interpret this vision about moving play from the child's room into the virtual room, being able to combine the building aspect with the play aspects, and really try to take that vision into a game's world. So somebody who really understood the LEGO concept, and of course they would have to have some traction in terms of having developed successful games. But I think the notion of somebody who really understood LEGO was important.

# **Brian Crecente**

So this group of...sort of small work group, knows they want to create a massively multiplayer online game and that whatever developer they select would need to have some sort of deep understanding of technology, of physics, and moving around a lot of polygons on the screen at the same time. The developer they ended up working with would also have to be exceptionally creative. So this is Hansen talking a little bit about that process.

#### Mark Hansen

I would tell you that year of 2005 was phenomenal. We knew MMOG developers were where we wanted to go. We did not have the thoughts of it being a World of Warcraft venture at this time. It wasn't that. We knew it was going to take a lot of creativity and understanding or knowledge of physics and moving a lot of polygons around on a screen, and not many knew how to do it. So we really made one question. We said, are you interested in doing a LEGO online game? And we sent that out, I think to like, I believe like 80 developers. We had names of 80 developers at the time, and we sent it out. We got replies from 51 developers and everyone who replied, we went out and seen and did some discussion with them. Just from that, you know, we probably used seven, eight months in going through, and really two to six people involved at any one time, talking to all the developers. And in that discussion with those studios, just explaining it to all the game companies, right away that 51 number dwindled down to about 12. And then it come down to their creativity and their creative team that they got, did those people really see? And so when we went into the office and they just did some really strange things with the LEGO idea, and it was just like, that's not it, you knew it then too. And so from that 12, we went down to four.

#### **Brian Crecente**

That group included Microsoft, Funcom, and a relatively tiny developer based in Colorado -NetDevil. Ultimately NetDevil's comradery, experience, and sheer excitement about the project, won them the contract.

(Tune)

# Chapter 3: NetDevil - 18:27

#### **Ethan Vincent**

Before LEGO Universe, before Auto Assault, Warmonger and Jump Gate, there was just three friends working in an office and a dream. Scott Brown, Peter Grundy, and Steven Williams knew each other from their job at an information tech company in Boulder, Colorado. They all spent a lot of time playing games online and saw the growing genre as a chance to start their own small game development business. The idea at the time was that their multiplayer online space game, Jump Gate, would be less expensive to make, because most games of this type, these kind of online multiplayer games, they didn't have cut scenes, which required the need to hire actors. Brown said he used the money he made from the sale of the company he worked at, to live off and start working on Jump Gate. And the other two worked on the game as well, you know, at nights and weekends and all working kind of out of Scott's basement. And once they landed a publisher, Grundy and Williams were able to quit their job, join the company full time, and NetDevil was born. Scott Brown, president of NetDevil, talks to us a little bit about how they came up with that name.

#### (Tune)

# Scott Brown

Peter and I are divers. Peter was a divemaster. So he's much more advanced than I am, but I just really enjoyed it. And so we thought, Oh, let's come up with something, you know, shark or stingray or something, you know? But of course, like even in the late nineties, all the websites were gone (laughs). And so we found in a dictionary that fishermen called angler fish, net devils, because they would get them caught in their nets and they thought it was weird. And we're like, Oh, we're an internet company and we wanted fish, and so NetDevil that's where it came from.

# Ethan Vincent

Eventually the blossoming studio moved out of Scott Brown's basement and into a small office in Louisville, Colorado between Denver and Boulder.

# Peter Grundy

We were a five-man team when we started-

#### **Ethan Vincent**

This is Peter Grundy speaking, Co-founder and Art Director at NetDevil.

#### Peter Grundy

-and by the time we shipped Jump Gate, we were only at nine. So I don't know if you could imagine trying to ship a popular MMO with nine people. It gives you some idea (laughs) of how crazy it was, but, you know, back then things could be done in a little bit differently. And one of the reasons we chose a space sim too, was most of the space is empty. So we knew we wouldn't have to build a great deal of content. So what we focused on was more the game play. So yeah, it was back when gaming was done with just with a few people.

#### **Ethan Vincent**

And one of the first hires by the trio was Ryan Seabury, who joined in 2000 and would become the creative director on LEGO Universe. And he talks to us here a little bit about those early days, working on Jump Gate and just how thrown together this was.

# Ryan Seabury

You know all of our desks, there were probably about 10 people total in the office, we were all crammed in there with a bunch of servers, and little things you remember in hindsight, they were kind of ridiculous. We used to run the Jump Gate beta server out of my basement in a sink. It was literally on a sink. I just told everybody in the house 'cause I had some roommates at the time, like, do never, never use this sink 'cause it's like our work server, 'cause we had nowhere else to put it. And it was actually duct-taped, like there was hard drives...we didn't have the screws or the brackets weren't there anymore. So we had it duct-taped with some foam holding it up. It was just crazy stuff like that, right? That you just kinda...you make whatever you have work.

#### **Brian Crecente**

Man, that is so great. And it's...I know you spent some time with them and I spent some time with them and they're great guys. And it's just so typical that this is how they were running things. They...whatever they could get their hands on, they were using to get their game up and running.

# **Ethan Vincent**

I mean a server in a sink with duct tape. It's crazy. I love it.

# **Brian Crecente**

Yes. So this game Jump Gate launched in 2001 helping to fund the studios further growth and leading to NetDevil landing a contract with South Korean video game developer and publisher, NCSoft to create a massively multiplayer online car combat game called Auto Assault. Work on that game started in 2001 and took about five years. Over the course of development the team expanded to about 40 people and the studio grew into larger offices; first to a 1,500 square foot office and then to 4,000 square feet and finally into an 8,000 square foot office. For anyone outside the US that's moving from roughly a 140 square meter office to one about 745 square meters. By late 2005, the NetDevil team was wrapping up Auto Assault and the founders began to ponder what they wanted to do next. They knew they wanted to work on another MMO, but hoped to do so with an existing intellectual property instead of having to build one from scratch, like they had with all their other games.

#### Scott Brown

Let's see, so we had...Ryan and I had been talking about, we need to do another kind of a game, and Peter, and we were saying, you know, what's the right type of game to do? What's the right feel?

#### **Ethan Vincent**

This is Scott Brown speaking.

#### Scott Brown

And we wanted to do something based on somebody else's intellectual property. And so we're talking about all the different things and brainstorming and we had been for a couple of weeks, and then just sort of out of the blue, we get this email and it's like a one-liner,

you know, it's like the email you delete if you weren't sort of paying attention, kind of a thing.

# Ryan Seabury

The email was just a pretty simple one-liner: would you be interested in working in a online LEGO World project?

# Ethan Vincent

Here's Ryan Seabury speaking.

# Ryan Seabury

And, Scott Brown got it and forwarded it to Peter Grundy and myself. And when I saw it come across my desk and I was sitting there tired, hadn't gotten any sleep in, you know, months. And I saw that come across and I just kind of pushed back from my desk and was like, this could be like the greatest MMO of all time. And so I immediately ran over to Scott's office and was like, we gotta do this man. This is awesome.

# Peter Grundy

What's funny is the first thing Scott did was ran out and bought a couple of LEGO sets-

# Ethan Vincent

This is Peter Grundy talking.

# Peter Grundy

-and got us all into a room, and, you know, even the guys that were finishing or coding last minute coding on Auto Assault to get it out the door, we'd go in late at night and they'd be helping build...I think we had a Star Destroyer and a Death Star and...we'd just made sure that there was a bunch of LEGO bricks on a conference table that was complete.

# Scott Brown

We like, we sorta just went crazy, right? Like we were just like, Oh, and it could be this, and it could be this and LEGO is space and LEGO is fantasy and LEGO is, you know, pirates and it's everything right? And we just started brainstorming and brainstorming. And so of course we replied, and then they came back wanting us to fill out an RFP. And it was like the biggest, most complex RFP we'd ever seen. You know, honestly we didn't even know how to answer like a lot of the questions in this doc and it was thick, but it was fun to go through and do it. And that got us down into the selection process where they came out and visited. And so, yeah, that was a pretty exciting day. Certainly.

# **Ethan Vincent**

I like how Scott is so understated with that, you know, I mean, you and I both met Scott and Ryan and they're just like that, you know, Scott's kind of a little bit more reserved, a little bit more laid back. And Ryan is probably like, totally going nuts about this and very excited. And it was the answer, you know, it just fell into their lap or into their inbox, you know? Pretty cool.

# **Brian Crecente**

Yeah, and I'm sure Ryan was basically a big smile on two feet at that point. He must've been so happy. So they get this first meeting, which ends up going great for them, which is fantastic. And, I think more importantly, or maybe as importantly, not only does the meeting go well, but it so happens that NetDevil also meets two of the main requirements the LEGO Group has, which is they had to have at least developed two massively multiplayer online games, which they had just...they were just wrapping up their second one. And they also had to be willing to do third-party development, which they were actually looking for a project to do. So that like it fit perfectly.

> (Music "Morning in Forbidden Valley" track from the LEGO Universe Original Game Soundtrack by Brian Tyler)

# Chapter 4: Early Development of the Game - 26:22

# Ethan Vincent

So Ryan Seabury still clearly remembers the moment the email arrived. He was elated, slightly stunned, but above all else, excited. He scattered LEGO sets around the office to inspire the team in hopes of coming up with this sort of pitch that could win over the biggest toy company in the world. Seabury ended up heading up the two pitches, one to Hansen and Martin Prüss and the next to a larger group of about 10 from the LEGO Group and among them was also Executive Vice President, Lisbeth Valther, who talks to us a little bit about that meeting.

# Lisbeth Valther

I went with Mark to visit with NetDevil before we selected them. And then we'd discussed quite a bit about the whole concept. And especially, I think, I was impressed with Ryan Seabury's vision of what this game could be. We visited, I think, two other game players at the time as well, but Ryan really had that really good understanding of the LEGO concept.

#### Mark Hansen

NetDevil popped out above all else.

#### **Ethan Vincent**

This is Mark Hansen speaking.

#### Mark Hansen

I mean just from the day one visit, Ryan Seabury, Scott Brown, Peter, I mean, these guys you could just see how genuine they got along. They just come off a very difficult MMO development, but how humble they were and knowing what...they didn't pitch us at how great they were. They were like, this is what we learned. This is what we know, and this is what we can bring. And then the enthusiasm, I mean, Seabury was like through the roof of LEGO ideas and just a genius thinker, I mean, could really do it. And Peter Grundy and Scott Brown, how they could support him, even though Scott being a CEO, I can remember the first couple of visits there. I mean, Scott, you would never know he was a CEO, you knew through his leadership, but just how he supported Ryan and just give him... and Peter, I mean, those two how they just let him flourish and how they supported each other. From my perspective was huge in team and just allowing that to happen.

#### **Brian Crecente**

So while the specifics of timing and details of the two pitches are sort of a bit lost to time, remember this is obviously a long time ago, Seabury does recall a sort of bonus video presentation he created for the LEGO Group. He tells us that he remembers going to the office kitchen, and as he put it slamming back a Guinness, locking himself in a conference room, turning on the video camera and sort of going crazy with these sticky notes.

#### **Ryan Seabury**

The sticky notes had sort of all the main points I wanted to get across. And so, I kind of popped up in front of the camera and started pulling sticky notes off the whiteboard one at a time and was sort of talking about this, you know, we need to have a big overarching narrative of sort of a good versus evil conflict that you can buy into as a player. Talked about ways of players forming identities as part of that conflict, and then the sort of beginning ideas of the different factions that ended up in the game. And then how that could lead to more open-ended sandbox play that would be, you know, more kind of traditional open-ended LEGO play. And so what I was trying to do was weave the, kind of the analog I guess, of LEGO play themes, so...all the different, you know, you've got Castle City, and now branded things like Star Wars and so on, that inspire kids when they're playing with the actual physical bricks to build something very specific, right? So you'd follow the blueprints and you build something. So it was a pitch of, how do we tie in traditional MMO and traditional game narrative structures into something that ultimately want to be a creative sandbox and have all this other potential. And so, it ended up being like a, I don't know, three-minute video or something so it's easily digestible. You know, I was a little tipsy, so I probably came across a little kooky on it. And I heard, I don't know, this is indirectly, but I heard that Kjeld Kirk Kristiansen, who was owner of the company at the time, saw it and was just like, yeah, this is great, right? And I guess the passion and the

enthusiasm that came through in the video there, and then that in turn led to a more formal presentation where we got a little more serious about all the other aspects of it, and how we would actually run the process of development and all that kind of stuff.

(Excerpt from Ryan Seabury's pitch known as the "Vote for Pedro" video)

# Scott Brown

It was one of the greatest pitches ever (chuckles).

# Ethan Vincent

I bet.

# Scott Brown

It was just, it was so awesome. The only thing I can even remember in the game industry that I ever thought was as awesome was the guy's famous Warhammer, I think it was like an E3 presentation. I feel like Ryan's was right at...like he was that energetic, that excited. This idea of how you would pull all these worlds together. It was one of those things where it was like a 10 out of 10, right? Like it was amazing.

(Excerpt from Seabury's pitch continues)

(Music)

# Ethan Vincent

The presentation laid out an impressive, expansive idea that easily ticked all the boxes for the LEGO Group. And once the deal was landed, Seabury became the game's creative director. Initially Seabury tried to wear multiple hats, but it became quickly apparent that this was becoming the biggest project that NetDevil had ever worked on. Eventually he refocused his energies on the creative side and others were brought in to help with the business side.

# Ryan Seabury

We didn't just see it as like a sort of golden business opportunity. In fact, I think more so we saw it as this amazing creative opportunity-

**Ethan Vincent** 

Here, Ryan Seabury again.

#### Ryan Seabury

-and that's what drove us. As the founders of NetDevil, we love making cool stuff and we love making online worlds. And it was more, I think, that creative side of things that drove

us. And I think that came through in our initial meetings with the LEGO Group, that we were genuinely excited about the brand and excited about the potentials that it would bring to a massively multiplayer space, and not so much just trying to kiss up to one of the biggest brands in the world, sort of thing.

#### **Brian Crecente**

The contract was signed in late 2006 and in April, 2007 Auto Assault released, but the player numbers weren't very good for that game. So the game's publisher asked NetDevil to keep running the game, but also cut down on cost. So what NetDevil does is they essentially shift part of the team that was working on that project over to working on some of the early LEGO Universe work. The team started with just three or four people from the studio, working through the basic design questions and technical limitations and some of the high-level game design ideas. The group at NetDevil knew they had a massive amount of work ahead of them. From the LEGO Group's perspective, they had a world-famous brand and wanted to use it to create the biggest massively multiplayer online game in the world. Instead of being overwhelmed by the work that lay ahead of them though, the studio was ecstatic. For the first time in maybe a decade, they didn't feel like they might go out of business next month. And there was this sort of sense of stability that came along with working with the LEGO Group. Unfortunately, early prototypes in the game, simply weren't delivering what the LEGO Group really wanted. Mark Hansen here talking a little bit about some of those early impressions.

(Game sounds)

#### Mark Hansen

Late 2006, we start to get some very early concepts developed in software where you could almost get a minifigure running around and...I would say here's where the bumpy part kind of come because people looked at it and go, Okay, this really cool vision you sold into us - that's it? And so it was really about how do you handle the expectations of what you're going to see, because on the software side, people were jumping up and down - Wow, we got a minifigure, and we got a hundred thousand bricks on the screen and this is phenomenal! And where the LEGO team looked at it and said, Well, that doesn't look like one of our products (chuckles).

#### Lisbeth Valther

You know, it was always difficult-

Brian Crecente This is Lisbeth Valther speaking.

#### Lisbeth Valther

-because we had that vision, and then when we had the meetings, I only saw fractions of the game and we only saw fractions of it, and you'd have to imagine, okay, how would all this come together? But it was just so difficult to, for me at least, to make sure that the LEGO experience was clearly enough there. I wanted...I was thinking about ideas of how you could build something in order to get to the next level or do something. And part of it should not just be finding things, part of it should be building things. And yet, of course, it shouldn't be too difficult. So it was a challenge all the time, but I kept having this feeling that, you could say the game mechanics, seem to overwhelm the LEGO experience. And I realized, of course, it's a game, of course, so it needs to have some of the good game mechanics, but it just has to be in the LEGO way. And how do you do that? That's a difficult one. But I recall many of those meetings where I kept pushing at getting the LEGO experience more prominent somehow.

#### Mark Hansen

I think it was June or July of 2006-

#### **Brian Crecente**

This is Mark Hansen speaking again.

#### Mark Hansen

-Ryan, he was frustrated. I can remember I was over in Denver at the time, I was commuting back and forth between Denmark and Denver. And, I remember going home and there was really no idea. And it was kind of a frustrating point about what is it going to be? And I know, you know, we've been working on this now for six months, getting the stuff down, improving the tech, and getting, what is all this going to be? And, at that time, he just literally went into creative mode and said, to heck with everything else. And he just wrote it out. What he thought would be exciting. At that time he said, what's going to be exciting is going to make me want to play this game? And at that time he was having children and I know he had some young kids and they kind of inspired him and, you know, he was a child, and he wrote out what LEGO Universe was going to be and made a video clip and it matched what we were looking for. And he really, he brought that vision to life with that thinking. And it really nailed it at that time. And it was a crucial, a crucial point to make that happen.

#### **Ethan Vincent**

As pre-production on the game continued, work on building up the team also went into high gear, with NetDevil suddenly being able to recruit the sort of people they would have never been able to afford before. The team quickly ran out of space in their current offices. And in June, 2007, the LEGO Group officially announced LEGO Universe as a massively multiplayer online game. The press release promised that the game would include character advancement, expansive social and community features and provide a child-safe alternative to other massively multiplayer online games. The company said the plan was for the game to come out in the fourth quarter of 2008. So that same month, 2007, right, Brian? NetDevil moves to a massive 30,000 square foot warehouse, that's roughly 2,800 square meters. And you and I have both been there, it's quite the place, it has this really cool vibe. You go through the entrance and you see this kind of like a life-sized armored dune buggy, just a real cool space.

# **Brian Crecente**

Yeah, I mean I love it. It's all concrete floors. I think the design basically, so people could use their little scooters. Remember they used to zip around on the scooters. And that dune buggy, I think was sort of a prop that they had used when they were building Auto Assault, and it kind of looked like it was sort of crashing through, like it had done some sort of jump somewhere and was crashing through the office.

# Ethan Vincent

Yeah, and then they had a lot of artwork. They had like a giant LEGO brick, like 14 foot LEGO brick, you know?

# Brian Crecente

Yeah.

# Ethan Vincent

And it was just on the right-hand side, I remember when you come in, I think they moved around a couple of times, but I just remember it being like super prominent and you'd come in and go like, Whoa. Sure made an impression.

# **Brian Crecente**

I loved it. And not a lot of walls, because I think they wanted to have this sort of free-flow of information and people being able to sort of talk to each other and be creative. They had this art exhibit area where employees could set up their own art. And of course in the back they had a lot of entertainment options that I thought was pretty cool, like ping pong-

# Ethan Vincent

-basketball court, yep exactly, all that stuff. They had a little snack area too. I actually have some footage of you going and getting some snacks.

(Snippet of audio-video footage)

#### **Brian Crecente**

Right. Yeah, my son and I visited once and you captured us, you captured me getting a soda. For some reason that was very interesting - not to you, to other people. Everybody was excited.

#### (Laughter)

# **Ethan Vincent**

And let's not forget, a lot of kids were super fascinated by this incredible section that was just full of LEGO bricks, right, Brian?

# **Brian Crecente**

Yeah, it was crazy! It was a library, it was a LEGO library, and if I recall you probably have a better memory of this than I do, but I remember it was sort of like storage bins, but it was sort of set up like kind of like a library. You could go in and find, you know, a bin that was filled with the specific brick you needed. And I think they told me, at the time it was one of the biggest collections of LEGO pieces in the world, outside of the company's headquarters.

# **Ethan Vincent**

Yeah, it was the fourth biggest or something like that. And what's funny is, I saw that space go through a couple iterations. They had a guy that was just assigned to organizing it. After a while it just got a little crazy and they would have these displays where you could see the pieces and where they were and they got really involved in...and it was just an incredible space for anyone who's a fan of the LEGO brick to go there and just be amazed by this sea of LEGO pieces they had.

#### **Brian Crecente**

And wasn't that person called, like, I think they had a couple of them, they were called like brick monkeys or something (inaudible)

#### **Ethan Vincent**

Yeah. Special title, special title being a brick monkey at NetDevil, it was a full-time job just to collect them all made sure...you know, and what I love about that is that was built into the culture. I mean, that's something that the LEGO Group wanted them to do. They wanted them to like take breaks and build something or take something to their desk and be like actively engaged in the physicality of the LEGO brick. And I think that's genius. That was great for the team.

#### Brian Crecente

Yeah, totally. It was amazing.

#### **Ethan Vincent**

So as the team grew, the studio dove into the hard work of creating the game. The biggest initial challenge was that while the LEGO Group approached the project with a specific goal in mind, it didn't have a clear path to getting there. Instead they deliberately chose a developer to partner with that could help bring to life a shared vision of the LEGO Group's initial concept of a LEGO online game.

# Scott Brown

To be fair, they didn't know what they wanted.

# **Ethan Vincent**

This is Scott Brown speaking.

#### Scott Brown

They just knew that they have this amazing IP that is loved all over the world. And they wanted to try to build an online game out of that. And so, yeah, that's what made it so fun is nobody knew what it meant at the beginning, right? And it was a lot of trial and error, you know, should it be exactly the TT games? Should it be totally different, you know? Is it a game that you're building for their master builders or is it a game you're building for eight-year-olds? Like there was just so many questions, but it was also exciting. And like, I just remember that meeting with Peter and Ryan and talking about that nail and Ryan lost his mind. He was so excited (laughter), which was cool. But I mean, it was really...it was...I mean, I don't want to say that Peter and I weren't excited, but Ryan was at a different level. Like he was just like, you could just see the wheels just spinning in his head. Like he was pumped about it.

# Ethan Vincent

These early days of prototyping led to a time-consuming process of NetDevil putting together ideas, meeting with the LEGO Group, who were in a time zone with an eight-hour time difference, vetting the ideas through proposal meetings, and inevitably going back to the drawing board. And this is Ryan Seabury talking about these challenges back in an interview I conducted in 2010.

# Ryan Seabury

Working with the team in Europe has its difficulties. Obviously the time difference is big. It was about an eight-hour or seven-hour difference between Denmark and the US. The LEGO Group has been really awesome actually in prioritizing development on the floor. But those guys are kind of machines, like the team that work on LEGO Universe, they don't really stop working. They just...I get emails from them all around the clock a lot of times, and they're just really passionate group and just...I kind of wish we all could sort of mentally connect instead of having to communicate through emails and, you know, especially long distance stuff. There's just so many opportunities for miscommunication to happen. If we all had a

hive mind, it would be a lot more efficient. So we'll work on that I think as some technology project in the future. But yeah, it adds some difficulty, right? Because the logistics are tough.

#### (Music)

#### **Brian Crecente**

To make matters more complicated, because the game wasn't tied to any particular theme set, NetDevil spent a lot of time re-pitching and re-explaining ideas. Scott Brown talks us through some of these frustrations.

# Scott Brown

Yeah, I mean, that was probably the hardest part is that the LEGO Group didn't have someone on their team with a vision of the specifics of the game. They really were looking to a game developer to build that. And so it took a lot of time of like, we would have an idea, we would spend some time putting it together, and then we would meet with their team, and then the LEGO Group sent out execs every quarter and they were serious proposal meetings and the LEGO Group is a pretty siloed business, I would say. And so it had, you know, the guys that run Castle is a different group than maybe the people that run Space or whatever, and so they had never had a project that was trying to sort of unite all those teams and those teams themselves didn't understand how big of a role did they want to play, or did they not want to play in it? You know, did they want to be associated or not at all? And so there was just a lot of back and forth internally to the LEGO Group with our team. It was just, it was complex because again, they were trying...and then, you know, they're trying to ramp up a publishing branch and being an online game, especially a kids' game means safety and billing and just all of these things that they'd had some touch in, you know? And so they're also building up this arm of their group, while we're building up our team on the game. And so, you know, it was a little bit crazy, but it was also incredible. It was really fun to be a part of.

# Ethan Vincent

The growing team at NetDevil quickly identified a number of other major challenges that the game faced and started to work on solving them. A major effort was also put into online child safety. The concern was: how to deliver a creative sandbox for children without risking someone ruining the experience by creating content that wasn't suitable for a child.

# Ryan Seabury

Yeah, for sure. I mean, that added so many layers. If you didn't have the child safety component in there-

#### **Ethan Vincent**

Here Ryan Seabury again.

# **Ryan Seabury**

-I honestly think the game, the development of the game to launch would've probably costs easily 30% less. I mean, it was literally that much of our budget. It was just an enormous undertaking and, you know, I'm pretty proud of where it ended up. And I think there's a lot of games out there, even today, that bill themselves as kid-friendly, that don't really take it seriously. And there's a lot of loopholes for people to, you know, have bad actors in their space. And it's unfortunate and I wish it was better, but I'm proud of what we do with it and that we did take it as seriously as we did and that the LEGO Group was willing to put the money behind that initiative.

(LEGO Universe Behind-the-Scenes Safety Video)

# Nathan Gray

We're using state-of-the-art technology for a chat-filtering and chat-monitoring to make sure that if kids start giving out information they probably shouldn't be giving out, we can actually detect that and handle that real-time. Anything that can be edited by a user in the game ultimately does get viewed by a moderator. They look at the name of the model. They can look at the names of the pets that you create. Everything that you can create and customize that ends up being viewable by other users, ends up being viewed by a moderator first to make sure that this looks okay.

#### Erik Urdang

We have what are called white lists and black lists. And a white list is a list of legal words that you can say. And then blacklist obviously is words you can't say. And we can use both of those to make sure that nobody says anything they're not supposed to say.

#### Mark Hansen

We also want the child to have a very good play experience that allows them to feel like they really are free to do what they want to do. And that comes with how they can build, to how they can interact with their friends. So a best friend's list and how they can have more ability by having a best friend's list that mom has okayed for them to have a best friend's list and that they connect, and so they can have open chat. They can communicate together to build and expand their worlds together.

#### **Chris Sherland**

We're having meetings about this all the time, and it's really blowing me away how dedicated the LEGO Group is to keeping their brand really safe. And I feel invested in that. I mean, from a production standpoint, how do I, and my team, how do we hang on to that vision of what safety means to a LEGO experience and how do we provide that? It's an incredible responsibility. You can say it's true, but if you don't make it true, it isn't true. And what's in the balance here is this glorious brand and this wonderful experience that you want kids to have. So feeling like I'm a guardian of that, in some places we're really where the safety is sort of the most special to me.

# Ethan Vincent

That was a clip from a LEGO Universe safety video that I did while covering the game development. And you heard there from lead core programmer Nathan Gray, technical director Erik Urdang, Mark Hansen, of course. And at the end there, Chris Sherlund, who was the lead producer on the game. And so obviously this gives us a lot more detail and insight on the child safety efforts of the LEGO Group, but there were also other feats within the game creation and to address the technical challenge of creating a high polygon world made entirely of interactive bricks. One group came up with the idea of building a massive LEGO brick castle, and then creating technology to try and reduce the polygon count and impact the graphics would have on whatever system was trying to run the game. The technologists also struggled with how to deliver the same sort of visual appeal of a TT game like LEGO *Star Wars* without leaning on the same approach of using canned animations for building and deconstructing. It all had to be dynamic to allow players to create content and modify the world in real-time.

#### **Ryan Seabury**

That very initial phase, where we were scoping sort of technical capabilities and figuring out the right tech to use and building our team up, our initial core team-

# Ethan Vincent

Here's Ryan Seabury speaking.

#### Ryan Seabury

-and during that time we were writing a design document, which...oh man, if I remember ended up being like 300 pages, and by the end of the project mostly useless to be honest, right? Like, I think very little detail on that actually ever got used, but it was sure was a nice design document. But that was at least a six month to a year effort probably combined of those things happening, and so that kind of gave us like, okay, now we know what tech we're going to use, now we kind of have our team built. We know where we think we can go in a couple of years trying to guess where hardware was going to be and so forth. And then we started playing around with the core concepts of the game and how do we deal with things like death, player death, right? Like normally, let's say in a fantasy game, you get...you turn into a ghost and you revive at a graveyard or something. And there's some other little fictional thing to that.

#### **Ethan Vincent**

It was this group that seemed to at times struggle the most, hampered by both a blank page approach from the LEGO Group, but also the sometimes conflicting advice or suggestions that were given. For instance, the LEGO Group had two sets of visions for building. On the one hand, they wanted LEGO Universe to be a game that a young child could use to build with, but on the other, they wanted their master builders from the adult fan of LEGO community, who create stunning real-world brick scapes, to be able to do things like create the Taj Mahal in the game. That meant figuring out a rule set that would both follow the real world rules of LEGO brick building, taking into account what could and couldn't fit together, but also make it as simple as grabbing two bricks and snapping them together. Other ideas that expanded the scope of the project exponentially, included adding what was called properties, where you could build and add behaviors to your own creations, racing and the possibility of tying the game to LEGO Factory, allowing players to purchase physical sets for their in-game model designs. Quickly it became clear that the good and bad of working on a LEGO game was the endless possibilities.

# Peter Grundy

What I think it was wrong, was all the pieces and components that we tried to bite off in one fell swoop-

#### **Ethan Vincent**

Here Peter Grundy speaking.

#### Peter Grundy

-we try to be a kid's game, so it was easy accessible. We try to be a game that adhered to all the LEGO brick standards and branding. We try to be a building game. We try to be a TT game telling stories. We try to be an MMO. We try to be a vehicle and a platform for future products. It was a lot, it was, we chewed off a lot. Most people would just pick one or two tenants or thoughts and maybe just go for one, but you know, it was, it seemed at that point it was all or nothing because towards midway, towards the end, people started to see Minecraft and realize, Oh boy, we could have made it so much easier and simpler if we'd had just done it with one brick.

# **Brian Crecente**

As the team continued to iterate on this massive undertaking, the initial window for the game's official launch, which was October, 2008, continued to creep closer and closer. In an effort to deal with the big time difference between Denver and Denmark, the LEGO Group decided they needed to move some of their people to Colorado to speed up feedback loops and be more responsive with guidance, according to Ronny Scherer, who was the director of development on the LEGO Universe project.

#### **Ronny Scherer**

As I recall, Mark felt like he was far away, although he's American, he was living in Denmark at the time. And the commute between Denmark and Colorado is not, it's not convenient. Like it's not easy. It's super long. So, we talked about how to resolve it. And we came up with the idea that we need to have a team close to NetDevil that's able to provide them feedback on an ongoing basis. So that idea was born. And if I recall correctly, it took about a year from we started that conversation, until I was actually on the ground. So I moved to Colorado with my family to build a LEGO team locally on-site, to ensure that we were able to give NetDevil the level of support that they deserved and needed in order to move forward as fast as possible.

(Music)

#### **Brian Crecente**

As all of this is happening, the team at NetDevil is exploding in size, driven by the LEGO Group's willingness to fund teams to tackle specific problems that were cropping up. Eventually that massive staff became its own problem for Scott Brown, a problem of cashflow. With no outside investors, the payroll is starting to outpace how much money the studio has on hand. Combined with those money issues, running the studio was also becoming something that Brown and the others were starting to worry they couldn't handle.

# Scott Brown

We are constantly growing like mad. And what gets tricky is cashflow. None of us had any money or any outside investors. And so things like, if a LEGO payment is late, payroll is starting to be five, six, even \$800,000, right? And so at that point, I now have to like...I'm mortgaging my house to make payroll. And so the size of the studio is becoming very difficult for us professionally. The day-to-day like how we're working is fine, but you know, now we have layers of management, and now just the money, the reality of the money cost of running a studio that big is very different than when it's five of us. And so, I think we were well over a hundred employees by then. And I think we were over 200 employees by the time Universe ships. So the studio...it's changing quite a bit because we're getting so large, and just financially, that's becoming very difficult for me to manage. And so that's why we began looking for outside investors to try to find a way to help relieve some of that.

#### Peter Grundy

I kind of regret some of the things that went down within that whole scenario, to be honest, myself, Scott and Ryan being the owners.

#### Brian Crecente

This is Peter Grundy.

#### Peter Grundy

You could imagine though, the stress level that we were at, we had. We were working on a project for Codemasters. We're doing an initial pitch and prototype for Disney, and we were trying to also make that software that we're developing into our own platform for our own game. And we also started LEGO Universe. So, you know, you mentioned the number 150 that were on the LEGO Group, but the whole studio by the time ended up closing, was about 200, 230 people. You can imagine with three owners who are so heads-down on what the product is, we were not looking at a higher level from a company standpoint, like, you know, we, we didn't have the CEO and CFO clout that someone like an EA did, you know, like they were really looking into the future. We were so heads-down in the proto...on all the projects. And financially, the three of us were responsible for everyone's payroll. That sounds crazy right? When you think about it, three people's houses could not support, if the LEGO Group decided not to pay, three people's capital on three houses, couldn't support one month's payroll. So we...that's why as owners, we were like, we've got to do something here. We've got to get investment. We've got to restructure the company some way, and that's when offers and people started coming in about selling. So Gazillion was not only the only ones that we talked to.

#### **Brian Crecente**

Where the deal with the LEGO Group brought a level of stability to the team. A new sort of stress was building up as the team grew first to 100, and then more than 200, and finances became tight simply because of that growing payroll. Then a conflux of issues brought the stress, the worries, the looming nightmares into focus. Like many video game contracts, the one between NetDevil and the LEGO Group required the company to hit certain milestones by certain dates in order to get paid. As the work and problems grew, the things that had to be accomplished for each milestone grew too. And soon the studio was crunching - working long, desperate hours, more and more. That crunch, Brown now says, was one of his biggest regrets. Then with the pressure building, stress building, everyone working long, hard hours, the unthinkable nearly happened. And it started with a letter...

(Music "The Gnarled Forest" track from the LEGO Universe Original Game Soundtrack by Brian Tyler)

# Chapter 5: Gazillion Purchase/Sale - 59:54

#### Scott Brown

The LEGO Group sent us a letter that we were in breach of our contract-

#### **Ethan Vincent**

This is Scott Brown speaking.

#### Scott Brown

-by not staying up to speed on deliverables, which surprised us, because we sort of felt like there was never a decision we made alone, right? If we decided, you know what, we should redo this to make it better. We did that in a meeting with people from the LEGO Group. So that was a little bit surprising for us. And I think, again, is not a reflection of them trying to be evil publishers. It's a position of them not used to being a publisher. Not used to being in this role, they're used to licensing it. And now they're paying for the development and they're dealing with the delays. And I think they saw it as a way to pressure us into maybe delivering faster, where we felt like the speed was not relative to our skills or motivation, but it was change. Like the amount of changes that were being requested and the iteration were slowing us down. And so that was tricky and that added immensely to the financial pressure.

#### **Brian Crecente**

Yeah, and I guess that is the other question. When you get this letter, if you're in breach of contract, what does that mean for you as a studio? Does that mean that potentially you're not going to get those payments?

#### Scott Brown

You know, to be honest, we didn't know what it meant (laughs). It was like, okay, well, what are we supposed to do with this thing that's happened now? And it didn't seem to impact the leadership of the LEGO team that we worked with, didn't seem any different or like, it didn't feel like something had changed. It was just, it felt like this was this letter that they had sent to kind of like give us a kick in the butt, I guess. You know, to a team that's already working incredibly high hours, it was just, it was strange.

# Ethan Vincent

The letter and implied threat of a delayed payment that could have jeopardized payroll, worried the founders. While the work proceeded, it was this letter that became the catalyst for NetDevil to start looking for outside funding. While the company began discussions with potential investors, they ultimately decided to go with Gazillion.

#### **Brian Crecente**

So Ronny, the question here then is, did the LEGO Group have the opportunity to purchase NetDevil before NetDevil ended up selling itself to Gazillion?

Ronny Scherer

Yes-

Ethan Vincent This is Ronny Scherer speaking,

#### **Ronny Scherer**

-but we were never interested. Like it was not in the cards. Like I'm confident that Scott brought up his personal challenges was sort of being personally on the hook for everything, especially we had some milestones, if I recall correctly, where we refuse to pay NetDevil because they didn't meet the agreements that we made. And of course there was, you know, in hindsight that was a bit of a s[bleep]y move for a big company against a small company.

(Laughter)

#### **Ronny Scherer**

But, it was also one of the few strong levers we had to determine the direction and the velocity of things. So I think it was also too, like it didn't happen lightly. If other people have talked about this, I think it was a very deliberate choice to sort of pull that lever and make sure that they understood that, Hey, they can't just keep pushing deadlines, but I think there was also a big part of our involvement locally. I think I would like to think that that helped the relationship a lot, that we were closer to them on-site.

(Techno music)

#### Brian Crecente

Gazillion was founded by venture capitalist Rob Hutter, investor Bhavin Shah, and Doom creator John Romero in 2005, to develop and publish online games. Initially, the NetDevil team was blown away by Gazillion, and in particular its pedigree of founders. The idea seemed clear, NetDevil would be purchased by this massive company with talent and multiple studios and grow into its own. But they were also talking with others like Sony Online entertainment, and of course the LEGO Group. The LEGO Group declined and Gazillion ultimately purchased NetDevil outright. It was the summer of 2008 and now nearly two years into development, and under this new ownership, the NetDevil team continued to work on a key problem: they still weren't entirely sure what the game was meant to be. Another looming problem – Gazillion's ownership.

# Chapter 6: Preview of Part 2 - 01:04:54

#### **Ethan Vincent**

As mentioned in the beginning, this is part one of our two-part examination of the massively multiplayer online game, LEGO Universe. And since there's a lot more ground to cover in telling this mammoth of a story, we will forgo our usual conclusions, those kind of lessons learned moments that Brian and I usually do at the ending. And instead just provide this little sneak peek into what's coming in the next episode.

# (Music "Nimbus Plaza" track from the LEGO Universe Original Game Soundtrack by Brian Tyler)

# Brian Johnson

One of the kids was playing and I think he peed his pants in the kid test (laughs) and his mom came in and was like, what's up? And the kid was like, I thought if I left, they wouldn't let me back in. You know, it was...I just was dying (indiscernable) . And I was looking through one of those glass things, something strange is going on with this kid, I don't know. I don't understand. That's when, like, you know, you have something triggering people, right? Like he wouldn't leave the room. He was willing to suffer this humiliation.

# Scott Brown

Like I tell people, you don't want to be in this business unless you love making video games (laughs). Like I love making games, like I just, I can't imagine doing anything else. And so at least I didn't have that stress. Like yes, money was stressful and milestones were stressful and PR stuff was stressful, but making games was not stressful. You still love going to work every day. And I think that's what I think kept us all going.

# Peter Grundy

The initial conversation that Gazillion had with the LEGO Group (deep breath) did not go well. So that was a huge red flag.

# Mark Hansen

This was the most disastrous decision the LEGO Group ever could have made. And really it was made kind of fast. The LEGO Group allowed it to be sold. And it just turned into a nightmare from that point on.

# Ryan Seabury

All my self-value is sort of tied to achievement, and then to have LEGO Universe, this thing I was super proud of, just - poof - gone, was a pretty big hit. And I didn't really realize the impact it had on me for probably a good year, but now looking back and after going through that therapy experience, I can see very clearly, like how much that sort of created a self-dialogue for me that was like, every project I've ever worked on in those 10 years at NetDevil doesn't exist anymore, right? Like all those MMOs are out of the service. You just, you can't play the game anymore. Yeah, that was, that was tough.

# Bits N' Bricks: Credits - 01:07:25

# Ethan Vincent

Bits N' Bricks is made possible by LEGO Games. Our producer is Ronny Scherer. Your hosts are Brian Crecente and Ethan Vincent. Episode producing and editing by Ethan Vincent.

Writing by Brian Crecente. Mixing and sound design by Dan Carlisle. Music by Brian Tyler from the remastered original game soundtrack of LEGO Universe. Additional music by Peter Priemer, foundermusic, and Henrik Lindstrand from the award-winning game LEGO Builder's Journey, which you can play on Apple Arcade today.

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