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EA — it's in the Domain

Game giant commits to Austin with new lease

Austin Business Journal - by [Kate Harrington](#) ABJ Staff

The Domain has landed one of the year's largest leases, bringing one of the top gaming companies into space once occupied by another gaming giant.

Electronic Arts Inc. has signed a lease for 50,000 square feet in the Domain 2, the space that Midway Games Inc. (NYSE: MWY) occupied until last December, when the Chicago-based developer and publisher of video games closed its Austin studio.

Electronic Arts (Nasdaq: ERTS), which already has a presence in Austin through its BioWare studio and Pogo.com group, will move into the Domain in early 2010, said Jonathan Tate, vice president of Endeavor Real Estate Group's office and industrial division.

Tate and Travis Dunaway, also of Endeavor, represented the owner. Kristi Simmons and Steve Sanders of Jones Lang LaSalle represented the tenant.

For the Domain, the new tenant is one of several high-tech occupants; Kingsisle Entertainment Inc. is in Domain 5, and Convio Inc. expanded its lease in the same building earlier this year. Domain 2 was a remodel of former manufacturing space that once belonged to IBM, so the building has a long history of blue chip tech users, Tate said.

"We are excited to soon have Electronic Arts at Domain 2," he said. "EA complements the existing tenant base, and fits well with the overall vision for the mixed-use, vertical, progressive community we are building at the Domain."

It's not clear what Electronic Arts has planned for the new space. Colin Macrae, a spokesman for Electronic Arts, confirmed that the company signed the Domain lease, but he declined to give additional details — including whether the leased space will house a new studio or is simply new space for the company's existing Austin employees, whether Electronic Arts will add more employees with the move, or how much space the company's studios currently occupy. Macrae also declined to say how many employees the company has in Austin. Worldwide, Electronic Arts employs about 9,000 people, according to its Web site.

The company, which develops, publishes and distributes interactive software for video game systems, personal computers, the Internet and

wireless devices, has top-selling games that include “Madden NFL 09” and “Need for Speed Undercover.”

Electronic Arts has a two-pronged presence in Austin through BioWare and Pogo.com, both housed in the same location. BioWare's Austin office makes console games, and the Pogo.com team works on that site's subscription gaming services, Macrae said.

Tate doesn't know what the newly leased space is meant to house, but he said the company is relocating at least some of its space from the Park North office complex in Northwest Austin to the Domain.

A list of positions for hire on Electronic Arts' Web site includes 12 positions in Austin, ranging from Java programmer to flash artist and server developer for BioWare and Pogo.

If Electronic Arts ramps up its presence in Austin, it would be a significant move in the gaming industry, said Brian Greenstone, president and CEO of Pangea Software Inc.

“EA's the biggest fish you could hook for this city, in terms of video game companies,” Greenstone said. “It seems whenever a company like that does open an office here, it has a wake effect with other companies here.”

Greenstone said the gaming industry is taking a hard hit in general, as consumers scale back on purchases. Austin studios with California-based parent companies have suffered as corporate offices looked to reduce costs by closing satellite locations.

But those embracing iPhone game development are seeing business boom, he said. Greenstone said he has friends at a large gaming company in Austin who are steadily leaving the company, as its business suffers, to nurture their own iPhone game development.

“There are tons of iPhone game developers here in town. They're doing well, and generally, other game developers aren't doing well. There's been turnover,” he said.

Electronic Arts Inc.

Founded: 1982

Ownership: Public (Nasdaq: ERTS)

Headquarters: Redwood City, Calif.

Web site: www.ea.com

Top Sellers: In fiscal 2009, EA had 31 titles that sold more than one million copies and three titles that each sold more than five million copies including FIFA 09, Madden NFL 09 and Need for Speed Undercover.

Source: *Electronic Arts Inc.*

Courtesy of JB Goodwin