

Creative Technology sires startup

Focus will be on entertainment and network CD ROMs

By Erica Schroeder



Under Chairman Ed Esber, Creative Insights may license third-party titles.

Hardware maker Creative Technology Ltd. is aiming to capitalize on the tremendous success and name recognition of its Sound Blaster audio cards with the birth of a startup company focused on software for the burgeoning multimedia market.

Creative Insights Inc. will be led by Ed Esber, former chairman and chief operating officer of Creative Labs Inc., the U.S. subsidiary of Singapore-based Creative Technology. The startup—which also combines the talents of title developer Joe Ybarra and music developer Chuck Monte—is chartered with developing multimedia software products for the PC, said Esber, now chairman, CEO, and president of Creative Insights, based in Cupertino, Calif.

Ybarra has developed more than 100 software products at Apple Computer Inc., Electronic Arts Inc., and Ybarra Productions Inc., while Monte is the inventor of the

Miracle Piano Teaching System and founder of Dyno My Piano, a franchise of electronic piano creators, and Key Clique, a software developer for electronic keyboards.

Leveraging its expertise in those areas, Creative Insights initially will deliver CD ROM titles for the entertainment markets and applications that can link a music keyboard to a PC. The company is also considering re-leasing games titles.

Creative Insights, which is expected to double its employee count to 50 by year's end, won't release products developed internally until next year. However, it may license titles and content from third-party developers in the style of competitor Media Vision Inc., said Esber.

Unlike many CD ROM title developers, Creative Insights will have access to deep pockets and an established marketing presence through parent Creative Labs. It will also be able to bundle titles with Creative Labs' large volume of multimedia up-grade kits and other hardware.

"We wanted to be able to take advantage of all things available to CD ROM producers, but all of this takes bucks," said Ybarra, vice president of Creative Insights. "We will have access to a lot more resources and technology through our partnership in Creative Technology."

Creative Labs recently signed up to make PC boards for game company 3DO, said officials in Milpitas, Calif. Creative Insights plans to release PG-rated games for the 3DO platform and will be able to bundle the games with

VITAL STATS

Creative Insights Inc.
Cupertino, Calif.

CHAIRMAN, CEO, AND PRESIDENT: Ed Esber

STATUS: Privately held; funded by Creative Technology Ltd. and founders

EMPLOYEES: 25

PRINCIPAL PRODUCTS: CD ROM titles, music products, and games

Creative Labs' boards.

One analyst, however, questioned the plausibility of such a spin-off. "It makes sense to do a spin-off if you're going to do content, but they may not have any content," said Tony Bove, editor of Inside Report on New Media, an industry newsletter in Gualala, Calif. "It seems to me like a bunch of businesspeople and accountants throwing money at content. They might be successful, but I would question whether they really have any creative insight: I'd take a wait-and-see attitude."

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