

Activision Blizzard to bolster 'Call of Duty' line-up

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Activision Blizzard plans fresh content for its 'Call of Duty' video game franchise to revive flagging player interest.

Activision Blizzard on Thursday said it will beef-up its "Call of Duty" video game franchise after sagging interest by players led to a sales decline in the recently ended quarter.

The promise of a new installment to the beloved "Call of Duty" line-up comes as Microsoft awaits regulatory approval of a deal to buy scandal-hit Activision for \$69 billion.

"With Microsoft's scale and resources, we will be better equipped to grow existing franchises, launch new potential franchises and unlock the rich library of games we have assembled over 40 years," Activision chief executive Bobby Kotick said in a quarterly earnings release.

Activision revenue tallied \$2.16 billion in the final three months of last year, down from \$2.41 billion in the same period of 2020, according to the release.

Net Income in the quarter was \$564 million, up from \$508 million in the same period, helped by reduced costs, earnings figures showed.

Activision said it is working on an "exciting pipeline of content" for this year, including "groundbreaking all-new experiences" for "Call of Duty."

The Infinity Ward studio working on the project said in a tweet that "a new generation of 'Call of Duty' is coming soon, telling players to "Stay frosty."

The company did not hold an earnings call with analysts due to its pending acquisition by Microsoft.

Acquiring the troubled but highly successful Activision will make Microsoft the third-largest gaming company by revenue, behind Tencent

and Sony, Microsoft said—a major shift in the booming gaming world.

"Gaming is the most dynamic and exciting category in entertainment across all platforms today and will play a key role in the development of metaverse platforms," Microsoft CEO Satya Nadella said when the deal was announced.

Activision, the California-based maker of "Candy Crush," has been hit by employee protests, departures, and a state lawsuit alleging it enabled toxic workplace conditions and sexual harassment against women.

The transaction—which is expected to be finalized by June 2023—is subject to customary closing conditions, regulatory review and approval from Activision Blizzard's shareholders.

Microsoft, maker of Xbox consoles, remains a key player in a video game industry now thought to be larger than the movie sector, with market research firm Mordor Intelligence valuing it at \$173.7 billion in 2020.

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