

## Chief creative officer leaves Zynga

## August 29 2012



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Zynga chief creative officer Mike Verdu said in a blog post late Tuesday that he is off to start a new company. Verdu's departure comes less than three weeks after the exit of chief executive John Schappert.

"It's time for me to try something new," Verdu said.

"Being at Zynga in the early days reminded me of how much I love being an entrepreneur," he continued. "After a lot of soul-searching, I have decided to go back to my roots and start a new company."



Verdu joined Zynga about three years ago after working at US videogame giant <u>Electronic Arts</u>, where Schappert was once an executive.

Spirits have sunk at San Francisco-based Zynga along with the <u>stock</u> <u>price</u>. The market has grown wary of social <u>Internet firms</u> after investors were burned during <u>Facebook</u>'s debut as a publicly traded company.

Zynga rose to stardom by tailoring games for play by friends at Facebook and went on to create its own online playground at zynga.com.

Heavyweight Amazon.com recently got into the game to compete with Zynga, and rival EA has filed a lawsuit accusing Zynga of copying one of its titles.

Zynga shares were down nearly three percent to \$2.99 in trading Wednesday afternoon on the Nasdaq exchange.

Zynga went public in December at \$10 per share.

Online retail colossus Amazon early this month launched its first online social game in a challenge to Zynga and announced the creation of a Game Studios team actively seeking new talent.

The "Living Classics" title was tailored for play at Facebook.

Amazon has the capital and the online clout to "disrupt" the <u>social games</u> industry from small startups to established titans such as EA, according to Douglas McIntyre of investment website 247Wallst.com.

California-based Electronic Arts has filed suit claiming Zynga's game "The Ville" introduced in June illegally copied "The Sims Social."



The Sims Social is among the life-simulation games from Silicon Valley-based EA. Zynga vowed to fight the lawsuit.

Zynga shares took a blow in July after the company reported a \$22 million loss in the second quarter.

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