

Early-morning tweet and 'farmer talk' leads to Microsoft-Mojang deal

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Microsoft's acquisition of "Minecraft" began with a tweet and a text.

Markus "Notch" Persson, the man behind the smash hit world-building game, posted a tweet out of frustration with the fame of running a company with obsessive fans. "Anyone want to buy my share of Mojang so I can move on with my life?" he said, early in the morning of June 16, 2014, referring to the Stockholm-based company that built "Minecraft."

Halfway across the world in the Seattle area, Peter Zetterberg saw the post. Sweden-born Zetterberg had spent years at Microsoft building an Xbox relationship with Mojang's top brass. He fired off a text to then-Mojang CEO Carl Manneh.

Was Persson serious? And if he was, would Mojang consider an offer from Microsoft?

Persson was serious, Manneh said. And they would like to talk to Microsoft.

"We needed to act fast," Zetterberg said. "Microsoft time is not the same as at another company."

Zetterberg emailed Microsoft publishing executive Matt Booty at 2 a.m. By 7, his memo had made its way to Xbox chief Phil Spencer, and, soon after, to new Microsoft CEO Satya Nadella. Spencer and Manneh would speak on the phone that morning.

Three months later, in September 2014, Microsoft announced a \$2.5 billion deal to buy Mojang and "Minecraft," outmaneuvering reported rival bidders Activision and Electronic Arts and scooping up a worldwide phenomenon well on its way to becoming the second-best-selling video game of all time.

Since closing the deal, Microsoft has tried to avoid breaking Mojang's laid-back corporate culture with too many rules, or making any moves that might turn off "Minecraft's" legions of fans.

Executives at Microsoft, and employees in Sweden's video-gaming industry, say they seem to have succeeded at both so far.

Booty, who now oversees Mojang from the Seattle area, said Microsoft tried "to start out with the minimal amount of integration as possible." Initially, that meant refraining from even plugging Mojang's offices into Microsoft's corporate computer network (Mojang has since integrated into Microsoft's systems).

"It took us a few months, up to a year, to get to know each other," said Mojang CEO Jonas Martensson, former CEO Manneh's twin brother. "It's been a surprisingly good ride, I would say."

Many of the changes since the deal have taken place in the Seattle area.

"Minecraft" quickly became one of Microsoft's flagship products. The company has touted the game's applications in everything from HoloLens to Windows and education initiatives.

Booty calls Microsoft a "steward" of the "Minecraft" brand, charged with helping it grow.

The first priority, he said, is widening the game's reach, from a push to

build out the game's smartphone version, to targeting new game consoles and markets like China, Brazil and Japan.

"We've done things a bit faster," Martensson said.

Under Microsoft, the workforce dedicated to "Minecraft" has grown. Mojang employed about 35 people in Stockholm at the time of the deal, only about half of whom were focused on "Minecraft." Today, more than 50 work there. Another 50 people, a combination of Xbox veterans and new hires, pitch in from an office outside Seattle.

One of them is Zetterberg, who founded Unique Development Studios in 1993. The game studio, one of Sweden's first, drew developers from the country's "demo" scene, early groups of mostly young video-game tinkerers who would get together to show off what they could build on early computers.

Looking for a second career with a big publisher, Zetterberg joined Microsoft in 2007, working in London to draw European companies to Microsoft's platforms. One of his biggest assignments was the mandate to bring "Minecraft," up until that point a PC-only game, to Microsoft's Xbox 360.

Zetterberg didn't know Persson personally, but the Mojang founder was familiar with Unique Development.

"It gave a sense of authenticity," Zetterberg said. "I was a developer," he said, not one of the foreign investors then offering cash to try to get a piece of "Minecraft's" success.

During the talks that followed, Zetterberg would correspond with Mojang in Swedish, and spend his nights translating replies into English for the Xbox team.

"My mother always told me to talk to farmers in farmers' language," he said, using a bit of Swedish wisdom for tailoring your message to your audience.

To Mojang, Zetterberg offered assurances that Microsoft wasn't a giant, world-devouring game company, and could be reasonable. To Microsoft, Zetterberg explained Mojang's more nimble, flat structure, and Swedish business culture.

Their agreement was sealed in 2011. The next year, Xbox became the first console to feature "Minecraft."

"It took two years to build that rapport," Zetterberg said, adding that many others at Microsoft's publishing arm worked to make the relationship a productive one. Zetterberg relocated to Microsoft's Seattle-area studios after the Xbox deal, but kept in touch with Mojang.

"I wanted Carl to know we could just talk," he said. "It was a conversation. Farmer talk."

Every few months, he says, he'd text the Mojang CEO, asking if he and his co-owners would consider selling the studio.

The answer was always no, until, late one evening in 2014, it became "yes."

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