

Videogame maker THQ files for bankruptcy

December 19 2012

The US videogame company behind popular titles "Saints Row" and "Red Faction" said on Wednesday it had filed for bankruptcy while wrangling to sell its assets to "a stalking horse bidder."

California-based [THQ Inc.](#) planned to continue operating its business while positioning itself to be taken over.

"We are pleased to have attracted a strong financial partner for our business, and we hope to complete the sale swiftly to make the process as seamless as possible," THQ chairman Brian Farrell said in a release.

"The sale and filing are necessary next steps to complete THQ's transformation and position the company for the future, as we remain confident in our existing pipeline of games, the strength of our studios and THQ's deep bench of talent."

The company's operations outside of the United States were not included in the filing in US [federal bankruptcy court](#).

THQ's moves came as the traditional console videogame industry grapples to adapt to the booming popularity of games played on smartphones, [tablet computers](#), or at [online social networks](#).

People are increasingly opting for inexpensive fun in "free-to-play" games which base revenues on optional in-game purchases such as added powers or virtual gear for on-screen characters.

THQ franchises include urban gang themed adventure "Saints Row" and shooter "Red Faction." The company has also published videogames based on [Pixar](#) films, professional wrestling, and mixed martial arts.

"We look forward to partnering with experienced investors for a new start," said THQ president Jason Rubin.

The company said that it planned no employee layoffs and that studios will continue to work on a "pipeline of games" including a Company of Heroes sequel.

Clearlake Capital Group acting as a "stalking horse bidder" allows THQ to accept competing offers, according to the company.

(c) 2012 AFP

Citation: Videogame maker THQ files for bankruptcy (2012, December 19) retrieved 19 September 2024 from <https://phys.org/news/2012-12-videogame-maker-thq-bankruptcy.html>

| |
|--|
| <p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p> |
|--|