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THE PORTUGUESE VIDEO GAMES INDUSTRY LEVELS UP

INTERVIEW // **JEFERSON VALADARES**, PRESIDENT OF THE ASSOCIATION
OF PORTUGUESE VIDEO GAME PRODUCERS (APVP)

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The video game market has already overtaken the cinema market, with more and more people preferring to sit in front of a screen to be the protagonist of their adventure or the star of their team. It is estimated that the consumption of video games in Portugal will reach 258 million dollars in 2024, with mobile games being the favourite.

The turnover of video game companies in Portugal has also increased significantly in recent years. From 5.4 million in 2018, increased to over 38 million in 2022, representing an average annual growth of 65.2 per cent, according to the National Statistics Institute (INE). In Portugal, the video game market is leveling up and the forecasts are optimistic for a game that promises to last.

Interview [8]

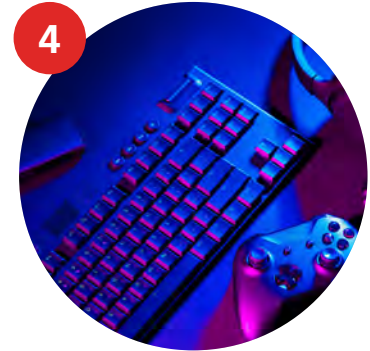
Jeferson Valadares, president of the Association of Portuguese Video Game Producers (APVP).

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Anybrain, AstralShiftPro, Camel 101, eGamesLab, Gound Control Studios, Infinity Games, Massive Galaxy Studios, Miniclip, Saber Porto, Sound Particles, The Gang.

Country [34]

If California were a sovereign nation, it would rank as the world's fifth-largest economy by nominal GDP, ahead of countries like the UK and France. The state, home to Silicon Valley, the semiconductor industry, and Hollywood, is also at the forefront of the artificial intelligence revolution. It is also the epicentre of the revolution brought about by artificial intelligence. Portugal was represented for the first time at the Games Developers Conference, showcasing the Portuguese offer for gaming.



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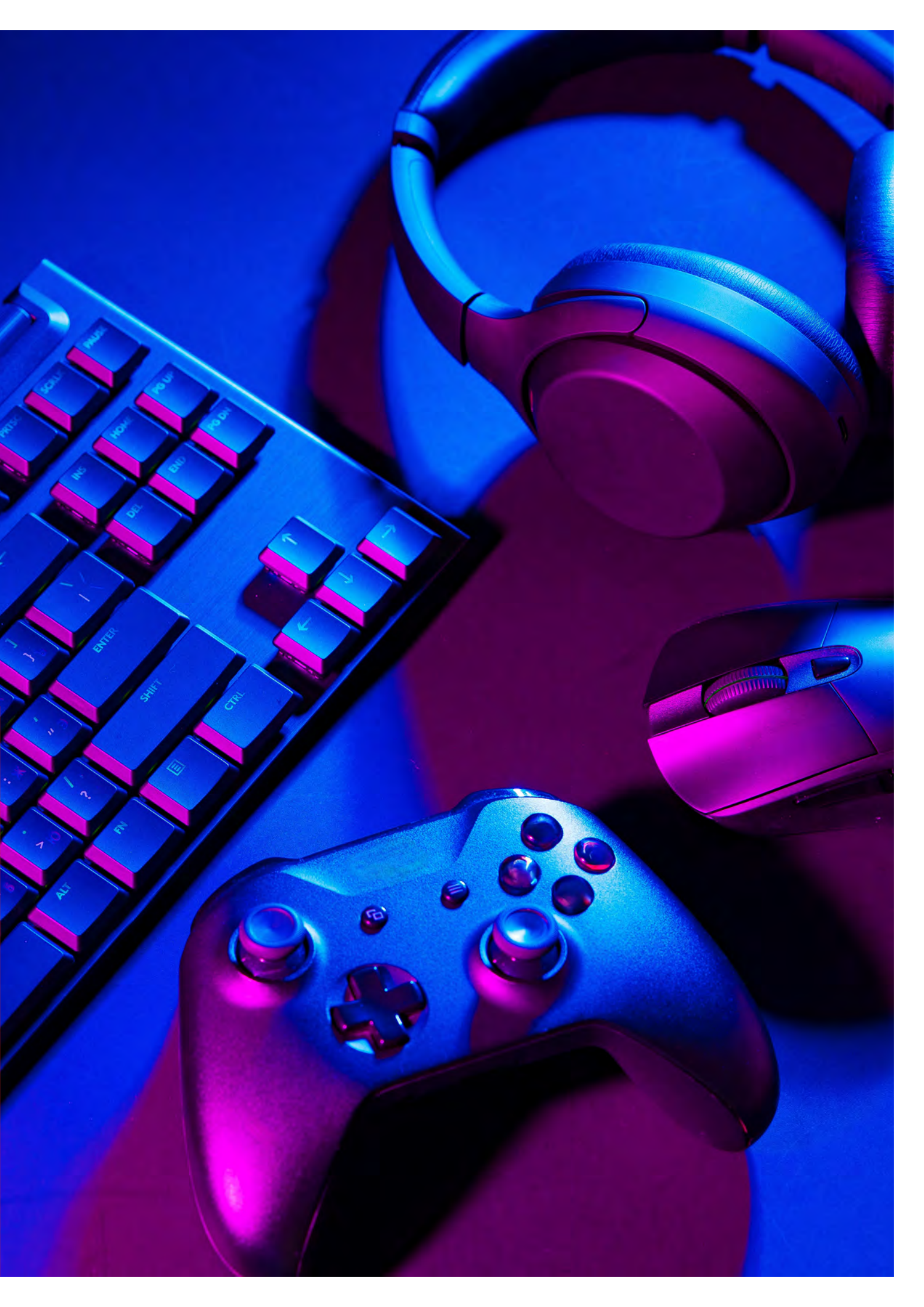
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The Portuguese video games industry levels up

Whether on a mobile phone while travelling or in a comfortable gaming chair in front of a big screen, those who love video games can no longer do without these moments of entertainment. In Portugal, the video games market levels up and is expected to reach revenues of around 258 million dollars by 2024. By 2027, the annual growth rate should exceed 11 per cent. The turnover of Portuguese video game companies has also increased by more than 65 per cent a year since 2018.

The forecasts are optimistic for a game that promises to last.



The video games market has already overtaken the cinema market, and more and more people prefer to sit in front of a screen to be the protagonist of their adventure or the star of their team. Statista estimates that video game consumption in Portugal will reach 258 million dollars this year. Mobile games are the favourite and are expected to reach 56 million dollars, or around 52 million euros. The number of gamers is already over a million, at 10.6 per cent of the population, and is expected to reach 11.7 per cent by 2027.

The turnover generated by video game companies in Portugal has also risen sharply in recent years. From 5.4 million in 2018, it will increase to over 38 million in 2022, representing an average annual growth of 65.2 per cent, according to the Portuguese National Statistics Institute (INE) data. During this period, the number of companies dedicated to this industry increased from 36 to 114 and the number of workers from 91 to over 500. The gross value added (GVA) generated doubled from 12 million euros in 2021 to 23 million in 2022. These figures leave room for optimism and growth, resulting from many hours of fun and entertainment.

In Portugal, the video games market is experiencing growth, especially in mobile gaming, due to the increased capacity of smartphones and tablets and the fact people can take advantage of travelling or waiting times to play. But home gaming is also an option for many gamers, especially for titles that can be enhanced with better sound and picture quality or the right accessories. According to Statista forecasts, the average income per video game user in Portugal will be 242 dollars in 2024.

These figures reflect the market size, but when you look at the video games industry from a global perspective, you realise how important it



is and how it is evolving. The revenue generated by the global video games market will exceed 455 billion dollars by 2024, according to estimates by Statista. By 2029, it will be around 666 billion dollars, with an annual growth rate of almost 8 per cent. By that year, there will be around 3,000 million video game users worldwide, meaning that one in three people worldwide will be playing at least some of their leisure time.

A large part of the revenue related to video games will be generated in China (129 billion dollars in 2024), and it is predicted that the average spend per user will exceed 816 euros by 2029. The coming years will undoubtedly bring new business opportunities for Portuguese companies that reach the right markets or establish partnerships with some of the leading players in the sector.

The European Union (EU) has endeavored to stimulate the competitiveness of this sector by supporting the creation of narrative games or interactive experiences, mainly through

the Creative Europe project. According to the European Media Industry Outlook, around 4,600 video game companies are in the EU. Most of them are micro or small companies with fewer than ten people and the scenario is the same in Portugal.

New Gaming Hub fosters new projects

The opening of the Lisbon Gaming Hub in December last year, part of the Unicorn Factory Lisboa programme to support the development of startups, was an important milestone for the industry. Several video game companies found a new home in what aims to be a centre for innovation and a meeting point where contacts and partnerships can be easily established.

On the two floors of the new Gaming Hub there are 13 private rooms and 12 coworking spaces. This space aims to boost the growth of the video games industry in Portugal and to create a point of contact between

startups, investors and multinationals linked to the sector. Fortis Games, the US company that opened a studio in Lisbon as part of this project, occupies one of the floors but is joined by studios such as OnTop Studios, Phat Fingers or The Gang, as well as GameDev Técnico, made up of students from various universities and the Association of Portuguese Video Game Producers, which represents national companies in the sector. The new space has been used as a workplace for workshops, testing sessions, networking and other activities. It's a meeting point for the community, the home of Portuguese video games.

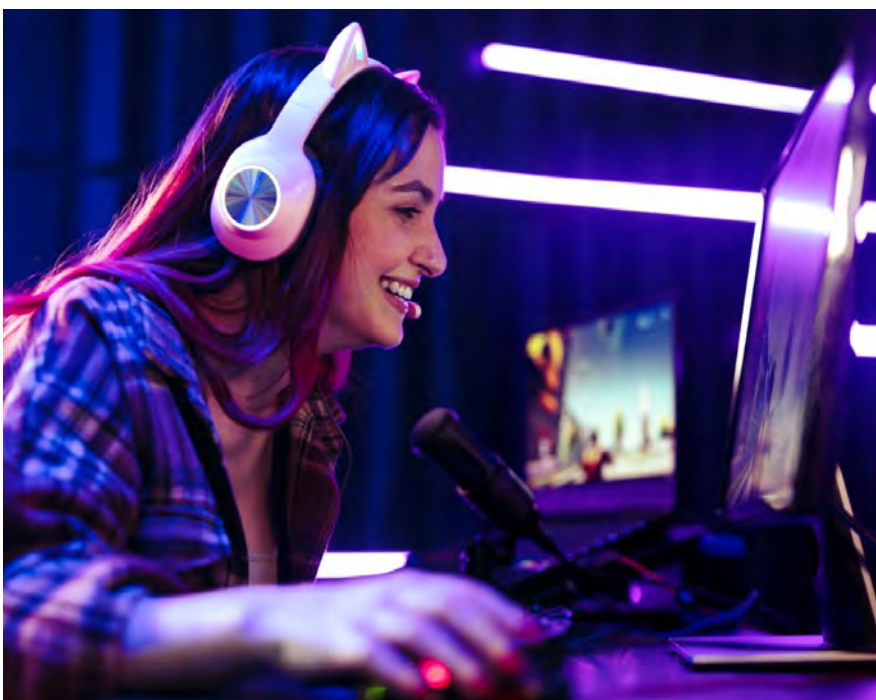
Due to their characteristics, video games are also an industry that can move away from the big centres and contribute to the growth and development of local communities. This is happening in Fundão, a municipality in the Castelo Branco district, which is now part of the European GAME-ER project. Over the next three years, the aim is to develop local video game clusters in Portugal, France, Czechia, Italy and Scotland. The programme has three million euros of funding from Horizon Europe to support innovation and research.



Creating and retaining talent is crucial to the industry's growth, as it is in other areas. In 2021, Portugal had around 7,100 students in areas related to games or multimedia, vocational education, the polytechnics of Bragança, Portalegre, or Leiria, the

universities of Beira Interior, Aveiro, Porto, and Universidade Nova de Lisboa, and private universities such as Lusófona or Católica.

Video games require talent in various areas, from sound to animation, graphic design to programming and, increasingly, virtual reality and artificial intelligence. Last May, at the Game Developers Conference in San Francisco, Jack Buser, director of Google Cloud for the games area, emphasised to an audience of programmers, managers and enthusiasts in the industry that video games are entering "a new era", in which generative artificial intelligence makes it possible to develop "living games". The future is already dawning, and games will be able to respond to the player's instructions and create content during the game itself, based on what is happening and to the player's needs. The player will be more than a protagonist, a creator of new universes and their own story. ●





**JEFERSON
VALADARES**

**PRESIDENT OF THE ASSOCIATION
OF PORTUGUESE VIDEO GAME
PRODUCERS (APVP)**

"The APVP aims to accelerate the growth of the Portuguese video games industry, attract multinationals and unite the sector"

The Association of Portuguese Video Game Producers, founded three years ago, aims to accelerate the Portuguese video games industry's growth, attract multinationals and unite the sector. Its president, Jeferson Valadares, emphasises that growth in this area is only possible by exporting, which is why the APVP has been present at various international events. The last few years have been marked by investments, mergers, and acquisitions that are a sign of the sector's maturity.

APVP was created in 2021 to promote Portuguese video game companies. How were these first three years?

Although there was already an ecosystem in Portugal before 2021, we are proud to say that APVP, since the start of its activity in 2022, has been instrumental in understanding companies' needs and unifying their voice. During this period, the association has also established itself as the industry's main interlocutor with stakeholders, whether governmental or not.

How has the APVP supported the video games industry in Portugal?

APVP works actively to accelerate the industry's growth, attract multinationals to Portugal, unite the sector and create a favourable environment for new entrepreneurs. In the last three years, we've been present at various international forums, both in person and digitally, establishing contacts with international companies and associations to attract investment and professionals and strengthening Portugal's position on the global stage.

In addition to working closely with the business community, we promote the industry among students and recent graduates by making presentations at universities and facilitating contact for curricular and professional internships. We actively support local events, fostering the growth and cohesion of the video game community in Portugal.

APVP represents Portuguese game producers and works with public institutions and other partners such as AEPDV [Association of Video Game Producers and Distributors] and SPCV [Portuguese Society of Video Game Sciences]. It is also a member of the EGDF [European Games Developer Federation], joining a group of more than 22 national associations, thus aligning itself with the European ecosystem.

How do you see this industry development in Portugal? The need to create and retain talent and to gain an international dimension is often mentioned.

Progress has been undeniable, but we still have a long way to go. This is a fundamentally international market for local companies — it's only possible to grow by exporting. Partnerships with organisations such as AICEP are

fundamental to enabling more companies to attend international events to generate business and keep up to date with global trends. The investment of major multinational companies in Portugal has allowed the local community to work globally without emigrating. Through continuous business training, there is increasing success, which increases the demand for talent.

In the last few years, during which Miniclip has entered Portugal and several studios have been acquired, what do you think have been the milestones that have most contributed to the evolution of this industry?

The Portuguese games industry has grown with game launches, studio acquisitions, workforce expansion and the creation of new games studios across the country.

In 2018, Doppio (now Fortis Games) received investment from Portugal Ventures, Amazon and Google, among others, and began developing narrative and voice-activated games. In 2019, Funcom acquired Lisbon studio ZPX, which had previously assisted the Norwegian studio on several titles. At the end of 2019, Saber Interactive acquired the Porto studio



Bigmoon Interactive, contributing to developing global franchises such as the Dakar games. In 2022, Miniclip moved into a new office with a team of 350 employees, hosting the largest operation among its 17 global locations.

These investments, mergers and acquisitions are positive signs of the sector's maturity, attracting more companies and retaining talent.

Is the new Gaming Hub in Lisbon helping to create synergies and develop the industry?

This space, the first in Portugal, is designed to help startups and studios grow by promoting collaboration between mentors, investors, and other companies. Since its inauguration, APVP and Unicorn Factory Lisboa have organised events that bring the local community together and foster collaboration. The hub is not just a physical space; it's a catalyst for growth. It has

become a point of reference for anyone visiting Portugal in the field of video games.

This year, Portugal had a pavilion at the Game Developers Conference in San Francisco for the first time. How many companies were there, and what is your assessment of their participation?

The outcome of this participation is highly positive. This collaboration between eGamesLab and APVP has enabled the Portuguese game development community to showcase its talent and creativity internationally. In addition to the strong representation in the pavilion, with 20 companies present at the event, Portugal stood out on several fronts during the event. This milestone reaffirms the ongoing efforts of the video games industry in Portugal to become a global centre of excellence.

The APVP has argued that the prevention of video game monopolies is essential. Is competing with the sector's giants one of the main obstacles?

We work to ensure that our companies have all the conditions to compete in the global market, and we have several cases in Portugal of companies co-producing video games with other studios or publishers of international importance. These success stories align with the ambitions that the ministers presented in November at the European Council chaired by Spain and dedicated to video games: the European Union must aspire to be a world leader in the video games market.

What are the main growth opportunities for Portuguese game developers in the global market?

Although there are strong markets already established today in mobile games and for PCs and consoles, there are also great market opportunities for innovation. With the new Digital Markets legislation, for example, there is an opportunity to create new shops that bring differentiation to their audience. From a technological point of view, advances in XR and AI allow a company in Portugal to become one of the top companies in its segment (as has been the case with ONTOP, Doppio and Didimo, for example). ●





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eGames lab

A cluster for Portugal's video games industry

The video games industry is the largest in the entertainment sector, surpassing the worldwide box office revenue of movies, streaming, and album sales and the five richest sports leagues combined. This sector has been known for its fragmentation in Portugal despite its great potential and highly qualified human resources.



The eGames Lab project aims to respond to the specific technological and operational challenges of the video games industry in Portugal, namely, to establish a game development cluster with international reach in the country and to boost the Portuguese creative industries sector. It also aims to mobilize a fragmented and small industry, retain national talent, and position Portugal in the

global market in this sector, attracting more investment.

"The eGames Lab has already created more than 116 highly qualified jobs. The new products are already in final testing with the internationalization component proving equally decisive and Portugal being presented, for the first time, at the main international fairs in the sector under a single ban-

ner 'Games from Portugal'", explains Miguel Campos, founder of the company WOWSystems and leader of the eGamesLab consortium. "This has exponentially increased international interest, be it publishers or investors and the media".

The project includes 22 entities, 14 micro and small companies, two scientific entities, and six public and pri-



In this way, the project's internationalization strategy has been based on disseminating the added value of the Portuguese industry on the sector's main world stages. According to Miguel Campos, Portugal has excellent trained staff and a technical and creative capacity far above the competition. However, it needs higher international exposure and the diffusion of individual interests and needs. "As a result, the message is lost".

The eGames Lab thus intends to promote an aggregated and cooperative approach, systematically making its presence felt at the leading world trade fairs in the sector and always under the same brand, in the logic of a national ecosystem and not closed off as a consortium. To this end, it invited the Portuguese Video Game Producers Association (APVP) to join it in Portugal's first participation in the Game Developers Conference (GDC 2024) in San Francisco, offering the possibility for other national studios not belonging to the consortium also to come and present their titles and skills. "By achieving international success, we'll all have more value and opportunities," says Miguel Campos.

The products and services generated by the consortium include tools for programmers, facilitating video game development, and new titles for a wide variety of platforms, incorporating scientific advances generated by the project's activities. "We cover areas ranging from blockchain, web3, artificial intelligence, virtual reality, as well as more specific and not so mainstream components, such as the development of a new IXP (internet access point) that reduces latency in video games." ●

vate entities from various cities, from Lisbon to Funchal via Évora and Angra do Heroísmo. International partners like Amazon for Games and Carnegie-Mellon University are also involved.

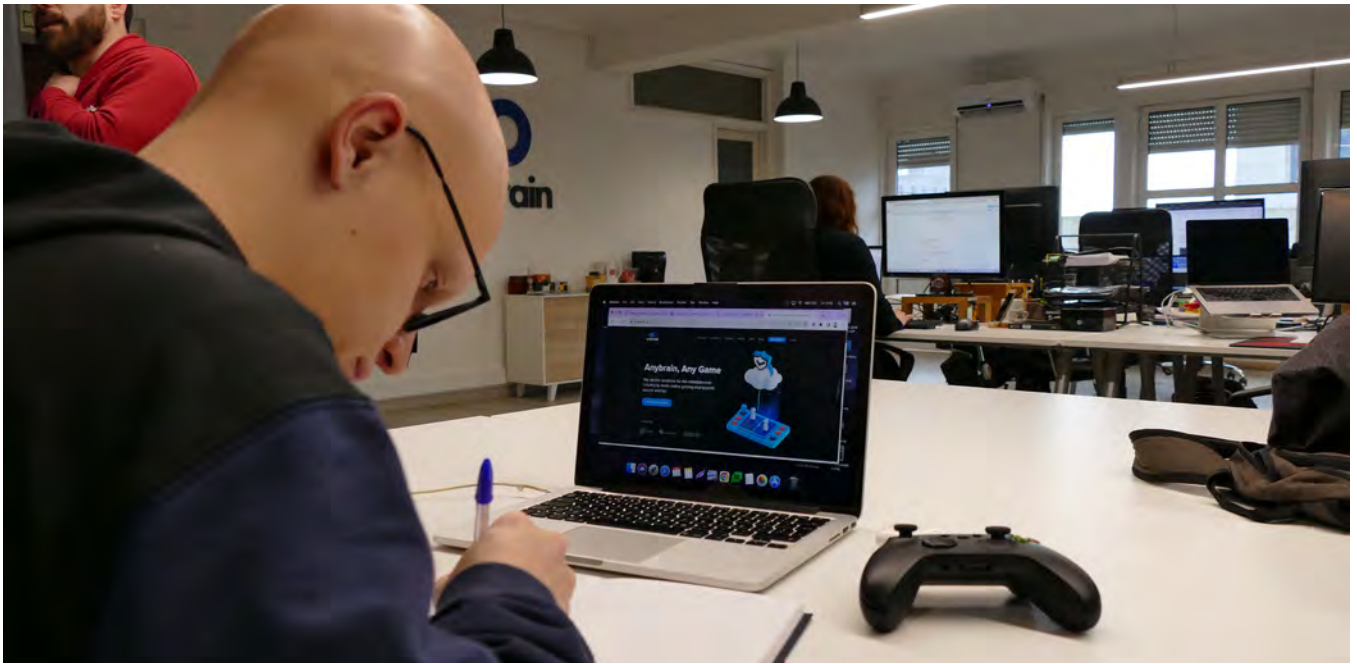
"We try to maintain a collaborative logic between different sensibilities, taking into account each one's size and experience. We have established direct communication channels, repositories, and regular follow-up meetings. The aim is for quality products to be produced and launched to ensure the sector's growth and sustainability", says Miguel Campos.

For the consortium leader, video games can potentially transform the world. Thus, he believes that "in a global economy torn apart by pandemic and war, video games have kept us continuously connected, sharing experiences, enabling positive changes in behaviour and teaching us more about history, climate change, and the arts. They allow both a form of pure entertainment and an escape from daily reality, which is often difficult, and a form of pure culture and education."

Despite being extremely competitive, the video game market is vast, and Portugal has yet to explore it properly.

"Our model is to 'copy' a little of what happened in countries like Poland, where a few people paved the way, and all it took was one big success to establish a whole new high-value industry", says Miguel Campos. In the Polish case, there was a robust higher education system, with excellent technical training and the need to diversify the economy, which are two points in common with Portugal. So, it only took a small company like CD Project to achieve international success with The Witcher video game to establish the country as one of the world's leading players, which attracts more investment and encourages small studios.

"In Portugal, we intend to overcome these challenges by helping to empower our studios in areas such as marketing and the legal department and increasing the sector's international exposure. However, even in the Polish example, this evolution took at least a decade," recalls Miguel Campos.



Anybrain

Fighting fraud in video games

Anybrain's story began in 2015 with Perfometric. This project grew from the doctoral thesis of André Pimenta, one of the four researchers from the University of Minho who founded the company. The aim was to measure workers' fatigue, but the fight against fraud in video games ended up coming into its own.

Various indicators of worker fatigue exist, from the pressure exerted on computer keys to the speed of mouse movement. The Perfometric project were created to measure the level of fatigue of customer service workers, for example in call centres, or even professional athletes. But it became relevant to video games when Anybrain's founders realised that these metrics could also help detect fraud or cheating.

The company, set up almost a decade ago by researchers from the University of Minho, developed an anti-fraud system that aroused the interest of international clients. "The gaming market is very concentrated overseas. The United States of America is the main driving force behind the indus-

try, and that's where we've found most of our clients there," explains André Pimenta, CEO and co-founder of Anybrain. The number of customers has increased every quarter. "The brand is increasingly recognised as the flagship of a revolutionary product that can improve this industry".

While analysing athletes' performance, Anybrain's founders realised they could use the metrics they were already applying to detect fraudulent behaviour. "We created machine learning models, using the data collected by the interaction with the computer, console or mobile phone," recalls André Pimenta. More than 200 metrics were used, such as the speed of movement of the PC mouse, the pressure exerted on the

keys or the speed of tapping on the mobile phone screen, among others. Together, this data made it possible to realise whether players followed the rules or cheated accurately. "We have thus created a form of protection for video games, an area that has been fighting an uphill battle for years without success. Now we hope to change that paradigm."

Anybrain's video game anti-cheat system aims to identify which players are using cheats (fraudulent programs) by reading metrics. Once collected and analysed using machine learning models, this data is sent to the video game studios, who decide what to do with the fraudulent player, either banning them from the game or simply keeping an eye on them.

This solution is also an example of how artificial intelligence is revolutionising the video games industry. "Generative AI can help with storytelling or create big scenarios for video games. These are more tangible things, but we will have others, such as helping with hardware production or even virtual reality and metaverse, which will create an increasingly personalised and unique gaming experience," explains André Pimenta.

Anybrain is currently focusing on selling its product in international markets. To this end, it has been present at the world's major gaming events and is constantly interacting with gamers through online content and social networks. Another goal is to improve the product continually. "New forms of cheating emerge every day, and although we are already prepared to deal with them because we use AI, our models are constantly evolving and being trained so that there is never a lack of protection".



"Fun and fair games" is the company motto, which has found a kind of mission in the fight against fraudulent behaviour. "We want to transform the online gaming ecosystem into a fair environment where everyone feels safe and can have fun without interference from cheaters. It's the company's highest value, and we work with it in mind every day".

The video games market is the largest industry in the entertainment sector in terms of growth in value per year, with projected profits of 282 billion dollars by 2024, recalls André Pimenta. "Portugal is ready to grow in this market. It has the academic and professional expertise to be an active player. There's a lot of talent, and we're already starting to see great games made in Portugal and even foreign studios opening offices here - the path is good, and it's only just beginning." ●

AstralShiftPro

Discover a future in the art of game making

At the end of 2016, AstralShiftPro released its first title for free: Pocket Mirror, a horror and puzzle-solving game with a strong narrative and artistic component. Due to the success of this project, the team began to explore a new dimension of creative production, falling in love with the art of making games and starting to see this industry as a potential future career.



AstralShiftPro had already entered the world of video games with Pocket Mirror when, in the following years, it began developing its best-known title: Little Goody Two Shoes. The signing of this title with publisher Square Enix allowed the studio to be officially incorporated in 2022.

Released in 2023, Little Goody Two Shoes is a horror, adventure, and romance game in which players can take on the role of Elise, an extremely

ambitious errand girl, and follow her through a week that will change her life forever. It is a fusion of genres that will surprise many players. This game features beautiful scenery, an original soundtrack, various endings, and secrets to discover.

"This title was a big step for us as creatives, and we're pleased with the reception we've received since its release from critics and gamers alike. We were honoured to receive the

awards for Studio of the Year and Game of the Year at the last edition of the Spotlight Awards 2023, a national gala that celebrates the achievements of Portuguese video game creators. Internationally, we were finalists at the IGF Awards 2024 in the Excellence in Visual Arts category and at the GLAAD Awards 2024 in the Best Video Game category", recalls João Caetano, managing partner of AstralShiftPro and one of the main programmers behind the project.

In this industry, projects by small, independent creators have seen increasing success, sometimes competing with companies on infinitely larger scales. In addition, the gaming public has also become more curious and adventurous, looking for unique experiences outside the catalogue of large productions.

AstralShiftPro has managed to gather around its games a community that frequently makes creative contributions of all kinds, and those responsible cannot hide their satisfaction at knowing that their work inspires so many people to create such diverse content.

"Unlike the productions of large multinational companies, indie studios can organize themselves in much more organic and experimental ways. The fact that we focus on projects with smaller scales and budgets forces us to give more pragmatic answers to the problems we encounter during the development stage. And this pragmatism leads to surprising, unique, and unexpected results", says Mariana Borges, producer at AstralShiftPro. "As resources and working tools become more democratic, more and more creatives can explore their ideas without major restrictions. We believe that the incredible wave of innovation in video games we have seen recently is the culmination of all these factors", she adds.



Independent studios have a more fluid and flexible organization in which each person takes on roles and responsibilities according to the specific needs of the project and the company. In this way, AstralShiftPro is not constantly tied down by bureaucratic processes, which speeds up its development process and allows for creating a collaborative space that encourages good communication and trust between programmers.

Most independent companies can only finance part of the project and must resort to a highly competitive

system to secure funding from investors or publishers. Naturally, competing with large companies regarding visibility is much more challenging. However, the proliferation of the internet and social networks has made it possible to reach ever-expanding and ever-distant audiences, which helps to tip the balance in favour of independent studios.

Due to the wide range of products in this highly competitive market, AstralShiftPro is focusing its internationalization strategy on viability and visibility. In this way, it invests in

developing products with global appeal and seeks to ensure adequate marketing investment to reach the desired markets.

The company is currently working on its next project, its third commercial title. Details cannot yet be disclosed, but João Caetano promises to surprise. "We're embarking on a new adventure which, while maintaining AstralShiftPro's characteristic identity, will take us in a different direction from what we've done so far". ●

astralshiftpro.com





Camel 101

Create immersive experiences

In 2009, brothers Bruno and Ricardo Cesteiro founded Camel 101 and took their first steps into the world of video games. The team initially focused on developing small puzzle games, which were more straightforward and quicker but particularly important to gain experience and a better understanding of the technology and the business.

Camel 101 has a team of four employees and is developing a new action-horror game, *Beneath*, which will be released early next year. It also has another title in pre-production.

"*Beneath* is our most ambitious project in terms of scope and investment. It is a challenge because we have

stepped out of our comfort zone, but we believe that is the key to our growth as a studio and team. Despite not being available yet, the game has already taken part in several online showcases, where it has received a positive response from the public," says Ricardo Cesteiro, co-founder of Camel 101.

The company stands out for creating immersive experiences and is committed to choosing realistic graphics that recreate scenarios as faithfully as possible. The sound, carefully treated to bring these images and animations to life, matches these graphics.

"As we often focus on horror experiences, we emphasize sound, not just music, but also small sound effects. To achieve the desired level of realism, we use various technologies, such as face and photo scanning, lip-syncing technology, and animations created with motion capture suits and gloves," says Ricardo Cesteiro.

Camel 101 has also developed gamification projects, such as an educational game for a town hall to teach a topic engagingly and entertainingly. "We were able to bring together all the necessary information within a simple and fun game mechanic, allowing children to learn while having fun and

receiving information as rewards, thus avoiding the feeling of just studying or attending a class," explains the co-founder of Camel 101.

The company's internationalization strategy focuses on the online market, which is the most significant slice. Players increasingly buy through digital platforms, making reaching a global audience easier. However, there are markets where it takes more work to enter, which require additional strategies. Ricardo Cesteiro says that, in the case of Camel 101,

one of these strategies is to translate the games into the local language. "Our latest title was released in 14 different languages, and in three of those languages, we also included the voices of the actors and actresses in the local languages."

In this industry, a growing trend is the popularity of games as a service, with new content released frequently to engage and retain players. "These games have become very attractive to the big studios, which invest a large part of their resources," says Ricardo

Cesteiro. As a result, narrative single-player games are often relegated to the background.

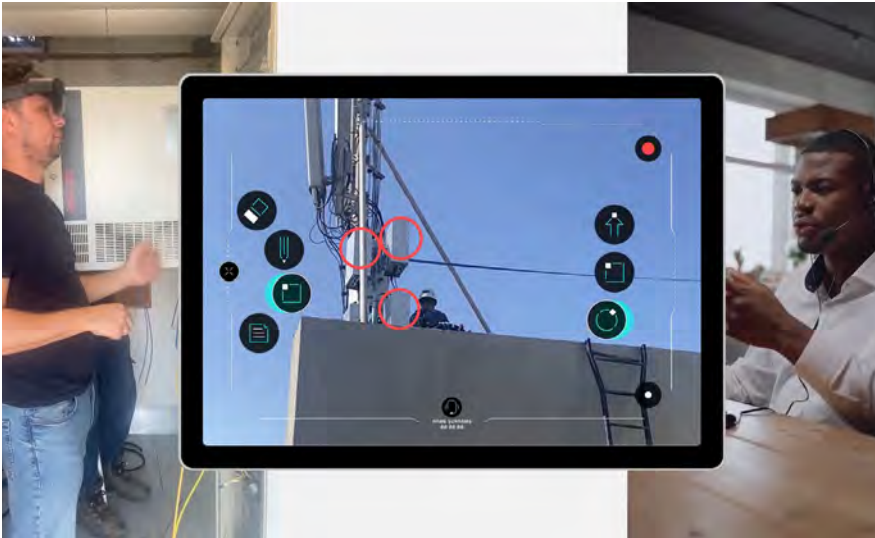
"We can't and don't want to compete with the big studios in games as a service, but we can take advantage of the space left by them by prioritizing these games and focusing on developing single-player experiences," says Ricardo Cesteiro.

With the video game industry's worldwide growth, Ricardo Cesteiro believes that video game production can



be complex, involving various systems and technologies, such as graphics, animations, sound, artificial intelligence, and even merchandising. Thus, for the co-founder of Camel 101, it often doesn't pay to keep resources dedicated to all these areas and external teams must be outsourced.

In this way, many teams specialize in a particular system and create a dedicated service, whether producing art or developing systems for other studios. "As the video games industry operates in the global market and in a very decentralized way, it is straightforward to reach potential clients, as there is a constant need to resort to outsourcing." ●



Ground Control Studios

Gaming solutions for real-world problems

Ground Control Studios is a Portuguese company that develops and publishes premium PC and console games. The company goes beyond video games, using gaming technologies to create innovative business solutions.

Founded in 2014, Ground Control Studios started with a single desk in a coworking space in the centre of Porto. Initially focused on developing premium games for PCs and consoles, the company also explored emerging

technologies such as virtual reality (VR) and augmented reality (AR).

Committed to efficiency and continuous value creation for clients, Ground Control Studios has grown in interna-

tional markets, exporting an average of 65% to 70% of its business volume since 2021.

Rui Guedes, founder and CEO, notes that video games are inherently global products due to their digital nature. Platforms such as Steam, the App Store and Google Play make products available instantly worldwide. Only console games (PlayStation, Xbox and Nintendo) must undergo quality control and compliance checks before selling.

"Our challenge is to make our products discoverable by gamers on these platforms. We need to collaborate with specialised partners who can market and sell the games to our target audience," says Rui Guedes. This aim and the need to secure capital for production make up 99.9% of Ground Control's internationalisation efforts.

Attending international fairs and events serves a dual purpose: meeting with publishers (distribution companies that fund the production and marketing of games) and showing to the public, press and influencers to promote the games.

Ground Control Studios' most successful games include ZHED, a puzzle game available for PC, Switch and mobile, and Return Zero VR, a racing game available for PC and mobile.



An internal programme on strategy and management games with complex productions has recently been launched. The first release, Desert Adventure Races, is an independent retro-style production in which players manage a desert rally team from northern Europe to central Africa. The next game, currently in development, will feature 3D graphics. This futuristic strategy game involves the management of a fleet of spaceships and will be announced shortly.

The main challenge for Ground Control is sector specific. The founder explains that the video game industry is relatively new in Portugal. When Ground Control started, there were no support structures such as specialised accountants, lawyers or specific legislation. In addition, the lack of specific incentives makes the sector less competitive and difficult for new companies to survive.

Rui Guedes believes that Portugal is an emerging market for video games, attracting foreign operators and offering the potential for exciting business opportunities through partnerships

with larger companies. Despite international competition, the success of national producers is a testament to Portuguese talent. Notable examples include Hello Games' No Man's Sky, developed by a team of 15, which has generated €310 million since 2016, and Supergiant, with a team of 12, which has generated €200 million since 2011. According to Rui Guedes, the key to these results is to enable companies to overcome first failures and keep producing.

Beyond video games, Ground Control Studios also uses its ability to help companies find solutions for their

operations, a process the founder describes as "using gaming technology to solve real-world problems".

"Initially, we focused on interactive VR tours, immersive VR training experiences and augmented reality product catalogues," explains Rui Guedes. As internal processes matured and knowledge grew, they began working with digital twins, 3D room configurators and advanced augmented reality solutions.

Examples include the MaxMat Kitchen Configurator, operational in 33 stores since 2018, which generates around 1,000 kitchens per month with an innovative remote rendering solution for photorealistic images; and the Tube Bending Machine Simulator, operational since 2020, which uses digital twins to preview the result before the actual bending, works in real-time and is scalable to new models and components.

Another solution developed for companies, in collaboration with Bosch Aveiro and Ovar, is a remote maintenance and technical data visualisation project supported by artificial intelligence. This project created a tool that allows field technicians to communicate and exchange information with remote technicians in real-time, viewing telemetry data, technical diagrams and 3D views. This project has evolved and is being tested in the Vodafone Boost Lab with Vodafone/Ericsson and other potential customers.

"We are currently exploring machine learning and computer vision to teach the system to visually identify equipment and faults, improving its utility and usability," says the founder. "The company's B2B unit is committed to maturing this solution and identifying use cases and potential partners where it can be beneficial." ●





Infinity Games

Art and innovation in mobile games

Infinity Games develops and publishes smartphone games and stands out for curating art that offers unique and immersive experiences. With more than 250 million downloads across all its titles and three million active users per month, it has a significant presence in the mobile games market.

Infinity Games' story didn't start in the gaming world. When it was born in 2014, it had only one founder, Muhammad Satar, and was dedicated to creating apps, websites and e-commerce stores for third parties. However, its trajectory changed with the launch of its first game, Infinity Loop, available on iOS and Android. The launch of this game ushered in a new era for the company, which began to focus on creating and publishing games.

The success of Infinity Loop meant that a dedicated full-time team was

needed to develop new games. Since then, Infinity Games has established itself as a strong exporter, with most of its revenue coming from international markets. Today, with a team of 27, the company continues expanding its global reach and consolidating its mobile games market position.

Unlike many startups, it is a bootstrapped company financed with its resources without relying on external investment or venture capital. "This model has allowed the company to grow sustainably, based on the profits generated," says Muhammad Satar.

According to the company's founder, the smartphone games industry faces evident international saturation, with low entry barriers for new studios and increasingly intense competition. Thousands of new games are released daily, making it harder to differentiate. In this sense, Infinity Games aims to become a benchmark in puzzle and simulation games through robust art curation.

"We are committed to the subscription model, offering players exclusive access to almost all titles without adverts or interruptions via Google Play

Pass," says Muhammad Satar. He adds: "We believe that subscription trends will dominate the mobile segment, which is why we are investing heavily in this category."

The company is also developing other solutions, such as the Chill app (available for Android), a project funded by the PRR through the eGamesLab consortium in collaboration with the University of Madeira and the Instituto Superior Técnico. This application offers different immersion and relaxation experiences, validated by research, dozens of mini-games, and the integration of LMMs (Large Multimodal Models) to provide a personalised experience with added value for the subscriber. This is the most significant project currently under development.

In the mobile segment, many studios aim to reach new game audiences. This requires running advertising campaigns on major social networks and ad networks such as Facebook, Google Ads, and AppLovin. The aim is to attract and keep users engaged so they eventually buy virtual items within the games they identify with.

"We believe running advertising campaigns and solving revenue versus investment equations is insufficient. We need to create innovative, irreverent, and special experiences," explains the company's founder, giving examples such as "Chill" and "Pack & Match 3D" (Android), which will be launched globally on 15 July 2024.

"Pack & Match 3D" is a game that Infinity Games has been developing since 2023 and aims to rival the leaders in the Match 3D segment, which are puzzle games in which the aim is to find and combine sequences of three three-dimensional objects in a brief period.

In addition to these games, the company continues to explore innovative ideas and technologies to develop

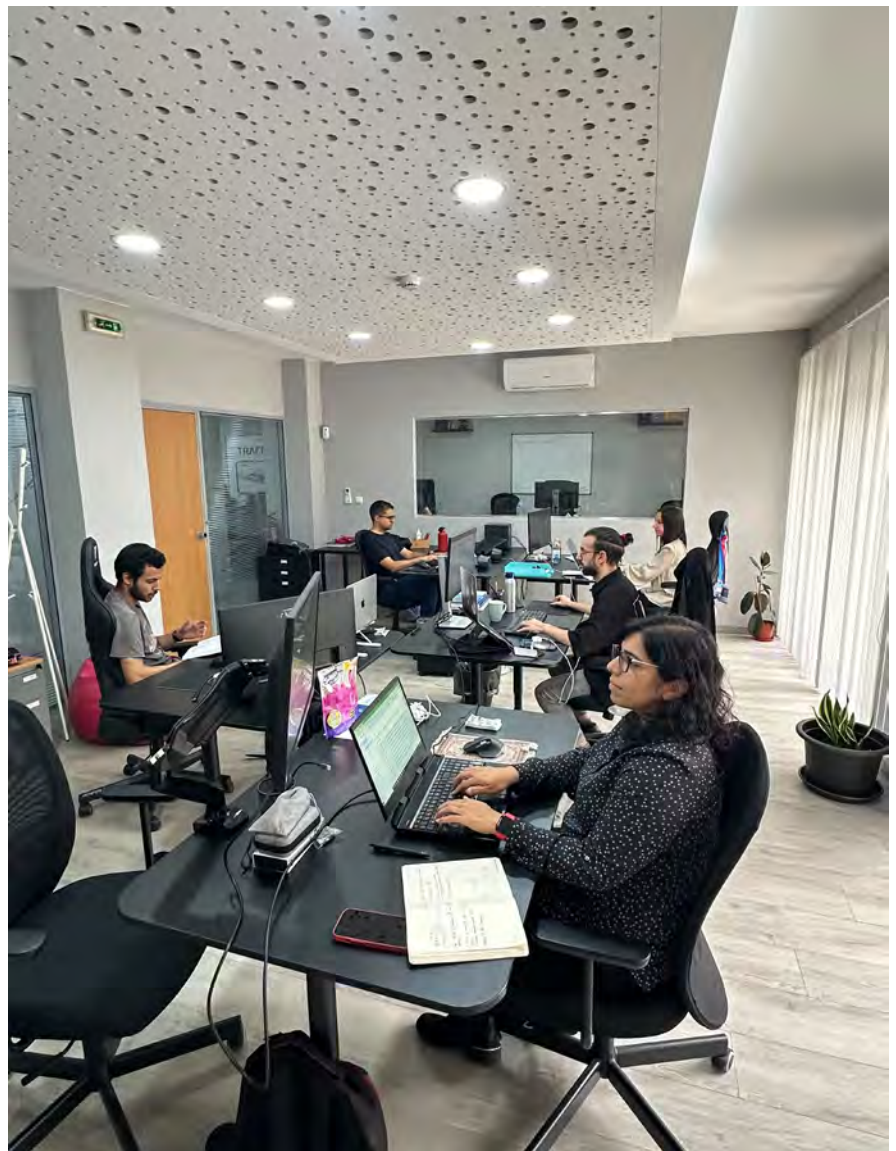
games that offer users an immersive experience. Immersion is created by a good harmony between the art, visual effects, and sound of the games, created by a highly skilled team. And the experiences are developed in Unity 3D (an engine for creating 2D and 3D games on different platforms). "However, as the mobile market is saturated, it's interesting to look at new segments with fewer limits to innovation, such as Mixed Reality. In this area, Infinity Games intends to create a team to achieve a new level of immersion in future games," reveals the founder.

Muhammad Satar considers that tax conditions in Portugal represent a significant challenge. Still, he emphasises that the country has enormous poten-

tial in the gaming area and that it is crucial to find mechanisms to attract new companies.

In addition to the games it creates, Infinity Games develops customised solutions for other companies, broadening its impact on the video games industry and expanding its activities to the B2B segment. The company collaborates with and provides services to different organisations, all listed on the NASDAQ 100. This B2B aspect came about in response to requests from other brands, who recognised the value of the art curation and immersion that Infinity Games provides. ●

infinitygames.io



Massive Galaxy Studios

From imagination to international success

Massive Galaxy Studios, founded by Gonçalo Monteiro, was born from a childhood dream of creating computer games and has grown with the success of titles such as *For The Warp* and *LakeSide*.

Despite challenges, the independent studio has managed to stand out in the international video game market and is already planning future releases to continue its path of growth and innovation.



With some experience in IT, Gonçalo Monteiro began creating and selling games on platforms such as Steam, a digital distribution service for video games and consoles. One of his first games was never finished, but it gave

the studio its name: Massive Galaxy. "This game was in development for years until it was cancelled because it was too big a project for our small team to complete in time," explains Gonçalo Monteiro.

Following the success of *For The Warp*, the company launched *LakeSide* in 2022. This city builder allows you to plan and manage cities by controlling resources and infrastructure. The game has a fantasy theme, ranging from the Iron Age to the Middle Ages. *LakeSide* became even more popular during the promotion period. It topped 30,000 wishlists on Steam, which led to the team being invited to events such as Gamescom in Germany and EGX in London.

In addition to the main PC releases, ports have also been released, which are adaptations of the games for Nintendo Switch and, later this year, Xbox.

The main team for these projects consists of two Portuguese programmers, an artist from Peru, and a composer from the UK.

Gonçalo Monteiro points out that the internationalisation process was planned from the very beginning, as there are no longer many of the barriers that traditionally existed in the physical distribution of video games. The distribution of digital video games has always been international, through the most prominent platforms on the market, such as Steam for PC or consoles from Nintendo, Microsoft or Sony.

As an independent video game production studio, Massive Galaxy Studios' main challenge in Portugal is financing since, as the head of the company points out, "there is little support from the government or from companies with experience in the sector that are willing to invest".

"The video games industry is the largest entertainment industry in the world, and it has little presence in Portugal," says Gonçalo Monteiro. "Fortunately, there has been tremendous growth in the sector in recent years. There is still a lot of potential for growth in the country, whether

through the arrival of international studios or the creation of development studios, regardless of their size."

The company also faced "a lack of experience and know-how in marketing and business development at a national level," recalls Gonalo Monteiro. However, this helped them gain knowledge from other international independent studios and understand what it takes to release viable independent games.

Massive Galaxy Studios is developing its third title, ARC SEED, a turn-based strategy game. It is due to launch on Steam at the end of July, with Nintendo, Xbox and Playstation ports planned for 2025. However, more than just having the next game in development is needed to stay competitive in this industry; you need to plan and keep your releases consistent. That's why the next title is already in pre-production and will be announced later this year. ●

massivegalaxy.com



Miniclip

Break a Guinness Record with a pool game and win over players in 195 countries

Very simple Flash games made the site "explode in popularity." That's how Miniclip started at the turn of the century, a journey that has led it to set up 20 studios in 12 countries, reaching players worldwide. In Portugal, the facilities at Taguspark, in Oeiras, were inaugurated in 2022, and more than 300 people work there.



It was still 2001 when Miniclip created its first games, simple challenges created in Flash, an application based on user-friendly vector graphics. The games were made available on the web, on what would become the Miniclip.com site.

These games were successful, and the site became a fundamental part of the company's identity. The aim was to create games that would reach many people, and the mission was accomplished. Today, millions of people play Miniclip's titles. "The website exploded in popularity," recalls Marius

Manolache, Miniclip's Chief Operating Officer. Today, the company is a leader in digital games and is present in 12 countries with 20 studios, one of which is in Portugal. "We are one of the world's largest creators and publishers of casual and mid-core games. Our games reach over 400 million monthly users and 70 million daily active players on various platforms."

Almost a decade after its founding, the company decided to invest in Portugal. "We entered the mobile games industry and established our first studio in Portugal in 2010, precisely to

develop and publish mobile games," recalls Marius Manolache. The operation in Portugal was the first step in this shift from web-based games to mobile games, and in 2022, the company opened its new facilities in Oeiras.

"Since the opening of our mobile division, players have migrated to playing their favourite games on mobile devices, such as Agar.io, 8 Ball Pool and Soccer Stars," says Miniclip's operations director. "Mobile games have allowed us to broaden our scope and diversify our approach. The new Miniclip Portugal studio in Taguspark al-



allows us to create even better mobile experiences for our players, taking advantage of Portugal's incredible talent," emphasises Marius Manolache.

More than 300 people work at Miniclip's facilities in Portugal. "It's been a continuous growth in which the number of employees has increased significantly. With a strong portfolio of titles, we stand out as an exciting company to work for. That's why we find incredible talent in various specialities and train people from different areas who might not have considered a career in the games industry," says the head of Miniclip. To this end, the company has established close relationships with local universities and sponsors Game Dev Técnico, a student club at the Instituto Superior Técnico.

Some of the company's main games are developed in Portugal, including 8 Ball Pool, Agar.io, Carrom Pool and Soccer Stars. But at the Miniclip studio in Oeiras, people are also dedicated to other areas, such as machine learning, security, cloud infrastructure, marketing, and customer support. "We continue developing our own titles and co-developing and publishing games on mobile devices."

The game 8 Ball Pool is the studio's biggest hit, and its transition to mobile was made in Portugal. It began on the miniclip.com website in 2010 as a Flash game and quickly attracted 20

million monthly visitors. "We launched the mobile game in 2013, which was an immediate success. It was the most downloaded billiards game in 2014," recalls Marius Manolache.

"Since then, 8 Ball Pool has stood the test of time and reached over a billion downloads on mobile devices. It entered the Guinness World Records™ as the Most Downloaded Mobile Billiards Game." The game has become a symbol of Miniclip, a company emblem recognised by players around the world. Miniclip has invested significantly in Portugal in recent years, and Marius Manolache emphasises that the country's gaming industry

is growing. Over the last 14 years, the company has launched games in various categories. "We have managed to grow successfully and gain a global audience in 195 countries and six continents."

In recent years, Miniclip and the entire industry have significantly transformed. Still, the priority remains to provide a good player experience and make fun and engaging games that people enjoy playing. "We continue to grow our user base and retain them. A crucial part of the strategy is acquiring great, already successful studios. This approach also allows us to welcome new talent from all over the world to Miniclip."

Secrecy, as in any business, is the key to success. That's why Marius Manolache only hints that the investment in new titles and more talent will continue when talking about new projects. "Although we can't reveal specific details right now, we are constantly looking for new studios and titles to invest in, which will help us expand and win over new players on a global scale". ●

miniclip.com





Saber Porto

A place for everyone in the world of creation

Dakar Desert Rally is Saber Porto's calling card, the first game the company has developed entirely in Portugal. But there are already other titles in production that "look very good", as Bradley Doan, the company's CEO, puts it. Portugal can stand out in video games because it is no longer considered "a garage industry" anymore and because "in the world of imagination and creation, there is room for everyone, and everyone is competitive".

Saber Porto was born in 2019 with the acquisition of Bigmoon Entertainment, a Portuguese company operating in Portugal for over ten years. "The progress and growth of this company have been very interesting for the Saber group, which favours the freedom of studios around the world to be as authentic as possible, to incorporate and live their cultures in the company, and to foster local

growth", explains Bradley Doan, CEO of Saber Porto.

The same happened in Porto. Expectations were high, and the company focused on developing projects that appealed to the production team. "We built a larger, more comfortable building that could accommodate a large number of people. Shortly afterwards, we started a large-scale re-

cruitment drive, tripling the number of employees".

The first game developed 100 per cent in Portugal was Dakar. In addition to producing its own projects, Saber is also known for its success in creating or remastering games for partners. Crysis Remastered and the porting of Chivalry are such projects. "We did the engineering and development, but the publishing and all the benefits go to the publisher," says Bradley Doan. The Dakar Desert Rally, on the other hand, is a project developed and published in Portugal.

The investment in Saber Porto was a pleasant surprise for the group. "The Portuguese culture is friendly and hospitable, and the working time zone is compatible with many countries worldwide. These two factors made Saber Porto a critical point of contact within the group".

The group's integration into Embracer in 2020 was a precious investment in its growth. However, Saber Porto's strategies were already aligned and

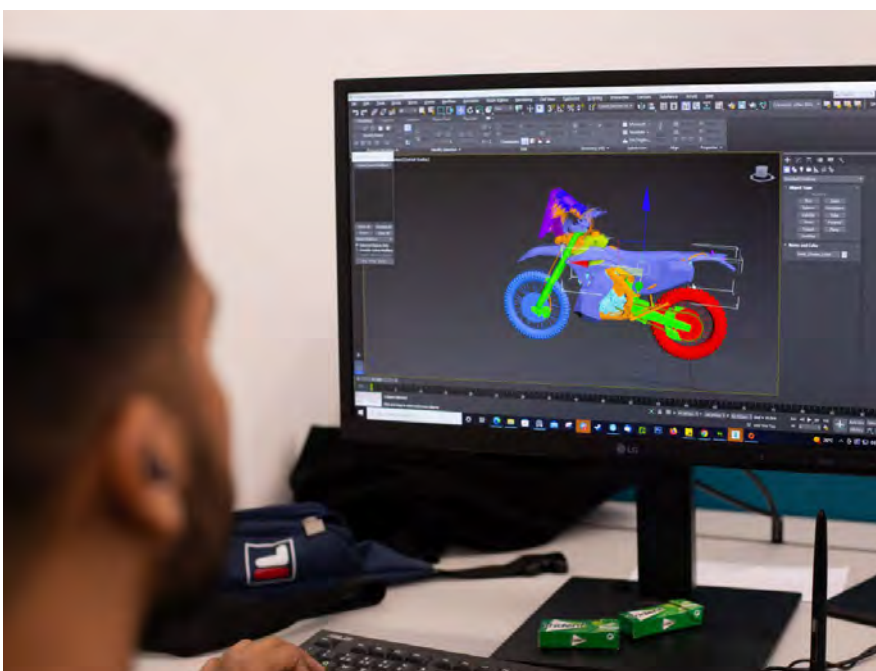
have not changed. "The Saber group is very grateful and proud to have been part of Embracer," emphasises Bradley Doan.

Portugal stood out for its excellent location and infrastructure because most of the population speaks English. "This makes doing business and integrating companies into Portugal much easier".

Now, Saber Porto has around 150 employees in almost every field, including programmers, cinematographers, audio producers and designers, environ-

ment or character artists, writers, and game designers. "There's room for everyone in the world of creation".

The head of Saber Porto believes that Portugal still needs to take some steps to compete with other European countries that started working on creating incentives earlier. Still, he believes that the right path is being followed. "The industry has caught the eye of investors and is beginning to have the credibility it once didn't have. It is no longer seen as a garage and leisure industry but a highly profitable and lucrative one".



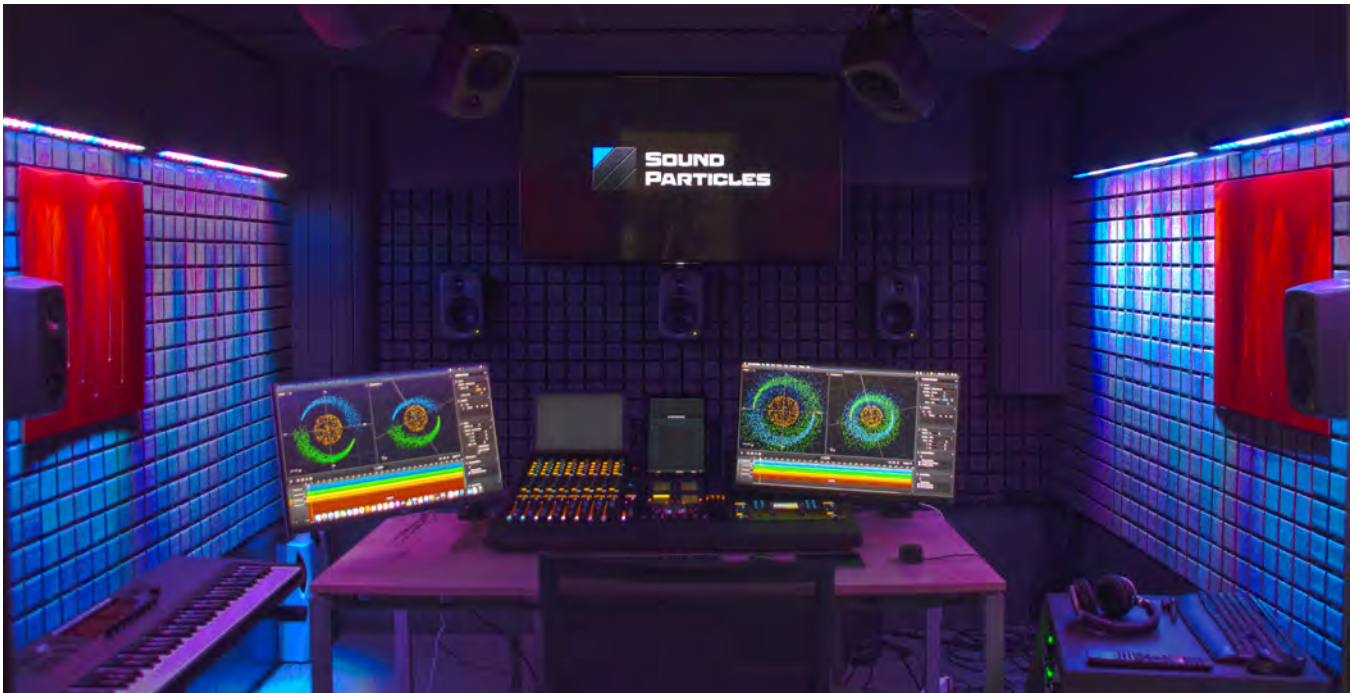
In its internationalisation process, Saber has chosen regions where support for the ICT industry is combined with the opportunity to hire experienced specialists. "A strong team allows us to expand our influence to other regions further."

In Portugal, there are few studios or senior professionals, but many universities and educational institutions train young specialists, emphasises Bradley Doan. "This creates a good basis for future growth."

At the end of the summer, in September, Saber will launch Space Marine 2, a game that takes immersion in Warhammer to new heights. John Carpenter's Toxic Commando and Jurassic Park: Survival are other titles also in active development, and Bradley Doan anticipates that "they're looking great".

Saber has more projects in the pipeline than it has released in its 24-year history. The news also includes Portugal. "We're developing a really fun project, and our team is once again outdoing itself and doing a truly incredible job".

One of the peculiarities of video games is that sales success is not necessarily related to the level of investment or the size of the studio but to the investment made in creation, says Bradley Doan. "In the world of imagination and creation, there is room for everyone, and everyone is competitive. There are small companies that have incredible games which, when they are published, become truly successful phenomena. There are stories of people who had an idea and started developing small games at home, in their spare time, and today they are games that we all know." ●



Sound Particles

A world reference in 3D audio technology

Sound Particles is a Portuguese startup that develops 3D audio software used by major video game companies and Hollywood studios in productions such as Indiana Jones, Oppenheimer, Mission Impossible, Game of Thrones, Frozen, Dune, and Star Wars. The company is now working on a personalised solution where the user hears the same "real world" sound in the headphones. This is made possible by 3D models of the head and ears and artificial intelligence.

The story of Sound Particles began more than a decade ago at the hands of Nuno Fonseca, its CEO, who is passionate about cinema and music. "I realised that the most interesting visual effects I saw in the cinema used particle systems, a computer graphics technique that uses thousands of tiny dots, which create effects such as fire, explosions, smoke, fairy dust, or sandstorms. And that's when I thought: why not apply the same logic to sound?"

The idea was put into practice in 2012 after Nuno Fonseca finished his PhD in another area of computer audio. He created a 3D simulator that uses

computer graphics and visual effects concepts applied to sound.

In 2014, Nuno Fonseca began presenting his project to the industry, including Skywalker Sound, Warner Bros, Universal, Paramount, Sony, Fox, Disney, Pixar, Apple, Google, PlayStation and Blizzard. Companies quickly became interested in this software because of its ability to create complex and dynamic sound environments with extreme quality quickly. Furthermore, the software boasts a number of impressive features, including CGI integration and Batch Processing, which are ideal for video games.

Sound Particles currently has 20 highly qualified employees, including five PhDs. It is recognized worldwide as a benchmark in 3D audio technology and sells to more than 60 countries. The United States stands out as its main client, but it is also strengthening its efforts in the Asian market.

Its products have already been used in titles such as Fortnite, Assassin's Creed, Outer Worlds, Those Who Remain, and The Ascent. EA Sports, Epic Games, Riot Games, PlayStation, Nintendo, Rockstar, Blizzard, and Ubisoft are just some of the video game companies that use these products.

"The industry has responded extremely positively to our innovative audio technologies, which improve immersion and the player experience. Sound Particles is perfectly positioned to capitalize on these opportunities thanks to its worldwide reputation and advanced technology," says Nuno Fonseca. "With the support of AICEP, we've already had one of the world's biggest video game manufacturers visit our studio, and they were dazzled by the potential of our technology. This resulted in additional US meetings and a promising new partnership" says the CEO of Sound Particles.

Today, the company is developing a customised Binaural solution that will simulate how we hear sounds in the real world but through headphones. "Not everyone has ten speakers in the room transmitting sound in spatial mode, but we all have a pair of headphones. We used 3D models of the user's head and ears, through five photographs, artificial intelligence, deep learning, computer vision, and complex mathematical simulation, we were able to create a highly personalized solution," explains Nuno Fonseca.

This solution is beneficial in video games, where immersion is crucial. Sound Particles transports players into

the game scenario and significantly increases their involvement and enjoyment by allowing them to hear sounds more realistically and accurately.

Sound Particles has a solid network of distributors and partners and is a regular presence at international conferences and trade fairs. It will continue to expand its partnerships with studios in Portugal and around the world, as well as with research and development projects in partnership. The next version of the Sound Particles software is already in development, and we will continue to release plugins that bring something new to the market.

"The most important thing is to keep investing in research and development to ensure our technology remains at the forefront of the sector" says Nuno Fonseca. Sound Particles recently participated in the event celebrating the 30th anniversary of the European Investment Fund (EIF) in Luxembourg. "We had a chance to demonstrate our technology, and the reaction was exceptional. We felt dedicated support and enthusiasm for our work, and knowing that we were one of the selected companies only motivated us even more to continue our path of innovation," he concludes. ●

soundparticles.com



The Gang

Learning from mistakes to level up

The Gang develops original titles and works with major brands such as DreamWorks Animations, IKEA and FIFA. As a growing technology hub with a thriving video games industry, Portugal represents a strategic investment for the company.

establish a presence in the gaming world, which is the fastest-growing area of the business.

The way players approach traditional games is changing. Marcus Holmström, co-founder and CEO of The Gang, says that recently, a number of games have started out on User Generated Content (UGC) platforms and have gone on to achieve huge success on traditional platforms such as Steam. He gives as an example Lethal Company, which sold more than 10 million copies in the fourth quarter of



When The Gang was created, the idea was to make a traditional game for Steam, a distribution platform. However, at the request of Universal Music, they ended up making a game for Roblox and UGC (User Generated Content) platforms, which are platforms where users share content (images, videos, text or other types of media). They launched their first original game on Roblox, Fireville, in December 2019, but it wasn't successful and was eventually withdrawn. But in video games, you have to learn from your mistakes to get to the next level.

The team talked to Roblox and other developers to understand what works on the platform, and they used what they learned to rebuild Fireville. They just kept growing from there.

Growth has been constant, year after year. At the end of 2020, the team consisted of 10 people, and in 2024, there were already 220 employees. With offices in Portugal, Sweden, the UK, and Malaysia, The Gang works on both original titles and in partnership with major brands, helping them

last year and was developed by a former Roblox programmer.

Roblox is a growing platform that continues gaining popularity, with 77 million daily users. "What works one month may not work the next, so we have to be ever vigilant and constantly evolve our titles to ensure that players are engaged and entertained," says Marcus Holmström.

The Portuguese gaming community is also growing, "and with the Portuguese government's focus on this



area, several new internationally successful companies will likely emerge in Portugal". The CEO of The Gang says there is a lot of talent in the country and a sizeable international community living here, which companies can capitalise on. Portugal has become an essential technological centre for the Western world, according to Marcus Holmström and "many people in various countries are talking about Portugal as a country where many things are happening".

The Gang also invested in Portugal because of its proximity to South America, especially Brazil. "Being here is strategically advantageous, and it's exciting to be part of Portugal's continued rapid growth."

It's internationalisation strategy is customer-centric to meet needs across different time zones. It's also essential to bring together the best talent to ensure the timely delivery of quality gaming experiences.

The Gang's most successful original title is Strongman Simulator, which has received almost 1.4 billion visits. In this game, you drag heavy objects to gain energy, which you then use to exercise and increase the avatar's size and strength in real-time.

One of the first experiments in partnerships with big brands was Vans World, which has reached more than 110 million visits and logged more than eight million hours of gameplay. Shrek Swamp Simulator, a game created with DreamWorks Animations, has also shown promising results.

Another example is IKEA: The Co-Worker, a game based on working at IKEA, which recently made headlines by receiving worldwide coverage, as players can apply to work at the virtual IKEA and even receive an hourly wage. FIFA World, an immersive football experience created with FIFA, recently became Roblox's most visited branded sports experience.

The Gang is already working with new clients ranging from toy companies to film or fashion companies. This year, they're going to celebrate their roots and release two original games on Steam, with the first due to be published in September and the second in December. ●



CALIFORNIA

The epicentre of Artificial Intelligence and tech giants



If California were a sovereign nation, it would rank as the world's fifth-largest economy by nominal GDP, ahead of countries like the UK and France. The state, home to Silicon Valley, the semiconductor industry, and Hollywood, is also at the forefront of the artificial intelligence revolution.



>BY **TERESA FERNANDES**,
AICEP COMMISSIONER IN SAN
FRANCISCO, USA

California's economy is the largest in the United States. Its gross domestic product in 2023 was 3.9 trillion US dollars, 6.1 per cent more than the previous year. This means that if it were an independent country, California would be the fifth largest economy in the world, ahead of countries like England or France.

California boasts the largest economy in the United States, with a gross domestic product of 3.9 trillion US dollars in 2023, a 6.1% increase from the previous year. This diverse economy hosts major technology companies such as Apple, Alphabet (Google's parent company), Meta (Facebook's parent company), Cisco, Tesla, and Waymo. Since November 2022, California has emerged as a hub for artificial intelligence, hosting significant companies like OpenAI, Anthropic, Inflection, and Perplexity, along with hardware giants like NVIDIA, Intel, and AMD, which support the Silicon Valley ecosystem.

The entertainment industry, centered around Los Angeles, is also prominent, with Hollywood being a global hub for

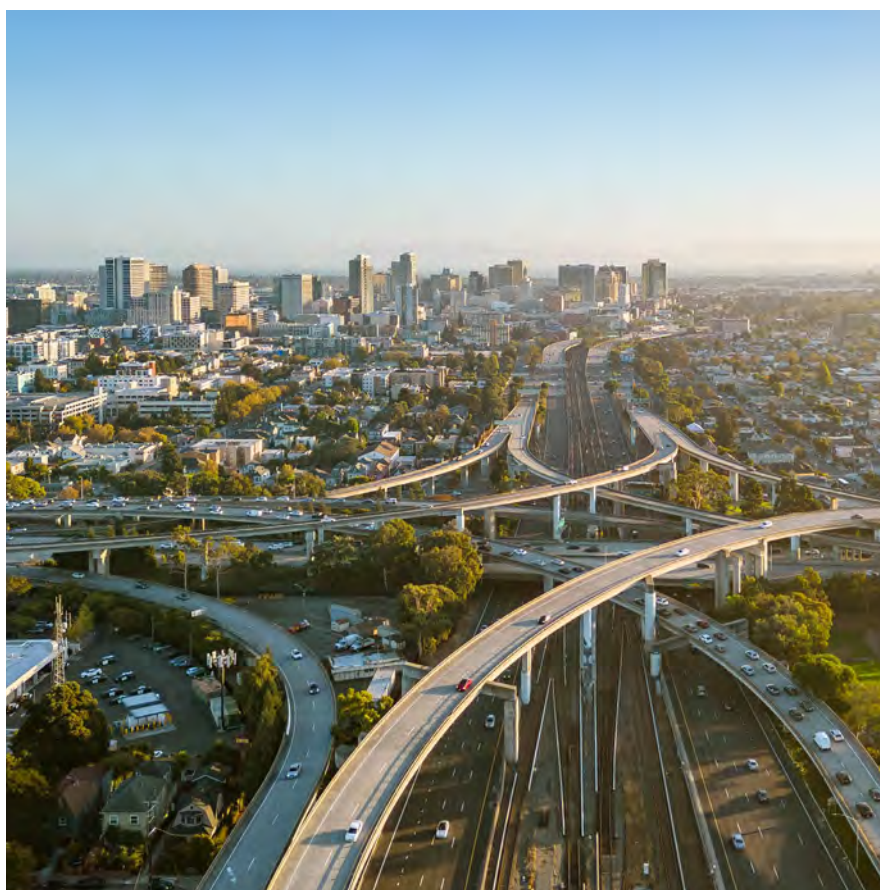
cinema and television. The Central Valley is one of the most productive agricultural regions globally, producing over half of the country's fruits, vegetables, almonds, and walnuts.

The gaming industry's revenues have already surpassed those of the music and film industries combined. With Hollywood's animation talent, Los Angeles is home to key players like Activision (Microsoft Group), Naughty Dog (Sony Group), and Riot Games.

With the convergence of new immersive technologies, such as 3D and augmented reality, the San Francisco area

has also established itself as an important centre for games development housing companies like Electronic Arts, Unity Technologies, and Roblox. Additionally, Seattle is a significant hub for gaming companies, including Microsoft/Xbox, Valve, and Bungie.

The AICEP office in San Francisco covers not only California but also a vast region that includes 12 other western US states, including Nevada. Las Vegas hosts major trade fairs, like CES (Consumer Electronics Show), which attracts hundreds of thousands of participants and is a crucial platform for international business strategies.



Portuguese exports to the US have significantly increased, but success in this highly competitive market requires thorough preparation, leveraging competitive advantages, and investing time to achieve results. AICEP assists by providing market information, potential client's lists, and support for market visits and trade fairs.

In addition to this service, specifically in California, AICEP, in collaboration with local partners, runs the "Portugal to Take Off" acceleration programme. This includes specialized consultancy, market entry support, access to a network of businesspeople, entrepreneurs, and investors, culminating in a demo day. Applications for the program's fourth edition open in August, with the program running from October 2024 to January 2025.



In March of this year, Portugal participated for the first time in the Games Developers Conference (GDC) in San Francisco. Over 100 attendees, including investors, game companies, and start-ups, attended an AICEP-organized event to showcase Portuguese advancements in the gaming industry.

Internationalisation and investment opportunities

Portugal is gaining renewed appreciation in the US, particularly in California, driven by the Portuguese technology sector's dynamism and increased tourist flows following the launch of TAP's San Francisco to Lisbon route in March 2019. This region offers numerous opportunities for Portuguese companies.

In consumer goods, the most traditional sectors of the Portuguese economy – wines and food products, cork, textiles, clothing and footwear and furniture – continue to find demand among California consumers who value quality and sustainability. Success



in this market requires a strong presence on e-commerce platforms and aggressive digital marketing.

In the business services sector (B2B), Portuguese companies offering advanced technological solutions can tap into a vast market seeking innovative and disruptive products. Companies like Feedzai, Jscrambler, Talkdesk, and Unbabel have demonstrated success.

A permanent market presence and ongoing local partner contact, possibly through American executives, are crucial. Successful US market entries and Networking and connecting with the Portuguese American community, which, according to the 2020 Census, comprises more than 350,000 people, is also beneficial.

Considering the dynamics of California's economy, one of the key focus of

AICEP's work in San Francisco is promoting investment in Portugal. Recently, several companies from this region have established significant centers in Portugal, especially in technology (Cloudflare, PagerDuty, PandaDoc, Anchorage), life sciences (Amgen, Amyris, Inflammatix), semiconductors (Seattle-based MPS), and connectivity infrastructure (Google, Equinix). ●

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PORTUGAL – UNITED STATES OF AMERICA ECONOMIC RELATIONS

The economic relationship with the United States has been favourable for Portugal, with significant growth in Portuguese exports of goods and services over the last five years (+16.7% in goods exports in 2023 compared to 2019, and +28.6% in services). In 2023, goods exports reached €5,235.4 million, with an increase of 2.5% in the first four months of 2024 compared to the same period in 2023. Meanwhile, exports of services increased by 25% from January to April this year compared to the same period in 2023.

In March 2024, the stock of Foreign Direct Investment (FDI) in Portugal from the US reached 3,013.6 million euros, an increase of 4.3% compared to the same period in 2023. ●

PORTUGUESE TRADE BALANCE IN GOODS WITH UNITED STATES OF AMERICA

	2019	2020	2021	2022	2023	Growth % 23/22 ^a	Growth % 23/19 ^b	2023 Jan/Apr	2024 Jan/Apr	Growth % 24/23 ^a
Exports	3.036,2	2.670,4	3.547,1	5.071,0	5.235,4	3,2	16,7	1.728,0	1.771,4	2,5
Imports	1.476,5	1.236,6	2.002,2	3.500,4	2.252,5	-35,6	21,2	877,9	681,9	-22,3
Balance	1.559,6	1.433,8	1.544,9	1.570,7	2.982,9	--	--	850,1	1.089,5	--
Cov. Ratio %	205,6	215,9	177,2	144,9	232,4	--	--	196,8	259,8	--

Source: INE Statistics Portugal; Unit: Millions of euros

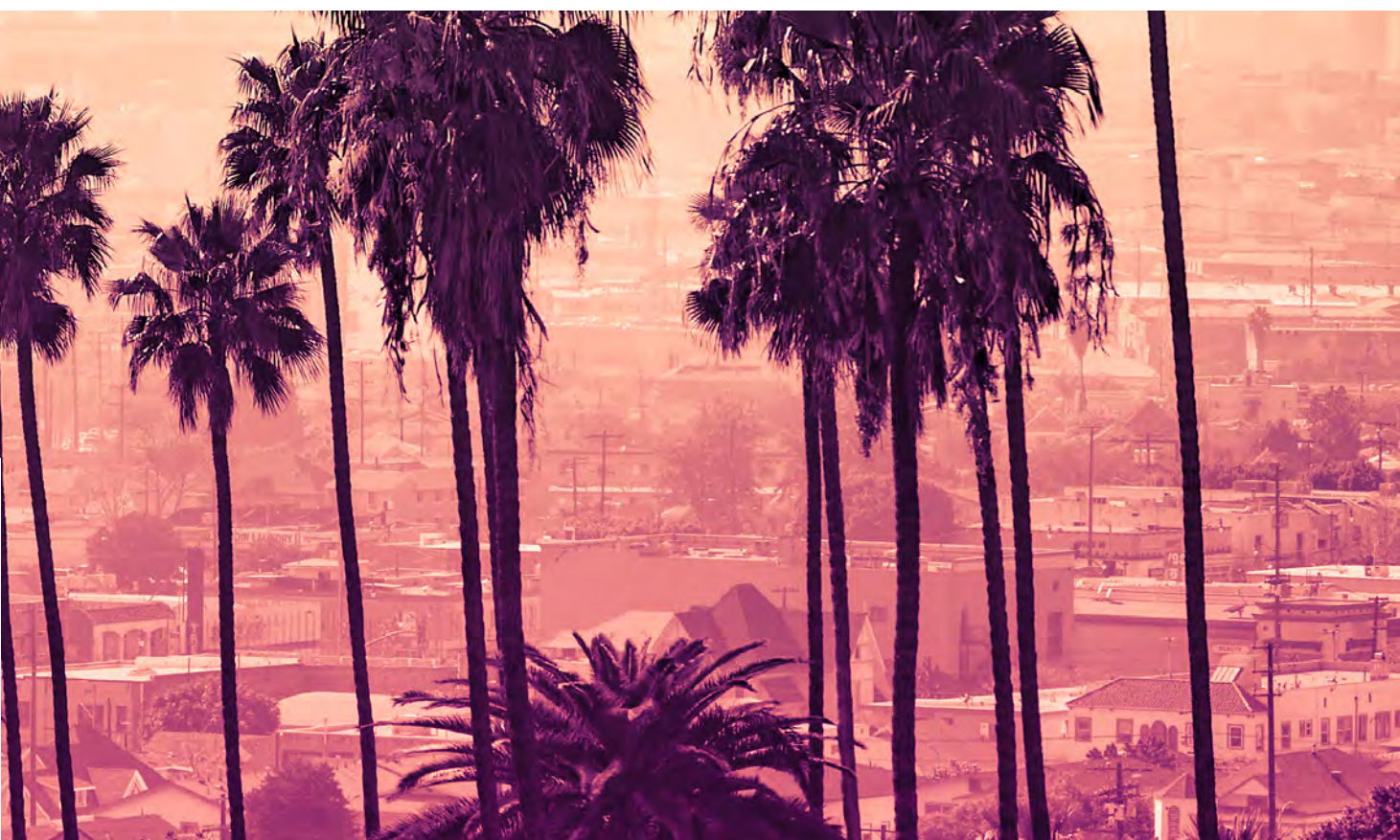
Notas: (a) Year on year growth rate; (b) Arithmetical mean of annual growth rates
2018 a 2022: definitive data; 2023: preliminary data.

PORTUGUESE TRADE BALANCE IN SERVICES WITH UNITED STATES OF AMERICA

	2019	2020	2021	2022	2023	Growth % 23/22 ^a	Growth % 23/19 ^b	2023 Jan/Apr	2024 Jan/Apr	Growth % 24/23 ^a
Exports	2.655,4	1.426,2	1.842,3	3.810,0	4.754,5	24,8	28,6	1.321,3	1.651,2	25,0
Imports	1.183,8	919,6	1.380,5	1.761,2	1.601,5	-9,1	11,6	510,0	462,5	-9,3
Balance	1.471,7	506,6	461,8	2.048,8	3.153,0	--	--	811,3	1.188,7	--
Cov. Ratio %	224,3	155,1	133,5	216,3	296,9	--	--	259,1	357,0	--

Source: Banco de Portugal; Unit: Millions of euros

Notas: (a) Year on year growth rate; (b) Arithmetical mean of annual growth rates



PORTUGUESE ECONOMIC OPERATORS

	2018	2019	2020	2021	2022
N° Firms	3.348	3.662	3.600	3.722	4.012
Portuguese Exporters to United States of America					
% Total Portugal	15,7	17,1	17,4	16,5	17,5
Rank in Total Portugal	6	5	6	7	6

Source: INE Statistics Portugal

Note: Includes only legal persons (companies). Excludes sole proprietorships, estimated values for companies below the assimilation threshold in intra-community trade and unknown and foreign companies in extra-community trade.

2018 to 2022: definitive data

FOREIGN DIRECT INVESTMENT WITH UNITED STATES OF AMERICA – POSITION (STOCK) BY DIRECTIONAL PRINCIPLE

	2019 Dec	2020 Dec	2021 Dec	2022 Dec	2023 Dec	Growth % 23/23 ^a	Growth % 23/19 ^b	2023 Mar	2024 Mar	Growth % 24/23 ^b
Outward	995,7	994,8	1.005,2	1.039,3	1.220,4	17,4	5,4	1.124,5	1.288,3	14,6
% Tot Portugal	1,8	1,9	1,8	1,7	1,9	--	--	1,8	2,0	--
Inward (Immediate)	1.912,7	1.890,3	2.281,0	2.828,9	3.001,2	6,1	12,4	2.890,6	3.013,6	4,3
% Tot Portugal	1,3	1,3	1,4	1,7	1,7	--	--	1,7	1,7	--
Balance	-917,1	-895,5	-1.275,8	-1.789,6	-1.780,8	--	--	-1.766,1	-1.725,3	--

Source: Banco de Portugal; Unit: Millions of euros (end of period position)

Notas: (a) Year on year growth rate; (b) Arithmetical mean of annual growth rates



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