



## Cloud Imperium Games invests £15 million in its UK studio

**Case study:** Inward investment

**Company:** Cloud Imperium

**Sector:** Creative – video gaming

**Country of origin:** The US

**Investment locations:** Manchester

[cloudimperiumgames.com](http://cloudimperiumgames.com)



**LA based Cloud Imperium Games is increasing its investment in Foundry 42, a games studio it set up with support from UK Trade & Investment (UKTI) in Wilmslow, Cheshire. This is now by far the largest of Cloud Imperium's 4 offices, with over 160 employees and growing, taking on more of the company's work than originally intended.**

Video game company Cloud Imperium Games has crowdfunded a record-breaking US\$100 million from over a million backers in more than 70 countries, to finance the development of its first product, Star Citizen. The massively multiplayer online (MMO) space simulator game is being developed in a uniquely modular way, enabling its fans to be a part of the process. It will feature the likes of Gary Oldman, Mark Hamill, and Gillian Anderson.

Set up in Los Angeles by Chris Roberts and Ortwin Freyermuth in 2012, Cloud Imperium Games now has over 200 employees based there and at additional

offices in Austin, Texas; Wilmslow, England; and Frankfurt, Germany. The Wilmslow Studio, Foundry 42, is building Squadron 42, the single player experience in Star Citizen's universe.

"We're 100 per cent crowdfunded, which allows us to push the boundaries of video game development to places that no one has ever dared to go before," says Erin Roberts, Studio Director at Foundry 42. "With the support of our incredible fans we are creating a game with unparalleled fidelity and immersion. We're still technically an indie company, just with a triple-A budget, so we have been able to maintain our core values of developing the game to the highest standard possible."

### UK investment

UKTI's team in Los Angeles met with the Cloud Imperium team in December 2013 to discuss the company's plans for expanding into the UK. They advised on how to structure the new business and acted as a broker to other UK agencies, including HMRC for early advice about generous government tax credits before the guidance had actually been

published; and MIDAS, the Manchester region's inward investment agency, for specific information about setting up in the North West of England.

When the company needed a quick answer about whether a multi-million pound performance capture shoot would qualify for UK video games tax relief, UKTI arranged for Cloud Imperium to meet with key public officials at HMRC and the British Film Institute. Having received a favourable reply, the shoot did indeed go ahead, in London instead of perhaps the more obvious choice of Hollywood.

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Erin Roberts, Studio Director, Foundry 42

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Erin Roberts, Studio Director, Foundry 42



UKTI also mobilised the UK visa team in Serbia to help get a sub-contractor into the UK in time to attend a critical week-long summit.

“The UK has got a huge amount of history in high quality games development and there’s excellent support for the industry,” says Erin. “The North West in particular has a strong and growing skills base, which is priced competitively. We’ve also recruited 3 British nationals from Canada who had left the UK to take advantage of the boom in the industry there, and it’s great to see this talent begin to return to the UK. Even though I myself know the local area well, UKTI have helped us greatly. In particular, they have allowed us to maximise the benefit of tax credits, which has further brought down our costs and encouraged us to invest more in the UK than we had originally planned.”

### Continued growth

Star Citizen and Squadron 42 are due for release in 2016. Meanwhile, in October Cloud Imperium hosted its second annual event for the game community, CitizenCon, this time at Manchester Airport. Tickets sold out in a matter of hours and attendees weren’t disappointed. The company unveiled a number of new aspects of the game and announced 3 new hardware partnerships: with Intel, AMD and joystick manufacturer Saitek.

To date, Cloud Imperium has invested around £15 million in its UK business. Having started out with one floor of an office building, in 2015 the company took on a second floor and is already planning to expand to a third. The majority of its development work and all QA testing is now taking place at Foundry 42.

Once development is finished on Squadron 42, the UK team will be kept busy expanding the Star Citizen universe with battles and new campaigns.

“We have been delighted with the way our UK investment has been going,” says Ortwin. “UKTI has been very proactive in the support they have given us, willing and able to help us with any issue that has arisen. There is a certain element of red tape in any market, but UKTI is interested to make sure that our business in the UK can progress as uninhibited as possible. We’re working towards a 10-year plan for Foundry 42, taking on more space to house our growing team. It wasn’t our original intention for the UK to become our biggest hub, but given the price structure and the government support, that is what’s happened.”

### The UK - Springboard into Europe

The UK is a fantastic place to do business, and an ideal springboard into the rest of Europe. It provides a unique gateway of international connections, is a recognised leader in the fields of creativity and innovation and is the 6th largest economy in the world.

The UK is also one of the easiest places to set up and run a business. With low tax, less regulation and a talented workforce, the UK is one of the easiest places to start a business and access the European Union’s 500 million customers.

The UK is home to 3 of the top 10 globally ranked universities, according to The Times Higher Education World University Rankings. It is also the number 1 location for European business headquarters: more overseas companies set up their European headquarters in the UK than anywhere else.

**For further information visit [gov.uk/ukti](http://gov.uk/ukti)**

### Setting up your company in the UK

Deciding where to locate your international business is one of the biggest decisions you’ll make and can be daunting. UK Trade & Investment helps businesses coming to the UK with every aspect of setting up their new operations.

As the UK Government’s inward investment agency, it’s our job to know the UK’s strengths and where investment opportunities exist.

This means we can help your company to do all the research you need to make an informed decision, and then get up and running as quickly as possible.

UK Trade & Investment can help you to:

- do your research
- build key contacts
- choose your location
- set up your new office
- grow your business internationally.

UKTI was delighted to support Cloud Imperium in their investment in the UK.

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