

play *"The Operators' Choice"* METER

Cover Story:
QubicaAMF
transforms
bowling,
again

AMOA:
Leaders
assemble
for State
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HYPER BOWLING
THE NEXT BREAKTHROUGH
IN BOWLING

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QUBICAAMF
MAKING BOWLING AMAZING

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THE COIN-OP/FEC
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Bowling was forever changed when American Machine Foundry began mass-producing the AMF automatic pin-setter in 1951. Then, in 1993, three Italian friends who were only in their 20s founded Qubica as a venture to market bowling as a form of entertainment and not just a sport.

Almost a decade later, the two bowling giants merged to form QubicaAMF. Now, after 25 years in business, the company is hoping to change the way bowling is played again. *Play Meter* caught up with QubicaAMF's co-founder and CEO, Emanuele Govoni, to discuss the company's history and what it has in store for bowling's future.

Describe QubicaAMF's history:

Luca Drusiani, Roberto Vaioli, and myself founded Qubica in March 1993. The three of us were working for a small scoring system company in Bologna, Italy, where we developed our first product and learned the bowling business.

We had a simple idea, revolutionary for the time—bowling is a form of entertainment, not just a sport. With this in mind, we saw a big opportunity and started Qubica. By the end of the '90s we had developed the industry's most innovative scoring system, and partnered with proprietors to set up a direct presence in major markets, becoming the scoring and technology leader in less than 10 years.

What mergers and acquisitions have led the company to what is today?

In 2002, Qubica acquired Mendes, a Canada-based company, and we became a full-line equipment provider. In 2005, QubicaAMF was born as the result of a 50/50 merger between Qubica and AMF Bowling Products. The merger combined the quality and manufacturing capabilities of AMF with the innovative power of Qubica. This resulted in the largest research and development team in the industry, and a renewed commitment to move the industry forward.



Shaping THE FUTURE OF bowling

In November 2014, the original Qubica founders purchased QubicaAMF fully. We are 100 percent privately owned.

Today, QubicaAMF is an industry leader. We are the largest bowling equipment company in terms of revenue and employees with a team of nearly 600 people. This was an amazing ride for us, and this year we are celebrating our 25th anniversary.

We knew that to take QubicaAMF to the next level, we needed to think long term, taking on long and complex investment projects that don't fit the quick ROI required by private equity funds. We don't manage the business with an exit in mind. We want to make the difference, thinking and acting strategically for our customers and for our company.



QubicaAMF's European headquarters in Bologna, Italy.



Why bowling?

We are in the bowling business. We are 100 percent focused on bowling, and frankly, will be for many years to come. Bowling has great fundamentals as an entertainment activity and as a sport. Everyone can play it. It gets

people out of their homes to have fun and socialize together. Entertainment centers need bowling as an attraction, or even an anchor, to do really well. Despite the appeal of bowling today and its popularity, we believe bowling's potential is not fully unleashed.

We are convinced that bowling has much more potential to attract and entertain more people, more often. With the release of HyperBowling (and other future products), we plan to help our customers fully unleash their potential by making bowling more relevant and attractive to a larger and younger population.

That's why our mission is so focused on "Making Bowling Amazing." We constantly innovate to allow our customers to deliver the best possible, and most innovative bowling experience ever, to their consumers.

HyperBowling is the first example of our aim to create a bowling experience for everyone, to reach even those that don't bowl today, and help our customers leverage their bowling lanes and investment.

What will bowling look like in the future?

The on-lane bowling experience will be driven by products (consumer-facing bowling equipment) made of a blend of technologies and elements: light, sound, sensors, screens, games, hi-tech consoles, and appealing, high-quality design elements like innovative furniture. All of these consumer-facing elements are designed to work together, and will be software driven to deliver a hi-tech, on-lane experience and attract more people.

Our hi-tech Harmony furniture, BES X Bowler Entertainment System, and HyperBowling are only the beginning of bowling's future.

We are developing an ecosystem of products designed to work together and build on one another--products and systems that deliver an amazing never-before-seen experience for bowling consumers; products focused on the consumer experience and that ensure our customer's long-term success. We think the future of bowling looks amazing.

How has QubicaAMF changed bowling?

We have done it by heavily investing in research and development, and

this is what we will continue to do at an accelerating pace. Over the past seven years, we invested over \$30 million to re-develop our product line, including industry-first products, new versions, and countless improvements on existing products.

We have created an entire line of products that work together functionally and aesthetically. We build and modernize more bowling and entertainment centers than any other company does because our customers know that our product's innovative power, will help drive their success and revenue.

But our biggest innovation to change bowling is HyperBowling. In 2018, we will officially launch HyperBowling, a game-changer for the industry. HyperBowling has been designed to target people who today might not consider bowling because they don't feel they can play well or win. It levels the playing field. HyperBowling is the third biggest innovation ever in the history of bowling, following pinspotters in the 1940s and automatic scoring in the 1970s.

QubicaAMF has said that it is working with several outside organizations, such as a university and a tech company, to develop new products. Who are these organizations and why work with them?

Developing an entire new product ecosystem is a big job. We employ 51 people in our research and development team, and we work with specialized R&D partners at the same time to acquire specific technical expertise that allows us to speed up development.

We have expert partners in cloud and mobile, 3D games, and hi-tech mechanical design. The University of Ferrara (Italy) helps us with special material design, materials that don't exist, and advanced testing. These partners are deep experts in their fields and help us to deliver tomorrow's products today.

QubicaAMF is celebrating 25 years in 2018. What does the next



QubicaAMF's U.S. headquarters in Richmond, Va.



25 years for the company look like?

In the next 25 years, we will give back to our customers and employees by making bowling amazing, and the greatest attraction it has ever been. We have all the ingredients necessary to do this.

We are privately owned; we have the strongest balance sheet and revenue in the industry. Our owners are product engineers and drive our product vision, roadmap, and development personally.

We are investing in the future of



bowling with products that are aimed to drive repeat business, sustain longer stays, and increase spending per visit. HyperBowling is an example of this.

Our structure and our debt-free balance sheet, propelled by our belief in the potential of bowling entertainment, drives us to truly invest long-term, with no exit strategy for the business and the resources we need to make the difference.

What is HyperBowling?

HyperBowling is the new bowling-based attraction that was built to help centers reach beyond the existing bowling population and build a larger base of consumers. It is a blend of software, mechanical design, futuristic user interfaces, electronics, lights, and sensors, which together delivers a never-before-seen experience that plays like a physical video game on a bowling lane.

Who can play it?

Everyone. At the base of HyperBowling is an all-new bumper built for everyone and used as part of the game. There are no more gutter balls. Every shot counts every time. You don't have to be a bowler to play.

With HyperBowling, entertainment centers will be able to offer a bowling-based experience that everyone can play and have a great time doing it. And they can of course use those bowling lanes for other bowling activities as well. It truly expands their reach and the audience that they can attract to the facility.

How is it played?

The basic game is very simple: hit the bumper first and then hit the pins.

LEFT: HyperBowling's bumpers feature LED lights, sensors, and a foul detection system. **CENTER:** Currently, HyperBowling features four different games, but QubicaAMF is developing more for future releases. **RIGHT:** HyperBowling combines traditional bowling with video games, so that anyone of any skill level can play.

Lights along the bumpers display big colorful targets with each color worth a different multiplying value. The score is calculated by the color target the player hits multiplied by the number of pins knocked down. Each pin is worth 100 points. If a player were to hit a "3x" color and then get seven pins, the score for the turn would be 2,100 points.

Every shot is called a "challenge," and each one is different during the game. The pattern to hit the bumper changes with every ball. Four different games provide a variety of challenges to fit different styles, skills, and moods. They include video-game elements never before seen in bowling, such as progressive levels, increasing difficulty, real risk/reward decisions, high score rankings, and accomplishments.

How is it being rolled out?

After over two years of development, we previewed HyperBowling in Orlando at the International Association of Amusement Parks and Attractions

Expo last year. We wanted everyone to get a sneak peek at this revolutionary new product. We are targeting to launch the product and begin selling it in June of 2018 at the International Bowl Expo in Las Vegas, June 17-21.

We will start installations in the fourth quarter of 2018 with full availability in 2019. There will be a number of demo sites that will come online prior to introduction in 2018, so there will be opportunities for people to see and try it even as we are finishing the product for worldwide launch.

Some would consider bowling a social experience already; what does Hyperbowling bring to the game that wasn't there before?

HyperBowling builds on many of the attributes that people already love about bowling. It's fun, provides friendly competition, is meant to be played together, and is easy to do. At the same time, it delivers new and different attributes that will be attractive to those who don't bowl so much, or at all.

HyperBowling is truly built for everyone, and non-bowlers will feel that they can play it and play well. With HyperBowling, everyone will feel competent, motivated, and engaged because they will feel they can win or at least have a chance to compete at everyone else's level.

QubicaAMF's pin manufacturing facility in Lowville, N.Y.



This is different from traditional bowling where the best bowler in the group will almost always win. Feeling good about your potential and ability to compete is extraordinarily engaging for people that try HyperBowling. We have seen this during our extensive product development and test phase, and at IAAPA, too.

The Hyper games also present choices as to how to explore the game, like video games. This makes game play more rewarding and a little different each time players come back. In regular bowling, players face the same challenge frame after frame. HyperBowling is always fresh, whether you're out to beat your own high scores or working together with friends to unlock new levels.

What technology went into Hyperbowling?

At the heart of the physical experience is an all-new bumper. Any player could use any ball on the lane to play the games. The bumper design is entirely new, and was the result of a major engineering effort by both QubicaAMF and expert partners in structural engineering and materials. HyperBowlers won't worry about that, but it's really important to proprietors and the center staff because the result is a next generation product that is safe, reliable, and super strong.

HyperBowling also brings smart, all-new LED technology with lights on the bumpers that display an endless variety of patterns and colors in a full range of brightness and intensity. The LED lights are also on the pins with integrated intelligent pin deck lighting aimed to increase the visual effect and display various stages of the game.

Finally, there is a suite of sensors to keep track of the ball while it's on the lane. The sensors know where the ball is and if and where the ball makes contact with the bumpers. This technology feeds the system what it needs to know to drive the games, lights, and an all-

new advanced foul detection system.

As a bonus for centers, the lighting and sensor technology can be used both when the bumpers are up and down, which opens up a huge variety of alternate uses beyond the core HyperBowling activity.

What does QubicaAMF hope to accomplish with the release of Hyperbowling?

HyperBowling brings the perfect blend of video game-like play and bowling together, and provides the ideal platform to reach the nearly half of the adult population who play video games routinely. That's more than 160 million in the U.S. alone.

Millennials and adults will love this format even if they have dismissed traditional bowling in the past. It is an activity that can truly reach beyond regular bowling with its appealing and engaging game play, and we want our customers to be able to tap in to the massive market opportunity to drive new players to their facilities. That's why we built HyperBowling.

How will Hyperbowling affect bowling leagues?

HyperBowling is an easy fit for a center that has leagues. When the product is not in use (bumpers down, lights off) the lane is normal and league-ready. It's great because centers can switch lanes back and forth between bowling and HyperBowling

with just a click from the front desk.

Because of this flexibility, HyperBowling is a great option for centers to modernize and retrofit, and is an alternative to removing lanes to make room for non-bowling attractions. They can repurpose their lanes without losing them and get the most from traditional bowling, leagues, tournaments, and HyperBowling all with the same lanes.

Additionally, there are some new concepts coming with HyperBowling that will leverage the lighting and sensor technology that will have applications for competitive bowling.

Is QubicaAMF developing any other bowling/arcade hybrid products?

We have studied the gaming audience and the attributes that drive half of the population to play video games, and the psychology behind how the best video games are built. We have also studied the guests of entertainment facilities. We understand their motivations and the barriers that exist for people who don't bowl often, or even at all.

It is a new physical platform that provides the best environment to create a hybrid of bowling and video games. We will continue to capitalize on this platform for many years to come by adding more games that leverage the same physical elements: the bowling lane, the high-tech bumpers, the light targets, the sensors, the BES X SuperTouch bowler console, and the overhead monitors. To start, we will introduce four games: HyperBowl, HyperBowl Pro, HyperSquad, and HyperActive. But these are just the beginning.

Yes, we will add more games and features to keep HyperBowling fresh. In the meantime, we are convinced that the current HyperBowling offering will be a game-changer for entertainment facilities and millions of consumers. ▲