ATARI INC., 1265 BORREGAS AVENUE, SUNNYVALE, CALIFORNIA 94086

1980 Atari Distributor Meeting

The Sixth Annual Atari Distributor Meeting, entitled "The Atari Roundup", was held at The Wigwam in Phoenix, Arizona, from April 26th - 30th. It was attended by over 200 people, including Atari personnel and distributors from around the world.

Highlights of the business sessions were addresses by Gene Lipkin, President of Atari's Coin-Operated Games Division, Ray Kassar, Chairman of the Board of Atari, and Emanuel Gerard, Office of the President of Warner Communications Inc.

Gene Lipkin announced that 1979 was a record year for Atari, and that 1980 would easily surpass 1979 in growth of sales. "Product acceptance is greater than ever," he said, citing contemporary packaging and advanced technology as factors.

Ray Kassar gave an overview of the Consumer Division, and stated that Atari's entry into the computer business opened an important new market with the introduction of the Atari 400 and 800 computers. He also pointed out that both divisions of Atari are investing heavily in Research and Development.

Manny Gerard reiterated this theme, saying that Nolan Bushnell's roots were in engineering, and that Atari spends more on R & D than the rest of the industry. "This will continue," he said, "because it is good business."

Frank Ballouz, Director of Marketing, conducted the new product showing with a dramatic presentation of the new games to be released this summer. He also proudly commented on Atari's Marketing Research team, which is regarded as the best in the industry.

continued on page 2



Now you can operate the top game in the world, anywhere in the world! There are three different ways to take extra advantage of the incredible earning power of Asteroids[™]. No matter what type of routes you serve, there is a model that will fit every possible need, even open new locations.

For the first time, Atari is offering this phenomenal game in three versions...Upright, Cocktail, and the all new Cabaret™.

And because the popularity of Asteroids sells itself, these new cabinet styles offer unlimited location opportunities.

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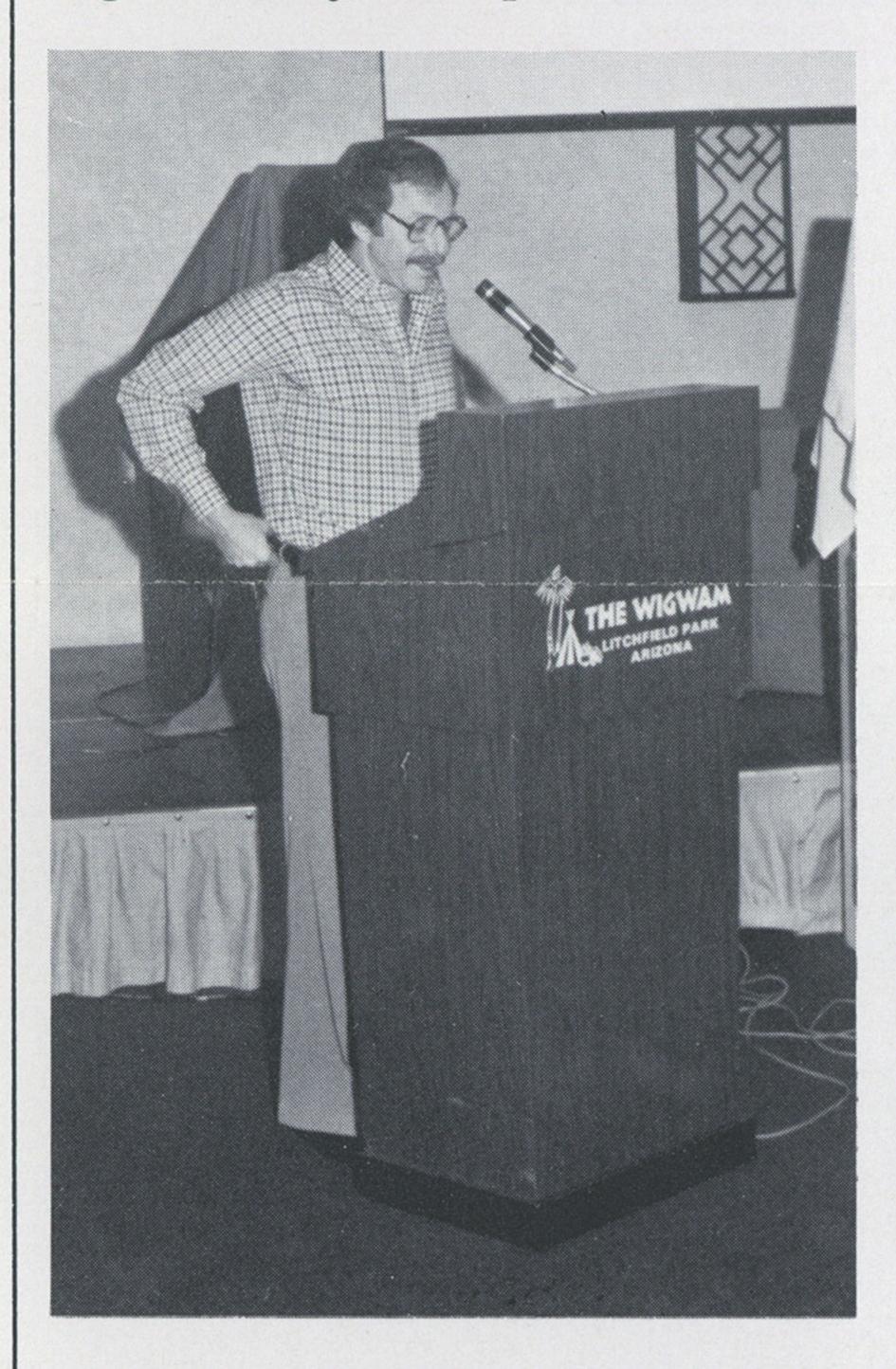
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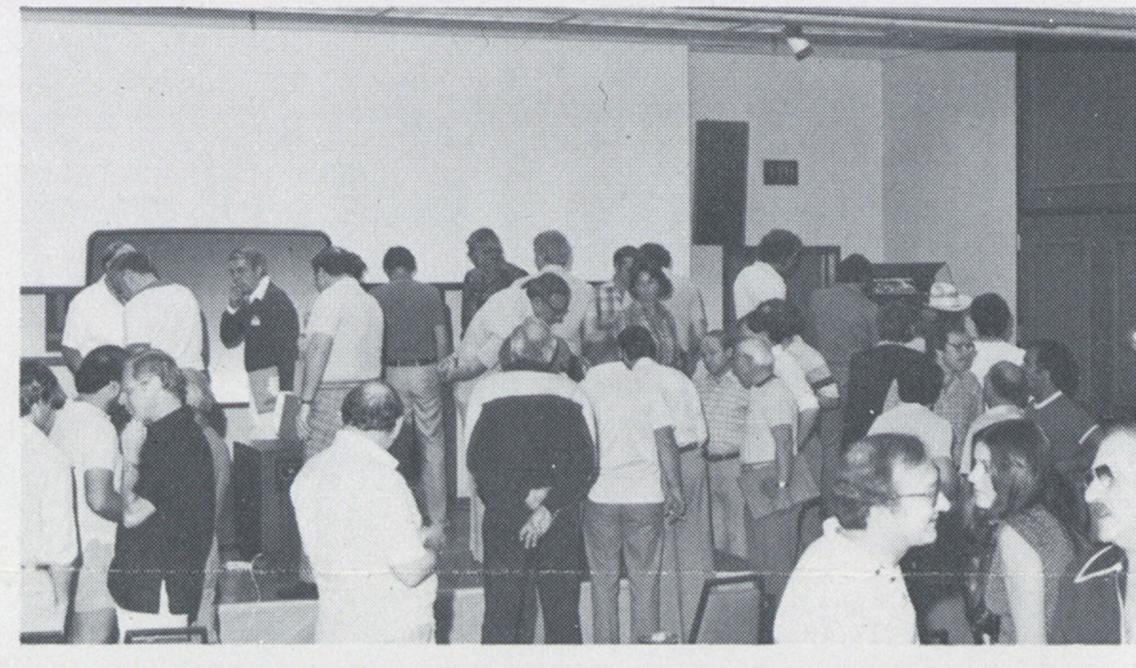
Additional meetings centered around Engineering & Manufacturing, Finance, and Marketing, at which distributors were given a better understanding of the creative processes and methods used to bring the very best products to mar-

ket, and to create the best profit opportunities for all. Interspersed with the meetings were various activities such as golf, tennis, trap shooting, and a western steak fry.

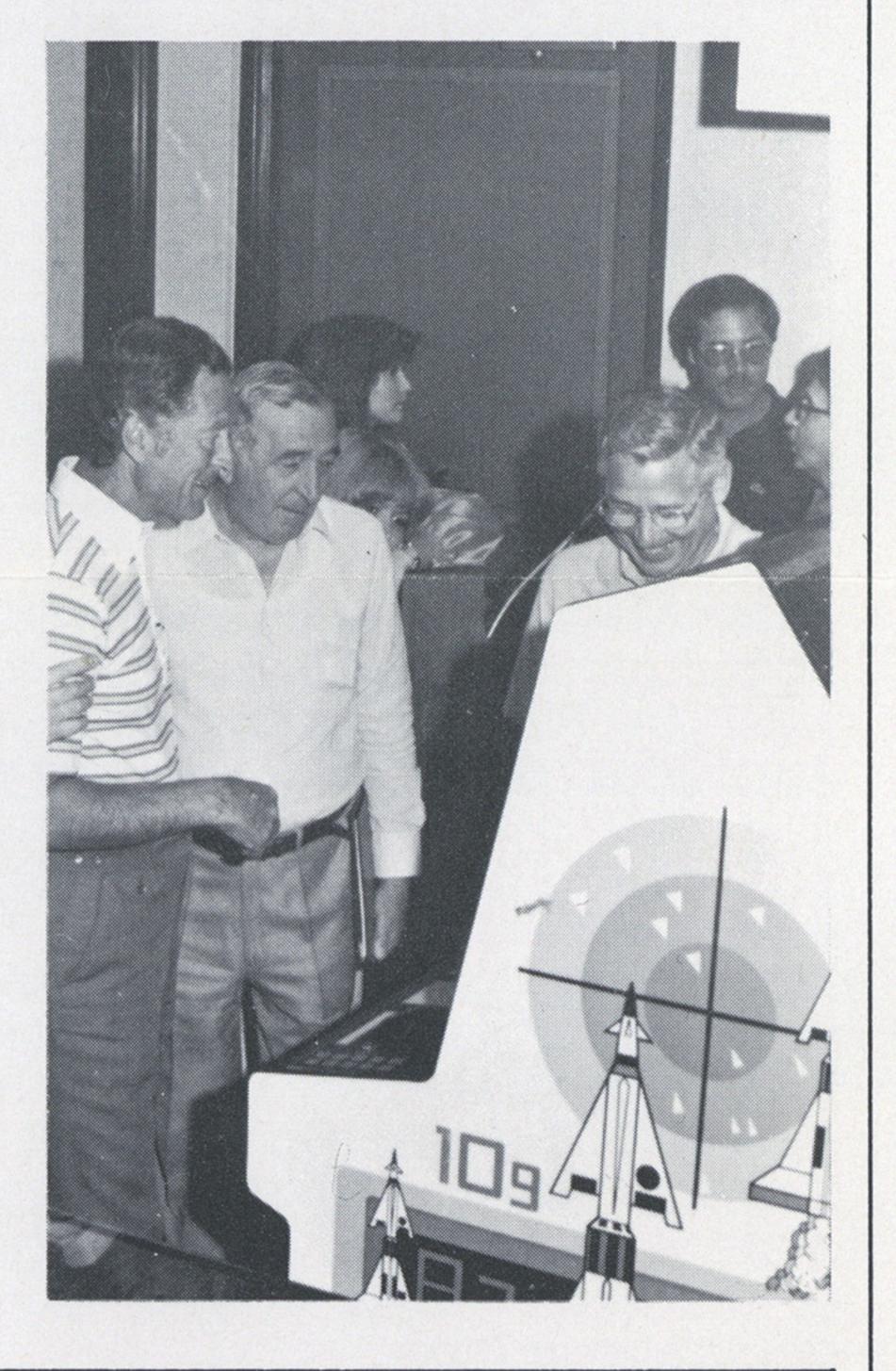
"The Roundup at the Wigwam was by far the most successful of all Atari meetings," reported Don

Osborne, National Sales Manager. "This has been substantiated by numerous letters from our distributors indicating that it was highly productive, and offered an excellent opportunity to share ideas and information with Atari and with each other."









Joseph Robbins joins Atari as Co-President of Coin-Op Division

Joseph Robbins, most recently President of Empire Distributing Company, a division of Bally, Inc., has been named co-president of Atari's Coin-Op Division, it was announced today, June 4, by Eugene Lipkin, President.

In making the announcement,



Mr. Lipkin said, "Atari's Coin-Op Division has experienced accelerated growth and expansion both domestically and internationally during the past 18 months."

"I am particularly pleased that Joe has joined me to manage the expanding administrative and marketing plans for Atari's Coin-Op Division. His assistance will enable Atari to keep up with the demands of the industry, and to devote the creative and business efforts needed to continue our leadership in the marketplace."

The outstanding successes of such Atari coin-op games as AsteroidsTM, Sprint IITM, and FootballTM have been instrumental in bringing Atari into the forefront of the coin-op industry worldwide.

Raymond E. Kassar, Chairman and Chief Executive Officer of Atari, Inc., said, "The coin-op business is growing at a rapid rate. Our engineers have exciting new product in the pipeline and are already blue-printing games for 1982 and 1983."

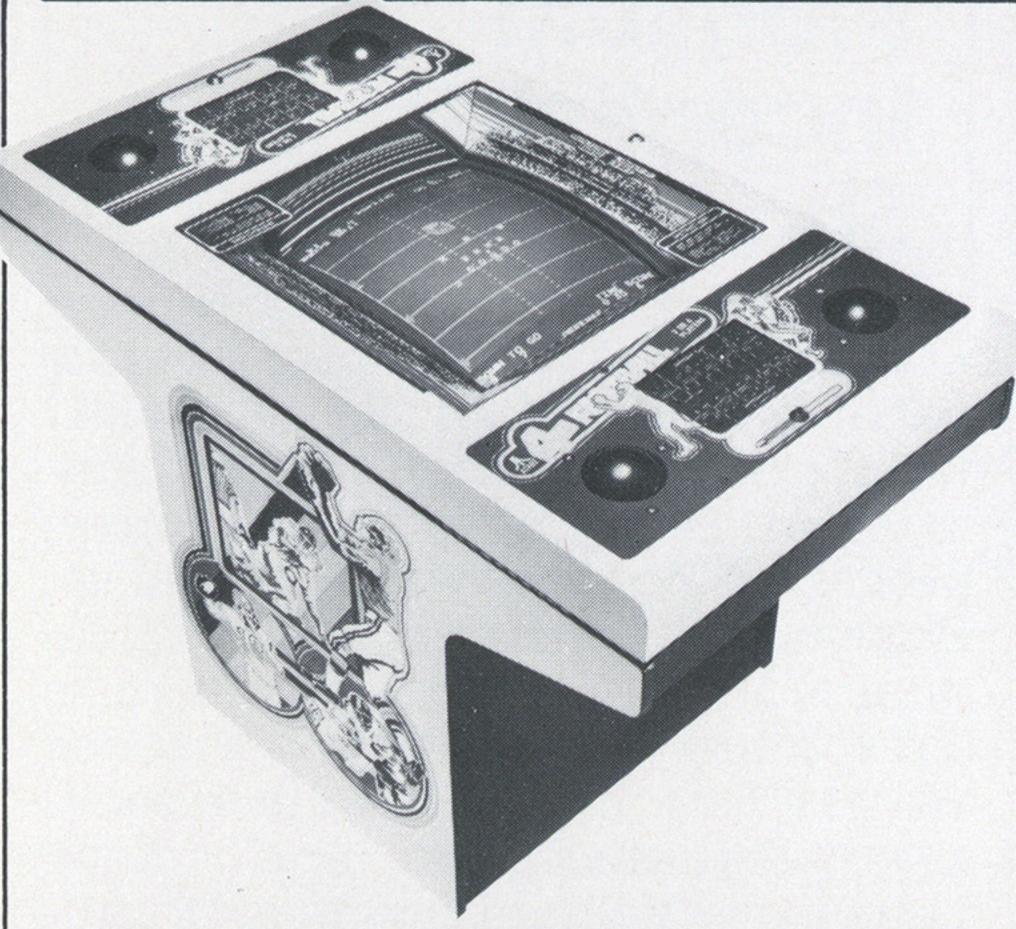
"The team of Messrs. Lipkin and Robbins provides us with outstanding management leadership in a highly competitive business," he added.

Mr. Robbins has contributed significantly to the growth of the coin-operated amusement industry over the past 34 years and is well known to distributors and operators throughout the world.

He was educated at Yale University in the School of Engineering. After service in World War II, he began his career in the industry in 1946 with a Seeburg distributor in New England and with London Music Company in Wisconsin. In 1955, he joined Empire Distributing Co., Chicago, where he became a partner in 1962, later directing the sale of the company in 1972 to the Bally Company.

He continued as Chief Executive Officer at Empire and was elected to Bally's Board of Directors, serving as Chairman of the Executive Committee. Mr. Robbins held these positions until he resigned in 1978.

4-Player Football Limited Edition



Plans are now underway for the release in August of a limited edition version of last season's highly successful Atari 4-Player FootballTM.

Timed to coincide with the beginning of the 1980 football season, the new release offers the opportunity to again take full advantage of the excitement and tie-in possibilities of what promises to be one of the biggest seasons yet.

Atari 4-Player Football is the ultimate in video sports simulation. It is the world's only 2 or 4 player video football attraction. It is also "team" football. For the first time 2 players can play cooperatively against an opposing 2-man squad in the 4-player mode.

Production on this Special Edition will be limited, so place your orders early with your Atari distributor.

Customer Service

For those of you who repair your own games, here is a helpful hint from our Customer Service Technical Support Group:

When you come across a technical problem and call Atari for assistance, please have the game manual with you. Oftentimes the answer is in the manual and we can help you find it. Then you can refer to the manual if the problem reoccurs.

Now is a good time to go through

your manuals and see which ones you need. Manuals may be purchased from your Atari distributor.

Reminder: Atari's California toll free Tele-HelpTM number is (800) 538-1611. (Callers within California and Canada use (408) 745-2900.) Atari's New Jersey toll free Tele-HelpTM number is (800) 526-3849. (Callers within New Jersey and Canada use (201) 469-5993.)

Promotions for Profits

Arcade Location

School's out and leisure time's in. June is an opportune month to initiate a membership club. Players can purchase numbered club cards for a minimal fee. Each week, members receive specific discounts on games. You can also give away weekly prizes by drawing membership card numbers and posting the winning number in your location. (Atari logo, ASTEROIDSTM T-shirts, and other Atari promotional items are available through your Atari distributor.)

NOTE: Club members should complete a form which you can use for a mailing list to announce new games or special promotions.

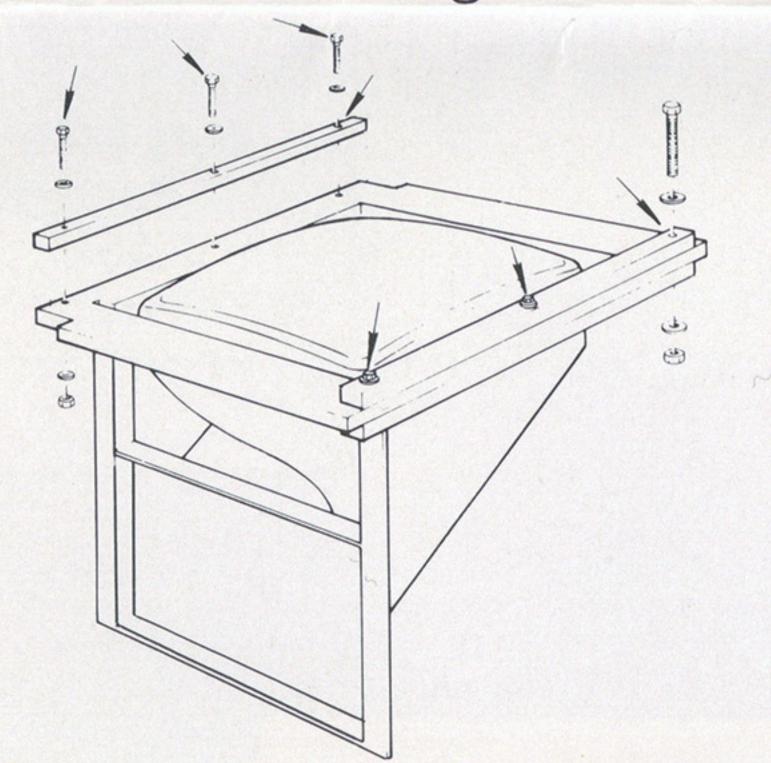
Street Location

Take advantage of the summer months to attract people to play the new generation of games. Free game or discount coupons can be awarded to people who achieve a specified score on bowling or miniature golf in these types of locations. In almost any type of location, free game give-aways will invite people to try a game at least once and in many cases it could be the beginning of a "devoted" player.

TECHNICAL TIP

Monte Carlo

To provide the required additional support for the monitor tray in first run Monte Carlo cabinets, please perform the following:



- 1. Drill (6) 5/16 dia. holes in locations shown.
- Install (3) 18½" × ¾" × ¾" wood supports with (6) ½/20 x 23/4" carriage bolts with washers as shown.

If the wood supports are already installed, drill 6 holes and install the bolts as above.

Shane Breaks Named Atari International Marketing Director

Shane Breaks has been appointed to the newly created position of International Marketing Director for the Coin-Operated Games Division of Atari, Inc., according to Gene Atari factories in the U.S. Lipkin, President of the division.

In his new post, Mr. Breaks will be responsible for all overseas sales of Atari products.

Mr. Breaks will be headquarted in Tipperary, Ireland, and will also maintain a residence in Sunnyvale, California.

Mr. Breaks has been involved in the coin operated amusement industry since 1964. He served as Vice President and General Manager for Streets Automatic Machine Co., Ltd., London for many years. In 1975 he was brought to the United States by Rowe International to direct the company's game purchasing function for domestic markets. Since 1977 he has worked for R.H. Belam Export, Inc., New York, recently serving as a Vice President for the firm.

Sue Elliott, Atari's International Sales Manager will report to Mr. Breaks and will continue to coordinate all international sales at



Asteroids... Profit Triple Threat

(continued)

Asteroids Upright is ideal for game centers and many types of

larger street locations.

Asteroids Cocktail is a new design for use in lounges and restaurants. Features include a 15" Quadra-ScanTM display system with an image that "flip-flops" for two-player action; 3/16" tempered glass table top, quick-release hinged table top and control panel for easy service accessibility, and heavy duty legs that adjust the height from 21½" to 27 7/8". Required floor space is only 6 square feet.

Asteroids CabaretTM is designed especially for more sophisticated environments and locations where space is limited such as restaurants,

diners, lounges, retail stores, supermarkets, offices, recreation and transportation centers, medical and educational facilities, to name just a few. Required floor space is a mini four square feet. Features include contemporary, eye-appealing visual design, lightweight construction for easy mobility, two mech coin door, and QuadraScan display system.

All three versions offer the same features that have made Asteroids the number one game in the world—1 or 2 player rapid fire space action, optional "hyperspace" feature, bonus scoring, new personal high score table and a wide variety of operator adjustable options.

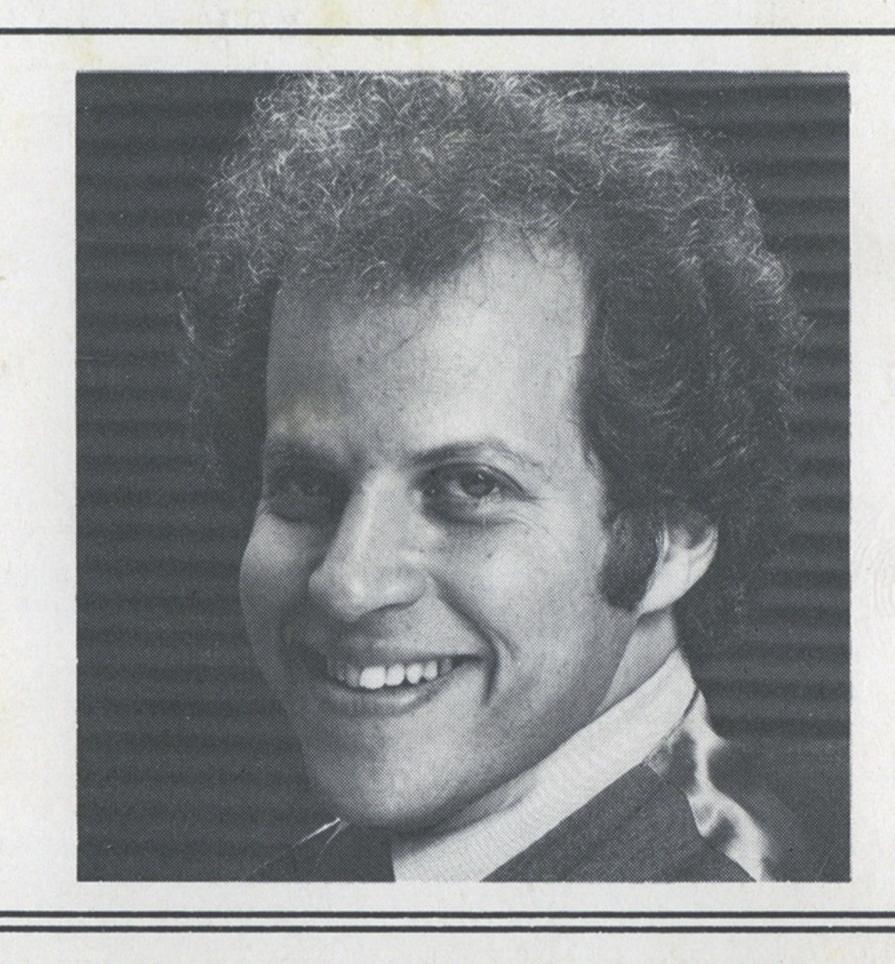
All three Asteroids are available now from your Atari distributor.

Fred Gerson Appointed Atari Vice-President of Finance

Fred Gerson has been named as Vice President, Finance for the Coin-Operated Games Division of Atari, Inc., according to Gene Lipkin, President of the division.

Prior to joining Atari, Mr. Gerson worked for the past several years for Arthur Young and Company both in New York and in San Jose, California, where he served as an Audit Manager.

Mr. Gerson holds a B.A. degree in Economics from Brooklyn College and an MBA degree in Accounting from New York University.



New York Premium Incentive Show

Imagine the world's largest department store: four floors packed with every premium product imaginable! Everything from air travel programs to mopeds to watches. Frisbee and cooking demonstrations, models showing excercise equipment, and even Wonder Woman handing out brochure packages. Manufacturers and distributors everywhere trying to stimulate buyers' interest in their products for use as premium and incentive items. This best describes the PREMIUM INCENTIVE SHOW that was held in New York City on May 5th thru 8th.

Atari was in the middle of all of this activity, probably creating more excitement than any other exhibit, in an effort to broaden the potential market for our games and to help promote the positive image

of our industry.

We shared a booth with Atari's Consumer Games Division during the show. Each day we saw many new faces, along with the people who came by faithfully every day of the show to play ATARI SOCCERTM, FOOTBALLTM, and ASTEROIDSTM.

Atari hopes to show coin-operated games at more consumer and other trade oriented shows in the future. In this way we will promote more awareness of coin-operated games and help develop new markets for our products.

Atari, Inc. 1265 Borregas Avenue Sunnyvale, California 94086

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