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SPORTS

E-Sports Found a Growing Niche. Now They Start to Find Homes.

By KEVIN DRAPER AUG. 29, 2017

SANTA ANA, Calif. — The three-story, 95-year-old historic brick building in this city's downtown certainly does not look like the future of sports.

The windows are covered with paper on the inside to block light, and it is across the street from the Orange County Church of Scientology, near a parking garage and a parking lot.

But the huge NBC Sports production truck parked outside points to something important happening. Inside the building, known as the Esports Arena, 16 two-person teams are competing at Rocket League, a video game in which players control rocket-powered cars playing a version of soccer. The winners of the contests, the Universal Open Rocket League Grand Finals, will take home the largest share of a $100,000 prize pool.

The players, who sit in front of monitors with controllers in hand, wearing headsets to communicate with their teammates, are surrounded on three sides by bleachers filled with a couple hundred fans. Behind them is a stage with three analysts, the esports equivalent of studio broadcasters. Above them, on the mezzanine level, are play-by-play commentators, called casters, and more players taking part in lower-bracket matches.

The tournament is NBC's first foray into esports — two hours from the tournament on Saturday and Sunday nights were broadcast on NBCSN, and hours more were streamed online — and they constructed a set with a dark futuristic aesthetic with spotlights, smoke machines and a lot of neon orange and blue, the Rocket League's colors.

The developers of the arena, Paul Ward and Tyler Endres, who are both 29, met in middle school playing basketball, and later attended nearby Azusa Pacific University together, but are gamers at heart. "Our kitchen in college was TVs and Xboxes," said Endres, and they ran impromptu tournaments whenever possible.

Esports, a broad term encompassing forms of competitive video games, is already a big business, and growing rapidly. The owner of the New England Patriots, Robert K. Kraft, and the Mets executive Jeff Wilpon recently bought teams that will compete in a league for the game Overwatch, reportedly for $20 million or more, and competitions at arenas like Madison Square Garden and Staples Center in Los Angeles have sold out.

But there are dozens of smaller tournaments and leagues that need a place to be staged, which is where the Esports Arena — and several others in the works — comes in.

Ward and Endres began raising money in 2012, but struggled to persuade possible landlords that they could generate enough revenue to pay the rent from something called esports. But after looking at potential sites across Southern California, the owner of the 95-year-old building saw their proposal and agreed to rent them his building.

The space they built — much of it by hand, laying carpet and running heavy-duty internet infrastructure themselves — is relatively spartan, with concrete floors and few fixed objects. "It needs to be modular," Ward said, because the arena is constantly hosting events of different sizes with different needs.

For big events, the 15,000-square-foot space can seat 900 fans, but capacity was reduced to 500 for the Universal Open because of the elaborate set.

Soon, Ward and Endres will be running three esports arenas. A 16,000 square foot arena is scheduled to open in Oakland, Calif., this year, and a 30,000-

square-foot arena is expected to open in the Luxor Hotel and Casino in Las Vegas early next year.

This expansion is fueled by a multimillion-dollar investment in the Esports Arena by Allied ESports, a consortium of Chinese sports and entertainment companies that owns an esports arena in Beijing among other properties. The plan is to expand far beyond Oakland and Las Vegas in the next several years.

“We would like to partner with home arena-based teams,” Ward said. “We have no limitations in where we can invest.”

But in the meantime, they have just the single arena, and it played host to a big tournament.

The arena was closed all week to prepare for the Universal Open, which is significant because the Esports Arena is not just a professional venue. During the week, it hosts a variety of amateur competitions, as well as open play on its machines for members who pay $10 a month, much cheaper than paying by the hour at video game cafes. They start weeknight events late so people can navigate the notoriously bad traffic of the Los Angeles area.

The arena is undergoing a number of improvements to make it an even more attractive place to spend hours at a time. The arena will soon serve alcohol — they struggled to get an alcohol permit because city officials “didn’t believe people over 21 years old played video games,” Endres said — and are expanding the food offerings beyond snacks. They have also stepped up in-house production abilities to broadcast their tournaments.

“As you look at the proliferation of esports,” said Rob Simmelkjaer, the NBC Sports executive overseeing the tournament and broadcast, “you start to see a need for more venues.”

While players sit in front of fans, once the match begins, the audience spends most of its time staring up at the screens dotting the arena to watch the action taking place. It’s a cross between a live event and a studio production. Between matches you can hear the analysts breaking down what happened but you cannot see the replays being broadcast, and a producer is continually telling fans to get up and cheer.

Like the competitors, the audience skewed young and male, but there were plenty of women and families, too. When great shots went in or were met with even better saves, the crowd stood up and cheered loudly without prompting.

When asked why they attended esports competitions, many people talked about the excitement of the game, but also gave another reason. You can play video games in-person or online with others, but they are still primarily a solitary hobby. It is also one that, despite its growing mainstream acceptance, still carries a whiff of nerdy stigma. Esports competitions are a place to share your passion with like-minded fans.

Billy Weckstein, 17, was attending his first esports event. A fan of baseball and basketball in addition to Rocket League, he persuadeed his family to fly out from New Jersey for the Universal Open, and the Wecksteins made a short vacation out of it. “I just want to do something fun for our summer, because our summer is kind of boring,” he said. “It’s really cool to be a part of the crowd. It is just so cool, pumping up the players and stuff.”

Perhaps even more encouraging for the future of esports competitions and venues like the Esports Arena, Billy’s parents and twin sister, Kelly, seemed almost as thrilled by the play as he was. If Ward and Endres are successful, they will soon own a network of arenas across the country, and the Wecksteins will not have to fly 3,000 miles to watch Rocket League.

“Where there is demand, supply always blossoms,” Simmelkjaer, of NBC, said. “That’s capitalism.”

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