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Hits & misses Lisa Goff

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Arkadium learns to play the game

Jessica Rovello and Kenny Rosenblatt know that their marriage can survive any crisis their small business can throw at it, since it has already done just that. When the couple married four years ago, the company they founded in 2001 was in free-fall.

"The first three years were hell," says Ms. Rovello, talking about the birth of their online game-development company, Arkadium. "We had no salaries, no health insurance; we were living on hope."

At the time, the duo was running Arkadium as a traditional game Web site, pitting players against each other for cash prizes. When the couple, who met over a game of Ms. Pac-Man, noticed that 95% of Arkadium's meager revenues were coming from licensing, they gave up trying to attract players to their own Web site. Instead, they focused on licensing their games to others. TV Guide and Hearst signed on, and Arkadium's business took off.

Last year, revenues hit \$12 million. The Manhattan headquarters employs 27 people. Another 30 work in a programming outpost in Ukraine.

HITS

No special software needed

Because they were developed using Adobe Flash, which operates on 99% of all computers, Arkadium's games do not require users to download any special software. "We're customizing existing games, not building brand-new ones," says Mr. Rosenblatt. That means Arkadium can get a game up and running quickly.

Mr. Rosenblatt heads up sales, and Ms. Rovello manages the creative side, but they attend all of each other's meetings. "Lots of people ask me how we can be married and work together—I always wonder how can you run a business together and not be married," says Ms. Rovello.

MISSES

Gambles don't always pay off

For every successful product offering, there's a huge flop. Backgammon, for instance, or the IM game platform nobody wanted.

Ironically, that kind of risk-taking is possible largely because of the couple's other big miss: their inability to attract venture capital. "Without it, we are free to take more chances," says Mr. Rosenblatt.

***Jewish Living* gets a life**

Hard times for many publishers didn't deter industry veterans Daniel Zimmerman and Carol Moskot from launching *Jewish Living* last November. Perhaps that's because between them, the couple covers the publishing waterfront. Mr. Zimmerman was an ad executive at Foote Cone & Belding; Ms. Moskot was art director at *Toronto Life*.

Now in its third issue, the bimonthly lifestyle magazine targets women ages 25 to 34 with a mix of food and family features reminiscent of Real Simple, "but in a Jewish context," says Ms. Moskot.

Mr. Zimerman predicts first-year revenues of about \$2 million. The publication has 10 full-time employees.

HITS

Open-minded editorial approach

Like their areas of expertise, the partners' management styles are complementary. "I'm very detail-oriented and involved in the minutiae, and Dan is the big-picture person," says Ms. Moskot, who insisted on researching Dan's idea for four years before agreeing to do it.

The publication's "nonpolitical, nonreligious, nonjudgmental" editorial approach appeals particularly to intermarried couples, as does a strong how-to component.

MISSES

Web site lost in cyberspace

The magazine lacks a strong Web presence. With time running out before the launch, the couple hired a fly-by-night Web designer. The resulting site was primitive and is currently undergoing a makeover.

Artists & Fleas jumps into spotlight

Charmed by the artisans markets they had visited overseas, Amy Abrams and Ronen Glimmer opened Artists & Fleas in a Williamsburg warehouse in December 2003. Now they are the ones welcoming the tourists from as far away as Europe and Japan.

Mentions in travel books last year helped draw an international crowd. But the market on North Sixth Street already had a loyal base of local shoppers, drawn by grassroots advertising efforts. Revenues last year were about \$150,000, and the market has three employees.

HITS

Different strengths add up

"The secret to our success was dividing up the tasks of the business based on our strengths," says Ms. Abrams, a former small business consultant who describes herself as the nuts-and-bolts administrator. Her husband is in charge of anything that needs to be nailed, carried or painted. He also nurtures relationships with longtime vendors, who keep him informed about sales trends.

"The neighborhood is becoming more upscale, and we have to change with it," says Mr. Glimmer, who has a marketing background.

He and his wife cater to a core group of artists and crafters, who occupy about two-thirds of the market's 34 booths. Rental policies level the playing field by weeding out importers and limiting competition with craft categories. "Artists selling original work for \$15 each can't compete with someone selling mass-produced imports at \$5 each," says Ms. Abrams. The owners reserve the other third of the booths for new vendors.

MISSES

Absence was a mistake

When the couple had their first child last summer, they hired a manager and spent less time at the market. Attendance dropped, and several longtime vendors bailed. "Until then, we hadn't realized how crucial our personal involvement was," says Ms. Abrams. They recently hired a new manager.

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