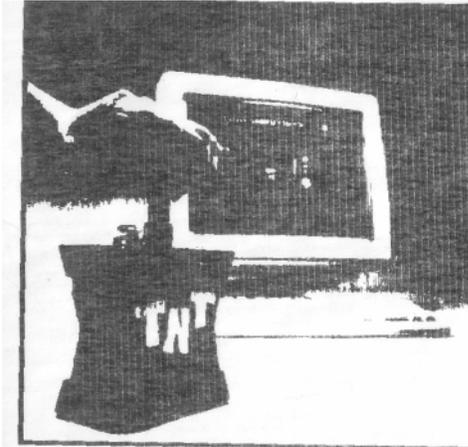


Money Woes Close Computer-Toys Publisher Creative Insights

CUPERTINO, CA — Creative Insights, a Silicon Valley start-up that tried to create a market for computer toys, has shut its doors after losing the support of its primary funding source.



The Detonator was one of Creative Insight's series of toys for computer users. It allowed you to "blow" items off your screen.

The company had just launched its line of computer-toy products, called ScreenToyz, and a computer-based piano-learning system at the May E3 trade show.

The end came after Creative Technology, the parent company of Creative Labs, took a \$5 million write-off on its investment in Creative Insights, and no other financing could be found. "We didn't find the venture capital community receptive to a second round of funding when it hadn't participated in the first," CEO Ed Esber said.

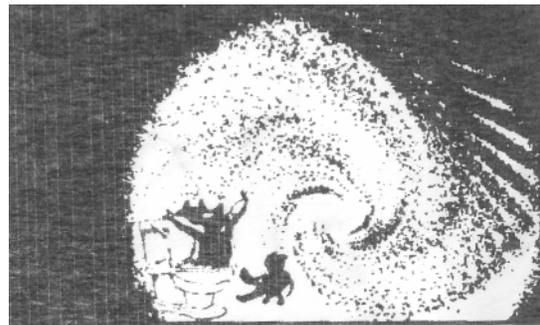
Creative Technology would not elaborate on its decision not to continue its investment in the firm, which was founded in March 1994 by an experienced industry group led by Esber, a former president of Creative Labs.

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Creative Insights had mainly based its business hopes on ScreenToyz, a line of zany computer peripheral/software packages that feature lookalike TNT detonators and toilets that can "blow up" or "flush" items off the computer screen.

The company's other product, a piano tutor, features a 49-note keyboard that plugs into the sound card's joystick port. The accompanying software instruction system contains 50 multimedia music lessons and several hundred melodies. Creative Insights adapted the program from Miracle Piano technology designed five years ago for Nintendo,

Creative Insights' original business plan had also included several multimedia software titles, but the company divested itself of that side of the business in late Spring. Esber said he hoped to find new homes for the existing products in time to take advantage of the all-important Christmas season.



Creative Insights had hoped to appeal to the Dumb and Dumber crowd with Latrina, which flushed your trash away.

---Anne Gregor

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