IMAX is shutting down its virtual reality arcade business for good

Virtual reality arcades were supposed to be one of the first, most convenient ways that expensive VR headgear would reach the masses – but IMAX, the highest-profile provider of VR arcades, has decided to throw in the towel. The large-format cinema company has officially announced that it will be shutting down its last three locations in Los Angeles, Bangkok and Toronto early next year, and is writing off its VR business as well.

That's according to *Variety*, which spotted the news in a SEC regulatory filing and got a more detailed statement from an IMAX spokeperson as well:

"With the launch of the IMAX VR centre pilot program our intention was to test a variety of different concepts and locations to determine which approaches work well. After a trial period with VR centres in multiplexes, we have decided to conclude the IMAX VR centre pilot program and close the remaining three locations in Q1 2019," reads the company's statement.

Every time I've asked VR headset maker HTC why it was certain virtual reality would go big over the past few years, IMAX's arcades would inevitably come up – and when we finally visited the first actual arcades in Los Angeles and in Toronto, we were actually pretty impressed with their potential to introduce people to the wonders of VR gaming.

But virtual reality hasn't had quite the introduction that

enthusiasts and investors had hoped — some might say it's stuck in the trough of irrelevance — and a number of companies have been scaling back their ambitions. VR film company Jaunt pivoted to augmented reality in October, Microsoft backed away from its promises to bring VR to the Xbox in June, camera maker Lytro shut down in March.

IMAX has been scaling back VR for a while now, actually. It canceled a VR camera project with Google in August, and shut down its other four arcades earlier this year.

Late last week, we heard that StarVR — which supplies headsets to IMAX — was shutting down its developer program due to an apparent bout of financial trouble and "uncertainties with our key overseas shareholder," according to *UploadVR.* It's not clear if those troubles pushed may have also pushed IMAX over the edge, vice versa, or if there's no relation — but it's an interesting coincidence.

https://www.theverge.com/2018/12/13/18139981/imax-virtual-reality-arcades-shut-down-write-off-los-angeles-bangkok-toronto