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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) January 18, 2002
(January 9, 2002)

ACTIVISION, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware	0-12699	95-4803544
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(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

3100 Ocean Park Blvd., Santa Monica, CA	90405
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(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code (310) 255-2000

(Former Name or Former Address, if Changed Since Last Report)

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Item 7. Financial Statements, Pro Forma Financial Statements and Exhibits.

(c) Exhibits.

99.1 Press release of Activision, Inc., dated January 14, 2002.

Item 9. Regulation FD Disclosure.

On January 14, 2002, Activision, Inc. issued a press release announcing its acquisition of the remaining outstanding 60% of capital stock of Gray Matter Interactive Studios, Inc., pursuant to its exercise of an option therefor, dated as of December 30, 1999, which press release is attached hereto as Exhibit 99.1.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 18, 2002

ACTIVISION, INC.

By: /s/ Brian G. Kelly

Name: Brian G. Kelly
Title: Co-Chairman

FOR IMMEDIATE RELEASE

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ACTIVISION ANNOUNCES ACQUISITION OF GRAY MATTER INTERACTIVE STUDIOS

Acquisition Further Bolsters Activision's Position as Leading Developer of First-Person Action Games

Santa Monica, CA - January 14, 2002 - Activision, Inc. (Nasdaq: ATVI) today announced that the company has exercised its option to acquire the remaining 60% equity interest in Gray Matter Interactive Studios Inc., the developer of Activision's holiday season blockbuster PC game, Return to Castle Wolfenstein(TM).

The acquisition of Gray Matter, combined with Activision's Raven Software studios, solidifies the company's industry leading position as a developer of first-person action games. Today's announcement, which follows Activision's recent acquisition of Treyarch Invention, LLC., further underscores the company's commitment to acquire high-quality entertainment software developers with proven technical and design talent.

"Activision has had a long-standing relationship with the principals at Gray Matter beginning in 1998 with the development of id Software's QUAKE II(TM) Mission Pack: The Reckoning(TM)," states Ron Doornink, President and COO of Activision, Inc. "Gray Matter's proven track record in creating some of the most memorable PC action games is aligned with Activision's strategy to acquire companies with a history of creating high-quality products which over time can enhance the company's financial operating model. Gray Matter has a very talented team of programmers, designers and artists and we are confident that the studio's development strengths will further establish Activision as a leader in the PC action genre."

Gray Matter Interactive Studios is an L.A.-based game developer founded by the top designers formerly from Xatrix Entertainment, the developer of such popular games as Redneck Rampage and Kingpin. Industry veteran Drew Markham has signed a long-term employment contract with Activision and will continue to manage Gray Matter studios. Additionally, key employees also have signed long-term employment contracts with Activision.

Under the terms of the agreement, Gray Matter Interactive Studios became a wholly owned subsidiary of Activision. Activision issued 133,690 shares of common stock in connection with the acquisition.

Activision does not expect this transaction to affect its previously announced revenue and earnings per share guidance for the fiscal year ended March 31, 2002 or for fiscal year 2003.

Headquartered in Santa Monica, California, Activision, Inc. is a leading worldwide developer, publisher and distributor of interactive entertainment and leisure products. Founded in 1979, Activision posted revenues of \$620 million for the fiscal year ended March 31, 2001.

Activision maintains operations in the U.S., Canada, the United Kingdom, France, Germany, Japan, Australia, and the Netherlands. More information about Activision and its products can be found on the company's World Wide Web site, which is located at www.activision.com.

The statements contained in this release that are not historical facts are "forward-looking statements." The Company cautions readers of this press release that a number of important factors could cause Activision's actual future results to differ materially from those expressed in any such forward-looking statements. These important factors, and other factors that could affect Activision, are described in the prospectus filed as part of the above-mentioned registration statement and in Activision's Annual Report on Form 10-K for the fiscal year ended March 31, 2001, which was filed with the United States Securities and Exchange Commission. Readers of this press release are referred to such filings.

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