



European  
Games Developer  
Federation

## **Brussels, June 21th 2010**

### **Game Developers and FI PPP**

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**ASSOCIATION OF DEVELOPERS: Trade Body, SME NGO**

Elaboration of mutual positions (technology, content)

Members: UK, AT, DE, FR, SE, DK, FI, NO, BE, NL, LU, ES, IT

The federation represents more than 600 studios, which together employ  
over 17000 people. All new jobs!

# Importance of Games

Games are cultural objects

DG Competition C 47/06 (ex N 648/05):

*“certain video games may constitute cultural products”*

Game development in Europe is an economic, cultural and technological challenge, because they are at the crossroad of three issues:

- Cultural diversity = democracy
- Economic development = jobs
- Technology = position

=> the innovation catalyst of information society

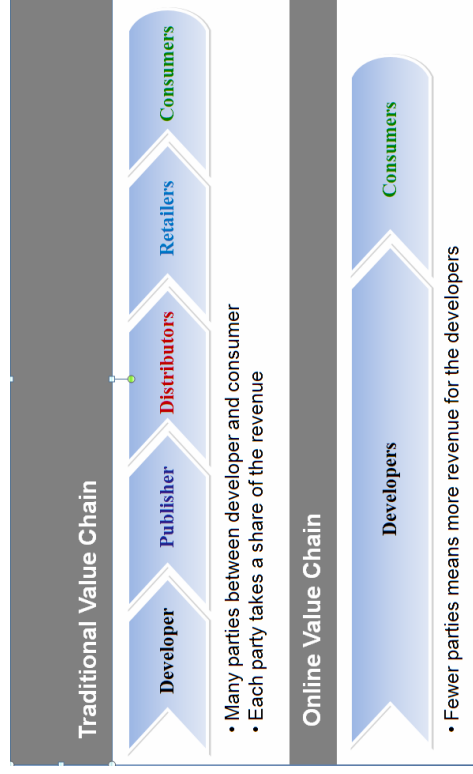
New piracy- proof opportunities:  
online & browser games

- Up to 123 Mio users
- New Business Models
  - Advergames in dot com boom
  - Client based „big online games“
  - Free to play - Item selling
- New ways of doing business
  - Allows adoption of alternative & multiple business models – e.g. dynamic in-game advertising, micro transactions and subscriptions.
  - Allows adoption of alternative content models– e.g. user generated content and episodic content
  - Allows content creators to build relationships directly with consumers and move up in the value chain

# Going online is effecting most of the trends in computer game industry

## Major trends

- Better stronger and faster **consoles** connected over internet
  - Boom of **online games**, e.g. casual games, MMORPGs etc. (not piracy-vulnerable)
  - **Virtual communities** connected with games become more and more vital
- Alongside with digitalization other trends are existing
- New human **interfaces**, e.g. Wii, DC, etc.



## which are changing

- supply and demand (business models)
  - value chain / value network
  - audiovisual medium services (linear - non linear)
  - Games will be **THE functioning interactive content in a 3D internet world**
- Boom of browser and online games (just a new hype ?)
  - Community as new shaper
  - Content aggregator is the new centre
  - They broaden now to digital content

# Make it open

## Major application scenario: Content

- involve creative industries and media from the beginning
- focus on the whole digital content production chain
- internet is not just about content management but also about developers and producers
- network, infrastructure, middleware(e.g. latency context), but server management technologies
- EGDF Role: Keep the content application layer open for creators: No new gatekeeper scenarios.
- Networked game development can be one of the main user scenarios
- platforms, HMI and games themselves.
- internet of today allows independent developers to communicate directly with the consumer: good for Europe
- Another aspect: scenarios like energy, transport, logistics, and health: scenarios for applied games (also called serious games).
- Special attention: health related computer games

## Functionality:

- Reliability and pan-European speed of the network for large volumes of data in real time.
- Crossover: Cloud computing, mobile services and online services, large databases, low latency.
- Games have contributed in the past to the development of computer hardware worldwide more than any other application.
- Games = most demanding mass-application for computer hardware and they will be in the future.
- Development of microchips inside, graphic cards, deeply related to the more and more demanding architecture of modern computer games.
- approach spreads to networks themselves => indicator for innovation on computer based systems and networks.
- Connect mobile and online services with the cloud in a real time -level in a non-discriminatory way.

## Make it realistic

- Fast and reliable networks for securely stream or distribute large amounts of data / content across Europe.
- Trend towards cloud computing continues, eco-system surrounding the online games (personal security, payments systems).
- Open application: Not too much linked and twisted into test beds, but also tested as mass- application.
- Not hiding from reality !
- Standardization is useful, but not lock in effects:  
Generic enablers must be acceptable from an open community in a real context.
- Related to technology but also with business models and platform policy:  
Listen to those, who create the content.
- Computer games are the test scenario itself.
- Reality check: Games & mix up of game technology - linear media in internet context.
- Also consoles and on portable devices (HMI)
- Allow a mindset where one can expect, and should adapt for, many new (as of now unknown) applications.
- Open for existing pipe-lines for testing their own content:  
Keep it open, keep it realistic
- Game Developers need good support programs: Online is the biggest chance to date in the history of European gaming

# Make it fun

- EGDF: Trust- holder of the independent and in the most cases content driven SME's
- THEY are the main driver of the internet: Technological and cultural changes through new services and business models beyond existing hierarchical structures.
- From the entrepreneurs perspective: Keep the pace going, which is made possible by many small entities, rather than few large ones.
- Therefore end-user aspects as entertainment and fun of users are not to be underestimated as drivers of innovation : They must be in the very center of the future internet.
- Developed elements (as generic enablers) must not be used in the long run as tools to gate keep European SMEs for business purposes.
- Keep innovation open and healthy during the development of this public private partnership.
- Keeping game developers in the center of the future internet PPP is a cornerstone of implementing a user centric approach.

Early users of professional services and know and sense probably more and better what the users need as they are more than others depending on the users joy only.

- EGDF: Phase 1: Definition of the basic principles, governance models and key setups from the perspective in trusteeship for the content driven SME's.
  - Steering group also to support relevant user areas from a game developer's perspective.
  - Especially it is about preparing the setup of phase 3 – the application scenarios.
- EGDF: Phase 3: Several application scenarios from a game developer perspective.
  - Therefore EDGF is prepared to participate in a respective support action now.
  - Games are apt as representatives for drivers of – sometimes - destructive innovation and many other content and application layers can learn from the game industry, its technology and business models.
- The EGDF's voice should therefore be involved also in the think tank activity.