



**European
Game Developers
Federation**

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European Game Developer Federation

www.egdf.eu

Malte Behrmann, General Secretary

Members:

(UK) TIGA: <http://tiga.org/>

(AT) & (DE) GAME: www.game-bundesverband.de

(FR) APOM: <http://www.apom-france.org/>

(SE) Spelplan-ASGD: <http://spelplan.se/>

(DK) Producentforeningen: <http://www.pro-f.dk>

(FI) Neogames: <http://www.neogames.fi/>

(Be) & (NL) BgIn: www.BGIN.org

The federation represents more than 500 studios based in Austria, Belgium, Germany, Great Britain, France, Italy, the Netherlands, and the Nordic Countries, which together employ over 15,500 people.

European Game Developer Federation: EGDF (www.egdf.net)

- ASSOCIATION OF DEVELOPERS:
Trade Body & SME NGO
- Representation of interests in Brussels as European association of developers
- Best Practice exchange
- Elaboration of mutual positions (technology, content)
- Special programs and technology platforms
www.nem-initiative.org

Importance of Games

Game development in Europe is an economic, cultural and technological challenge.

That means games are important as they are at the crossroads of three issues:

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

=> Innovation catalyst in the information society

Culture: Games are culture

- In France this is less an issue, but it is in the rest of Europe:
Examples: Germany, Britain, Norway
- Impact on society is growing => positive attitude is important to integrate games into the regulation and support initiatives of the information society.
- Nevertheless: French Tax credit case is important for Europe
- Games as international culture
 - Dynamic definition of culture (ongoing process)
 - Development in civilisation of human kind
 - Does culture always need public funding ?
- Games as national culture
 - Is there something as a French game, a German game ?
 - Yes: Genre, colours, identification of the creative with environment

Games: An economic factor ?

- One of the few growing sectors, but off line publisher & console deadlock from developer p.o.v.
 - Content economy: Traditionally hit – driven: Network & Feedback effects, so it is here.
 - Network effects and economies of scale:
 - Very few projects reach out to international marketing
 - clear genre orientation and international stereotypes
 - Production costs are rising quickly
 - Creative industries: European developers face international competition from funded game production economies: Canada, Singapur, etc.
- ⇒ Despite the growth independent development becomes more difficult

Games: Key technology in ICT

Development Technologies

- Vital for Europe:
Technology for content creation
- Tools for the creation of content e.g.:
 - Middleware
 - Procedural content
 - Tools
- Standardisation and interoperability
 - data formats
 - software interfaces
 - Flexibility and adaptability

Borders are blurring

- Today: Content funding much smaller, than the funding for technology.
- Traditional view: Content is not technology
- But: : Innovation and R&D only for “machines” ?
- See “You tube”
- invisible interface :
 - New combination of knowledge and sources
 - Creation of content is technology - related
- Elements of innovation:
Technology & Content &
Business model

Who drives? Content or Technology

- Content is driven and drives equally: Interdependence !
 - Analogue world: Content follows the technology
 - Digital world: Technology follows the content
- Content creation in the converged audiovisual arena:
 - Artificial Reality: Games, animation, postproduction, special effects
 - Live action: Capturing of reality, delivery of images, digitalisation of photography
- Content drives Technology
 - „empty pipe syndrome“
 - Telecommunication services and content sellers use the same technical basis
 - Early adapters define content and shape thereby also the technology
- Example Music industry: Effect of digitalization on content
 - Democratization of tools for production
 - transaction costs sink
 - Pipes die, content survives
 - The long tail

Games in the middle convergence

- Chance for European Game Industry !
- Convergence ?
it is happening now – surprise !
- It might be called today
“Distributability in the Internet Protocol” (“IPTV”, IPhonie”)
- This changes
 - supply and demand (business models)
 - value chain / value network
 - audiovisual medium services (linear - non linear)
- Content sometimes seen as service: But it is more:
- Games are THE functioning interactive content in a 3D internet world
 - Boom of browser & online games (just a new hype ?)
 - Community as new shaper
 - Content aggregator is the new centre
 - On-line Games are (beside TV-Shopping & Call in TV) the only one real time-back-channel content.
 - They broaden now to digital content

Online Games - Online Content

Online games are not so piracy
– related as off line (contrary
to music) : Service is there

Historical development

- Advergaming in dot com boom
 - Client based subscription „big online games“
 - PPDownload.: Mobile
 - Browser based – free to play: Item selling works now
 - In a few years 50%
- Online Content Distribution. has grown => opportunities for opening up the market for new, creative, quality driven and European content
 - DRM systems more political and economical than technical.
 - Risk: leverage barriers-to-entry and key strategic positions in offline distribution systems, perpetuating them into the era of online distribution.
 - interoperable proprietary solutions, that compete and provide reliable DRM protection at the same time, is not very realistic.
 - Only open and free standards will make a difference to the SME's that produce content and offer it for direct distribution online.
 - Necessary reliable, open, and free end-to-end scenario

Consequences

- Industry moves in a new IP-coined field
- European initiatives face world-wide de facto standardization
- What does this mean for games
 - **Culturally:** Game definition blurs (how much virtual world is still a game ?)
 - **Economic:** Get out of the deadlock ? But: Liberation means responsibility
 - **Technological** (interest of network economies, middleware networks)

Games as technology driver in converging media

- Community driven business models
- Integral copy protection
- Server and network technology development
- New content paradigms in the 3D-Internet (Alternate Reality)
- Expansion by platform via Games (Console goes network)

Any questions left ?

Email to

Malte.Behrmann@egdf.eu

Thank you !