

Video Games Classification: a consultation Response by Disney Interactive Studios

Disney Interactive Studios is a line of business within the Disney Interactive Media Group of the Walt Disney Company Limited. We have offices based in London and Brighton employing over 250 people in the UK across publishing and development. We commission a good number of the games that we published – many with independent UK developers – for example Pirates of the Caribbean At World's End was developed by a third party in Derby, The Chronicles of Narnia: Prince Caspian in Cheshire. We also act as a licensor working with third party publishers to create games using Disney properties. The UK remains a key market for future opportunity for sales and development investment. Disney Interactive Studios also publishes mobile content and games, while Disney Interactive Media Group also publishes the Disney.co.uk website, publishes online games and virtual worlds, such as the forthcoming www.DisneyFairies.com.

Disney Interactive Studios takes an active role in the publishers associations around the world – with board members on the US, European and the UK associations. As a company keenly sensitive to our “family” position – appropriate product information and age ratings for interactive content are priority issues for our company in all markets.

As a member of ELSPA, we fully support the submission that they are making to this consultation in favour of Option 3. We agree that the UK should now adopt PEGI and PEGI Online as the single age rating system for games.

As games are increasingly available and played online, the UK should take the opportunity to update and future-proof its age rating system. A UK-only rating is out of step with what is happening elsewhere in Europe and will potentially cause more confusion and cost to the disadvantage of UK consumers and business. PEGI and PEGI Online provide pan-European coverage and represent a safe, successful and strong system for classifying age-related content.

Over recent months PEGI has undergone further significant improvements which clarify the ratings and make it easier for parents and children to understand game content. We believe these improvements add to the protection PEGI offers to children playing online. PEGI is also “future-proof”, since it has the flexibility, scalability and efficiency to allow it to cope with enormous increases in online gaming that the industry expects to see in coming years.

PEGI also delivers better understanding of the game-playing experience and the ratings challenges this presents. Finally, from the perspective of my business, PEGI's widespread coverage and acceptance offers greater opportunities for us to publish high quality games across the large European market.

We agree with the detailed arguments contained in the ELSPA submission. However, I wanted to add some further detail on the specific questions you ask as they relate directly to my company:

Q26: What are the likely implications (including costs) for games producers of having a BBFC classification system that does not automatically translate across to some other European countries?

Dual regulation currently exists in the UK and we have a number of products which carry BBFC ratings due to the inclusion of linear content not directly related to the game or because they have been self-regulated rated as a 16+ or 18+ PEGI and come to BBFC as part of our voluntary code.

The system has been made to work but involves:

1. Necessity for specific training on rating guidelines to international and regional colleagues who manage product development and materials creations – many of whom do not spend more than a tiny % of their work time focused on the UK.
2. Creation of additional materials and skus on all product elements – firstly provision in advance of ratings, and then formally after rating, which often happens very late in the process. Examples include sales sheets, posters, point of sale at retail, etc.
3. Difficulties to move product freely through the European Union due to rating incompatibility adds cost to inventory stock management and create inefficiencies through interruption of supply or situations of overstock. For other territories, particularly emerging markets, who rely on English language stock – and for which availability in low volumes is crucial to the development of these local markets – they may find their costs increased.
4. There are constraints in manufacturing that a delay in the rating process may cause us to impact production windows – the nature of the game industry is “just-in-time” from code completion to market shelf - means that production must be done by “first party” – any unique or additional step in a process opens up risks. As large investments are already made in retailer environments and media – this could create additional marketing costs. The cost of a missed street date can be significant if it is seasonally or time-dependently sensitive (ie. associated event such as a film release).
5. Additional fees in ratings – in any one title costs are not major – but when accumulated across all product lines – the cost could be the equivalent of 1-2 salaries in our organisation.

Q41: Do you think the PEGI-only option would be more or less costly to the games industry than both the current system and the hybrid system and if so what evidence do you have of this?

PEGI only would be less costly – based on some of the points raised in Q40, namely:

1. Fees
2. Additional time & training on regional/international colleagues – opportunity cost
3. Additional creation of materials and artwork (time, materials, printing)
4. Impact on street dates caused by delays for specific issues raised by rating
5. Any costs relating to errors caused by not understanding a UK only system v a unified regional system

Q44: It would be helpful to have your views on whether the PEGI option would affect games developers based outside Europe, such as those in Japan or US; namely, how this option might affect them and the extent, if any, to which it may affect them.

All costs incurred by publishers ultimately work back to the product budgets or shareholders. There is likely to be impact on all development groups by increasing the complexity of bringing products to market and associated costs in labelling specifically for a single territory. PEGI would benefit our developers as they would target a single minimum standard of content across the region rather than looking for the lowest common denominator amongst a pocket of territory guidelines.

PEGI’s large experience and long history of ratings provides a consistent benchmark on which game creators can develop content in context.

Yours Faithfully,

Matt Carroll
 Country Director UK
 Disney Interactive Studios
 Division of The Walt Disney Company Limited