



Microsoft's Submission to the Government's consultation on: Video Games Classification

Introduction

Microsoft welcomes the opportunity to respond to this consultation. Like the Byron Report itself, this is a timely and important review.

Our consultation response will outline in detail our position in relation to the most appropriate classification system for the UK, as well as our views on the three alternative systems outlined in the DCMS consultation document. In an effort to provide as much information and detail to the review team as possible we have, in addition, completed the question template provided.

Summary

Microsoft believes strongly in age-appropriate gaming. We are committed to helping provide an environment in which everyone can safely enjoy the benefits of digital and interactive entertainment. Microsoft believes that the most important issue to be considered when addressing age classification is that of child safety. In considering child safety, we believe that parents are best placed to determine what is appropriate for their children. But, crucially, parents can only do that if they are given the information they need to make informed choices about age appropriate activity, and the tools to enforce those choices.

It is for these reasons that we strongly support an effective, enforceable, and consumer-friendly classification system for video games in the United Kingdom. Indeed Microsoft's range of parental control technologies work precisely by using the age rating which has been given to an individual game. Windows Vista, Windows LIVE, Xbox 360 and Xbox LIVE all contain parental control technology, called 'Family Settings' which allow parents to control the types of games they would like their children to play, and the length of time they play them.

We have looked closely at the four alternative classification systems outlined in the DCMS Consultation Document:

- Option 1: Hybrid Classification System
- Option 2: Enhanced BBFC System
- Option 3: Enhanced PEGI System
- Option 4: Voluntary Code of Practice

Having done so, we feel that the only classification system which is robust and workable enough to promote child safety and genuinely give parents the information they need to decide what types of games they wish their children to play – now and in the future – is a single **Enhanced PEGI System**.



It is our belief that child safety will be diminished with anything other than an enhanced single PEGI classification system for both online and offline gaming.

PEGI has a number of crucial strengths:

- PEGI was designed by gaming specialists in consultation with psychologists, child development experts, parents and consumer groups
- PEGI has the greatest ability to rate online games. PEGI online is already established and working effectively. The ability to effectively rate online games is increasingly important as more and more children are now playing games online rather than playing traditional offline games. Unlike BBFC, PEGI has been developed to meet the demands of the quickly evolving and innovative world of online interactive entertainment
- PEGI is used in 29 different countries: in a globalised economy where consumers can purchase games in many different countries – and play online across borders – it is crucial to have an age rating system which is consistent across markets. PEGI has actually awarded many games a more cautious age rating than BBFC; therefore providing heightened child protection over and above other systems

In the longer term, we also feel that choosing any classification system other than PEGI will have a detrimental effect on the ability of the video games industry, including Microsoft, to continue to deliver state of the art parental control technologies. In our view undermining PEGI in the UK will lead to other European countries developing their own national systems. If the industry is faced with numerous different systems across so many markets, it will be required to focus disproportionately on ensuring that each country's ratings system is compatible with its technology rather than focusing on the further development of more sophisticated parental controls. We accept that the current PEGI system is not perfect – no system is - but PEGI is being enhanced to ensure that it comprehensively meets, and even exceeds, the essential requirements set out by the Government in section 1.22 of the formal consultation document.

Enhanced PEGI System

As outlined in the summary above, Microsoft strongly believes that an enhanced single PEGI classification system is the most robust and workable age rating framework for the United Kingdom.

Microsoft agrees with the Byron Review finding that the current hybrid system in the UK is confusing for some consumers, and we believe that a single system will address that confusion and allow more focus. It will also be easier to communicate such a system to consumers in any future public information campaign that may be envisaged.

We understand that the Internet and Software Federation of Europe (ISFE) Board, which runs PEGI, has conducted a thorough review to ensure it is completely fit for purpose as a single classification system in the United Kingdom. The review is leading them to implement a number of crucial improvements to PEGI. The new PEGI system will ensure that existing strengths are enhanced and

any issues which have been raised fundamentally addressed. We understand that changes incorporated into the enhanced PEGI system will include the following:

- A new PEGI (not for profit) organisation will be formed and ISFE hand over the PEGI management functions it currently performs. PEGI will be a stand-alone organisation, not just a system
- A new, public, PEGI code of conduct and sanctions has been developed and will be enforced. They will now include heavy fines of up to 500,00 Euros, and other penalties
- All full games will be reviewed by the PEGI administrator before release, including the 3 and 7 rated games
- PEGI rating logos will be updated to ensure that they are clearer for consumers. The game rating logos have been strengthened and will use a 'traffic light' system of colouring to differentiate more clearly between the ratings
- PEGI descriptors will be improved to more clearly show the content of a game which has determined its rating. Each content descriptor pictogram will include a one word explanation of the descriptor in the language of the box. This will educate the consumer as to the meaning of the pictograms
- The provision of written consumer advice on games packs if required in the UK

Microsoft believes that the enhanced PEGI system directly meets eight of the nine essential elements for any UK classification system outlined in the Byron Review and highlighted in the formal documentation for this consultation. The ninth element can be easily addressed by another body as we have set out below. The nine essential elements are:

- *There must be a trustworthy, uniform and clear set of symbols or labels to categorise the age ratings with accompanying descriptors which explain game content*

The PEGI system includes both an age rating and a series of content descriptors with symbols explaining to parents why a game has been given a particular rating, for example a game may be given a higher age rating because it contains bad language or violence.

Whilst the PEGI system perfectly meets the Government's expectations in terms of labelling; we, and many of our colleagues in the gaming industry, believe that the symbols currently used can still be improved to ensure that they are even more clear and informative for consumers.

As already outlined, ISFE has developed, and is currently fine-tuning, updated age rating logos and content descriptors to ensure that they are as informative and focused on consumer need as possible.

- *There must be the power to refuse to certify certain titles so they cannot be sold (or supplied) in the UK*

PEGI in itself does not have this power. However, Microsoft supports the Government's wish to retain such a power and believes there are potentially a number of UK authorities who could perform this function. The Video Standards Council (VSC), for example, or another, similar, body could have this role.

- *There must be a statutory basis to the video game classification system from the age of 12 onwards*

Microsoft understands the reasoning which led Dr Byron to favour a statutory classification system for games rated 12 and above. We believe that the PEGI system can, and should, be enforced for games with a 12 and over rating.

As the Government is the expert law maker, we are keen to listen to its view on whether this should be implemented through a statutory or voluntary approach. Microsoft believes that the Government should look at how both options could work and weigh up which one can work well and be delivered most quickly and easily. Both have advantages and disadvantages.

A statutory approach is obviously final and carries the weight of law behind it but could take time to introduce and carries the risk of becoming out of date. Whilst a voluntary scheme is more flexible it needs broad buy-in from the industry and retail with a code of practice and strong penalties for digression.

Microsoft would be prepared to work within either a statutory or voluntary framework and look forward to hearing from the Government on this point.

- *There should continue to be a non-statutory system up to the age of 12*

Microsoft agrees with this being an important element of any new system. Again, an enhanced single PEGI age rating system can reflect this.

- *Any system must be flexible and future proof*

We believe profoundly that PEGI is the only system able to reflect the changing nature of video game play and development. PEGI's flexibility stems from the fact that it was designed by, and is managed by, people with an expertise in gaming – unlike BBFC.

In addition, one of PEGI's most important features is its capacity to rate games played online. As the number of online gamers is forecast to grow significantly, PEGI is the only classification system ideally placed to meet the challenges of the future in this important area.

PEGI Online has been specifically developed to address the demanding internet environment, the interactive nature of video games and the intensity of experience that this combination can create.

The system must work for the games industry

Microsoft does not seek to represent the views of the entire games industry. Nevertheless, our ongoing conversations with partners, publishers and developers lead us to believe that there is

overwhelming industry backing for a single PEGI classification system. Microsoft also believes that a single BBFC system would present real problems for industry and actually hamper the promotion of child safety and parental awareness.

We believe that the only system which genuinely works in the context of promoting child safety, and for us as a business, is a single enhanced PEGI system. As we have said in previous sections of our submission, PEGI:

- Allows us to continue developing gold-standard parental control technology on and off-line
- Gives parents a clear and consistent classification system across 29 countries
- Allows rigorous classification of gaming online

▪ *The system must support retailers*

We do not doubt that retailers will contribute to this consultation and we do not seek to speak for them. Nonetheless we do believe that an enhanced PEGI system with one set of age ratings and content descriptors will help consumers, particularly parents, make informed decisions at the point of sale. It will also help retail sales staff by giving them one clear consistent set of rules and a clear framework within which to operate. For many UK based retailers with outlets across Europe it ensures one training programme for store staff, one set of age ratings at point of sale for stores, and saves UK retailers time and money by allowing stock to be used in multiple countries

▪ *The system must reflect the evidence on potential harm*

Microsoft believes that an enhanced single PEGI system will comprehensively reflect the evidence on potential harm.

As we have said before in this submission, we believe that one of PEGI's most important strengths is its online capability. A system which did not involve that expertise would lead to reduced protection online, exposing children to potential harm. PEGI rules apply equally to online games as to packaged products and, together with PEGI Online, make the online gameplay experience safer for all consumers.

▪ *Government and the industry must take into account how the system will translate into online gaming*

The future of computer gaming is increasingly to be played, and purchased, online. UK consumers buying or playing games online do so under the PEGI system, in common with gamers right across Europe.

PEGI's superior online capability is particularly crucial when you consider that BBFC have actually rated a substantial proportion of games sold in the UK less cautiously than PEGI. Our understanding is that, under the current system, of the fifty games rated '18' by PEGI in 2007 and submitted for re-rating under BBFC, twenty had their rating lowered to '15' by BBFC. Even more worryingly, a further two PEGI '18' games were reduced to a '12' rating by BBFC.

Microsoft is extremely concerned that this could lead to a potential situation in which a child in the UK is playing a BBFC '12' or '15' rated game online with an 18 year old in mainland Europe, where the game has received a higher PEGI classification; potentially exposing that child to material and behaviour which is inappropriate.

Alternative Systems

As well as the single PEGI system, there are three other alternative systems outlined in the consultation documentation. Microsoft believes that these systems are substantially less able to meet the challenges that the Byron Review highlighted. Below, we have sought to give some detail on why that is. In addition, we have sought to complete the question template provided by the consultation team. We hope this provides you with a comprehensive understanding of Microsoft's position on all of the key issues.

Enhanced BBFC System

Microsoft believes that a single BBFC classification system will be detrimental to the promotion of child safety and age appropriate gaming in the United Kingdom.

We understand that there are those who favour a BBFC system, mainly as a result of the higher recognition of their logos rating films. Nevertheless, we believe that this perceived advantage is superficial and that, fundamentally, it is not a system well equipped to meet the needs of child protection as outlined in the Byron Review.

The BBFC is a specialist film classifier. It has no expertise in gaming, or heritage in the gaming industry. A single BBFC system will:

- Result in decreased child protection online – BBFC has much less expertise or capacity in online gaming. Given that we expect there to be substantial growth in gaming online in the future, this remains a serious concern for Microsoft
- Potentially expose children to risk online – in a substantial number of instances BBFC has awarded the same game a lower rating than PEGI; that is to say in some instances a PEGI '18' game has been given a '15', or even a '12', rating by BBFC

If this were to happen with a game which is available to be played online it could result in a situation where a child playing a BBFC '12' rated game in the UK would be encountering adults playing the same game, rated '18' through PEGI in mainland Europe. Those adults would have reason to assume they are playing with other adults, thereby potentially exposing the British child to content and behaviour that is inappropriate

- Undermine PEGI throughout the other 28 markets where it is used – over time this could result in myriad classification systems around Europe. In a globalised market where games can be purchased in many different countries, and online, this would be extremely confusing for parents and consumers
- Harm the further development of gold-standard parental controls – by undermining PEGI and potentially causing other European countries to develop their own individual systems, the games industry will be forced to focus disproportionately on ensuring that each country's ratings system is compatible with its technology rather than focusing on the further development of more sophisticated parental controls

Hybrid Classification System

Microsoft believes that the continuation of a hybrid classification system will be confusing for parents and consumers more generally. Clear and consistent labelling is critical to a system that is supposed to convey important information to parents, and consumers more generally. This option comprehensively fails to achieve this. Dr Byron correctly identified that the existing hybrid system is flawed as a result of its lack of clarity in this regard.

We welcomed the excellent work that Dr Byron and her team did in producing a comprehensive and important report. Nevertheless, we do not believe that Dr Byron's recommended hybrid classification system represents the best option for enhancing child safety and giving parents the clear and comprehensive information they need to make what they consider to be appropriate choices for their children.

We feel that any hybrid system will have a number of serious disadvantages over a clear and robust single PEGI system. These include:

- General consumer, and specific parental, confusion over the meaning of the various different logos and descriptors on the front and back of games packaging
- Difficulty in communicating information about a hybrid system clearly and easily to consumers
- A continued lack of sufficient child protection online
- A confusing and false distinction between the rating of on and off-line games

Voluntary Code of Practice

In our opinion, a voluntary code of practice based on the existing hybrid system would suffer from the key problems outlined above in our comments on the Hybrid Classification System.

Conclusion

Microsoft is grateful to have the opportunity to submit our views to this important consultation.


We entirely support the Government's aim, expressed in its response to the findings of the Byron Review, of reviewing the UK classification system to enhance its ability to protect children playing video games and to provide their parents, and consumers more generally, with the clarity and information they need to make appropriate choices.

We believe that only an enhanced PEGI classification system can genuinely meet these challenge and the further challenges posed by future developments in the gaming industry.

In summary, we believe the case for an enhanced single PEGI classification system to be overwhelming:

- *Only PEGI fully protects children on and off-line*
- *Only PEGI is future proof*
- *Only PEGI has the power to prevent games publishers distributing unsuitable content to children*
- *Only PEGI fully assesses all game content*
- *Only PEGI has a credible online capability*

If you have any questions about this submission, or require any further information, please contact:

Paul Morris, Head of Government Affairs, 



Video Games Consultation Questions

You are invited to comment on any aspect of the consultation document. However, you may find it useful to refer to the questions below, which cover the main points on which we would particularly welcome views. Please be as specific and detailed as possible in your response.

The consultation will run from 31 July 2008 to 20 November 2008

How to respond

Consultation responses can be emailed to gamesclassification@culture.gsi.gov.uk or you can send your hard copy to:

VIDEO GAMES CLASSIFICATION
DEPARTMENT FOR CULTURE, MEDIA AND SPORT
2-4 COCKSPUR STREET
LONDON SW1Y 5DH

Option specific questions

The Government seeks answers to particular aspects of the specific options put forward in the consultation document.

Option 1 Hybrid classification system

The BBFC would rate all games that are 12+ or higher, with PEGI continuing to rate all 3+ and 7+ games.

The BBFC logos would appear on the front of all boxes, with the PEGI logos on the back.

This system will work best if BBFC and PEGI come to an agreement on their logos and age classifications so that a more integrated approach can be adopted. The BBFC would extend its statutory powers to cover games from 12+, bringing it into line with the classification system used for DVDs/videos and building on parental awareness and understanding of what those ratings mean.

How to use the form

Type inside the shaded areas which will expand automatically to accommodate your answers

Q1: What is your overall assessment of whether this option would work and why?

Microsoft believes that a hybrid classification system will continue to be confusing for parents, and consumers more generally, requiring them to have an awareness of two sets of logos and content descriptors.

PEGI has expertise in gaming and understands the interactive nature of games. It therefore assesses every aspect of the game when deciding a rating. In contrast, BBFC tests only parts of games, viewing them as linear media. This can lead to two, different, ratings on the same box.

We also feel that the hybrid system as envisaged in the consultation documentation would continue to create a false distinction between gaming on and off-line and entrench a lack of sufficient child protection online.

Q2: What are the key flaws with this option and how could it be adapted to overcome them?

The Byron Review clearly recognised the disadvantages of a hybrid rating system. We feel that these key flaws are:

- consumer confusion
- difficulty in communicating a hybrid system to consumers
- differentiation between online and offline classification

We do not feel that these flaws can be easily overcome and would be reinforced by another, albeit slightly different, hybrid system.

Clearly a substantial and easy-to-understand public awareness campaign would be needed to explain something of this complex nature with two systems used (BBFC and PEGI), different age ratings and content descriptors, and different on and off-line ratings and systems.

Q3: What are the key advantages with this option and why?

Microsoft does not favour this hybrid model and does not believe that it has advantages over other systems.

Q4: How do you think this system would work for the following key stakeholders:

<p>(i) the consumer?</p> <p>This system would be confusing for consumers. We understand that one of the Government's motivations in looking again at the UK classification system was as a result of low consumer understanding of the existing hybrid system. Therefore to simply replace one hybrid with another, slightly amended, hybrid does not appear to address this concern.</p>
<p>(ii) the games industry?</p> <p>Whilst the superficial advantage of this system for the games industry is that it requires less change than either of the single system models envisaged, we nevertheless believe this is outweighed by benefits Microsoft feel would be derived from an enhanced single PEGI system.</p>
<p>(iii) the retail industry?</p> <p>We cannot speak on behalf of the retail sector. Nevertheless, we understand that retailers are looking for a system which provides clarity for consumers at the point of sale. We do not believe that a hybrid system does this.</p>
<p>Q5: What suggestions do you have to improve the system for any of the key stakeholders?</p>
<p>None.</p>
<p>Q6: Do you think this system addresses the evidence on potential harms raised by the Byron review and if not why not?</p>
<p>Microsoft believes the confusing nature of a hybrid system means that there is a greater risk of children being exposed to inappropriate material than with a clear, enforcable, enhanced PEGI system.</p> <p>We do not feel that a hybrid system adequately addresses the challenges posed by the growth in online gaming. PEGI is the system with the best ability to cope with the growth in online gaming and it's expertise is best leveraged as part of a single classification system across the board.</p> <p>Extending BBFC ratings downwards to 12+, as envisaged under this hybrid model, would increase the number of games which we believe would be inappropriately rated in the UK because BBFC's linear ratings approach tends to give lower age ratings to games than PEGI's system.</p>
<p>Q7: How do you think this system will last into the future?</p>

<p>Poorly. The difficulty with a hybrid system of this nature is that it creates something of a false distinction between online and offline classification. The enormous growth in gaming online in the future means that a clear, consistent and enforceable PEGI age rating is the only realistic means of future proofing the system.</p>
<p>Q8: Do you think this option would work in the online environment?</p>
<p>(i) If so, what would be the benefits?</p> <p>We do not believe this option works well in an online environment</p>
<p>(ii) If not, what would be the problems and do you have any solutions?</p> <p>We do not feel that this hybrid model is the most appropriate mechanism for classification online.</p>
<p>Q9: Is there any other information that you think Government should take into account when considering the monetary costs of this option?</p>
<p>Microsoft does not feel that monetary implications are the most important consideration here. Our objections to the hybrid model are based on its confusing nature which lessens its ability to ensure the best possible child protection.</p>
<p>Q10: Do you think having different age classifications on the front and back of the box is a significant problem? If so, do you think the solution offered here is the right one or can you suggest an alternative?</p>
<p>Microsoft believes that different age classification logos, from different bodies, on the front and back of boxes is not the ideal mechanism for addressing consumer confusion caused by the existing hybrid system.</p>
<p>Q11: Do you think this option would be more or less costly to the games industry and if so what evidence do you have of this?</p>
<p>Microsoft does not feel that monetary implications are the most important consideration here. Our objections to the hybrid model are based on its confusing nature which lessens its ability to ensure the best possible child protection..</p>
<p>Q12: What are the likely implications (including costs) for games producers of having a classification system that does not automatically translate across to some other European countries?</p>
<p>Games are usually developed to appeal to a particular age group, so games producers try to ensure that the game will be rated at a level appropriate to</p>

that audience. The more ratings systems there are, the more complicated that process.
Q13: It would be helpful to have your views on whether this 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.
As above.
Q14: What do you think should be the determining factors or characteristics in deciding whether a game becomes subject to statutory classification at 12+? [see following section]
Microsoft supports the criteria established by PEGI for all age ratings, including the existing '12' category.

What are the criteria for deciding on a 12+ game?

Dr Byron recommends that statutory classification should be extended to include games rated 12+ and above. She arrived at this conclusion through her review of the research on child development, which shows that younger children have less ability to distinguish between fantasy and reality than more mature children. She also found both parents and children were worried and confused about gaming classification, and feels a system from 12+ backed by the law would give parents, children and retailers more confidence in the system, as well as protecting children from potentially harmful material. Children themselves gave evidence about trying to explain to their parents why younger siblings (particularly little brothers) should not play age-inappropriate games.

The review says the definition of what would constitute a 12+ game in law would have to be considered through public consultation but could broadly reflect the existing ratings. Dr Byron's example is that 12+ could incorporate games with more graphic violence, some nudity in a sexual context and some bad language.

The BBFC 12 classification for DVDs/videos says:

- Mature themes are acceptable but their treatment must be suitable for young teenagers.
- The use of strong language must be infrequent. Racist abuse is of particular concern.
- Nudity is allowed, but in a sexual context must be brief and discreet.

- Sexual activity may be implied. Sex references may reflect what is likely to be familiar to most adolescents but should not go beyond what is suitable for them.
- Violence must not dwell on detail. There should be no emphasis on injuries or blood. Sexual violence may only be implied or briefly and discreetly indicated.
- Dangerous techniques (e.g. combat, hanging, suicide and self-harming) should not dwell on imitable detail or appear pain or harm free. Easily accessible weapons should not be glamorised.
- Sustained moderate threat and menace are permitted. Occasional gory moments only.
- Any misuse of drugs must be infrequent and should not be glamorized or instructional.

These are refined still further when the BBFC classifies video games because of the likelihood of greater offence emerging through interactivity, including the different ways gamers may play games.

The PEGI 12+ classification can include:

- Violence of a slightly more graphic nature than 3+ and 7+, if it is towards fantasy characters (any violence towards human looking characters or recognizable animals should still be non-graphic).
- Nudity of a slightly more graphic nature than 3+ and 7+ (but still must not show genitalia).
- Some words amounting to sexual innuendo (but not in a form that is considered 'bad language').
- Mild bad language, which falls short of sexual expletives.
- Obvious innuendo of sexual activity even though the couple cannot be seen or clearly seen.

Option 2 – Enhanced BBFC system

The BBFC would act as the statutory classifications body for all video games, applying its ratings from U to 18. It would retain its power to refuse to classify games it feels are potentially harmful based on its public consultations.

Q15: What is your overall assessment of whether this option would work

and why?

Microsoft strongly believes that a single BBFC classification system will be detrimental to child safety and the promotion of age appropriate gaming in the United Kingdom. We oppose a single BBFC system for a number of reasons:

- A single BBFC system creates a false distinction between physical product rating in the UK and the Europe-wide PEGI and PEGI Online system
- BBFC is not sufficiently able to adapt to the changing nature of online gaming. BBFC is slow and under-skilled when compared to PEGI in this regard and will struggle to cope as enhanced online interactivity leads to a rapid expansion of the sector and the number of games and game elements that require rating.
- BBFC has a history of awarding games a lower classification than PEGI. This could potentially lead to a situation with an online game in which a child in the UK playing a BBFC '12' rated game would be coming into contact with adult gamers in mainland Europe playing the same game which has been PEGI rated '18', potentially exposing them to content and behaviour which is inappropriate
- We believe a single UK BBFC system will undermine PEGI in the 28 other markets where it is used, leading to the development of many conflicting national systems including online systems. We believe - in a world where games can be purchased across borders and online - that this will be confusing for parents, and consumers more generally.
- Microsoft believes a single BBFC system will undermine our ability to continue developing gold-standard parental controls. By undermining PEGI and encouraging other countries to develop their own national systems, the games industry will be forced to focus disproportionately on ensuring that each country's ratings work with its technology rather than focusing on the further development of ever more sophisticated parental control tools.

Q16: What are the key flaws with this option and how could it be adapted to overcome them?

The most significant flaw with this system is that it will fail to deliver increased child protection, and may lead to an increase in the potential for children to be exposed to harmful content online, as outlined above.

Q17: What are the key advantages with this option and why?

Microsoft understands that those who support a BBFC system do so on the basis of perceived higher familiarity with BBFC logos. We believe that, while superficially useful, this actually masks a number of much more worrying disadvantages as outlined above, and in our prose consultation

submission document.

Q18: How do you think this system would work for the following key stakeholders:

(i) the consumer?

We believe that a sole BBFC classification system will not be beneficial to consumers. It will set the UK at odds with 28 other countries across Europe, meaning that UK consumers purchasing games abroad or online will be doing so under different systems.

Furthermore, as previously outlined, BBFC has a track record of giving games lower ratings than PEGI. We do not feel that this will help to build parental confidence and will potentially expose children gaming online in the UK to content and behaviour which is not appropriate.

(ii) the games industry?

Microsoft feel the most important considerations for this consultation are those which relate to child safety and parental awareness. We have outlined elsewhere our concerns about BBFC in relation to these two areas.

Nevertheless, there will also be substantial negative implications for the games industry arising out of a BBFC system.

By undermining PEGI in the 28 other markets where it is used, Microsoft believe it will lead to the development of many conflicting, national systems. We believe - in a world where games can be purchased across borders and online - that this will be confusing for parents, and consumers more generally, and therefore detrimental to the industry.

Furthermore, Microsoft believes a single BBFC system will undermine our ability to continue developing gold-standard parental controls. By undermining PEGI across Europe, the games industry will be forced to focus disproportionately on ensuring that each country's ratings work with its technology rather than focusing on the further development of ever more sophisticated parental control tools.

(iii) the retail industry?

Microsoft does not seek to represent the views of the retail industry. Nevertheless, we feel that any system which undermines consumer confidence - as we feel a single BBFC system would - is bad for the retail sector.

<p>Q19: What suggestions do you have to improve the system for any of the key stakeholders?</p>
<p>None. The system is flawed for the reasons we have outlined and would, we believe, lead to reduced child safety in the UK.</p>
<p>Q20: Do you think this system addresses the evidence on potential harms raised by the Byron review and if not why not?</p>
<p>No. We are concerned that a BBFC system does not address some of the concerns raised by Dr Byron. Specifically, and as previously outlined, we are concerned that BBFC's record of ratings games less cautiously than PEGI will potentially lead to situations where young children in the UK playing a BBFC '12' or '15' rated game online will end up playing with adults in Europe where the same game has been given a PEGI '18' rating, potentially exposing them to content and behaviour which is inappropriate.</p> <p>PEGI and PEGI Online prevent this situation from arising; BBFC facilitates it.</p> <p>A single BBFC classification system fails the test on potential harms.</p>
<p>Q21: How do you think this system will last into the future?</p>
<p>BBFC is absolutely not future proof as a result of its much weaker online capability. Given the growth in online gaming, this is an extremely serious disadvantage.</p>
<p>Q22: Do you think this option would work in the online environment?</p>
<p>(i) If so, what would be the benefits?</p> <p>We do not believe that BBFC would work in an online environment for the reasons we have outlined.</p>
<p>(ii) If not, what would be the problems and do you have any solutions?</p> <p>BBFC cannot function effectively online, where games are increasingly sold and played, because of the systemic flaws in their system. BBFC.online does not address any of the potential risks of online gaming and interaction.</p> <p>We believe a BBFC.online system would lack international credibility. Unlike PEGI Online, BBFC.online would not be able to impose any standards across borders aimed at making online interaction safer for consumers. A planned BBFC.online appears mainly to be a labelling system rather than a coherent, enforceable code of practice with real</p>

penalties like PEGI Online.
Q23: Is there any other information that you think Government should take into account when considering the monetary costs of this option?
Our principal concerns about a single BBFC system are not related to cost, but about the negative impact of such a system on child safety and consumer confidence.
Q24: Do you think this 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?
Our principal concerns about a single BBFC system are not related to cost, but about the negative impact of such a system on child safety and consumer confidence.
Q25: Which of the following options do you think would work best in the online environment and why?
(i) BBFC symbols recognised as part of PEGI Online; or Neither. PEGI Online is a separate system which is distinctive, rigorous, strongly protective of children and provides effective sanctions for code infringements. It is well-known and trusted in 29 countries across Europe. BBFC symbols would dilute PEGI Online and lead to reduced child protection.
(ii) BBFC.online (separate from the PEGI system) We believe a BBFC.online system would lack international credibility. Unlike PEGI Online, BBFC.online would not be able to impose any standards across borders aimed at making online interaction safer for consumers. A planned BBFC.online appears mainly to be a labelling system rather than a coherent, enforceable code of practice with real penalties like PEGI Online.
Q26: What are the likely implications (including costs) for games producers of having a classification system that does not automatically translate across to some other European countries?
Video games are developed with a target consumer age group in mind and producers have to ensure that the game will be rated at a level accessible for that particular audience. This means that games are developed with the criteria for that particular rating in mind.

The more ratings systems there are, the more complicated and burdensome that process becomes. This already happens, to an extent, under the existing hybrid system. Under a single BBFC system the burden on developers would grow yet further.

Q27: This option could be complicated by differences across Europe if games are purchased elsewhere. We are interested to know whether there is evidence that might support or disprove this. (Please refer to Paragraph 2.16)

We believe strongly that a single BBFC system in the UK would damage the credibility of PEGI throughout Europe, leading to the potential growth of many single-state systems in the 28 other markets where PEGI operates, thus creating a hugely complicated classification framework for European citizens.

This is similarly problematic for consumers playing games online across borders, bearing a multiplicity of ratings, for the reasons we have outlined elsewhere.

Q28: We would be interested in evidence to demonstrate whether this option creates additional burdens to online games developers and whether this could be confusing to parents. (Please refer to Paragraph 2.25)

We believe the burden on games developers grows with the number of ratings systems they have to work with.

Q29: It would be helpful to have your views on whether this 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.

Games are usually developed to appeal to a particular age group, so games producers try to ensure that the game will be rated at a level appropriate to that audience. The more ratings systems there are, the more complicated that process.

Option 3 – Enhanced PEGI system

A UK-based organisation (possibly the Video Standards Council) would be the designated statutory classification body for video games, applying the PEGI ratings. The VSC (or other UK body chosen) would need to sign up to this new role and any legislative changes required. All video games would be rated using

the PEGI system and there would be no role for the BBFC in classifying video games.

Q30: What is your overall assessment of whether this option would work and why?

Microsoft strongly believes that an enhanced single PEGI classification system is the most robust and workable age rating framework for the United Kingdom. We believe that children would be less protected under any of the alternative systems outlined in this consultation. PEGI has a number of crucial strengths:

- It was designed by gaming specialists in consultation with parents, psychologists, child development experts and consumer groups
- It is by far the most able in an online context which is increasingly important as online gaming grows
- It is used in 29 countries. In a globalised economy where games can be purchased in many different countries and played on online across borders, it is crucial to have an age rating system which is consistent across markets
- PEGI actually tend to award games more cautiously and with higher age ratings than the BBFC

Q31: What are the key flaws with this option and how could it be adapted to overcome them?

We do not believe that there are any substantive flaws in a single enhanced PEGI system. It offers the clearest and most comprehensive child protection both on and off-line.

In order to ensure that PEGI is as suitable as possible for the UK market, as we outlined elsewhere, ISFE is developing a number of enhancements to PEGI:

- PEGI will be a stand-alone organisation, not just a system
- A new, public, PEGI code of conduct and sanctions has been developed and will be enforced. They will now include fines of up to 500,00 Euros, and other penalties
- All full games will be reviewed by the PEGI administrator before release, including the 3 and 7 rated games
- PEGI rating logos have been updated to ensure that they are clearer for consumers. The game rating logos have been strengthened and will now use a 'traffic light' system of colouring to differentiate more clearly between the ratings
- PEGI descriptors have been improved to more clearly show the content of a game which has determined its rating. Each content descriptor pictogram will now include a one word explanation of the descriptor in the language

<p>of the box. This will educate the consumer as to the meaning of the pictograms</p> <ul style="list-style-type: none"> - The provision of written consumer advice on games packs if required in the UK
<p>Q32: What are the key advantages with this option and why?</p> <p>As outlined above, and throughout our consultation response, Microsoft believe that PEGI has a number of crucial strengths:</p> <ul style="list-style-type: none"> - It was designed by gaming specialists in consultation with psychologists, child development experts, parents and consumer groups - It is the system best able to classify games played online which is increasingly important as online gaming grows - It is future proof. PEGI has been developed to adapt to the world of a rapidly changing and innovation online environment - It is used in 29 countries. In a globalised economy where games can be purchased in many different countries and played online across borders, it is crucial to have an age rating system which is consistent across markets - PEGI actually tend to classify games more cautiously, and with higher age ratings than the BBFC. This is crucially important in an online context where BBFC's record of ratings games less cautiously than PEGI will potentially lead to situations where young children in the UK playing a BBFC '12' rated game online will end up playing with adults in Europe where the same game has been given a PEGI '18' rating, potentially exposing them to content and behaviour which is inappropriate. PEGI and PEGI Online prevent this situation from arising; BBFC facilitates it.
<p>Q33: How do you think this system would work for the following key stakeholders:</p> <p>(i) the consumer?</p> <p>We believe that a clear, robust, single PEGI system will be of enormous benefit to consumers. Consumers will benefit from a PEGI system in a number of specific ways:</p> <ul style="list-style-type: none"> - Clarity: consumers will only have to understand one set of logos and content descriptors at the point of sale in-store - Familiarity: within a short period of time, and with consumer-facing information campaigns, we feel that a familiarity with video game classification generally, and PEGI in particular, will quickly be established - Consistency: only under a single PEGI system will consumers experience a consistent system for on and offline gaming and for in-store purchases across 29 countries around Europe - Safety: PEGI has rated games more cautiously than BBFC. BBFC has routinely downgraded PEGI '18' games to '15' or, in some cases, '12' which we do not believe is reflective of the interests of consumers. The PEGI

<p>approach is more appropriate in our opinion.</p>
<p>(ii) the games industry?</p> <p>Microsoft does not seek to speak for the whole games industry. Nevertheless it is our firm opinion - based on our own role within the industry, and our conversations with colleagues in other companies - that a single PEGI classification system is the most appropriate system for industry. Again, there are a number of reason for this:</p> <ul style="list-style-type: none"> - PEGI was designed by people with expertise in gaming, in conjunction with parents, pschologists, child development experts and consumer groups, and is therefore specifically relevant to this industry - PEGI is consistent across 29 European countries, allowing Microsoft, and others, to focus on developing state-of-the-art parental control technologies, rather than having to focus on making our products compatible with a series of different national systems - PEGI is good for consumers by providing clarity and consistency across markets and online. Any system which provides consumers with reassurance is to be welcomed by the games industry
<p>(iii) the retail industry?</p> <p>Microsoft does not seek to speak for retailers. Nevertheless, we believe that a single PEGI classification system will provide clarity for consumers and clarity for retail staff, which is crucial at the point of sale.</p>
<p>Q34: What suggestions do you have to improve the system for any of the key stakeholders?</p>
<p>As explained in Q.31, the PEGI system is currently being reviewed and we believe that this enhanced system will comprehensively meets the needs of all of the key stakeholders.</p>
<p>Q35: Do you think this system addresses the evidence on potential harms raised by the Byron review and if not why not?</p>
<p>Absolutely. For the reasons that we have outlined we believe that a single PEGI system directly addresses the points that Dr Byron made in her report regarding potential harms:</p> <ul style="list-style-type: none"> - PEGI will provide consistency of rating between on and offline gaming - PEGI actually classifies games more cautiously than BBFC. Under BBFC, there are a substantial number of instances where PEGI rated '18' games have been given a BBFC rating of '15' or even '12'. This could potentially lead to a situation where a child in the UK playing a BBFC '12' or '15' rated

<p>game online would be coming into contact with adults playing the same game in Europe where it had received a PEGI '18' rating, potentially exposing that child to content and behaviour that is inappropriate</p> <ul style="list-style-type: none"> - PEGI was designed specifically for video games - PEGI ratings are clear and are displayed consistently on game packaging and online before a game can be played or downloaded
<p>Q36: How do you think this system will last into the future?</p>
<p>Microsoft believe that a single PEGI classification system is best placed to meet the challenges of the future. PEGI and PEGI Online were specifically designed to be future proof.</p>
<p>Q37: Do you think this option would work in the online environment?</p>
<p>(i) If so, what would be the benefits?</p> <p>Absolutely. As outlined elsewhere, we believe that only PEGI has the appropriate level of capability and expertise to rate games played online. We feel that the role of PEGI is particularly crucial online given BBFC's history of rating games less cautiously than PEGI in so many instances.</p> <p>As we have previously outlined, this could lead to a situation where a child in the UK playing a BBFC '12' or '15' rated game online would be coming into contact with adults playing the same game in Europe where it had received a PEGI '18' rating, potentially exposing that child to content and behaviour that is inappropriate. If PEGI were rating these games across the board, the potential harm to that child will be avoided as games would be rated consistently.</p> <p>PEGI Online has been specifically developed to address the demanding Internet environment and the strongly interactive nature of video gaming.</p>
<p>(ii) If not, what would be the problems and do you have any solutions?</p>
<p>N/A</p>
<p>Q38: Is there any other information that you think Government should take into account when considering the monetary costs of this option?</p>
<p>Cost is not the most important consideration for Microsoft when looking at this issue. We believe PEGI to be the system which offers the most comprehensive protection for children.</p>
<p>Q39: Who do you think would be the right body to take on the role of statutory classifier of video games and why?</p>

There are a number of bodies who could perform this role. The Video Standards Council, or a similar organisation, could be the most appropriate body.

Q40: Do you think the body given in answer to Q39 would be able to set up the systems required to carry out this statutory function and why? But if not, why not?

Yes. Whichever body the Government chooses would be implementing the PEGI ratings system. This is well established and operates strong processes which are both replicable and scalable.

Additional processes which may be required to ban a game in the UK can be developed.

Q41: Do you think this 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?

Microsoft is committed to PEGI as the best means of ensuring the highest standards of child protection. Costs are obviously important, but are a secondary consideration for us.

PEGI, as we have argued elsewhere, is consistent across 29 European countries, allowing Microsoft, and others, to focus on continuing to develop state-of-the-art parental control technologies working to PEGI, rather than having to focus disproportionately on ensuring our products are simply compatible with a series of different national systems.

Q42: Do you think the BBFC should continue to rate all content (games and video) of discs which contain film or video content not integral to the game and why? [please refer to footnote 5 in answering this question]

No. The BBFC's responsibility for rating content of discs which contain both film and game content was agreed at a time when such media had a limited and relatively low level of capacity. Any game content on film discs was therefore small and insignificant.

Advances in game technology makes it possible to place more content of both films and games on the same disc. As games become increasingly sophisticated and realistic, it is important that any games content is classified by the designated games body - PEGI is best qualified to do this going forward.

Q43: Do you think PEGI should rate the game content, while the BBFC rates the film/video content and why?

(i) If so, should both symbols be on the box?

PEGI should rate such games content as stated above.

However, there is an opportunity to be flexible and to apply common sense to the ratings information shown on products which contain both film and game. For example, if disc content is predominately film-based, then the BBFC film logo only should be added to the front of the product packaging. The PEGI logo should appear before the game is played. If the disc content is predominately game-based, then the PEGI logo only should be added to the front of the product packaging. The BBFC logo should appear before the film is watched.

(ii) In the event of different age ratings, should only the higher symbol prevail?

Whichever age rating is given to the most prominent content on the disc must not be exceeded by the age rating given to the ancillary content

Q44: It would be helpful to have your views on whether this 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. (Please refer to Paragraph 2.36)

Games are usually developed to appeal to a particular age group, so games producers try to ensure that the game will be rated at a level appropriate to that audience. The fewer ratings systems there are across markets, the easier that process.

Option 4 – Voluntary Code of Practice

There would be no changes made to the legislation so the BBFC and PEGI would continue to classify games as they currently do. The Government would ask retailers and suppliers to sign up to a voluntary Code of Practice to secure adherence to the classification system when selling or supplying video games to children aged 12 or above, even though a statutory offence would not be committed if they broke the code. This Code of Practice would focus on classification and consumer protection and would follow the guidelines outlined in the review. If tougher measures were called for, this could be backed up with statutory legislation calling on the industry to consult and agree on a Code of Practice, breach of which could then be taken into consideration during a prosecution.

Q45: What is your overall assessment of whether this option would work and why?

Microsoft does not believe that this is option is a realistic one for the UK market. A UK-only voluntary code of practice does not meet the challenges posed by the Byron Review.

Q46: What are the key flaws with this option and how could it be adapted to overcome them?

Microsoft believes that a hybrid classification system will continue to be confusing for parents, and consumers more generally, requiring them to have an awareness of two sets of logos and content descriptors.

PEGI has expertise in gaming and understands the interactive nature of games. It therefore assesses every aspect of the game when deciding a rating. In contrast, BBFC tests only parts of games, viewing them as linear media. This can lead to two, different, ratings on the same box.

We also feel that the hybrid system as envisaged in the consultation documentation would continue to create a false distinction between gaming on and off-line and entrench a lack of sufficient child protection online.

Q47: What are the key advantages with this option and why?

We do not feel this option has any substantive advantages over a single PEGI system.

Q48: How do you think this system would work for the following key stakeholders:

(i) the consumer?

In our view the voluntary nature of the proposal is of limited impact on the consumer. What is most important for consumers is having a classification system which they can understand and which is consistent across platforms and across markets.

A hybrid system is both confusing and inconsistent.

(ii) the games industry?

Microsoft cannot speak for the entire sector. Nevertheless, we believe that the industry welcomes the stronger child protection offered by a PEGI system. Its adoption in the UK will help to deliver better gaming experiences and safer gaming - particularly online - throughout the many countries using PEGI.

<p>(iii) the retail industry?</p> <p>We cannot speak on behalf of the retail sector. Nevertheless, we understand that retailers are looking for a system which provides clarity for consumers at the point of sale. We do not believe that a hybrid system does this.</p>
<p>Q49: What suggestions do you have to improve the system for any of the key stakeholders?</p> <p>We do not believe that this system can be improved in any way which would make it more acceptable to the relevant key stakeholders.</p>
<p>Q50: Do you think this system is sufficient to reflect the evidence on potential harms raised by the Byron review and if not why not?</p> <p>Microsoft believes the confusing nature of a hybrid system means that there is a greater risk of children being exposed to inappropriate material than with a clear, enforceable, enhanced PEGI system.</p> <p>We do not feel that a hybrid system adequately addresses the challenges posed by the growth in online gaming.</p>
<p>Q51: How do you think this system will last into the future?</p> <p>Poorly. The difficulty with a hybrid system of this nature is that it creates something of a false distinction between online and offline classification. The enormous growth in gaming online in the future means that a clear, consistent and enforceable PEGI age rating is the only realistic means of future proofing the system.</p>
<p>Q52: Do you think this option would work in the online environment?</p> <p>(i) If so, what would be the benefits?</p> <p>We do not believe this option works well in an online environment</p>
<p>(ii) If not, what would be the problems and do you have any solutions?</p> <p>We do not feel that a hybrid model is the most appropriate mechanism for classification online.</p>
<p>Q53: Is there any other information that you think Government should take into account when considering the monetary costs of this option?</p> <p>Microsoft does not feel that monetary implications are the most important consideration here. Our objections to the hybrid model are based on its</p>

<p>confusing nature which lessens its ability to ensure the best possible child protection.</p>
<p>Q54: Do you think industry would sign up to such a code?</p>
<p>We do not believe a voluntary code entrenching the present hybrid system is the right one.</p>
<p>Q55: Would this incur any additional costs to industry (games or retail) and can you provide evidence of this?</p>
<p>Microsoft does not feel that monetary implications are the most important consideration here. Our objections to the hybrid model are based on its confusing nature which lessens its ability to ensure the best possible child protection.</p>
<p>Q56: Do you think that this would work in practice on the ground?</p>
<p>We believe that this system will work substantially less well than a single PEGI system.</p>
<p>Q57: It would be helpful to have your views on whether this 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.</p>
<p>Games are usually developed to appeal to a particular age group, so games producers try to ensure that the game will be rated at a level appropriate to that audience. The more ratings systems there are, the more complicated that process.</p>