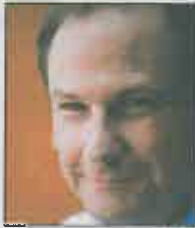


# Improvements Could Be Game-Changers for Companies

## TECHNOLOGY: Video Games Get New Visuals, Pricing and Platforms

By JULIE GALLANT

New releases of high-quality video games are helping 2012 shape up to be a good year for game enthusiasts as well as local gaming companies such as Sony Online Entertainment, according to Russell Shanks, chief operating officer and executive vice president.



Russell Shanks

The big release for SOE this year will be "PlanetSide 2," known as an MMOFPS, or massively multiplayer online first person shooter, that allows hundreds or even thousands of people to play the combat game online at the same time. The launch date hasn't been announced yet; its ForgeLight Engine is expected to bring a new level of visual fidelity and stunning scenes, said Shanks. Another game SOE is planning to introduce sometime this year is "Plants vs. Zombies" for Playstation's soon to be released Vita hand-held device.

### Fee Strategy

Along with the new games, SOE is expecting continued success from joining the "free-to-play" movement, in which a copy of a game can be downloaded and played for free, allowing gamers to sample the product without a heavy investment. Since applying the business model to its 'DC Universe Online,' a game that incorporates characters from DC Comics, in November the number of concurrent players has increased by 1,000 percent, Shanks said. The company is able to drive



Art courtesy of Sony Online Entertainment

Sony Online Entertainment produces a variety of games including DC Universe Online depicted above. The screenshot showcases the latest downloadable content update featuring 'The Flash' superhero from DC Comics.

up revenue by charging either a one-time or recurring subscription fee in exchange for access to more game play, charging a \$9-\$10 fee for downloadable content packs and by selling accessories such as character outfits and gadgets that range from \$1 to \$15 apiece, Shanks said.

"It runs counterintuitive but in reality if you give people the choice to spend money how they want to spend it you reap huge rewards," he said. "People tend to spend more."

### 'Indie' Games

Another shift taking place in the industry, according to Shanks, is the rise of the "indie games." Although the market has traditionally been dominated by large publishers, he says cellphones and other mobile platforms as well as personal computers are providing

a venue for all types of new releases.

"With the new distribution models that allow independents to publish easily, we're seeing growth in all areas," Shanks said. "It's been a real metamorphosis for the industry. It's pretty exciting."

The rise of tablets as a gaming platform is another one of the bigger changes to expect in the online gaming world in 2012, says Jim McArthur, senior vice president and managing creative director at the San Diego office of Digitaria Interactive Inc., a full-service digital agency offering interactive strategy, design, marketing, technology search and analytics.



Jim McArthur

2012 ECONOMIC TRENDS  
SPECIAL  
EDITION

McArthur says tablets are about to make a bigger push in increasing their market share. Rather than used strictly as a mobile device, the tablet will rise to dominance as a form of entertainment in the living room, he says. The next-generation game consoles rumored to be emerging from Sony, Microsoft and Nintendo may even have tablet components, says McArthur.

As the hardware continues evolving the software will follow suit, bringing a new level of interactivity and sophistication as an art form, he says.

"Developers who used to spend \$20 million are now spending \$200 million (on producing a game) and they're making their money back," McArthur said. "We're in for a real treat, and looking for an Avatar level of gaming experience."

Another trend to watch for is an entrance into more mainstream applications for games. Car companies to health care organizations will be using games to address a variety of issues, says McArthur.

Locally, he says one to watch this year is Qualcomm Inc., whose Snapdragon processors bring high-resolution, console-quality gaming to mobile devices.

"They're turning the Snapdragon name into something associated with high-performance computing," he said. "They're a tidal wave of momentum and game companies are riding that wave."