

# Digital, Culture, Media and Sport Committee

## Oral evidence: Immersive and addictive technologies, HC 1846

Wednesday 24 April 2019

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[Watch the meeting](#)

Members present: Damian Collins (Chair); Clive Efford; Julian Knight; Ian C. Lucas; Rebecca Pow; Jo Stevens.

Questions 599 - 730

### Witnesses

I: James Dean, Managing Director, ESL UK; Rob Black, Chief Operating Officer, ESL UK; Nick Fry, Head of Commercial and Board Adviser, Fnatic.

II: Kish Hirani, Chair, BAME in Games; Marie-Claire Isaaman, Chief Executive, Women in Games; Flora Tasse, Chief Technology Officer, Selerio; Jodie Azhar, Game Director, POC in Play.

Written evidence from witnesses:

- [ESL UK](#)
- [Fnatic](#)

## Examination of witnesses

James Dean, Managing Director, ESL UK; Rob Black, Chief Operating Officer, ESL UK; Nick Fry, Head of Commercial and Board Adviser, Fnatic.

**Q599 Chair:** Good afternoon. Welcome to the Digital, Culture, Media and Sport Select Committee. This is a further evidence session in our inquiry into immersive and addictive technologies, and we are very grateful that you are able to join us this afternoon. Despite the context of the inquiry, this is the first time the Committee has taken evidence looking at esports as a sector, which I think is a reflection of its growing scale and importance, and something we are certainly keen to learn more about.

I will start with a general question to the panel: what do you principally attribute the growth in esports to, and what strategies do people use to try to develop awareness and interest in esports?

**James Dean:** Good afternoon. Thanks for the invite to give evidence. It is really encouraging to see this process happening, so thanks for asking us to come in. We are delighted to contribute. To answer your question, I do not think that esports are a new thing. Esports have been around in some form for many, many years. In fact, ESL was founded in 2000 in Cologne, Germany, and, although the business model has changed somewhat over those years, I think the reason we see this boom as such is the fact that it is coming to the surface. It is one of the biggest hidden niches in the industry, and the bandwidth and availability of technology has allowed for the emergence of esports as we see it today.

**Nick Fry:** Good afternoon. My name is Nick Fry and I have a sporting background.

The only thing I would add is that I think it is very egalitarian—to get into esports is relatively easy, and if you practise a lot you can be the world champion. My old sport was car racing and to be good at that you need a lot of stuff that is very expensive. When I talk to our players who are now professional players, as long as you have an internet connection and a device and can afford the bandwidth or whatever that goes with that, you can be the best in your school, you can be the best in your town, you can be the best in your country, and then you can be the best in the world. Some people literally have gone up through that. You don't need much to be able to do that apart from a lot of talent and a lot of practice.

**Q600 Chair:** What has driven the phenomenon of people watching it as a spectator sport?

**James Dean:** It is like anything. It is human nature to follow competition and to compete and, given the nature of wanting to see the best of any passion you have as an individual, you will want to see the best compete in front of you. That is both on a physical level and online.



## HOUSE OF COMMONS

It is important to understand the distinction between a competitive tournament and structured teams, as well as gamers who will naturally stream their own game play, playing in a multi-player environment, and they would be termed as influencers.

Q601 **Chair:** How do you think the spectator audiences are growing? They seem to be growing phenomenally with people who watch remotely and people who watch on location.

**James Dean:** Yes, absolutely. In our experience, as different products expand out to different circuits of different tournaments and games, there are aspects of more and more esports-esque titles emerging that will attract a new audience in that respect.

Ultimately, if a large part of your game play is online and your social groups live online, the physical environments are a great place to meet those individuals for the first time maybe and socialise in real life.

Q602 **Chair:** How important do you think the emergence of platforms such as Twitch is, and platforms through which people engage with different competitions and formats?

**Rob Black:** We would say that Twitch has been a seminal moment for the esports industry. When Amazon bought Twitch for just under \$1 billion, it shone a spotlight on to esports as a spectator engagement activity. With the unique power Amazon has online with its AWS services, it has been able to scale Twitch across the globe. That has meant that the audience has been able to grow almost exponentially for the games that we put on.

Q603 **Chair:** Do you think Twitch has become the home of the esports' community?

**Rob Black:** I would say that essentially it is the de facto programme for viewing esports, particularly in the western world. It is slightly different in China.

Q604 **Chair:** China and the Far East, which platforms would you say they use?

**Rob Black:** In China, because of the restrictions the Chinese Government have over the platforms that their populace is able to view, they tend to use slightly different platforms, such as Panda TV. Twitch is not viewed there unless somebody has a VPN, but in Southeast Asia Twitch is very prevalent as well.

Q605 **Chair:** In Europe and the UK, other than Twitch, which other platforms are important?

**Rob Black:** Also YouTube and to some degree Facebook but there are a few other newer disrupters, such as Caffeine TV, that are coming into the space.

Q606 **Chair:** What is it that has made Twitch so popular, do you think?



**Rob Black:** I think an element of being first. It is a very easy platform to access. A streamer such as Ninja, or even ourselves as a broadcaster of esports content, we are able to point our broadcast at a channel and then, as a user, you are able to view that channel for free. You don't even have to log in if you don't want to. If you do want to log in you are able to log in and there is essentially a live chat box that people can type into. That just goes through whatever people are typing.

As a broadcaster, we have moderators that sit in on all our chats for any broadcasts that we have, to ensure there is some level of safeguarding.

Q607 **Chair:** In the written evidence we have received, particularly around games like FIFA, one of the issues some players have highlighted is the amount you need to spend through in-game purchases in order to be competitive. What sort of investment do you think people need to make to be playing at a reasonably competitive level?

**Rob Black:** It very much depends on the game title. The majority of what we would class as esports do not have any kind of barrier to entry for what we would call pay-to-win. Therefore, somebody can play the game and they don't need to put any money in to be able to progress. With some games—FIFA potentially being one of them with the FIFA ultimate team—to get a very good team into that game you have either to play an awful lot, or you have to spend money to be able to get those things.

**James Dean:** It is a digital version of collecting football cards, in effect. If we look at the success of different gaming titles with any sport specifically, generally speaking the games that don't adopt the necessity of pay-to-win as such succeed in terms of viewership and player base. The community self-regulates that space by avoiding the games where they think they will have to spend money.

Q608 **Chair:** Which games command the biggest audiences?

**James Dean:** Counter-Strike, Global Offensive, DOTA 2 and Hearthstone to some degree, Overwatch now, and League of Legends, of course.

Q609 **Chair:** Yes. A final question from me before bringing in other members of the Committee. What do you think are the characteristics that are driving the trends in esports that are making some games more popular? What is it about these games that make them more popular both to players and those who watch other people play?

**James Dean:** It is very much about the storyline now. Originally people used to watch purely to see the best play and maybe pick up some tips and tricks along the way, seeing who is the best and the moves that they can make. Now there is a lot more synergy with the sport industry in terms of how we are exploring the personalities and the people behind it, as well as teams such as Fnatic, and the players individually, and they are really demonstrating that aspirational path all the way to the top.



Q610 **Chair:** Are you concerned at all about gambling related to esports as well? It is an issue that has come up. Any competition in which men and women have played against each other has provided opportunities for people to bet money on the outcome and esports is no different from that. However, concerns have been raised to us about unlicensed gambling activity around esports.

**James Dean:** The integrity of our tournaments is obviously super important to our business model. We are founding members of a group called ESIC, Esports Integrity Coalition. With that we work with the sports and gambling industry—Sportradar in particular—in order to monitor all our tournaments that are run for integrity. We are looking specifically for any fraudulent activity or grooming and so on with players. That is important. A side effect to that is the way that Sportradar has brought the gambling industry to esports as an opportunity for gambling on the tournaments. However, that is very much restricted to just two titles at the moment--Counter-Strike and more recently DOTA 2.

I would also say that we only work with regulated gambling companies. It is important that our audience are safeguarded, and there are a lot of checks that the gambling companies need to make to make sure that they are putting out the right message.

Q611 **Chair:** Yes. One final thing. In terms of who you work with, what is the nature of the partnership that you have? With tennis, for example, the tennis authorities share data from the World Tour with gambling companies in order for them to update their live scores. What sort of partnership do you have?

**James Dean:** The tournament data will be shared with Sportradar in our situation, and then Sportradar will assist gambling companies to create a book and, at the same time, feed into our Esports Integrity Coalition.

Q612 **Rebecca Pow:** Thank you very much. It is absolutely fascinating. It is a whole new world. Can I ask a few general questions, Chairman, perhaps with Nick to start with? It seems to me that this is adding a huge new value to the economy. What do you think it is contributing or generating, because the money involved seems significant from a business point of view?

**Nick Fry:** Yes. To start with it is not very new. As a company, Fnatic has been around since 2003. It is something that these guys have been in for far longer than me. It has been growing, growing, growing and now it is really accelerating.

We have 120 people in the company, most of them in Shoreditch. They are well paid jobs. We have a whole sponsor base that obviously has an infrastructure behind it, and they are very talented people. It is not just the players at the frontend. We have sports lawyers who are expert in this area because it is an evolving field. We have marketing people who are expert in that area. Just to think of it as "the sport", it really is quite a complex structure that is almost unique to every game.



## HOUSE OF COMMONS

It is quite complicated to understand, and we run 12 teams. It is a bit like running a badminton team, a football team and a motor racing team because, at the moment, the publishers run them in slightly different ways.

Q613 **Rebecca Pow:** You said you were in the racing industry.

**Nick Fry:** Yes.

Q614 **Rebecca Pow:** Are you getting sports men and women from each field to work in the teams?

**Nick Fry:** There are more and more linkages between esports teams and real life teams. In the case of Formula 1 they have their own structure. In football they have their own structure. There are also a lot of teams. One of the major sports teams in America bought one of our competitors, so the number of linkages between real, physical, traditional sport and esports is growing the whole time.

You are quite right. There are a couple of billion people in the world who are playing esports. It is a huge industry and it is also interesting that it has grown in the opposite direction. It has grown from global and now it is becoming much more local, as opposed to the other way round.

Q615 **Rebecca Pow:** In terms of skills, do you also have the creative people involved in your teams? I am just trying to look at what this is bringing to us, what the industry is bringing.

**Nick Fry:** Very much so. We have a team of people creating content, which is entertainment, and features around that. We work very closely with these guys and the television companies and so on, so it is all the skills that you would normally find in an entertainment business.

Q616 **Rebecca Pow:** James, your company is growing by 50% a year, is that right?

**James Dean:** Yes.

Q617 **Rebecca Pow:** It must be a big economic gain.

**James Dean:** I think that is the nature in which we are seeing the UK wake up to esports. The UK will particularly be able to harness quite a large segment of this international industry, purely with the natural makeup of the creative elements of the UK and our strength in academia. We really believe that the UK will be a powerhouse of esports going forward as we continue to grow. We have not seen that level of growth in any of the other subsidiaries that are owned by Total Entertainment globally.

Q618 **Rebecca Pow:** I cannot stop myself from asking any of you, though: is it really sport?

**James Dean:** I get asked that question a lot and my response is always, "It is in the eye of the beholder". If you grow up with competitive gaming



## HOUSE OF COMMONS

around you, you will regard that as a sport because you genuinely will form teams and allies and compete and succeed in all sorts of different tournaments, from the grassroots all the way to how you exceed and find an industry to work in and a career behind that. It is hard to define on the face of it but, I think a lot of younger people growing up with this around them will regard it as a sport.

Q619 **Rebecca Pow:** Rob, I think you started as a player and then went into the trade.

**Rob Black:** Yes.

Q620 **Rebecca Pow:** We talk a lot in Government about health and wellbeing, and people getting out and keeping fit. Are you not preventing people from doing that by making them think that they are playing sport, but they are just looking at a screen and they are not doing any exercise?

**Rob Black:** That is a very good point. In general, there is a perception from people outside of gaming that gaming is an unhealthy participant activity. In esports we now have teams, such Fnatic, which have personal trainers. They have nutritionists, and they have sports psychologists that are working with them now because it is an incredibly intense environment to compete—

Q621 **Rebecca Pow:** Sorry, who are they advising, the players?

**Rob Black:** They are advising the players, yes.

**Rebecca Pow:** Or the staff?

**Nick Fry:** No, the players. Our teams are structures with five players usually. Then they will have a team manager. They will frequently have some sort of psychological help. Frequently we will bring in some sort of physical help. What we have found is that just playing the game the whole time is so intense that, actually, you need the other aspects. You need to get out and take a walk or play a game of football or something, so we very much encourage that.

In fact, we lost a big tournament at the end of last year that, with hindsight, we put down to the fact that we did not get the guys out and about as much as we might have done to break up the actual playing. Therefore, we focus on that very, very heavily.

Q622 **Rebecca Pow:** You lost a tournament because the people playing the game were not getting out enough?

**Nick Fry:** The tournament was in South Korea. It was a very long tournament over several weeks and they played the game too intensely, we felt. The lesson we have learned from that is we should get them out doing physical activity and worrying about their physical wellbeing more than we did at that time. We are hot on that topic.

**Rob Black:** It is the same with any activity--an element of burnout can happen. The point that I wanted to make earlier was that I feel that the



## HOUSE OF COMMONS

professional teams, particularly at the top level globally, including Fnatic, are going to be idols for this younger generation that is coming through and looking at them in the same way that football fans look at Messi and Ronaldo who at the moment as the best two players in the world in football--you emulate that.

If the teams are starting to set these practices of ensuring that people are going to the gym, doing VOD reviews—video reviews of game play—and having a healthy balanced diet, while also practising and training hard, that is going to encourage the next generation of esports athletes.

**Q623 Rebecca Pow:** For this inquiry we had some students who have potentially spent too many hours at gaming. Do you not think you are falling into the same trap with your sports games in that the people who are either watching them or playing them can become addicted?

**Rob Black:** The first thing to say is that I am not an expert on addiction so I cannot really classify that, but as with any kind of activity people can spend too much time doing it. Whether or not that means that the activity is addictive or if they perhaps have an addictive tendency, I am not sure. I think there does need to be more research into that. The scientific evidence that we have seen so far is probably not conclusive.

**Rebecca Pow:** Interesting. I have not asked any of the questions I am meant to ask. Perhaps you want me to share and get someone else to ask them--

**Q624 Chair:** No, that is all right. I have a couple of questions I want to follow up on.

Nick Fry, how much would someone who would be good enough to play in one of your teams earn?

**Nick Fry:** We have 60-something players on our books. I would say the average is about £30,000 a year or that sort of equivalence. You have to consider that we are working on a global basis: one team is in Berlin, one team is in Thailand, one team is in Australia and two teams are in California, but it is around that level. However, there significant outliers so we do have some super star players who probably, if they have a good year, may earn between £0.5 million and £0.45 million.

**Q625 Chair:** Yes. It is aspirational, isn't it?

**Nick Fry:** The potential is: if you are the best you will earn a significant amount of money.

**Q626 Chair:** What sort of age is someone when they break through? Is it like other sports where there is a sweet spot where someone at the top of their career will be?

**Nick Fry:** Our youngest player at the moment is 17. One of our super star players at the moment came to our team when he was 15 and he is now 22 and still absolutely at the top level.



Q627 **Chair:** Is it true that South Korea is the main hotbed for talent?

**James Dean:** South Korea is an interesting case because it is very different in the way that esports grew out there. In some respects, western esports are almost becoming more prevalent in the way in which they are executed and delivered and the opportunity. We have found that a lot of South Korean players were moving over to the western world in order to play in the tournaments that were going on in this side. I think that is just the nature with which we approach it as a country and also even wider in Europe and America.

Q628 **Chair:** You may be familiar with Malcolm Gladwell's book "Outliers" that looked at sport. He had this theory that it required 10,000 hours of practice before you could become expert at it. How many hours of practice do you think it takes for someone to be top level at esports?

**James Dean:** That really varies. It is important to remember that it is not just playing the game. It is a huge amount of strategy and team bias within the structure and how that plays out in a tournament. People are genuinely naturally good at a particular game and there are a lot of games that take a huge amount of mental aptitude as well. For example, League of Legends specifically involves a huge amount of strategy and memory. It is like 3D chess on steroids--sometimes I describe it as that. You have to be extremely intelligent to be top of the game of League of Legends.

Q629 **Chair:** I am asking whether it is like anything that people excel at. If I open a football academy for 10 year-old boys they would all naturally be very good at it, but there would still need a massive amount of application in order to become professional, and most of them would not make it. With esports as well, there must be a certain amount of practice that people need to do. I read an article where a head of an academy in South Korea that specialised in esports said that they thought young players should be playing at least 10 hours a day in order to get a sufficient amount of practice.

**Nick Fry:** Can I pick up a point that James made? With our professional teams we are not encouraging them to play long hours for the sake of just playing the game. The practice they are doing is very, very focused on improving in a specific area. If you are a footballer maybe you practise penalties or corner kicks or something. We are doing exactly the same thing. We are identifying weaknesses in the game, areas of strategy where we are not as good as we should be, and they will just practise that area, so it is not just random practice for the sake of practice.

Q630 **Chair:** Yes, I can understand that for running an elite team but I suppose the concern that has been raised is: if you have players who are amateurs who aspire to become professionals, is there a danger that people play for excessively long periods of time because they feel that is what is required if you are going to make it? If you are going to be a 17 year-old playing in an elite team, you are going to have to play that



game a lot before you can do it at a high level?

**James Dean:** What you are touching on there is the crossover between playing a game because it is fun and then going into that professional career path. That is something we are consistently look at and it is quite a fascinating point I think. There is quite a bit of work to be done around researching that movement. What we are seeing is that obviously there is this layer of professional teams but then there are the amateurs, in the same way that any sport will have its subdivisions of tournaments and so on. If people are aspiring to be a professional and say, "Right, I have made a decision. This is not just for fun. I would like to make this a career", they are going to have to join an organisation of some sort.

We are seeing that sublevel of organisations—maybe at a national level or even at a local city level—and they are professionalising more and more in terms of the professional teams. It is, "Can we learn some best practice? If we adjust the way that happens we can potentially be at the top ourselves".

For example, ESL runs national leagues across the world. That is all about nurturing that grassroots talent and helping people find the right route to potential professionalism.

Q631 **Chair:** What I would be interested in is this. At that point, what sort of guidance is given to those players who are trying to make that journey, in terms of what they should be doing, how they should be practising, training and how they should balance their time? It would be very easy to see someone develop a compulsion because they really want to succeed, but that might be unhealthy for them as a person and as a game player as well. I would be quite interested to know what sort of guidance you give.

**James Dean:** We are seeing a huge amount of evolution in this space. I think now we will start seeing academies pop up all over the place—we already are--and those are helping ensure that players are finding an actual career path and working along a set of rules or levels, and that that is the right way of performing.

Q632 **Chair:** Do you have a written code for teams that play in your leagues of what their obligations should be towards the players?

**James Dean:** Not exactly. There is a lot of natural perception in terms of what is currently correct, but it is very much an evolving area. As the industry grows, I think more and more people are looking at specific places in that way.

Q633 **Chair:** You said not as such. Does that mean there is something but it is pretty general, or is there nothing at all?

**James Dean:** Yes.

**Rob Black:** We have rule books for each of our tournaments but we don't have a code of conduct, per se.



## HOUSE OF COMMONS

**Chair:** Thank you.

Q634 **Rebecca Pow:** It must be in your interests to have guys who are going to be the heroes, very good guys and girls. Do you yourselves, as businesses, nurture them and sponsor them or anything like that? Don't you want them to be playing in the tournaments, especially the ones that are livestreamed and everybody goes to watch them? Does that happen?

**Rob Black:** We do not sponsor them directly.

Q635 **Rebecca Pow:** Does anyone? Do they get picked up and—

**Rob Black:** Teams would pick up players. As an organisation, Fnatic might decide that it wants to go—sorry I am speaking on your behalf.

**Nick Fry:** No, that is okay.

**Rob Black:** Fnatic might decide that it wants to go into a new title, a new game that perhaps is just becoming an esport, and it might find a group of younger players who are being quite successful in the current format and competitions, perhaps an ESL competition. It would then approach them to join Fnatic, but previously it might have had a completely different name.

As a tournament organiser, we do not sponsor teams directly. What we try to provide is a framework and a stable tournament environment for these teams to be successful. We monetise the platform that we create and then teams also monetise the players and their IP.

Q636 **Rebecca Pow:** You need the big names to come. It would be like a tennis tournament, like the Masters or the ATP. They want the good players, don't they?

**Rob Black:** Absolutely.

Q637 **Rebecca Pow:** You just do that with, what, prize money and what you offer?

**Rob Black:** ESL has a global reputation pretty much as the leading tournament organiser in the world. I will use the example of ESL One Birmingham, which we held in May last year at the Arena Birmingham. That was a DOTA 2 competition. That competition was predominantly an invite competition, where we invited the top DOTA 2 teams in the world to compete for \$1 million in the prize pool.

Q638 **Rebecca Pow:** Do they get some money for just competing there?

**Rob Black:** The prize pool goes right from the top down to the bottom, so it is split between everybody who competes, so yes.

There were also qualifiers for regions, so there were four slots that were part of that competition that regions throughout the globe could qualify for. The point is that we try to provide a stable platform for these teams to compete globally and we bring in sponsorship—more recently non-



## HOUSE OF COMMONS

endemic—such as DHL. Mercedes and Vodafone have started to come on board as well.

Q639 **Jo Stevens:** I have one question. Nick, you mentioned earlier about professional players. Did you say you had 30 or 60?

**Nick Fry:** Sixty.

Q640 **Jo Stevens:** Sixty, and how many of them are women?

**Nick Fry:** Zero.

Q641 **Jo Stevens:** Why is that?

**Nick Fry:** I think it is something that is going to change with time. The sport was dominated by males and the—

Q642 **Jo Stevens:** Is dominated.

**Nick Fry:** Less so than it was. The number of females who are becoming interested and are getting better at the sport is increasing all the time. We would like to have female professional players but, frankly, at the level we are at, we have to pick the best players to do the best job for the teams. At the moment, in all the competitions we are playing, the guys are better than the girls but I think that will change.

The only thing that we have managed to do is out of our 12 teams we have one female team manager who is excellent at what she does, but we are always on the lookout. From everyone's point of view, from our point of view of having a good mix of people, skills, approaches and attitudes, and from the sponsors' point of view, we would like very much to have some female professional players who can play to the level that we would like them to play at. Coming back to the point—

Q643 **Jo Stevens:** What are you doing to encourage that? If you sit back and wait—

**Nick Fry:** That is the earlier question. It is in our interest, as well as the players' interests, to nurture the players as much as possible. One of the reasons that people might like to come to Fnatic is that we have a long reputation of actually bringing on players very well. There is 12 to 15 years of background there. When we get a young player who is clearly doing very well in one of these guys' competitions, frequently we will be negotiating to start with with the parents.

Almost invariably we will be sitting there with mum and dad. What mum and dad are interested in is: are we going to look after their son or—hopefully, in the future—daughter? We will bring to bear all the resources that we have, so they will be looked after by two, three, four people who are dedicated to that particular team. That team then draws on a central resource that has all the things that you would find in any normal company: there is a centralised marketing team, a centralised human resources team. There is an overall sporting director who will make sure that each of the teams works according to the way that Fnatic works.



## HOUSE OF COMMONS

Whether they are younger males or younger females, we spend an enormous amount of time getting them to be the best they can possibly be.

**Jo Stevens:** I might come back to you later on this.

**James Dean:** May I just add something on that? The diversity side of esports is really interesting. I would completely echo what Nick said around the fact that we have just seen that baseline of players being naturally male as they grew up. Video gaming used to be a male hobby. There are two things that we are seeing changing there. One thing is very much the actual video gaming content.

If we look globally, already the number of people playing games in total are about 49% to 51% male and female, if you include the mobile platform. When you include PC and consol it is more like 70% to 30%, and when you look at the professional top end it is 99% male and 1% female. There are females who are very good at playing professional video gaming as well, but there are not that many.

The actual games themselves are becoming more appealing to a female audience, for example Overwatch. There is a female protagonist in Overwatch, which effectively encouraged females to look at video gaming as a pastime. But we are talking only a few years ago, so it will take a while for those females to get to the level in which they can reach that professional aspect. That does not mean that the industry is closed in. In fact, we are seeing more and more females approach the industry just for general roles.

Q644 **Jo Stevens:** I get the impression—and this is anecdotal rather than evidence-based—that men dominate every sector from the design of the games, the creativity aspect, the players, the production, everything. It is a pretty obvious question: is that what is driving this almost entirely male-dominated outcome at the top end of esports?

**James Dean:** We are founding members of another initiative called AnyKey. We worked with Intel to address diversity as a whole, and we felt that the key diversity issue was the male-female divide. We asked a lot of female players what they see as solutions. We also did a huge amount of research at our events and on the ground with—

Q645 **Jo Stevens:** Is that research published?

**James Dean:** Yes, it is. It is on anykey.org website. What we discovered was there is an aspiration and we decided to launch a specific league for female players with Counter-Strike specifically. That was to basically nurture that talent, and to make an environment where ultimately what we would like to see is mixed teams. There is no point in positioning a female in a team if they are not going to perform well, because they will be seen as letting the team down and we will have to start all over again.



It is really encouraging but it is an area that we are very focused on and we are keen to explore continually, but you are absolutely right.

Q646 **Clive Efford:** When I was hearing you describe players and the way the game operates, I was reminded of a film called "They Shoot Horses, Don't They?" I don't know whether you have ever seen it but I would recommend it to you. Can I ask: how long do players last at the top before they are burnt out?

**James Dean:** I would not say they burn out as such. Usually they find another career path within the esports industry because they are either fed up with being a professional player or they might utilise their own IP in a different form. Effectively, we have seen players playing for 10-plus years, I would say, in some circumstances.

**Rob Black:** Yes. There has not been enough investigation into this just yet. The industry is still very nascent. Anecdotally, for the game Counter-Strike in particular—because it is a 19 year-old title—we have seen players emerge at about 17 or 18 years old, play through until they are in their early to mid-thirties and then start to retire if they have been world champion level players. That is probably because Counter-Strike is very much a reaction time-based game. Top level Counter-Strike players have similar reaction times as 100 metres Olympic sprinters off the blocks. As with traditional sport, anecdotally, we would say that it is likely that their reaction time is starting to go by the time they are in their mid-thirties.

For other games, such as StarCraft and perhaps League of Legends and DOTA, those games are much more cerebral and less based around reaction times and perhaps there is more longevity there for players at the top level.

**Nick Fry:** The Fnatic sporting director, who is also a major shareholder of the company, was a world champion at Counter-Strike. He finished his player career and now he is managing all of our teams. We have other players who were not quite good enough who have found roles within the company, either on the sporting side or in other areas of the company.

As the sport has grown significantly, I think there are more and more openings for people who are knowledgeable in different areas, not necessarily playing the game they started with.

Q647 **Clive Efford:** How long does a game last? If you put on a competition and all these people have entered it, how long will a player be immersed in the game?

**Rob Black:** A few points about that. It depends on the title of the game. With Counter-Strike the format is that you have two teams and they will play 15 rounds on one side and 15 rounds on the other, and there is an overtime element, a bit like with tennis. The average game takes about an hour and five minutes, an hour and 10 minutes. They will have a break in the middle for about five or 10 minutes, to just go to the loo or whatever it is and then come back.



## HOUSE OF COMMONS

That is just the pure element of how long a match takes, but the format of the competition might be that they have to play a best of three against each other in the final, for example. That means that that game might be three hours or three and a half hours for that final match.

Q648 **Clive Efford:** How long does all that competition take place over?

**Rob Black:** Usually for an ESL global competition, which we would run for something like Counter-Strike, it would be perhaps a week of qualifiers or group stages, where a team might play once a day or once every two days during that qualifying period. Then the finals, which are usually quarter finals or semi-finals beyond, would happen on a Friday, Saturday and Sunday.

Q649 **Clive Efford:** If you got to the final how many hours would you play over the week? How many hours per day?

**Rob Black:** On a Friday you might play for two hours. On a Saturday you might play for two hours and on the Sunday for the final you might play for three hours. It is similar to tennis but a little bit shorter.

Q650 **Clive Efford:** You have never seen any evidence of burnout? The focus and concentration required by young people who are just burnout by the sheer experience of doing it?

**Rob Black:** Nick referenced earlier their League of Legends team that were in the world finals that perhaps did experience some burnout and perhaps got their tactics a little bit wrong.

**Nick Fry:** Yes, we got our tactics wrong. Also, they were in Seoul by themselves for three weeks in the end and just being in a hotel I think for that length of time contributed. They did very well in the competition and they got to the final and in the final they underperformed. When we did our post mortem on that I think we probably did not do such a good job keeping them entertained in other ways. They just simply got bored with sitting in a hotel for three weeks playing the same game.

Q651 **Clive Efford:** Where do you make your money then? Is it selling tickets online for people to have access to watch the game or is it the actual spectator side of it? Where does the money come from?

**James Dean:** There are several avenues of revenue: primarily sponsorship from a tournament perspective, also the teams, so brands, non-endemic and endemic, are interested in engagement with the youth, playing and watching. Also, ticket sales and merchandising is on the rise, specifically around the physical events and, generally speaking, there is a contribution from the actual game developer as well in some form. They may provide some prize money or some sort of contribution in that manner.

Q652 **Clive Efford:** Right. The money primarily comes from online, does it?



**James Dean:** Not specifically. It is more about which companies are providing revenues in order to generate it. The online viewership isn't monetised. This is one of the biggest areas that will evolve within esports on a revenue perspective, and is actually looking at how media rights are in effect monetised. Currently they are not really monetised to much extent at all. We are working on a project specifically to look at that, around new engagement techniques and new ways in which an audience can be monetised in the way that people feel naturally happy to part with some money in return for some entertainment.

**Nick Fry:** Can I just add something that probably goes back to one of Rebecca's earlier questions? Where is the money from an economic point of view for an economy in this? We obviously have sponsors of our teams. We get prize money if we do well in the teams but what we have tried to do with Fnatic is build it as a brand.

We decided a couple of years ago to design and manufacture our own computer hardware. There are Fnatic keyboards, which are purpose built, designed by us. We sell them in 400 Best Buy stores in the US as well as in other parts of the world.

What we have taken with the brand is expanded, so we are doing keyboards. We are doing mice and recently we have been doing headphones and so on. The company is building in all directions, as well as apparel. We have a small division that sells Fnatic branded clothing, which is growing quite nicely.

These companies are growing in all directions into adjacent fields, which I think is why it is interesting from a national Government point of view. They are relatively small at the moment, but I think the whole industry is growing very, very fast and other countries are nurturing it very, very strongly.

These guys will tell you that South Korea, Katowice in Poland, which has built itself up as a games playing centre, Berlin is trying very hard--there are a lot of countries where the Government are trying to nurture the industry for these reasons.

Q653 **Clive Efford:** Can you say something about how players are treated when they make errors or do something wrong? How do the crowd react and what happens online?

**James Dean:** From a crowd perspective, it is quite interesting if you look at the fan base of an esports audience. Generally speaking, the consumers have multiple touch points in terms of their fandom and they may have a favourite DOTA 2 team, which could be a particular brand. They might have a favourite League of Legends team, which is completely another team. They will also support subdivisions. For example, we have some great video footage of someone standing at the front of an arena screaming and shouting for a team but wearing a jersey



for a completely different one because he has decided that he wants to support Europe, effectively.

It is quite fascinating watching the reaction. Generally speaking, people tend to divide in the arena. Half the arena will go for the underdog and half the arena will go for the favourites. When a particular team wins there are particularly exciting moments when the underdog comes through with a win. I have never seen anything like it and I have been to some amazing traditional sporting events, but witnessing the erupting crowd of a clinch in that environment is just incredible. I implore you to come to one of our events.

**Q654 Clive Efford:** I would love to come, but we work in a profession where there is a little bit of online abuse of some of us and there is an enormous amount for others of us, particularly for women Members of Parliament. What you just described is a very cuddly view of what might be going on, but we know that there is a lot of online abuse of people when they do things wrong. Why didn't you give me that in your answer?

**James Dean:** We don't see a direct issue within esports specifically. At the end of the day, the players who make it to £1 million stage are well respected in the community and it is a massive feat to be there.

I suppose to your point around particular gaming communities, there has been evidence of some not great activity. That is something that has been attributed directly by the gaming industry, I think to quite a substantial extent, but we are not seeing a major issue. We did touch on that with the AnyKey diversity initiative we worked on.

**Q655 Clive Efford:** Is it a problem?

**James Dean:** It was specifically towards a female audience to begin with, but we are seeing less and less of that behaviour now.

**Q656 Clive Efford:** When you say "towards a female audience", I was going to say one of the reasons you have no women as professional players is because they cannot stand the abuse.

**James Dean:** I think five to seven years ago it was more of an issue than now, but of course—

**Q657 Clive Efford:** Why is it not an issue now? Why is it so different in your profession to what we are seeing online in other areas? What have you succeeded in doing to cut it down?

**James Dean:** The initiatives, like we run help—

**Q658 Clive Efford:** Do you have some influence over Facebook that we don't have that gets it to take some action?

**James Dean:** I would say the answer to that would be the general maturing of the industry, because as part of the AnyKey initiative we identified—role models is not the right word—ambassadors, in order to encourage better behaviour online, and to disrupt anyone who was trying



## HOUSE OF COMMONS

to ruin it for the other audience. It is very easy to be vocal anonymously online obviously. In fact, the digital safety initiative that the UK Government are looking at—we are very much interested in that, and we wrote to Jeremy Wright specifically around that with our support.

**Q659 Clive Efford:** The people that you have sold tickets to, to watch what you are doing online, how many have you banned because of their abusive behaviour?

**James Dean:** We have not had to. We have no evidence of a situation that has led to the removal of an individual from an event for that sort of behaviour. There have been warnings in the past but it has never gone beyond that.

**Nick Fry:** I cannot answer your question about women being abused specifically. I can only say, with regard to our players, we keep a very careful eye on what they are doing and what they are saying. We have had one instance where we had to fire a player because they were acting inappropriately. This is at a professional level. I cannot speak for the general level of games players, but we keep a close eye on the behaviour of our 60-odd players and what they get up to, and we will take action if necessary.

**Q660 Clive Efford:** Yes, but what about the viewers? What about the people on social media who they react to things that happen and the things that players do? Mr Fry, can I ask you about your players and how they are treated in those circumstances?

**Nick Fry:** I think the answer is, yes, there is concern. James mentioned one thing that is a concern, which is the anonymity. I do think that if you look at younger people playing a game like Fortnite, sometimes it gives me cause for concern that they are saying things to each other that I doubt they would say if they were sitting next to each other. I don't think that is appropriate, and just generally we need to find ways to address that, perhaps by reducing the anonymity of those people. I know they might have to register, and they necessarily need to register with something that is truthful that could easily identify them.

**Q661 Clive Efford:** Has any player ever raised with you any concern about the way that they have been treated or the reaction that they have had? Have they seen stuff on social media and have been targeted or trolled or whatever?

**Nick Fry:** Not that has been brought to my attention.

**Q662 Clive Efford:** Right. What I am struggling to understand here is that when we see so much abuse on social media for minor things, where you get this avalanche effect of people who come in and abuse and attack people, in a sport that is so intense around people's participation online, surrounded by comments and conversations on social media, you don't see any of it. I find that strange.



## HOUSE OF COMMONS

**Nick Fry:** We need to divide things up here. At the professional level with our players that is not something that is brought to my attention. From one's general knowledge of what goes on online, I don't think you can deny that a lot is said that should not be said.

Q663 **Clive Efford:** Is there any evidence of racism, for instance, or sexism?

**James Dean:** Rob mentioned fairly early on around the Twitch chat. If you are watching an esports tournament if there are several hundred thousand people watching, and the Twitch chat is literally a stream of text just going so fast you cannot actually read it. That said there are two ways in which we monitor that chat.

One is an automatic method. Effectively, there are bots that are provisioned by the platform in order for us to monitor for any specific slurs or keywords that can automatically instantly remove any sort of comment. There are obviously ways around that, so we also have moderators who will sit on the chat and either temporarily or permanently ban an individual from commenting within that chat window. Again, we are using the tools that Twitch provides to us to do so.

There is a mode called slow mode, which allows individuals to only post after a certain number of seconds each time. If someone is saying not very nice things we are able to identify that person and stop them from commenting. It is in the nature of that anonymity. It could be someone anywhere in the world who is making that comment, so it is a matter of just stopping it and making sure that the general audience know that that is not right and it is not going to be tolerated.

Q664 **Clive Efford:** What proportion of players is from a BAME background?

**Rob Black:** It depends on the game. With what we would class as the fighting games community, so with games such as Street Fighter or Super Smash Bros there tends to be very much a BAME audience and player base. I would say the majority is non-white in those specific games.

Q665 **Clive Efford:** Is there any difference between the chat, the way that black players are treated by the online Twitter feed?

**James Dean:** One thing we saw with the AnyKey initiative was that there are zero problems or unidentifiable problems when it came to racial abuse within the community. I think the esports community, the gaming community is so accepting in terms of creating a place for individuals to identify with others from all sorts of backgrounds. That is why we really did focus on the male-female divide in that initiative as well.

For some reason particular countries will be good at certain games, so the Nordic region are very good at FPSs, so shooters for whatever reason and, generally speaking, the majority of those are white male.

Q666 **Clive Efford:** Last question, all the players start on the same equal



## HOUSE OF COMMONS

footing, do they? They cannot buy advantage like they can when they are playing the game?

**James Dean:** When we refer to pay-to-win, that is when you can play a game and you can pay for items to help you progress within that game at a different level to someone who has not paid. We don't identify that as being part of the esports ecosystem. It is not a driver for us. I think that is one reason why, if a game is pay-to-win, it just does not become successful in esports. No one is interested in watching it because it is not fair play.

Q667 **Julian Knight:** It is really fascinating. I felt maybe I was a pioneer when it comes to esports because I used to play John Madden in my house. At university in my final year we had a league going. We even put it on VCR and watched it back. That is one of the many reasons why I got a poor degree and did not have a girlfriend.

It is obviously an entirely different magnitude now. In terms of player welfare again, obviously Clive talked about inclusiveness but what about things like agents? Are there any agents involved? Are there potentially any issues over gambling, anything in that regard? What safeguards are being put in place? What are the structures that have been put in place in order to help players basically help the community?

**Nick Fry:** In terms of agents they are starting to come upon the scene recently. I think it is clearly because of the magnitude of the sport. In the vast majority of cases we deal directly with the players, but we have noticed that some of the players are starting to get agents because they feel, obviously, that they would like to have someone negotiating on their behalf. It is something we do not have a huge amount of experience with because it is very, very new—literally, in the last year or 18 months or so—so I would not like to comment too much on how that is going because it is so new. What was the second part of your question, sorry?

**Julian Knight:** It was just basically to do with gambling.

Q668 **Clive Efford:** Would you advise someone to get an agent?

**Nick Fry:** All I can say, taking my past job in Formula 1, the most successful driver, Lewis Hamilton, looks after himself.

Q669 **Julian Knight:** It is a potentially serious issue. As more money comes in you are going to find some people who are basically hangers on, and these are very young people that you are dealing with.

**Nick Fry:** Yes. Is it a concern? Yes, it is. The majority of games don't allow us to have gambling partners. I think there are only two games, DOTA and Ciesco that allow that. In terms of our sponsorship roster, we are extremely restricted. As these guys said earlier, we do have a gambling partner for the two games that we can and, clearly, they are fully regulated across Europe and so on.

Q670 **Julian Knight:** Is there any evidence of gambling going on by viewers,



## HOUSE OF COMMONS

by those who are audience members? In any sport that opens up the potential there for spot fixing, are there different types of interference from nefarious people in that industry?

**James Dean:** We are founding members of ESIC, which is the Esports Integrity Coalition, which does directly address all those concerns. From our perspective, we got involved in an early stage because the stakes were getting a lot higher. As prize moneys get bigger—obviously there is an inevitable gambling industry in anything, I think. Let's forget the regulated side of things; there is always going to be the black and the grey markets, especially in certain regions that do not allow it.

From our side, we had a huge incentive to make sure that our tournament had integrity, because otherwise it is not interesting to watch and we were going to lose the viewership. That was our incentive, primarily, but at the same time I think it was important to embrace the gambling industry, as it were, where it made sense, so it was done correctly.

Q671 **Julian Knight:** By "embrace" you mean sponsorship, basically?

**James Dean:** Effectively, yes, making sure we understood what the—

**Julian Knight:** Your demographic is very young.

**James Dean:** That is one element of it. With the gambling partners we worked with, they did a lot of work ensuring that they were targeting the right audience. Part of the regulation is that it is illegal to target the under-18 demographic within the UK, for example, so they had to do a lot of work looking at that demographic to make sure that they are doing the right things. That is what I mean by embracing: working with them to make sure that it is a safe environment to do so.

Q672 **Julian Knight:** What about the practical changes? What about those things like taking mobile phones off people, and the things that happen in sports? In the cricket dressing rooms the mobile phones are turned off. What about that sort of thing?

**James Dean:** Absolutely.

**Julian Knight:** What are you doing in that regard?

**James Dean:** There are lots of elements of creating the right environment for the players. We do random drug testing as well for the integrity side. There is quite an intensive routine and a lot that goes into the thought process behind winning the tournaments and its integrity. We have seen it with traditional sports. If it loses that integrity, people do switch off, so we had the foresight to try to avoid that.

Q673 **Julian Knight:** Would you say this is true globally? You mentioned earlier on about how there was expansion and many parts of the world were trying to get a piece of the action. You mentioned Katowice in Poland among others. Are these standards that you are talking about, such as



## HOUSE OF COMMONS

the ESIC, globally applied or are there quite substantial differences across the world?

**James Dean:** They are globally applied for all ESL tournaments, from a national league all the way up to the top for every tournament that we run.

Q674 **Julian Knight:** What about outside that? What is the feeling in terms of anything that—my thinking is about whether or not there may be black-market gambling going on around the event, and the potential of players being tapped up?

**James Dean:** As part of the Integrity Coalition, and working with Sportradar, they monitor the black market and the grey markets as well.

**Julian Knight:** You keep an eye on what is going on in the gambling markets in relation to your sports?

**James Dean:** Absolutely.

**Rob Black:** Similar to cricket, we provide player training around what could an approach look like from somebody.

Q675 **Julian Knight:** Getting drawn in. The famous one was Hansie Cronje in a leather jacket, was it not?

You referenced this a bit before but maybe you could expand on it. What happens when a top player is no longer a top player?

**Nick Fry:** As I said, we have several examples where people find another position within our company or within the industry in general. Our sporting director, as I said earlier, was a world champion at his particular game. We have other lesser players who did not quite make it and they have gone into marketing roles or whatever. There are plenty of jobs—

**Julian Knight:** So everyone has had a job, basically.

**Nick Fry:** I will not say everyone has had a job, but there are a number of examples—

Q676 **Julian Knight:** Do you provide career advice? People would have put their heart and soul in it, as with any sport. I remember a story many years ago about someone being told that they had to leave a football club. The way they were told was, "The next time you will be coming back here you will be paying at the turnstiles". They were given their cards that moment. That is the sort of thing that happens in football, or has happened until very recently. In terms of your growing industry, what are you doing to put in that support for those who fall between the cracks and may not make the grade?

**Nick Fry:** As a company we have expanded significantly our back-office areas, especially since I have been there in the last couple of years. We have two HR professionals in the London office. We have a legal officer and a paralegal, so we have filled in all the bits that you would expect in



a large and responsible company. Part of the role of the HR department is to provide those sorts of services as and when they are required. As I said earlier, with the professional players if they have issues of any kind, it is in our interest to find a solution. We will deploy a psychologist or a trainer of some kind to address the particular issue.

**Q677 Julian Knight:** Yes, that is when they are playing for you, but if they are cut, effectively, at that point that is it. They are gone unless they can find a back-office job or something like that. James?

**James Dean:** We are finding a lot of the players who do not quite make it—usually at that point they are playing in the national level—tend to find quite a few routes. It is not a generalisation but we find quite a lot of people have gone to onscreen talent. That is similar to the sport as well, and they are doing very well for themselves in that respect. There is public management or any area of the business. Because of the nature of the growth of the industry, I do not see it as a major issue right now because there is too much opportunity.

That said, one of the areas we are very keen on working on is in tandem with academia. We have been specifically working so far with Leicester University and York University around the concept that if someone is interested in esports, whatever they are doing, including playing, they should consider a career path and attribute esports to that career path. We are suggesting that the best approach is to build out an esports module that sits alongside an existing course. If you are interested in legal or marketing or business studies or whatever, you can apply an esports module. So far with Leicester University we have worked on creating an esports module that sits alongside informatics. With York University it is very exciting—obviously they are doing very well in creative arts and also computer science.

**Q678 Julian Knight:** Interesting. A couple of quick questions to finish off the section. In terms of the UK and where it now sits, what do you account for its main success? Do you think to a certain extent our global strength in sport is reflected in esports as well, and is there any cross-pollination or cultural crossover? Maybe this is what people see from the outside. What are the major challenges that you think we are going to face over the next 10 years?

**James Dean:** There are two angles to the success of esports in the UK I think. Certainly from a consumer perspective, from a viewership, the UK is the fifth largest gaming market in the world from a player-base aspect. The latest data suggests we are the 14th largest when it comes to an esports viewership, but that is rising in the ranks on a regular basis.

On the flip side it is the creativity of the industry, including from a B2B aspect. There are 2,500 game developers in the UK, and we expect and have seen some amazing IP successes that have been created within the UK and are having an international effect. I think it is the natural home for teens. For example, we have a very strong broadcast industry and



there is a lot of crossover there, and also the creative and the performance arts. We see a lot of collaboration with the theatre industry, for example, because of the nature of building sets that are effectively virtual worlds into reality. I get very passionate about the prospects of the UK for those reasons, and about the opportunity that existing industries can look into with esports so as to attain those amazing skillsets and experiences.

**Nick Fry:** Certainly, from a Fnatic point of view, we are based in Shoreditch and I think the multicultural nature of London makes it very attractive. A significant minority of our staff in Shoreditch are not originally from this country. We have people from Sweden and China and wherever in the world. Getting people to come to London is easy because they feel that they fit in very well and they have been able to get into the country relatively easily if they are from Europe. One of our concerns is if that changes it could diminish our attractiveness.

**Rob Black:** Echoing both previous comments, and the strength that James mentioned in terms of the esports viewership in the UK from a figures point of view—for last year the numbers that we have are about 6.4 million viewers from the UK who regularly watch esports. It is a significant number already and I think we are in a great position to capitalise on all of our existing strengths as a country, and to be able to provide a soft power base out to the world to show how great Britain is at creating brilliant content.

Q679 **Julian Knight:** Finally, in terms of the Weavr project, how do you see that creating innovative immersive experiences?

**James Dean:** Sorry, can you repeat the question?

**Julian Knight:** This is the Weavr project. How do you see that creating innovative but also deeply immersive experiences?

**James Dean:** The way in which the idea behind Weavr came about was because we had certainly witnessed the fact that there was a huge gap when it came to media rights, in effect, within esports specifically. As we started to look in that space we started to realise that the traditional sports industry is losing a younger viewership. We put those two things together and realised that one reason we believe it is because the younger audiences today are striving for more personalisation and more immersive engagement with something that they care about, whatever that intellectual property is.

We were working with York University at the time, and considering how we could manipulate some tournament data, in order to serve the community better in terms of statistics and insights into the tournament and the performance of the players and so on—that has a very sticky effect and people want more and more of that. The more fanatical they are around what they are watching and their passion, the more they are interested in getting into the depth of some level of narrative.



We believed that we could utilise machine learning and artificial intelligence to empower storytellers, by giving them the tools required to tell a better story that was more personalised to a specific audience. I think we are seeing a lot more of an online audience finding their niches, including multiple niches. It could be a reason your interest in League of Legends as a whole is not just because it is League of Legends, but because you are interested in a particular character or a particular team playing, or a particular style of player or a particular role you play.

If you apply that to a competition, the amount of narrative and storytelling is exponential, to the extent that we knew the only way to deliver that is through technology, and we are extremely excited about the project. It is unearthing a huge number of questions and new areas that I believe have not been looked into before. It has been fabulous working with a university as well on that journey.

**Q680 Chair:** A couple of final questions from me. I want to return the issue of player welfare. What sort of protocols are there that run in your leagues against the use of performance-enhancing drugs?

**James Dean:** This came to light quite some time ago now. It was, funnily enough, in an online interview. I think a player made a flippant comment mentioning the use of a particular stimulant that was used for ADHD. He made a flippant comment about helping them play a better game. There has never been any evidence whether that did help or not, but what we did was immediately add randomised drug testing to our tournament as part of the Esports Integrity Coalition, mainly as a deterrent. Thankfully we have not had any positive results since and there has not been any evidence that it does help, either.

**Q681 Chair:** There is plenty of stuff online about use of drugs like Adderall, which is a speed-type drug, suggesting that people use it to boost reaction times. If that is true, that would be an understandable reason why someone would use it. Do you test for drugs like that as part of the testing?

**James Dean:** Yes, it is an oral test and it goes through quite a few. Stimulants are the obvious option, if they were to take something, but we have not had any positive results since.

**Q682 Chair:** How many players are tested?

**James Dean:** It is randomised. I do not have those figures. I am going to have to get back to you on that question, if you do not mind. From what I remember, they will choose a team at random and maybe two or three teams over the course of the tournament, so three days.

**Q683 Chair:** To give a rough idea, if they are choosing two or three teams at random, during the course of the tournament I would imagine, how many teams will be playing in the tournament?

**Nick Fry:** Twelve, on average.



## HOUSE OF COMMONS

Q684 **Chair:** Do you have banned substances?

**James Dean:** Any illegal substance is banned.

Q685 **Chair:** Any illegal substance?

**James Dean:** Yes, and performance-enhancing drugs, non-prescribed. Obviously if someone does have ADHD and they have a prescription, they are allowed to take those.

Q686 **Chair:** Sure, but for most sports there is a list of banned substances so it is really clear what you cannot take and what you can take.

**James Dean:** Yes. That is all part of the initiative and it is very clear to the players.

**Chair:** Would you be able to send us some information on that?

**James Dean:** Yes, absolutely.

Q687 **Chair:** What we have found in our work in doping in sport in the past is that if something is not actually banned, it is used, whether it is performance enhancing or not. It is an important player-welfare issue.

Q688 **Chair:** Have you taken advice from the World Anti-Doping Agency or other professional bodies on the testing regime and the code as well?

**James Dean:** Yes, absolutely. I think they operate the drug testing, do they not?

**Rob Black:** One of the founding members, Ian Smith, previously from cricket, as part of ESIC has taken a lot of advice from the World Anti-Doping Agency that has those safeguardings in check.

Q689 **Chair:** Mr Fry, what sort of policies do you have in place for your team? Obviously you make sure you are compliant with the rules, but do you do testing within the teams as well?

**Nick Fry:** We do not do any specific testing. Clearly, the players are made aware of the potential for testing and clearly are encouraged to make sure that they are clean. To be honest, we have had no problems.

Q690 **Chair:** Has any research been done as to whether there are performance-enhancing drugs that can be taken out of competition that would still have an enhancing effect in competition?

**James Dean:** There is not but that would definitely come to light in a physical environment once they get to the finals. They would not make it through at that point.

**Nick Fry:** We would certainly encourage more research.

**James Dean:** Yes, we are certainly not shy of exploring any area, certainly if we see there is an inkling of a problem.

**Chair:** Yes. Given the Committee's previous work in athletics and cycling,

it is amazing how creative people are in this space.

**James Dean:** There are some interesting documentaries on that.

**Chair:** Indeed. That concludes the questions for this panel.

Q691 **Clive Efford:** Can I ask one quick question? The Women in Games organisation has set out a set of targets or requirements—minimum requirements—that it would like from the industry. One of them is that Intel and ESL and other market leaders are encouraged to make board-level appointments in North America, Europe and Asia specifically, to take responsibility for developing women's esports products. Do you have any comments on that?

**James Dean:** It is happening in the US already and absolutely with the right people it will be, for sure—

**Rob Black:** Our CEO in North America is an Yvette Cooper and she is female.

**James Dean:** And her COO.

**Rob Black:** And her COO as well.

Q692 **Clive Efford:** You are seeing change and it is not going to be just an add-on, it is going to be a product in its own right, is it, esports for women?

**James Dean:** This is part of the AnyKey initiative and it was after consultation with the female player base that we decided to create a female tournament specifically, but, to be honest, we would expect that once females have been playing for long enough in that ecosystem we would like to see mixed teams ultimately. There should not be any reason for that not to happen; the same in the leadership role within the industry as well.

**Chair:** Thank you very much.

### Examination of witnesses

Kish Hirani, Chair, BAME in Games; Marie-Claire Isaaman, Chief Executive, Women in Games; Flora Tasse, Chief Technology Officer, Selerio; Jodie Azhar, Game Director, POC in Play.

Q693 **Chair:** Good afternoon. Thank you for joining us to watch the earlier session and for being available to answer our questions today. You would have heard quite a lot from the questions and what the witnesses said in the earlier panel that there seems to be a big disparity, certainly in esports and in many areas of gaming, that greatly favour male players. Some of my colleagues said that you seem to have an environment that



has been designed by men for men and, not unsurprisingly, men play it. Why do you think that is? What do you think are the barriers to women's engagement in games playing and esports? Marie-Claire, perhaps you could start us off.

**Marie-Claire Isaaman:** I think there is a long history. You have to think back to where digital games come from. It comes out of a very long lineage of play and then becomes digital through the work in the university to create computers. If you look at that early period, I think you will see that was quite male dominated. Then there was a shift, but back in about 1990 there was something I call the dark ages, where a demographic was targeted by the industry.

If you think of the consoles, they are very black. The games are quite specifically targeted at young males. You then have something that is called the casual revolution, and that is when more women start playing. You then get to a place where the proportion of women playing is 50:50, which it is now. Women play but they play different kinds of games.

There is quite a lot of research on the kinds of games that women prefer to play, and men, but the industry has grown up in a particular way. When Women in Games was founded, in 2009, there were 4% of women working in the games industry. We now have a statistic that is old now, 2016, that says 19% of women work in the games industry in the UK, but 50% are players.

There is a history around how the industry has grown and I am very confident that the industry is moving in the right direction. I think as there are more debates about representation and diversity, the gender pay gap and various things that are taking place, the industry is beginning to take notice of that and I would say that we are moving positively forward.

Q694 **Chair:** Do you think for certain games—these are the questions we asked earlier about esports, and that Clive Efford asked—there can be a toxic environment, and a certain type of game playing that might put people off engaging with it?

**Marie-Claire Isaaman:** There is, but I think for me personally when I look at it—and I have done some research on it—you have to look at the issue as a societal one. It is not just about the games industry. There are a lot of things that we have not yet managed about online engagement. I think in the games sector it is just another reflection of those things.

Yes, it can be very toxic. In 2014 there was something called Gamergate that was very damaging to the sector. I believe that we are moving forward from that but I do not think it is just about the games sector. I believe that there is more work to be done with joining up different types of sectors, organisation and research to look at the online environment and what we can do also to educate young people and educate communities to think about how they respond to things in online spaces.



Q695 **Chair:** Therefore, the same sorts of problems that exist in other forms of online chatrooms in terms of abusive behaviour, and people using anonymity to be abusive towards other people and make threats—does that exist in the gaming world just as it exists in other forms of social media?

**Marie-Claire Isaaman:** I think that is correct. I think a concerted effort is needed for various sectors and industries to join together, including the educational sector, to look at developing strategies and to think about how we educate people about their behaviour online. As someone who is involved in the games sector, I would like the games sector very much to be involved in that, but I do not think the problem is just with the games industry. I think it is a bigger issue.

Q696 **Chair:** Do you think the leading players in the games industry recognise it as a problem?

**Marie-Claire Isaaman:** After Gamergate I think the industry recognised that it is a problem. There are lots of processes in place, and lots of companies that monitor the community. They check what is happening, and they block things if they are happening.

Interestingly enough, I was involved in an educational project recently. It was to support young women developing games. As part of that, there was an audience that had a mixed group, male and female. A young man said to me, "I don't tolerate it if I see it. I know I am a man but I want to say to you, Marie-Claire, that if I see any bullying online, particularly against women, or any negativity or harassment, I stop it".

This is why I think education is important, because that is a way of helping people to understand that is not the right way to behave, as well, of course, as organisations, studios and the industry being proactive. I think the industry needs to support research in that area and support organisations like Women in Games to work in that area, as well as other organisations like BAME and POC. Everyone has to come together and work on it together.

Q697 **Chair:** Do you feel there has been a problem in the past, maybe still today, around gender stereotyping within games design?

**Marie-Claire Isaaman:** Yes, I do. Particularly if you go back to the 1990s, there was some really extreme stereotyping. Again, I think that has been called out. Games have become more sophisticated. We have to remember that games are not only narrative-based. Games are puzzles, games are abstract. Tetris does not have any characters in it. I think it is improving and there are some very good examples now of very proactive female characters and more diverse characters. There is still a long way to go but the trajectory, for me, is a positive one. It is one that is moving forward.

**Jodie Azhar:** I think you also need to look at the diversity of games being made. When you focus on AAA you tend to see more prominently



## HOUSE OF COMMONS

male protagonists, but we are seeing a lot more diverse creators, and diverse game studios making games. One that springs to mind is Florence. It is a mobile game. It is a love story and it features people of colour as the main characters. These are games that women are interacting with, that other men are interacting with. They are not the first games that spring to mind, but they are being made by diverse teams and I think that is important to be encouraging and supporting diverse creators into the game-development space.

Q698 **Chair:** Kish, do you feel that some of the issues that we have been discussing with regard to the engagement of women and the portrayal of women in games apply to the BAME community as well?

**Kish Hirani:** I do not think so, no, because in most of the games you do not see the faces of each other, so players are players. I do not have the statistics on me, but in terms of a given population you get the same proportions of players, irrespective of their colour, race and gender. Personally I think so, so I do not think this would be the same as it applies to Women in Games.

Q699 **Chair:** Do you agree with what was said earlier on that participation in particular games varies from game to game?

**Kish Hirani:** That was something I did not know that was popular, which is always interesting. I think a lot of this is more about your peers and who you “hang out” with. They are the ones who influence you. It could be even your schools or wherever else your circles are. That was very refreshing to hear that there was a stereotype—I do not like stereotypes—that fighting games are predominantly black. That was very interesting to hear.

Q700 **Chair:** It is interesting that you had not heard it before, given your role.

**Kish Hirani:** Let me specify that a lot of my role is very much with games developers in the video games industry. Esports is absolutely fantastic and it is such a new field, as a volunteer running BAME in Games, there are so many things that you cannot have access to unless you end up paying money for the data. Just from that end, esports is the only bit I was surprised by. In terms of individuals working in the video games industry, that is something that we have focused on entirely because I think that is where we can make a difference.

Q701 **Chair:** What is the biggest area where a difference could be made? What are the barriers to entry?

**Kish Hirani:** You might be surprised by this, but I do not think there are any barriers to entry. There are not enough BAME people applying to work in the video games industry. It could be a bit similar—I will let everybody else answer this—to Women in Games as well. It is more the way jobs are advertised.



## HOUSE OF COMMONS

I think a lot more is to do with family. A lot of us probably are where we are because a mentor—our uncles, our aunts, our parents—decided what direction we should be going in. Especially with ethnic minorities, that is something that I very much—I can tell you right now it is still the case that my dad does not know what I do for a living. I work in video games is all he knows, and there is no way I can explain. He will probably see me on television right now but he still will not know exactly what I do. My uncle will probably write to me and he will say, “My computer is broken, can you fix it”, because that is what he thinks I do.

It is not just BAME—I think that is probably very similar to society. It is proportionately about ethnic minorities, if the word “minority” is in there, in any given country or society. It means it is more exponential in the sense that fewer people will get end up getting inspired to go into that industry because they do not see similar people in that industry.

**Jodie Azhar:** We have a big problem with unconscious bias. When we talk about diversity, it is not just gender. It is not just ethnic background. It is economic background, it is sexuality and it is disability. As Marie-Claire was saying, there was this dark age where toy companies and computer manufacturers were making computers as boys’ toys and parents got the idea that, “My girl child will not engage with this as much as my boy child will. My boy child will want this. I will buy it for them”.

Similarly, at school with maths; young girls are absolutely brilliant at maths but they are getting this subconscious, unconscious feedback from parents, from teachers in some cases, and from other people around them, that they do not want to pursue STEM subjects. We are seeing young women filtering out. We are seeing people from different ethnic backgrounds not consider that video-game development is for them, so they are not pursuing it as a career.

Something that a lot of the diversity initiatives are looking at is tackling these issues at a very early age, and getting young people engaged with programming, in particular because there are skills shortages, not just in technical areas but across art and design. It is a growing industry that brings together creativity and technology, and it is so important that people are not dropping out at an early age, and that they are not dropping technical subjects at an early age.

We also have to look at women, people of colour, different diverse areas. Once they are in a career, whether they have skills, we can transfer them over to the games industry and tell them, “There are these jobs that we want to get you interested in” and then if they retain those skills, those people can be brought up to senior level. There are issues there that need to be tackled. Having role models in those areas will help.

Therefore, I think there is a lot of unconscious bias about whether people are interested in game development, but education is a big part of getting them while they are young and saying that this is something viable, that it is a real career.



**Q702 Chair:** It applies to the whole technology sector, probably, because in the whole technology sector the number of engineers in Silicon Valley is massively dominated by men still. It seems to be an issue across the whole technological sphere.

Could I ask all four of you, before I bring in other members of the Committee, we have heard that in some ways the video games industry has become far more mainstream and, therefore, serves a much bigger audience. That has started to lead to a great diversity in the sorts of games that are being produced and designed, because they are serving different audiences within the wider community of games players. Is that your experience? Do you think that is the case?

**Flora Tasse:** The AR/VR space is a very loose space. VR has been around, as you know, for fewer than 10 years, and AR less so. What you see is that the people, the early adopters in this case, are an extension of the gaming community, so what you see is a more male-dominated industry at the moment, all the way from the research in Scotland, to the production and to the consumption of AR/VR content.

I think it goes back to what Marie-Claire was saying about professional games and computer games. At that point it was still male dominated and then as time went by, as things matured, you had casual games when women started consuming content and maybe making that content. I think at that stage the AR/VR space it is still very male dominated, and we have not seen those massive use cases that can bring a wider audience in the industry.

Where we are seeing some initiatives, bringing AR and VR to the wider public, explaining to the public about what it is—most people do not know what AR/VR is, how to make it, how to create content, and we basically tell people that it is not so hard to do. Anyone can get in and there are professional cases. This is why it is so important. People often do not quite get why they should care about AR and VR, so it is good to see this new initiative coming out.

**Q703 Jo Stevens:** Several of you have touched on algorithmic bias, both conscious and unconscious. I have a particular interest in this. I want to get your views—each of you, if you want to give them—on whether you think there should be any sort of regulatory approach to the deployment of AI. We know that there is bias and we know what it is doing. Much in the way that pharmaceuticals have a public safety sphere in terms of the deployment of medicines, do you think that there is a role for something similar in deployment of AI? Perhaps, Jodie, you would like to start.

**Jodie Azhar:** it is a difficult one. Definitely with advancements in technology, we can just look at the market and the existing dataset and say, "It is not resonating with a particular area". That could be women—that tends to be an easy one because 50% of the population is female so it is easy to ask why are 50% responding in this way. It is difficult to say what regulations would be good, because—



Q704 **Jo Stevens:** Perhaps I can help you. My idea would be that before you deploy a game, for example, or anything involving AI, which is becoming such a large part of our lives, do you think you should look at what the impact is in terms of conscious or unconscious bias on under-represented groups, much in the same way that you would treat any other strand of equality law or regulation?

**Jodie Azhar:** Possibly in terms of building those AIs—the datasets that you are feeding into it. You do not want to be giving it biased datasets because then you will be getting biased results. How you would want to regulate that, I am not sure. I am not an expert in it. Obviously image recognition is a big one because it has in the past had problems recognising skin colour. Yes, I do not know how but it would possibly be a positive thing.

Q705 **Jo Stevens:** Would anyone else like to contribute?

**Kish Hirani:** I am a CTO and have always been technical. I have two data science degrees, so AI was my project that I did in 1992 or 1993. That tells my age. Again, it is such a vast, complex field. I think you helped us by saying you want to look at player data on how you are going to make a game more engaging. I do not think there is enough data. AI is very, very different as well. A lot of what they are talking about, when you talk about Googles and the Facebooks and so on, is a lot of behavioural AI, whereas in video games AI is completely different. It is literally making a computer play as if you are playing a human being.

From what I understand I do not think there is enough. It would be slightly scary if we go down that route—purely echoing what Jodie was saying—or if we get it wrong, which is going to be very easy because we do not have enough datasets. We should start somewhere, yes, but I think right now it is very, very early. I am glad you are thinking of that. I am hoping there are industries and people looking at where we are going to be going with this at some point, but I think we are five or 10 years away from things like that.

**Marie-Claire Isaaman:** I agree with both Jodie and Kish but I think one way of testing this—I am a great believer that you should test things—would be to look at this through an R&D development, perhaps with a university, and test it to see what happens if you start to put restrictions or regulations on to things. You would then be able to see what the actual value of it would be. I would say that we need an incremental approach to looking at that, with a lot of R&D.

Q706 **Jo Stevens:** In your experience, do you think that the games owners, the companies, would be willing to share their data with academics for that R&D to be done?

**Marie-Claire Isaaman:** I think they would with the right projects. For instance, Women in Games has just become partner with a big R&D research programme called InGame, which is based in Scotland. It is a cluster of universities: the University of Abertay, the University of



Dundee, St Andrews University and Duncan of Jordanstone. They received an AHRC funding. It was a five-year project, a very, very big project, but the whole idea of the project is to put forward provocations and new thinking and innovative ideas, and to test them and use the cluster as a test bed.

A lot of the games studies that are based up in Scotland are already involved in interacting with that project. I think if it was presented in the right way and it was made very clear what it was and what the outcomes would be, yes, absolutely. To me—my background is in education—the key to a lot of things is for the educational sector, particularly research and the universities, to work closely with the industry. Where the industry cannot do something the university sector can because that is what they are there to do, to test things and research things. That would make sense to me.

**Flora Tasse:** At Selerio—obviously I am from Selerio—we built it tools using AI. AI is a big component of what we do. I agree with the rest of the panel that if you start putting rules around it, you might stifle innovation and you might create unintended consequences. However, I think that the idea of people building AI models and putting them out there with no way of checking if they are doing the right thing—that might not be the right way.

What I am seeing in the AI industry is a lot of research teams who focus on fairness in AI, or ethical AI, and on ways of trying to find out how can you make AI models fairer and more ethical. There is all the data that has proposed, for instance, having a bug bounty for AI models. In development you are able to put your software out there and, whenever people find issues with it, they get some money for that.

Some of the ideas have been: why can't people put their AI models in a specific testing stage so that people from the outside, the public, can comment, test it and maybe show issues that have not been found before? At the moment you are suggesting an observation stage where we can test things, R&D involvement and see what works best.

Q707 **Jo Stevens:** Pre-deployment testing and then almost like a post-deployment impact assessment to see whether or not you are having unintended consequences through the deployment?

**Flora Tasse:** Exactly, and for example, in the context of issues we see that people of colour and the visual connection—you might not comment on these issues until you actually deploy something in the outside world and people from the outside come and test it. Yes, those are my results on these issues.

**Kish Hirani:** If we go more specifically to product designs, like every other industry, AI works really, really well. I worked at Sony for eight years and left three years ago. The whole of design and operation of move controllers, and AI—again, we were in the R&D lab where we were



## HOUSE OF COMMONS

using—first of all, it is very similar to if you have a one-way mirror and you are using that to check behaviour, you are bringing in various different genders, children, grownups.

It is a lot easier if you start with staff. Sony had 2,000 staff so it was very, very easy where you have a lot of staff. A lot of testing gets done there but that is where the AI is used—it is about using people's gaze, seeing where they are looking, and about the type of people. Do young children look at certain things on the left first, if they are left or right-handed? It is very, very sophisticated. In that, AI is used extensively.

AI also works well in soft testing, because you do not want humans to be sitting around paying for 500 hours or so. What I mean by soft testing—I do not know if you are aware of it, but the move controller, there is a robotic arm in the US office that continuously moves it around rigorously and looks at different actions and what might cause repetitive strain injury and so on. For the product design, like any other industry, a lot of research goes into this before it ever becomes a product.

**Q708 Clive Efford:** Can I follow on from that? There is bias, is there not, in the algorithms that are causing problems in some areas of their application, for instance some medical data? We have been shown evidence of an example where research has used deep learning to identify skin cancer from photographs. They trained their model on a dataset of 129,450 images, 60% of which were straight from Google images but fewer than 5% of these images were of dark-skinned individuals and the algorithm was not tested in that way. That is a problem, is it not? How do we overcome a problem like that? What do we need to do?

**Marie-Claire Isaaman:** Going back to what I was saying, I think you need to put it to some research specialists within a university setting, and put it forward as a provocation to see what the answers might be to that and how you might resolve them.

**Clive Efford:** I accept that, but it is out there. It is being used.

**Marie-Claire Isaaman:** Yes.

**Q709 Clive Efford:** One of the concerns I have is that we have thrown this thing out there and it is having an impact on people. Now we are trying to catch up and ask what is going wrong with it. I can think of a few applications that can have serious consequences for people, where we would do that, for instance a drug. We would not allow a drug to go out there that might cause harm until we have tested it. How do we catch up with this very quickly? Because it seems we have to get a bit faster than some research, which could be a long way down the road.

**Kish Hirani:** I will give you the best I can give you as my time at Sony for eight years or so. It is a Japanese company and I do not think colour of skin and so on was ever a question, because we had teams in Japan, we had teams in Europe and we had teams in America to start off with, in the main headquarters. There was a lab in Bangalore in India as well, so



## HOUSE OF COMMONS

from day one this was the way PlayStation and everything was designed from day one. It is an international product.

Yes, we know the American market and the European markets and Japan are probably the biggest, so initially there might be a lot of focus on that and what appeals to gamers in those countries. The Middle East is such a big market for PlayStation as well. Again, that is fully tested and products out there are working.

Before that I was contracted to Microsoft. I was not at Microsoft but before I was on the advisory board for Xbox 360. All of our European advisory board represented the Xbox at that very, very early stage. It was probably about two years before it had come out to market. It did not have a SCART cable and it did not support PAL because in the US they just assumed everybody had moved on to digital, and it was not the case. It was actually just European.

All these companies try really, really hard very early on to speak to the world and international different levels, backgrounds of individuals. You might be referring to the general industry, but I think everybody wants the mass market so they do do all these tests.

**Q710 Clive Efford:** The point I am making is if the databases on which the algorithm design and the AI is operating is dominated—for instance, 45% of the dataset seems to come from North America, so therefore it has a bias in favour of data that has been collected in that part of the world.

**Flora Tasse:** I was part of the Black in AI workshop that happened late last year and that was one of the issues. In law this is allowed but it is not built on datasets that are diverse. I think one of the main issues for that is because it is seen that those building them are not diverse. You ask: how can we try to alleviate these issues? What I think is to have more diverse teams.

In this particular case of skin cancer and the lack of diversity in the dataset pool, as a person of colour, if I was on that team and I tried that software and I realised that there is an issue and it does not work for me, that would become something that I might raise with the team and they might start thinking of maybe building in more diversity. If we get diverse teams we might get less biased software out there.

**Q711 Clive Efford:** Let's come back to the research. How much research is there?

**Marie-Claire Isaaman:** I do not think there is very much on it at the moment. This is not exactly my field, but you would have to go and look and see what there is going on. Going back to a kind of leaner model of research, there are ways that you can set up R&D projects that do not take the traditional five years of research. If you ask specific questions and then you get researchers to work on those specific questions and focus on that, I think you would be able to get some answers.



**Q712 Clive Efford:** If we go back to the previous witnesses, League of Legends was one of the games that they operate. According to the figures that I have seen, in 2016 League of Legends made profits for its creators of \$1.6 billion alone in 2016. Why is there so little research going on when there is so much money sloshing around in this industry?

**Marie-Claire Isaaman:** No, there is research going on but not about this one specific thing. There are quite a lot of projects going on. There is a big project that AnyKey—that was mentioned earlier—is involved with. What was not mentioned is that the director of AnyKey is part of a five-year research project called ReFiG, which stands for Refiguring the Games Industry. It is Canadian. It is based in Canada. It is the Research Council of Canada, but the countries involved are the US, the UK and Canada. That is a big project that has a lot of elements in it and esports is one of the key elements of that research project. The project is in its final year now and all the research outfits will be coming out this year.

**Q713 Clive Efford:** Who financed that research?

**Marie-Claire Isaaman:** The Canadian Government.

**Kish Hirani:** I would echo that, and it needs to be completely independent, probably Government funded. Maybe I will step back on something very obvious, which you would know but it might help this conversation. The video games industry is very, very secretive, like every product industry. They do not want their competitors to get there beforehand. A lot of what happens beforehand is entirely—and again, this is the reason why academia is not involved—because you do not want any of your competitive edge to leak out very, very early. Where you referred to the money that comes in from games, that becomes reactive after saying there is a lot of money.

Minecraft is a very, very good example. It works with academia. Microsoft ended up buying it. A lot of the work you are hearing about right now that it is doing is after it makes all the money. Before that it was a very indie project. I think the person who created it would have loved to share it, but the majority of the games you see tend to be secretive for about three years or so before you ever see or hear about them. Thereafter when everybody starts putting their input in it is already too late.

**Q714 Clive Efford:** I would suggest—you can comment on this—that if we need resources for research, the industry itself should not decide where that takes place, but it should be financing it and an independent body should decide how those resources are used.

**Jodie Azhar:** The concern for putting regulations on the developers themselves is about where would you even draw the line. Game development is so diverse—the different types of games—what do we even constitute as AI in this sense, to say a particular game needs to conform to X, Y and Z regulations?



## HOUSE OF COMMONS

Taking it, as Marie-Claire said, and making it a research project benefits the whole industry by potentially producing data that can be used by multiple businesses. The integrity of that data can be scrutinised, rather than leaving it up to any individual business to be sourcing what could potentially be the same datasets or sections of those datasets that would be very costly. There is no real reason to keep on reproducing the same data. Hopefully, by having regulations on that set of data, you can say that this is representative, or that this has as little bias as possible, whereas a business can essentially skew that data to suit its needs.

**Q715 Clive Efford:** Would you say there is sufficient research going on into potential harms? Our inquiry is into the immersive nature of these games. Is there sufficient research going on into potential harm?

**Jodie Azhar:** I do not know what constitutes as sufficient. I know that there is a lot of research. Over the last 30 years there has been a lot of the games industry being critical of itself and looking at what is happening, especially where children are concerned. Roblox is a big game for children and it is involved with organisations in different countries to ensure that children are safe. In terms of addiction, there is no real evidence that games themselves are addictive, so I think in terms of pursuing that angle there is no evidence that it needs to be further pursued by game development.

**Q716 Clive Efford:** Does anyone else want to come in?

**Kish Hirani:** Video games regulates itself pretty well. Again that question you asked—there is no logic to the games industry killing its own players, effectively. If we see some things that are harmful, that gives them bad PR also. I think every company would be very, very reactive. Again, it is all done in the software so it gets changed very, very fast. We move a lot, lot faster, I feel, than a lot of other industries, purely because of the digital nature of the product.

**Q717 Clive Efford:** Can I just go back to the answer that you gave earlier on, Marie-Claire, about the concerns about abuse people receive? You said it is a societal issue, which I agree with. We can see evidence of it in more places than just in gaming. I accept that. But if I could use the recent experience of black footballers who have been abused at a football match, would you say that the football authorities, and the clubs that employ those footballers, have a duty of care to those players in their workplace?

**Marie-Claire Isaaman:** Absolutely. As a sector, we have a duty to consider that. There has been a lot of research coming out of all kinds of different departments—it is not necessarily games departments and universities. It might be gender studies for instance, or it might be sociology departments, humanities departments even. At the moment we have not yet collated all that together and brought it into one place where it is easy to see the results of that research, and then form impactful ways of delivering it. That is something that we need to do and,



as CEO at Women in Games, it is something I am looking to do, particularly around gender.

There are other organisations in the sector that could do some work on the area that you are talking about, or lead in getting that fully up and running and connected. We have a lot of research that is being done, and then we have the industry, but those two areas do not always connect fully with each other for a variety of reasons. Going forward we need some more forums so that those debates and discussions and then some impactful action can be taken.

**Clive Efford:** That all sounds a bit hopeful.

**Marie-Claire Isaaman:** I am always hopeful.

Q718 **Clive Efford:** How do we make sure we get there then? If you are saying there is information out there, we just have not brought it all together and collated it and made the conclusions from it, how do we get to that point? How far away are we from that point?

**Marie-Claire Isaaman:** I do not think we are that far away if we can pull all the different—

**Clive Efford:** There is the word “if” again.

**Marie-Claire Isaaman:** I am always hopeful but if we can gather everyone in the right space together, I do not see why we cannot move forward and I do not see why we could not move forward on it quite quickly.

**Kish Hirani:** Again, I am probably with you, I do not think this will move that fast because—I will give you BAME in Games. It is a voluntary organisation; it is a grassroots organisation. I started it with the co-founder, working on the framework of Women in Games. There is no way we could have started this and until today, three years on, I have not taken a single cent. I run everything using my own expenses and a lot of us do exactly that. Until we formalise it, that is what you are getting into. If we leave it for volunteers to run things, as I am sure a lot of you know, it is very much down to that one volunteer.

Let me just go back to some of the things you mentioned, purely because I just thought it made sense. It would be nice if somebody mentored me and said, “Let’s strategically go in this direction”. At our last monthly meet-up at BAME in Games—we have a monthly meet-up every month. We have it in London. It is like a sports interactive, and Kick It Out gave an absolutely wonderful talk about football—I am sure you all know Kick It Out. That is what we are trying to expose to the videogames industry as well. If we are not careful, and if we do not have our radar up, we might end up in—we probably are already going in that sort of direction and it is all done by a volunteer.



What there is a space for, and our recommendation is that the Government, or whichever else—a body needs to help us get in the right direction. I attend RoundOut's meets, which is very specifically helping young people in the music industry. Again, I see a lot of those efforts being put on it as a charity. We can see that that might work for us as a charity but there is a question mark on what structure we will have as BAME in Games for that to work.

I suspect—perhaps you can help me—that all these things start with one or two individuals as volunteers giving all their time and they get recognised. I guess that is how RoundOut started. I am pretty sure that is how RoundOut started, and that charity that right now is doing tremendous work. I did exactly the same with BFI and last year I was on the Animate team, which is a celebration of British animation in the video games industry. Again, there was a lot of learning we could apply and just say, "We need to be here right now because all this is available" but again I do not know if you co-ordinate that, or whether you have any of that in one place where we can take that information and jump. Because we can jump to that level rather than having to start in the 1960s or so where RoundOut started and where it is successful now.

**Jodie Azhar:** Outside Government help, getting research would be good. The games industry are very good at self-regulating in terms of responding to toxicity, for example. When something affects your business you do not just leave it to destroy your player base. Roles such as community management and social media have cropped up and are growing within studios.

As an industry, we are good at assessing the situation and not going overboard and essentially destroying what is good about our industry and our products by swinging the other way and going, "Right, we need to completely crack down". Because there is a lot of creativity in games, not just the developers making them but the players interacting with it, you do not just want a blanket approach, "Right, well we are just sort of throwing things out, we are banning players" because it does become an issue. It is not the gaming community; it is social media where bad things are happening.

That is where you do not have the power to jump in and find who these people are, but moderators are taking a toxic community and working with them to build a better community. The games industry are responding to negative things that are happening. While we might not have the research on an industry-wide scale, individual companies and industry as a whole are trying to do things that are positive.

**Q719 Clive Efford:** Would you accept that by the very nature of the beast that we are dealing with—we have had evidence from people who have been gamers who have been addicted and spent many hours and far too much of their time immersed in games. They have described to us the problems that come with that and the problems caused to their lives.



## HOUSE OF COMMONS

Do you accept that there is, albeit a minority—imagine we were dealing with gambling, for instance. I quite often find that there are very close parallels between gambling addiction and gambling harm, but it involves the minority. You are talking about the common denominator that you need to guard and protect in order to have as harmless a gaming community as possible. It is similar to gambling. Do you accept that there is that potential for harm in these types of games for individuals, and that is where we need the research and that is where we need to put the protection?

**Jodie Azhar:** I have not seen any evidence. UNICEF did a study into gaming, and it was negligible what they were seeing in terms of screen-time gaming affecting people, and it being an addiction or having a significant detrimental impact on the part of their life.

You cannot deny if there is this minority that are suffering, but the research would have to be looking at where the addiction is. Is it linked to gaming itself or is it about an addictive personality? I am not sure. For me, I have not seen evidence to suggest—

**Chair:** If we have not looked for it we will not find it, will we?

**Jodie Azhar:** No, but if UNICEF are already looking at this and they are saying that there is no evidence to suggest that gaming is addictive—

**Clive Efford:** I have not seen any evidence yet that anyone has done any significant research that we can see here and say there is no problem.

**Kish Hirani:** It is amazing that you are looking at this as a Select Committee and asking all the right questions. We do need research, but we are very careful not to compare it to something which you know. Again, a lot of experts tend to—gambling is something that it is very easy to relate to this issue, but just to give you an example of how video games tend to work. What you will probably look at as being addictive right now, in three years' time a new trend will take on.

Let us just talk about things like Fortnite. The game itself did well. Hopefully you know more than an addictive nature of what people are playing. It is called Battle Royale, so it is the last person standing. That did not just appear in Fortnite overnight. They did not design it from day one. Shall I tell you a bit how these things evolved, or you are not worried about that? You know all this. What will you do in terms of research or science of certain types of gaming? What will happen in three years' time or even a year's time or next year? Something else will take over and you will probably have to go back to square one, so there is an absolute need to get the right experts and individuals for videogames industry as well as externally.

Q720 **Chair:** I suppose there are some differences with gaming and other sectors. For example, the Gambling Commission has taken a view that is based not on harm but on the risk that some forms of gaming are much



## HOUSE OF COMMONS

riskier than others and therefore should be more restricted. That is the reason why the high stakes slot machines have been taken out of bookmakers in the high street. The Financial Conduct Authority regulates based on risk as well. Some financial products carry too much risk and therefore should not be allowed.

We have looked at some of these things, and at some of the issues people who claim to have suffered from gambling addiction have brought to the Committee. For example, there may be characteristics around excessive play, which some people think is harmful. The reason study into this is restricted is that to understand whether a particular player is playing excessively or whether the game has been designed to encourage excessive play by rewarding players who play for long periods of time—to understand that you would need to look at the datasets within the games company itself.

We understand from the evidence we have taken that games companies gather a huge amount of data about user experience to help them design new games and improve the games that they offer to get people to play longer, spend more money, or whatever is the business model for that game. Therefore there is a need to look at that data or, if there is a problem with a particular game, to have someone go into a games company and say, “Well, let’s look at the data behind that player’s experience or other players like that and see if there are problems here”.

**Marie-Claire Isaaman:** One interesting thing is around gender and knowing that there are different kinds of games that different people play, particularly women and men. There are also hardcore games and casual games. The nature of casual games, particularly on a mobile phone, is often very much someone picks it up and plays a little game. It is a little delightful distraction, then they put it down. Then you have another kind of set of games, which are hours long that you play through, and the research in that respect would be very interesting to identify those different patterns. Again, that is something that could be done empirically. I have an idea of what the results would be, but it would need to be valued out.

**Chair:** Although we might look at video games as being a sector, the games within it are very different compared to—

**Marie-Claire Isaaman:** They become very different, yes. Very different genres.

Q721 **Chair:** We asked earlier about algorithmic bias and the role of AI in games design. I would just like to close off on that because obviously if you have a game that is largely played by white men, on the whole the AI behind that game will make it more and more appealing to white men because that is the audience. Of course in social media we have seen examples of how unintended bias creeps in to social media or people’s experience of it, simply because of the way people interact with it.

It was not designed to demonstrate a particular bias. The company that



created it had no requirement that it did. It simply had been adapted because of the people's interaction with the AI. I just wonder whether you feel that there are examples that you are aware of in games design where you feel that the AI may be developing the games in a particular way, which may be to the benefit of some group of people who play and others who do not, or the minority community within it.

**Kish Hirani:** From my experience, it has been the other way around. Three years on, I still play the game Pokemon Go. It probably does not meet any of the criteria because you have to physically go out. I was at GDC, Games Development Conference, and I walked 55 kilometres not because I was playing the game, but because you are going around the shop floor, and so on, and the game told me that. It hatched eggs; ongoing details of how these games are played.

I live in Stanmore and in my local Watford community there are players. This gentleman—I will not mention his name—loves to say this. He was suicidal; he was depressed. He was sitting at home; he could not work because he has spine deformation issues, but he can walk. I do not know exactly what is wrong with him. He is a community leader. He will put in a WhatsApp note saying there is an event taking place. If I am free on a Saturday, I will turn up there and we will get the spectrum in which he is playing, from 6 year-old with their dad, to a 70-year-old gentleman with two phones because he wants to win and play. Every colour, every race is there. That is the nature of gaming.

You are going in the right direction but do not let gaming lead into thinking that there is only one type of gamer and we might find a solution for how it is addictive. It is so different. Go back one step back and look at how we can help games while they are in development. Be more proactive rather than reactive because a lot of work we can do very easily is the reactive bit. A game becomes popular so let us figure out what are the algorithms, and so on. Working proactively with the industry—there are certain things you will bring up and you can suggest to whoever makes this decision, "This is a very safe industry. This is the direction. This is the trends that are going there". Let's try to make a difference proactively rather than reactively.

Q722 **Chair:** One issue with that is it is not possible to work proactively because no one shares the data and information. People say it is commercial property, so why should they? But you end up inevitably looking at it reactively because you only get to see a problem that occurs, not the design that maybe could have avoided the problem occurring in the first place.

**Jodie Azhar:** But you have to also consider what the consequences of those bias datasets are. We are using player data to give them a better experience. That might affect the fun level for certain players but we are not the gambling industry; we are not trying to use this data to trick people into spending more money. It is a business. We want people to be engaged and spend money but we do not want to be associated with



gambling and any new technology that comes in. We are making sure that gambling is separate and we are not introducing these kinds of mechanics.

From a cultural perspective, having bias datasets is definitely an issue. I want anyone to be able to enjoy my game and to not be skewing it towards a particular demographic just because I am getting data that is feeding it that way. We just need to be careful in how we assume that the bias datasets are affecting the game itself.

**Chair:** It is a question to you because we can see that there are plenty of examples, not necessarily in gaming but in other sectors of social media, where user interaction creates kinks in the algorithm and could change the nature of the experience that people have. Games design is also very data rich and there are lots of reasons for improving the user experience. There are commercial reasons as well, which are probably linked. The game design will follow the data of how people interact to improve the design of the game.

Q723 **Rebecca Pow:** It is just a general question. I know that the data are very useful and the algorithms, and a lot of you have a great amount of experience in diversity, and won awards for it and things like that. Do you think if you were able to attract more diverse people to work in the industry in the first place, because they are the people who first invent and work on the games, that would make a big difference? We have talked about getting more women in. Would that help? You might attract different people to play the games and then you get different algorithms.

**Kish Hirani:** That is exactly why BAME in Games was formed; to attract more. That is the thing. It is a young industry so we have all the positives. It is very much like any creative industry. We welcome diversity because that improves creativity in games, movie industry, film industry, and so on. Yes, we are talking about gender and BAME, but also the LGBT communities. We work with those because again, everybody who is a minority always feels a bit left out.

A lot sometimes could be just about that individual. As a creative industry, you can help and say we have done this already before in several other industries. I am sure there is observation—there is so much good practices in other industries, especially the movie industries, the TV and the radio and the music industry, working with RoundOut. I am just learning as a volunteer and I do not think it should be as a volunteer doing this. There should be somebody helping us run this at a Government level. You all find this important, as do we.

Q724 **Rebecca Pow:** I, for example, am just chairing a committee trying to get more diversity in apprenticeships. We set up a committee for that here in Parliament, working with business. Do you think we should do something like that? Working with the industry, how can we get more diverse people to take up apprenticeships? Maybe it needs something like that.



**Flora Tasse:** Gaming companies are interested in sharing their ideas. The world has just not had the time or the resources to do some of that R&D on gambling, and on the effect of addictive behaviours or diversity in the gaming industry. At some level funding would be helpful, for instance, for people in research or academia to work with the gaming industry, get that data and find some of the answers to the questions we are all asking ourselves.

Q725 **Rebecca Pow:** But what about just the basic thing? More individuals are coming into the industry, so it is not just women, and there are all these other things. Marie-Claire, you talked very strongly about women; do you think that would help?

**Marie-Claire Isaaman:** Can I just say that, when we talk about women, that is 50% of the population, and in that group are all the other minority groups? At the moment, I feel a whole conversation has been—there are minority groups and there are women. It is intersections, so I just wanted to clarify that.

The educational sector--it is obviously important what we do in education. Prior to taking over as CEO at Women in Games I worked in the educational sector. I took over a games art and design programme that had no female staff and no female students. I made it a mission to address that. When I left in 2016, I had managed to get it to 50:50 staff and 40:60 in the student cohort. I was recognised for that, which is why I am in the position I am now.

It is absolutely imperative that work continues on getting a diverse workforce for games. If it has gone from 4% in 2009 to what we think is roundabout 19%—that is the last stat we have got, which was a skillset survey that was done in 2016. We need some—I am sorry—more research. We do need to do some work to get new statistics, and Women in Games is working on that at the moment.

Empirically, it has improved but I cannot see any reason why it cannot improve well beyond that amount because 50% of players are also women. It is just working on that.

Q726 **Rebecca Pow:** Is it one, two or three things that would help that? What do you need—an advertising campaign?

**Marie-Claire Isaaman:** No, there are campaigns. I have been working on a campaign. Women in Games has an ambassadors programme, both a corporate ambassadors programme and an individual ambassadors programme. That enables young women to work in their communities, going to schools, talks about what careers are like. We have a conference very year. This year it is going to be a three-day conference to encourage, especially young women, into the sector. It is incremental. We have been working on these things.

As CEO of Women in Games, ever since 2016, I have been strategically working on things to build that. I definitely am seeing more women. For



## HOUSE OF COMMONS

instance, gamesindustry.biz has an annual award for the top 100 women in games. This year they had 450 nominations. That is the biggest amount of nominations they have had and out of that 400 they selected the 100 women. That is way in advance than it has been in the past. Something is shifting.

But you are right, if you have diverse teams, and that is women and also all the other minority groups, you will definitely see an improvement in every level of your business and in the product and the level of the product. I am just going to get off my soapbox now.

**Kish Hirani:** This is where I say—I would love it if somebody says I am wrong on this—but let's see where we are right now. I will emphasise, we do not have the exact figures. Again, having worked for commercial companies and the money you are spending—if we could put that effort, first we need to know what are the targets and the things we need to meet.

The targets are very easy. Women in Games and the 50:50 population. There are ethnic minorities—you probably know the working class in terms of the creative industry and the other industries and the percentiles that we should be aiming for. This survey was done by Creative Skillset. It stated that about 4% is ethnic minority—I do not know if any of you have read that survey yourself, but only 100 people took part in that survey. It is nearly four years since we have done any other surveys or so. This is where I appreciate that you are looking at the video games industry as a very important industry. We need to know this.

This issue has been neglected in a lot of areas. There are no more surveys being done apart from the video games industry themselves doing it. I am working with UK on ADI Group in quality levels, an initiative group, where we are looking at how to find some funding to find out exactly the figures of gender diversity and so on in the video games industry. That is where we are right now. Once we get those, there will be a lot of work—everybody is suggesting it will be easy because then you will be able to measure it.

**Chair:** There is no real accurate data, you do not think?

**Marie-Claire Isaaman:** Not at the moment.

**Kish Hirani:** I have looked.

Q727 **Chair:** Kish mentioned earlier on that what you do is in a voluntary capacity.

**Kish Hirani:** Absolutely.

**Chair:** Does your organisation have any funding?

**Kish Hirani:** No, we do not.



**Chair:** The industry does not—

**Kish Hirani:** Our main activity is monthly meet-ups and those are always funded by the industry. Our last meet was at Twitch and it was an absolutely fantastic meet. Again, it's more proactive with us as volunteers saying, "This is the area we should be looking at and let us try to get more paying people into Twitch's office and see if they can be employed there". But it is all done on a voluntary basis.

Q728 **Rebecca Pow:** Can I ask just one final question? If you do not address this what do you think the knock-on effect of society will be? If we do not get to grips with this diversity issue in a big, growing, booming industry like gaming, what is going to be the detriment?

**Marie-Claire Isaaman:** The industry will not fully evolve to be the best that it can be. We do have to get a grip on it and if we do not get a more diverse workforce, if we do not support young women with careers going into games, I do not think that will be good for the industry going forward into the future.

**Jodie Azhar:** We are missing out on a huge pool of talent by not encouraging diversity.

**Kish Hirani:** The games will exist where it will be incredibly boring. I will give you an example. It will be exactly like radio representations; if you like shipping forecasts, great, but the reason we have diverse presenters on screen, TV presenters, a lot of people worked hard as volunteers to make sure there is diversity and that is exactly where we are right now. Games will continue but it will be boring.

Everything will be just terribly boring and dull and stereotypical—and exactly what you just said—designed for that demography who will be the ones who will end up buying games. I will use the word you used; it will be the white males who end up buying the games and making games that nobody wants—every player wants amazing different games, enriched games. We all win.

Q729 **Clive Efford:** Was it seen as controversial within the industry that Women in Games gave its inaugural presenter award to a man?

**Marie-Claire Isaaman:** It was. I was hoping that this would come up because it was the first time that we had done any esports awards. Women in Games is a not for profit, small organisation where everyone works part-time. We put these awards together and for the first time we decided to give awards to allies, so not just women but men as well who help in the sector and other diverse groups. For instance, Kish got an award.

**Kish Hirani:** My organisation got an award.

**Marie-Claire Isaaman:** Your organisation. Andy Campbell got an award. Steven Taarland, who runs a rainbow game jam got an award. But the



press fixated on the esports award and that was also partly, in hindsight, because we did not describe the award well enough to say that it was for an advocate. It could be for an advocate. As you know, from the inquiry that you have just done, the esports sector is very male dominated and, in order for Women in Games and for us to take a step into that and to do something in that sector and in that space, we have to work with allies. That was what that award was about because the person who received the award had done some good recent work in supporting female-only tournaments. But the framing of it, yes, it was not good because what came out in the press obviously was Women in Games gives a man an award.

If you look at the website, you will see my statement that I made about it, and it is something that we will be very careful of how we frame that. But Women in Games wants to work with men. We have to work with men because the sector, both the games industry and the esports industry, is predominantly male. We cannot move unless we form allies.

**Kish Hirani:** That is why I volunteered to work with BAME in Games. If you say 4%—whether we believe it on the figures or not—it is a very tiny figure. Why are you going to exclude the 96% who can help you make that difference? Same with women, if the figure is only 19%, why are you going to exclude the rest who are in power and be able to make that difference?

That is why BAME in Games meet-ups are always open for everybody. We think diversity should involve everybody who cares about diversity to make a change. You are sitting here and I am sure I am telling the people who already know this. There should be all of us fixing this and I believe that is what you are doing here.

**Q730 Chair:** We would all agree with that and absolutely salute the work that you do. I would be interested to know what sort of resource you have with Women in Games compared to what the Women in Journalism organisation has, or the Women in Advertising and Communications organisation.

**Marie-Claire Isaaman:** We have very little resource so it has been a grassroots organisation. It has grown up on volunteers. Even when I took over in 2016—I am not even going to tell you how much I was paid but it was a very tiny amount and based on two days' a month work. Since 2016, I have been strategically trying to make the organisation professional and sustainable. Last year we particularly worked hard with the industry and we got some fantastic sponsorship. That has enabled us this year to do much more work than we have ever done before. We have also managed to work with a few universities and get involved in some projects there.

We cannot do the work that I want Women in Games to do at the level of income we have at the moment. We have never received any other funding.



# HOUSE OF COMMONS

**Chair:** There are probably other sectors—organisations like yours—who receive a bit more support from the larger businesses within that sector. Anyway, that is something we can pursue another day. Thank you very much indeed. We are very grateful for your evidence.