

Digital, Culture, Media and Sport Committee

Oral evidence: Immersive and addictive technologies, HC 1846

Wednesday 19 June 2019

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Watch the meeting

Members present: Damian Collins (Chair); Clive Efford; Julie Elliott; Paul Farrelly; Simon Hart; Ian C. Lucas; Brendan O'Hara; Jo Stevens; Giles Watling.

Questions 1015-1256

Witnesses

[I](#): Shaun Campbell, UK Country Manager, Electronic Arts; Kerry Hopkins, Vice President, Legal and Government Affairs, EA; Canon Pence, General Counsel, Epic Games; and Matthew Weissinger, Director of Marketing, Epic Games.

Examination of witnesses

Witnesses: Shaun Campbell, Kerry Hopkins, Canon Pence and Matthew Weissinger.

Q1015 Chair: Good afternoon. Welcome to this evidence session for our inquiry into addictive and immersive technologies. We are grateful to the representatives from Epic Games and Electronic Arts for joining us, particularly those who have travelled from the United States to be here this afternoon. We are grateful for your time and for your commitment to the evidence session.

I will start by directing some questions at Epic Games regarding Fortnite, a game you make that is a global phenomenon. I am sure you are familiar with the remarks that Prince Harry made about Fortnite—it is pretty unprecedented for a member of the royal family to talk about a commercial organisation, particularly in a critical way. He believes that the game should not be played. He even said: “It’s created to addict, an addiction to keep you in front of a computer for as long as possible. It’s so irresponsible.” What response would you give to Prince Harry on the concerns he has expressed about Fortnite?

Canon Pence: We were quite taken aback by that at Epic. We were rather surprised because in our view the statements that were made couldn’t be further from the truth, our intentions, our design philosophy and our multi-decade approach to developing a long-term, healthy and sustainable relationship with our audience. It has always been our effort and intent to create a fun, fair, flexible, engaging and generous form of interactive entertainment for our audience. I feel that a statement that suggests that there is some sort of nefarious attempt to extract short-term profit is a real mischaracterisation.

Q1016 Chair: That’s interesting. You clearly think that he got it wrong. Do you think that what he said came from a lack of understanding?

Canon Pence: I do.

Q1017 Chair: But you will be familiar with the number of press reports of people complaining about the amount of money that they spend, or are encouraged to spend, playing Fortnite, and particularly the amount of money that younger people spend. Do you recognise that for some players there is a real issue with the amount that they are spending playing the game?

Matthew Weissinger: We have a number of parental controls in place, even within the game, for purchasing habits. A parent can go in, enter PIN information and control a number of features related to how someone plays the game. Within that parental control system, we outline the various systems that people can use to control payments. If that is an issue, they can lock down those features so that payments cannot be processed.

Q1018 Chair: Earlier this month, there was a story in the British press about a six-year-old who was using his uncle's PlayStation account to play Fortnite. He spent £1,600 in a single day. These stories are not isolated. What do you do in such cases? Do you offer refunds to people? Do you accept the fact that someone maybe lost control of the account, and that money was spent that should not have been spent?

Matthew Weissinger: I am not familiar with the report. The idea that you could spend £1,600 in a day sounds—I am not sure that you can actually spend that much in Fortnite—

Q1019 Chair: I have the report here from the newspaper. I don't know if you want to put in a complaint to the press standards body if you feel that the story is not true.

Matthew Weissinger: I can check, but that amount in a single day does not seem correct. Beyond that, we have a player support system that we invest in heavily. It is global, and in these types of situations people can enter in a ticket through the game or a website. We have, basically, a protocol in place to handle these kinds of things and fraud situations. Anyone can access that and submit a report. We address those as we receive them.

Q1020 Chair: In this particular case, the £1,600 in a day was spent in 15 separate transactions. Should not features be built in that either require some additional verification of the purchaser or challenge someone before they spend what seems to be an excessive amount of money on playing a game in a single day?

Matthew Weissinger: I refer back to my comments on payment control systems that we reference in-game. You can go into parental controls, where we clearly and explicitly list the ways that you can control or disable payments from within Fortnite.

Q1021 Chair: So it is down to the user, as far as you are concerned—it is the user's responsibility to make sure that those settings are in place.

Matthew Weissinger: I would say that we provide tools to allow players to make those decisions for themselves.

Q1022 Chair: Do you think that it is responsible that someone could make that level of purchase anyway? Is it responsible to design a game where someone can spend that amount of money in a single day without challenge, and then say, "You should have set the settings differently if you didn't want to do that"?

Matthew Weissinger: I think that that is a little bit of a mischaracterisation of how we have actually built the game. Canon mentioned a little about that. We are not interested in maximising some sort of very short-sighted and short-term profit from our players. Instead, we want to have a very open and honest relationship that is built to last for years. The only way to do that is in a sustainable way. That involves us being generous with our offers and being as transparent as possible about



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what people are purchasing when they make purchasing decisions in the game—those are just a couple of the ways.

Q1023 Chair: But when something goes wrong—for example, if you have an account like that, where someone has spent £1,600 in a day, which is out of character for the playing pattern of the account owner—can someone come back to you and say, “Look, this is what happened. I didn’t authorise this; it wasn’t my intention. A child did it.”?

Matthew Weissinger: Yes.

Q1024 Chair: There have been lots of complaints about that relating to Fortnite. So they can have the money back?

Matthew Weissinger: Yes. I was not aware of the specific report, but any player can submit those types of complaints or concerns through our player support system. We have family fraud rules in place for just those types of situations.

Q1025 Chair: So you would refund the money in that case?

Matthew Weissinger: Yes.

Canon Pence: If they can show us that their child has done that transaction and it was not authorised, yes. Our intention is to be generous in those cases.

Q1026 Chair: How would they demonstrate that?

Canon Pence: I do not oversee the player support system, but I know that we receive that kind of request regularly. On very rare occasions, some of those are escalated to higher levels of support, or even up to legal. My understanding is that that is a really small percentage of those cases and that the vast majority are addressed in the first instance.

Q1027 Chair: How would someone demonstrate that their child made the purchases and not them?

Canon Pence: I think you could show the ownership of the credit card that was used to—

Q1028 Chair: Yes, but in this case the card has been registered to the game. A child has gone in and played the game using the settings that are there, and has spent an adult’s money without supervision. In a case like that, how does the card owner demonstrate that it was not them who made the purchases, but someone else using their card?

Matthew Weissinger: In that particular case, they would obviously have a history with a significant number of transactions in a very short amount of time. That would basically be the information that we would look for to issue a refund.

Canon Pence: I would presume that the card and the account would have different owners. In that case, it would be a parent’s name and a child’s name, which would further support the complaint. I acknowledge that in theory it would be possible to try to take advantage of our system by



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claiming a family fraud case where actually there was none, but our intention is to be generous when those claims arise.

Q1029 **Chair:** Do you have a cap on how much money people can spend in a day, a week or a month of play?

Matthew Weissinger: Yes.

Q1030 **Chair:** What is it?

Matthew Weissinger: It depends on the game mode and the particular day. People are limited in Fortnite Battle Royale to purchasing the battle pass or purchasing an item in our daily cosmetic item shop. On a given day in the item shop, we will have maybe 10 items available, which range anywhere from \$2 to \$20 each. The battle pass itself costs \$9.50.

Q1031 **Chair:** What you are saying is that there is not necessarily a cap on spend, but a limited number of things that you can buy in a single day?

Matthew Weissinger: Correct.

Q1032 **Chair:** So that would be about \$210?

Matthew Weissinger: If you were to purchase a battle pass, plus upgrading that battle pass and all of the items in an item shop on a given day, you could probably spend around \$200, but again, that is the extreme situation of purchasing a battle pass plus fully upgrading it. Once you have committed to that one-time transaction, you are then limited to what is in the item shop on a given day.

Canon Pence: You can't re-buy the battle pass.

Q1033 **Chair:** What is the average monthly revenue per player for Battle Royale?

Matthew Weissinger: Unfortunately, as a private company, we consider that competitive information that in general we have not shared and do not feel comfortable sharing.

Q1034 **Chair:** You have given us an idea of what you think the maximum amount someone could spend on it is. What would you consider to be a regular player of the game? How often would they play?

Matthew Weissinger: How often would somebody play in a given month?

Chair: Yes.

Matthew Weissinger: Honestly, it really depends on the player. The way the game has been built, it is able to be played in bitesize consumable increments. Each game session itself lasts about 20 minutes, and everything from the way our battle pass is created to the actual 20-minute duration of a match is meant to be consumable for when you have free time. There is no extended period of grind or need to play the game continuously for hours or something like that in order to unlock something.



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Any progression, challenge or reward for something like the battle pass, for example, can be completed over the course of 10 weeks. That was actually a change that we built into the game based on player feedback. The original version of the battle pass would require that within a given week—I shouldn't say "require", but within a given week there would be challenges that are available that would allow you to more quickly unlock additional cosmetics. Based on player feedback, we actually made it so that these weekly challenges could be completed over the course of the entire 10-week season, so that again players can complete these challenges in their own free time.

Again, those challenges are purely optional, and the battle pass itself is purely optional. In Fortnite, there is no actual gating of any gameplay or gameplay mode. There is no competitive advantage that you get from purchasing any items within Battle Royale. Going back to your original question, that makes it a little bit difficult to say how many times somebody plays within a month, but with weekly challenges a typical gameplay experience would have somebody jumping in multiple times a week in order to progress and unlock items.

Q1035 **Chair:** You mentioned 20 minutes per game. That is the game time for an individual Battle Royale game, is it?

Matthew Weissinger: Yes. It can be really short.

Chair: If you are knocked out early, it could be really short.

Matthew Weissinger: If you are like me, you are out in a few minutes.

Q1036 **Chair:** But in a session, how many games will people play? Will people play games back to back?

Matthew Weissinger: Again, it depends on the player, and it is a wide range. At this point, the game is so broad in its appeal and its adoption that it is hard to characterise that.

Q1037 **Chair:** I imagine that as a company you probably split your game players into different categories, don't you? There are those who are registered but barely play, those who play frequently, and those who play frequently and purchase frequently. I imagine that you have different categories of players that you analyse, haven't you?

Matthew Weissinger: If we were to analyse them, it is probably in terms of players who have left the game for some amount of time and players who are already frequently playing. We do try to create various events within the game to pull people back in, and we do this through what we think are just exciting, amazing, entertaining experiences that you cannot find anywhere else.

Q1038 **Chair:** To pull people back in, you would email them or message them on Facebook and try to create a hook for them to come back and play.

Matthew Weissinger: It depends. Something like our Marshmello concert was entirely organic. We had an in-game concert that took place



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in February, and we actually did not promote it on social. The way we promoted it was that we actually had a construction crew within the game start assembling a stage over the course of three days. You then saw some concert posters appear in the game, and Marshmello himself then went and updated his tour page, putting up that he was going to be playing in Pleasant Park inside the game. We then basically had the concert play out from within the game, at something like 2 pm or 3 pm eastern time. There were no social posts or emails promoting that.

Q1039 **Chair:** That's great for that one, but I am sure that that is not the only way you do it, is it? You will have social posts giving people a reason to come back.

Matthew Weissinger: That's true.

Q1040 **Chair:** You probably make some sort of offer or give some sort of incentive for people to come back and play. Has that ever happened?

Matthew Weissinger: Honestly, events like that are what bring people back into the game. It is not some sort of—

Q1041 **Chair:** I am just asking; it's nothing to be ashamed of. The answer to the question appears to be yes, and that would have been a perfectly adequate answer. However, you said that the company probably categorises players by whether they are frequent or lapsed. How do you define a frequent player?

Matthew Weissinger: Somebody who has played within the last two weeks, or 30 days, depending on the metric you are looking at.

Q1042 **Chair:** Played any time at all?

Matthew Weissinger: Correct.

Q1043 **Chair:** Among frequent players, what do you think the average amount of play time would be within a two-week period?

Matthew Weissinger: It is hard to characterise. I am not sure how to even—

Q1044 **Chair:** You have just characterised them. You are saying that someone who has played within two weeks is considered a frequent player, and I imagine that there are grades within that, too. Typically, how often does a frequent player play?

Matthew Weissinger: Again, I am not sure frequency is a term that we would use. If somebody—

Q1045 **Chair:** I am just quoting the term back to you; it is the term that you used.

Matthew Weissinger: We look at whether somebody has played in the last two weeks or 30 days. I am not aware of any efforts on our side to ensure that somebody, for some short duration, is spending an extended period of time in the game. That is just not how we build the game.



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Q1046 **Chair:** That is not what I asked you. I asked, if someone is a frequent player, how often would they play? Would they play 10 hours a month? Would they play more than that? What would you consider to be normal usage for someone who is regarded as a frequent player?

Matthew Weissinger: Again, I am having difficulty pinning down a single period of time that could qualify as frequent.

Q1047 **Chair:** I appreciate that—within the last few minutes, “frequent” has gone from two weeks to 30 days, by your own definition. You said that the company would categorise people, and that one way it does that is to look at frequent play. I will ask you again: in terms of hours played for a frequent player, what is considered normal for Fortnite? If you consider someone to be a frequent player, what would you consider to be a normal amount of time that they would play?

Matthew Weissinger: A normal amount of time for someone? We have daily and weekly challenges. It would be normal for some players to jump in every day to complete the daily challenges. Other players might only have free time available on the weekend and would jump in and perhaps play for a longer duration, to pick up all their weekly challenges. Some people might have an extended break of a week—a holiday from school or an end-of-term session—where they might play for an even greater duration. Again, defining who is a frequent player is difficult.

Q1048 **Chair:** What I struggle with is that this is a game that makes money out of people playing it—it is a hugely successful game played by millions of people around the world—so this sort of basic information, as we know from the other games companies that we have spoken to, will be gathered and analysed all the time. I do not believe that you do not know this information. To me, it arouses suspicion that this is not something that we can discuss, because obviously for our inquiry this is fairly basic information. We do not need to know your corporate secrets, but we want to get a sense of a normal or a frequent player’s engagement with the game and the amount of time they will typically play. Of course it will vary, but I am sure that you have an idea of the answers to those questions.

Canon Pence: I am confident that Epic has the means to track and understand the finer points of player engagement. Neither of us are in the data analytics department, which would oversee that kind of effort. More to the point here, we would consider a very fine and specific point like that to be commercially sensitive.

As a side note, I disagree with the statement that Epic makes money from people playing the games. The Battle Royale mode is free to play, so people playing it—

Q1049 **Chair:** You are not a charity, are you? You’re not creating free-to-play games for the joy of it; you make money out of it. There’s nothing wrong with being a commercial entity, but let’s not beat around the bush—you make money out of people playing the game. You can challenge that if you like, but that is the reality of the situation.



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Canon Pence: Sure. We would not have a viable business if no one played and spent money in it, but I wanted to be careful with language about the notion that playing—

Q1050 **Chair:** That's why you are the general counsel. That's your job, isn't it?

Canon Pence: It is, yes.

Q1051 **Chair:** Matthew, you are head of marketing, so presumably you have marketing targets when you initiate your campaign for people who have stopped being frequent players. You must have metrics for what you expect the return rate to be, and presumably you have targets as head of marketing. It is your job to encourage people to play the game more, visit the game's site more often and enjoy the benefits that are on offer and that can be purchased.

Matthew Weissinger: Yes. I'm afraid—what is the question?

Q1052 **Chair:** To me, that would encompass what the head of marketing does. To go back to the question I asked earlier, you wouldn't give a figure for the amount that people spend, but would you be able to tell us what you would expect to be the number of purchases that someone might make as a frequent player?

Matthew Weissinger: Again, I think we would consider that commercially sensitive information. It is very competitive in the free-to-play space and this type of information typically is not shared.

Q1053 **Jo Stevens:** Kerry and Shaun, perhaps I can ask you some questions and then turn to the Epic people. Your business is based on creating engaging games—obviously you want people to play them. When you design the games, what thought is given to the psychological wellbeing of the people who will play them? Do you give that any thought in the design?

Shaun Campbell: It is a primary concern in the sense that we design our games certainly to be engaging, but also fun to play, to give that deep, broad and rich playing experience. But ultimately it is about players enjoying our games, and they have a number of different motivations. Why do players play games? It can be about achievement, competition, competitive relief, just having fun, or relieving stress and just being able to get away from things, but ultimately it has to be a good experience for players.

Q1054 **Jo Stevens:** Do you do anything around working out what impact the games might have on psychological wellbeing when you develop them? Do you employ behavioural psychologists? Do you have any psychological input into the design of the games?

Shaun Campbell: I am not aware of any of us working with psychologists when we look at the design of the games.

Jo Stevens: Kerry?

Kerry Hopkins: We don't work with psychologists, no.

Q1055 Jo Stevens: Okay. What sort of player behaviours visible in people who play your games, such as the length of time they play for, the number of games they play each day or the amount of money they spend, would trigger any concern about player wellbeing?

Shaun Campbell: I guess it goes back to your first question. We want players to take a healthy and balanced approach to playing games, just like anything else.

Q1056 Jo Stevens: What is healthy and balanced—how would you define that? What is unhealthy and unbalanced?

Shaun Campbell: I think it will vary depending on the individual and the reason why they are playing. We talk about balance, but what does that mean? It is different things to different individuals. For me personally, it is playing for half an hour to an hour. My motivation as a casual gamer is just for fun. Some players, such as FIFA and FIFA Ultimate Team players, are competitive and want to continue to improve. For players who want to go into a career in e-sports, that is what they do: they practise and love spending time playing the game. It is difficult to characterise what excessive is. Ultimately, it is what feels out of balance for the individual.

Q1057 Jo Stevens: What is the longest recorded play time on FIFA, for example?

Kerry Hopkins: We don't actually record play time. The FIFA game has a number of different modes. Each of the modes is built to be enjoyed differently. When we look at how players are playing, similarly to Epic, we look at whether they have come into the game recently.

We look at something called session days. To be clear, the data we are able to gather through our game when people are playing shows that they have connected to the game. We can collect things like number of matches played, but we don't actually collect data that shows that there has been ongoing input. For instance, I would know that you came into the game today and played four matches, but I not whether you left the game open on your system or how long you were actually playing for. What we can tell you is that the average number of session days for a user of our FIFA game is about 50. That means that they have played 50 times over the year.

Q1058 Jo Stevens: What else do you record, in terms of player data?

Kerry Hopkins: Basically, our telemetry data collects information on how features are used, how often they are used and whether users are facing frustration in the features. We have a data analytics team, who collect this data and work to analyse it. Their main focus is looking at how to make a game that people will enjoy playing. One of the big questions that they ask is how hard a game should be, to make sure that we are appealing to the broadest group of players possible. People do like to play in different ways. Some people play a lot; some people play for a short time.

These are really smart people, who can do amazing things. They have a visualisation tool that allows them to collect the data on the usage of a



game and put it into a web visualiser, so that they can see, during certain features of the game, what is happening for everybody who has been playing. For instance, you might be familiar with our Battlefield game, which is a war game. People go to different maps of the game to play, and we had one map where folks just kept failing in the game. We were able to use the data we collected from the game to visualise what was happening. We found that a lot of people kept going down this one road in the map, clogging it up and failing. Through that data, we were able to say, "Let's change the look of that. Let's add some trees to this road. Let's make some changes so that we don't have thousands of players going down this road and failing at this mode."

Q1059 Jo Stevens: Can I just go back to the FIFA game? I have a particular interest in it, because I have two sons and they both play a lot of FIFA. I asked you a question about the longest play time that you had recorded, but you do not measure that. Going back to what you said originally about health and wellbeing, if you cannot measure excessive play, in terms of length of time on your games, how are you addressing the health and wellbeing of your players?

Kerry Hopkins: Even if we could measure it, I don't think we could tell from the amount of time somebody plays whether they are playing in a healthy way or not. There are players who play quite a bit and live normal, happy lives; gaming is what they do. There are other players who like to jump in and out of the games, pretty much like any sport or activity. Some people probably think I spend too much time reading books. I know that my partner spends too much time playing pool, but he spends that time playing pool because that is what he enjoys doing and he gets very good at it. It is really not something that we could look at and say, "Well this person played too many hours and therefore it is unhealthy."

Consumers have to have choice, and they have to have a right to privacy. We think that is very important. We agree that children are special, and we have a responsibility to create tools and inform parents about those tools, to make sure that they can make the right choices for their children. We think that as an industry we do a very good job of that.

Q1060 Jo Stevens: You mentioned e-sports earlier. If I want to be a professional FIFA player on your game, how does that happen? How do you find out that I'm the person who should be in your e-sports team?

Shaun Campbell: Talking about FIFA, we have global competitive gaming, as we call it, the global FIFA eSports series. It is open to all players and is skill-based in terms of being able to qualify and move through that series and tournament.

Importantly, it is open to every player. You will start at the lowest level, competing locally in a weekend league. By winning you are able to progress through the tournament. For us, it is very much about wanting to celebrate and recognise the best players in the world, and those players want to be recognised. They are motivated to compete.

Q1061 Jo Stevens: If I enter the tournament and end up winning it, how long

will I have spent playing that game to win it?

Shaun Campbell: Again, that is difficult to characterise.

Q1062 **Jo Stevens:** Why?

Shaun Campbell: Moving through the tournament, if you look at the structure of it, it will run over a year. So, it will go from a local to a regional to a global series just playing the tournament.

Q1063 **Jo Stevens:** You don't have or keep data on the winner of your tournament, how long they have spent on the game in order to win the tournament?

Shaun Campbell: No. It goes back to what my colleague Kerry talked about. In terms of what our telemetry system is measuring, it is looking at session days, when players are opening and playing that game on a particular day.

Q1064 **Jo Stevens:** Would somebody in your company be able to identify the 100 biggest customers that you have?

Shaun Campbell: Customers, in terms of?

Q1065 **Jo Stevens:** Players.

Kerry Hopkins: In terms of what? Spend or play time or number of matches?

Q1066 **Jo Stevens:** Play time or spend or both.

Kerry Hopkins: I don't believe with play time we would because, as I said, we don't measure play time that way. We would have data on how many matches people played. FIFA is a number of different modes. It could be that somebody has the highest number of matches in one mode and somebody else has a different number in a different mode. I don't know that if you combined them all that it would necessarily be equivalent.

Q1067 **Jo Stevens:** What about spend? Would you be able to identify your 100 biggest spenders?

Kerry Hopkins: We do have spend data.

Q1068 **Jo Stevens:** What do you use that for?

Kerry Hopkins: What do we use it for?

Q1069 **Jo Stevens:** If you collect it, it must be for a purpose.

Kerry Hopkins: Sure. Customer service is the biggest thing. For instance, in the same way that Epic has a global customer support group, we do. If you spend money with us or have made purchases from us, we want to have the data on those purchases so that we can assist you. That is probably the No. 1 reason. I think any business has to have records on commerce.

Q1070 **Jo Stevens:** What would you be assisting me with?



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Kerry Hopkins: It could be anything. If you would like to know with people, the most regular calls we have are around questions about banning. You may know that with our FIFA game, you are not allowed to sell your coins, items or anything outside the game. I would say the largest number of consumer questions on FIFA, at least those that get escalated to me, relate to people who have been banned for violating those rules. So, those records are very important to us in helping to understand whether someone has complied with the rules.

Q1071 **Jo Stevens:** How many people a year do you ban on average?

Kerry Hopkins: Oh gosh, a lot!

Q1072 **Jo Stevens:** What's a lot? Hundreds? Thousands?

Kerry Hopkins: Thousands.

Q1073 **Jo Stevens:** Right. Can I turn to you, gentlemen, please? Going back to my original question about whether you have any psychology input into the design of your games, do you have any people who do that?

Canon Pence: We don't employ any psychologists.

Q1074 **Jo Stevens:** Do you think you should?

Canon Pence: I don't think we need to. I think we've done all right.

Q1075 **Jo Stevens:** How have you reached that decision that you don't think you need to? What is the thought process behind that?

Canon Pence: I guess we would have to have a purpose in mind for hiring that kind of person. My guess as to the underlying import of the question is that we might hire people whose sole job it is to understand the mental state of the end user, so that we might get better at delivering game content to them.

Q1076 **Jo Stevens:** Or somebody who is going to help you to design a game that will have the hooks that you want to pull people in to play it. Lots of industries do employ behavioural psychologists, so I'm interested as to why you don't.

Canon Pence: That's true. As I think I started this session by saying, it's a deep component of Epic corporate philosophy that, just as an across-the-board design approach, we are looking to have something that feels fair and generous. We are always trying to stand out in the industry by giving the end user an experience that they view as really generous, and that has proven to us to be naturally consistent with a satisfied player base, so we don't feel that we have a huge problem or need for—

Q1077 **Jo Stevens:** Do you employ monetisation specialists?

Matthew Weissinger: We do not have anybody in the company who is a monetisation specialist. What we do have are people who, for example, would be in charge of curating our item shop. Just like with any shop, they are in charge of figuring out what items to feature on a given day, which

ones maybe haven't been seen in a while. They would focus on just literally stocking that shop.

Q1078 **Jo Stevens:** As a company, have you done any research into what might be harmful levels of engagement with your games, particularly Fortnite?

Matthew Weissinger: Harmful levels of engagement?

Jo Stevens: Have you done any research?

Canon Pence: I don't believe—at least from my point of view, consistent with what Kerry said earlier, we think it's difficult to have a categorical understanding of what healthy engagement is. That varies from person to person and it varies from time to time, even, on a person-by-person basis. Instead—

Q1079 **Jo Stevens:** But have you done any research into engagement and length of engagement?

Canon Pence: Research, to me, implies a—

Q1080 **Jo Stevens:** It's a simple question: do you do research into the length of time people play the games?

Canon Pence: We have not commissioned scientists to go and study it, no. Have we spent time thinking about it? Sure.

Q1081 **Jo Stevens:** Thank you. Can I ask the same question of you, Kerry?

Kerry Hopkins: Not that I'm aware of, but again, we do obviously spend time thinking about how we can make our games more engaging.

Q1082 **Jo Stevens:** Okay, but you're not aware of any research specifically into harmful levels of engagement.

Kerry Hopkins: No, I'm not.

Q1083 **Ian C. Lucas:** Mr Weissinger, in August 2018, it was reported that Fortnite had 78.3 million players. Do you have knowledge of the age profile of the people who play the game?

Matthew Weissinger: No. We do not collect any age information from our players. We only collect information that is necessary to run the game as a service, and age information is not required to create and produce Fortnite.

Q1084 **Ian C. Lucas:** But there are restrictions on age for access to certain aspects of the game. Is that right?

Matthew Weissinger: On certain age aspects—

Ian C. Lucas: I don't know whether your counsel might be able to help you on that.

Matthew Weissinger: I mean, we—

Q1085 **Ian C. Lucas:** Do you know about the Pan European Game Information

system?

Matthew Weissinger: Oh, PEGI—yes, of course.

Q1086 **Ian C. Lucas:** That's to do with ages.

Matthew Weissinger: Yes. We comply. Basically, in any region where we operate the game, we comply through any governing or overseeing authorities that provide age ratings. We submit information to those, and for PEGI we are rated 12+.

Q1087 **Ian C. Lucas:** How do you comply if you don't know the age of the players?

Matthew Weissinger: There are parental controls in place whereby you can control access to new games and the content you can have access to. By virtue of us supporting and participating in these programmes, we control access to the game. Separately, though, we have as well parental controls that people can opt into to restrict access.

Q1088 **Ian C. Lucas:** So if I start to play Fortnite, do I start to play it without you making any inquiry about my age?

Matthew Weissinger: Yes, that is correct.

Q1089 **Ian C. Lucas:** So there is no age verification at all to start with?

Matthew Weissinger: No. We don't collect that information.

Q1090 **Ian C. Lucas:** So I can gain access to Fortnite at any age?

Canon Pence: There is a distinction between delivery mechanisms—we call them platforms. If you are on a PlayStation, you create a PlayStation account and the monetisation and everything goes through Sony in that case. They are not directly engaging with us in that case. It is the same with Apple or Nintendo.

Q1091 **Ian C. Lucas:** Can I start to play Fortnite without your knowing my age?

Canon Pence: In the case of Sony, for example, if you just have a PlayStation account and you access Fortnite through the PlayStation store, unless you have an Epic account separately, independent of that, and link it with the PlayStation account, we know very little about you as a PlayStation account holder.

Matthew Weissinger: But controls can be set up on these systems to restrict access to those game types.

Q1092 **Ian C. Lucas:** You have said a lot about parental controls. You seem to be shifting responsibility on to the parents in your answers.

Matthew Weissinger: No, instead I would characterise it as our providing and supporting tools that allow players to make decisions. We provide information and such.

Q1093 **Ian C. Lucas:** My concern is that some of the people who are making decisions in the way that you characterise are children. Is it right that



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there will be children playing without parents getting involved? That is quite possible, isn't it, from what you and your colleague have just described?

Matthew Weissinger: For a game as mass and broad as Fortnite, there may be players who access systems where controls have not been set up.

Canon Pence: At least from my point of view, it is important to note that—in our view, and I think this is generally understood—the broad appeal of Fortnite is in part due to its being a content that is intentionally designed to be safe and comfortable in a living-room environment. The nature of the game itself is one that, in my view, should not put it into the same category for discussion as traditionally violent or realistic action games.

Q1094 **Ian C. Lucas:** Okay. Do you have age verification systems, Kerry and Shaun?

Kerry Hopkins: I think I can help to clarify some of what Epic were explaining. Most of our games are enjoyed on consoles, and in the UK in particular, the PlayStation is incredibly popular. In order for a player to play any of our games online, they must first have a PlayStation account. You cannot make a PlayStation account if you are under 18. A parent has to create an account and then create a sub-account for a child.

By the time the player comes to our game, they have already gone through the Sony system, the parent has created a sub-account if they are under 18 and the parent has been informed that they can set parental controls to make decisions about the content: do they want their child to be limited to PEGI 15+, or PEGI 3+? They can make choices about gameplay, amount of time played and purchases.

One of the things we do as publishers is to ensure that our games are compatible with the PlayStation and Microsoft systems so that, when the parents have set those child accounts and have made the choices in those systems for their child, we respect them, and what they get in our games follows what they set in the console.

Q1095 **Ian C. Lucas:** So Sony is responsible for the age verification?

Kerry Hopkins: Sony creates the accounts initially, so by the time a player comes to us, an account has been created for them. In some cases, we also create EA accounts, so we are doing a second check of the birth date. Not everybody does that. The point I was trying to make—

Q1096 **Ian C. Lucas:** So you do have an age verification system?

Kerry Hopkins: We collect date of birth from our players.

Q1097 **Ian C. Lucas:** So you ask them how old they are?

Kerry Hopkins: We ask them for their date of birth.

Q1098 **Ian C. Lucas:** When they sign up?

Kerry Hopkins: When they sign up for an EA account.

Q1099 **Ian C. Lucas:** Okay. For what reason do you do that?

Kerry Hopkins: We do that, in great part, so we can service them.

Q1100 **Ian C. Lucas:** Is that to sell them stuff?

Kerry Hopkins: It is all the things I talked about before. It is customer service. It is also because we comply with data protection laws; it is important to us to know who we are dealing with, to make sure that we are compliant with data protection laws. It is to ensure that we can give our customers a personalised service, which is very important to us.

Q1101 **Ian C. Lucas:** Mr Pence, why doesn't Epic do that with Fortnite?

Canon Pence: As Matt said earlier, it is our intention to collect the minimal amount of player data that we need in order to provide the goods and services requested by that player. If you have a player coming in through Sony, all their account data and information goes through Sony, and the purchases go through Sony. We really just see that "PlayStation player No. 10,000" is engaging with Fortnite in that way.

If you have an Epic account, we need less about you if you are just a free-to-play player and are not paying any money than if you were buying something in the store. At a high level, it is our view that we intend to collect the minimal amount. We don't believe, in terms of servicing Epic accounts, that we need age in order to deliver what has been requested by the account holder.

Q1102 **Ian C. Lucas:** So you do not think it is necessary to comply with data regulation and laws by establishing the age of the people who play your game?

Canon Pence: We don't.

Q1103 **Ian C. Lucas:** To be fair to all the witnesses, we have heard evidence from other social media companies that there is a really difficult issue concerning age verification. We understand that. For the industry as a whole, it would be good if we could come up with an age verification system. That is one theme that has come through in the evidence that we have received. However, I am surprised that you have given that answer, Mr Pence, because I think it is important to know the age of players.

What is your response to the concept of the duty of care in the UK Government's online harms White Paper? The idea is that platforms and social media businesses have a duty of care to the people who use the platforms.

Kerry Hopkins: We think the online harms White Paper is important, and I will be staying over tomorrow to meet DCMS to talk about it further. Our view is that there is more work to be done on it. It is important to make sure that we are able to protect our players, particularly young children. We think the White Paper is a great start, but the online world is very big and not all mediums are the same.



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For instance, some questions asked of us games companies are different from what might be asked of social media companies. We are different products. In social media companies, some of the worries might be that kids are on there sharing photos and videos and lots of personal information. That is not really true of games, because the communications for games tend to be quite restricted and about furthering gameplay. Videos or things like that are not typically shared. When there is creativity, it tends to be part of what we call the sandbox of the game.

Our view is that there is more work to be done, because a one-size-fits-all solution may not work for every company. We are really grateful to be invited by the Department to participate and to talk about what more we can do, including on this really difficult problem of age verification. I agree that there is that tension between age verification and data protection, and whether we should collect more data to verify an age, because then we have collected people's personal data. It is a tough question, and we are happy to work with Government to explore solutions.

Q1104 Ian C. Lucas: Do you agree that you have a duty of care to the people who use your game or games?

Kerry Hopkins: I would say, as a lawyer, that that is a bit of a loaded question. Are you asking me if—

Ian C. Lucas: I am a lawyer, too.

Kerry Hopkins: No, I get it. Right now, the online harms White Paper is a White Paper. If you are asking me if we have a duty of care under law, I can say that there is not a law yet. I do think we have a duty to our game players, and we take that responsibility very seriously, but legally, I do not feel like this is the place to discuss whether there is a legal requirement. That is why we are participating in the consultation.

Q1105 Ian C. Lucas: We are the House of Commons; this is exactly the place to discuss the issue. The reason there is a White Paper, which is a consultation document, is that we are asking people's opinion about what the law should be. We have an obligation to the people whom we represent to put in place laws that protect, for example, children. I agree that, at the moment, there is no duty of care, but there is a proposal from the Government that there should be. What I am asking you is whether you think there should be.

Kerry Hopkins: I think the White Paper is a good starting point, and it may be that we get to a place where—again, not a one-size-fits-all approach—there are additional legal obligations for companies. I do not believe the White Paper is there yet.

Q1106 Ian C. Lucas: Thank you. Mr Pence, do you think your company should have a duty of care to your users?

Canon Pence: My views echo Kerry's.

Ian C. Lucas: I thought they might.

Canon Pence: To me—forgive me for being a lawyer—

Ian C. Lucas: I forgive you; I am, too. That is why I am asking you the question. Mr Weissinger is glad that you are doing it.

Matthew Weissinger: I appreciate that.

Canon Pence: It feels like far too broad a question: “Should there be a duty of care?” Well, what would that duty imply? There could be extreme versions of that where I think everyone in the room would say, “Well, obviously not”, and then there are already existing obligations that are not really up for discussion, because they are already in place. I think the question is, “Ought there be something between existing law and regulation and some extreme version of walking into someone’s house every night and asking them how they are doing?”

Q1107 **Ian C. Lucas:** But you just told me that you did not think you needed to comply with the legal obligations that are currently in place and are imposed by the Information Commissioner.

Canon Pence: I very strongly disagree with that characterisation.

Ian C. Lucas: Well, the record is there. To my mind, that is exactly what you said.

Q1108 **Simon Hart:** There seems to be quite a lot of stuff that you do not measure as part of your offer. One of the things you mentioned along the way has been the value of parental controls, which Ian Lucas questioned you about a little bit further. Do you measure the effectiveness and the usage of those? Do you know how many parents actually apply them and how effective they are among your players?

Matthew Weissinger: I do not have that information with me at this time.

Q1109 **Simon Hart:** But does it exist?

Matthew Weissinger: Yes.

Q1110 **Simon Hart:** Can you let us have it?

Matthew Weissinger: I can discuss and see if that is something we can provide.

Q1111 **Simon Hart:** But you do not have even a rough recollection of what it might reveal.

Matthew Weissinger: I’m sorry, not off the top of my head.

Q1112 **Simon Hart:** Do you measure in any way the mental health impact of screen time on any category of your players, young or old?

Matthew Weissinger: Not that I am aware of in terms of screen time, other than going back again to our general design philosophy of trying to make a game that is available in consumable pieces that people can play when they have available free time.

Q1113 Simon Hart: I think you answered an earlier question by saying that you do not measure the spending patterns, either. Do you have any matrix by which you are able to define individual spending pattern according to any kind of age group or—

Matthew Weissinger: No.

Q1114 Simon Hart: You do not do that, either. That must be quite difficult from a marketing point of view. Finally on that, as a consequence of this, you don't measure—I am not trying to put words in your mouth—what the mental health impact on your players might or might not be?

Matthew Weissinger: No, but, separately, part of the success of Fortnite is listening to our community, listening to feedback and iterating. I can certainly say from a marketing and publishing standpoint that one of our most significant staffing investments is around community. We are such a big game that, when our community does not like something, it is pretty loud. We like to take—

Q1115 Simon Hart: The problem isn't that; it is whether your community likes it too much. I am talking about an addiction to it, not an aversion to it. Do you measure that? Earlier on, I got the impression that you did not completely accept that there might be a mental health consequence for some of your customers. Do you accept that there might be?

Matthew Weissinger: We do not think our game is addictive.

Q1116 Simon Hart: It is interesting. If you just google "addicted to Fortnite", there are pages of individual case studies and references to addiction. The first thing that comes up is, "Parents Guide to Fortnite Addiction". The first article that comes up is, "Parents losing battle with Fortnite as children forced into rehab for video game addiction", which is in the UK as well as the US. Are they all wrong? Are they making this up?

Matthew Weissinger: I think the use of "addiction" unfortunately masks the passion that our players have and the joy that they get from playing our game. Personally, I think it is a mischaracterisation of a term like "addiction", which is typically—

Q1117 Simon Hart: It is not me on this Committee saying that; the World Health Organisation classifies video game addiction as a disease. The WHO does not reference Fortnite precisely, but it references video game addiction as real, and therefore worthy of classification.

Just listening to the evidence this afternoon, there are an awful lot of things that you do not appear to think necessary to measure, which seems odd, given your moral obligations as well as your financial ambitions. There is a wealth of evidence—some of which we have heard in this Committee and some of which we can read online at any time—that challenges your assertion that it is actually a whole load of nice people having a good time. I am not suggesting that it is not a whole load of people having a good time, but I am suggesting that there is evidence out there that suggests that, among certain categories of your players, there is at least a risk of addictive tendencies.



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That surely warrants an investment of some of your time and energy to measure the precise effect, or, indeed, to demonstrate that you may be right and that there is no case to answer. However, all we seem to hear is that there is nothing to see here. You do not think it is necessary to measure it. You do not accept that it exists, and you do not want to spend any money trying to find out if it does. Is that a good place to be?

Matthew Weissinger: I do not think how you have characterised that is true. We actually provide monitoring from within the game. A parent can actually enter in an email address and receive a weekly play usage report from—

Q1118 **Simon Hart:** But you can't even tell me whether that system works. You said you didn't have the information off the top of your head and that you would have to come back to us at another time.

Matthew Weissinger: I know that it works.

Simon Hart: That seems to me to be the most important information that this Committee is likely to ask for.

Matthew Weissinger: I know that it works. I was not sure of the participation rate that you referenced.

Q1119 **Simon Hart:** What about the other suggestions, particularly in terms of mental health impacts among young people? Is there not a moral obligation to simply satisfy yourself as to the extent of the evidence behind that?

Matthew Weissinger: Again, that is why I refer back to our company philosophy of maintaining a healthy community that is built for the long term.

Q1120 **Simon Hart:** But how are you doing that? That is my point. I am simply asking what steps you are taking to measure that.

Matthew Weissinger: By making a game that is easily consumable in chunks—small bites—that you can play in your own free time and that does not force you into any significant short-term investment that might be detrimental to the player. We are a free game so, if anything, we are kind of upheld to a higher standard when it comes to the relationship that we have with our players. They have paid nothing to enter the game and we basically have to build the trust of the player in order to have them continue to play our game and not go elsewhere.

Q1121 **Simon Hart:** Other witnesses we have spoken to have talked about inserting measures into their games that require you to log off and take a rest period, to avoid prolonged periods of screen time. Why don't you do that?

Matthew Weissinger: I believe our preference is to provide the tools for players. Parents can monitor play time through things like our weekly play usage report and then take advantage of some of these parental controls around screen time, access and purchasing access, in order to make

decisions based on how they would like either their child or somebody else who they share an account with to play the game.

Canon Pence: And it is a different situation from a classic MMORPG style, where inherent in the design is some sort of multi-hour campaign mode. The nature of the Battle Royale game is, automatically, one to 20 minutes, so it automatically forces the player out of the action; that is a natural part of it.

Q1122 **Simon Hart:** One last question, in two parts. First, do you believe that there is a legitimate concern that your game, in certain circumstances, is addictive to both young players and older players? Or do you refute the claims that I have read to you just now?

Canon Pence: I know that it is highly compelling and engaging and people get really excited about it.

Q1123 **Simon Hart:** They get very concerned about it.

Canon Pence: Like most things in the world, there is a way to have an unhealthy level of engagement, like even exercise. I am sure that there are people who have an unhealthy level of engagement there.

I wouldn't presume to say that a person who feels like someone they care about spends too much time in Fortnite is wrong; I would have to see that on a case-by-case basis. But no, I wouldn't say they are wrong about what they state.

Q1124 **Simon Hart:** Therefore, are you satisfied that Fortnite does not have any mental health consequences for any of your players, in any age category?

Canon Pence: As a company, we really care about our player base, so we care about our relationship with them and we care about our reputation as a company. That is not a thing that we just do in isolation; we listen to our audience and we listen to the public, and we think about it and try and iterate and innovate, and continue to develop our games and process. It's a thing that we're happy and willing to have ongoing dialogue about. We don't have a static position on that, exactly.

I do think it's unfair to ask a game company that has a very limited relationship—a pretty clearly defined limited relationship—with an end user to comment on the mental health of an individual player. That ought to be the domain of a medical professional.

Q1125 **Simon Hart:** But if you were launching a physical product—a toy for a child—you would be required, by law, to ensure that there were no physical or emotional consequences. You would be required by law. That would be your responsibility, not some medic down the line. So what's different about your product?

Canon Pence: I don't oversee the development of physical toys, so I wouldn't be able to know the extent to which we would have an obligation to the emotional health of the buyers of those toys.

Q1126 **Chair:** Mr Pence, do you accept the World Health Organisation's definition



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of gaming disorder?

Canon Pence: I understand that that has happened. I am not an expert on that process. We participate in industry organisations which have taken issue with the manner and process that that has gone through. I also understand that there is plenty of debate over whether that process was proper. I wish I knew a lot more about it.

Q1127 **Chair:** So you think they are wrong. You think that the World Health Organisation has a flawed process and has come out with a flawed result.

Canon Pence: I am not in a position to speak with much knowledge on that.

Q1128 **Chair:** I find it incredible that as the general counsel of your company, you are not in a position to speak about it. I find that extraordinary.

Canon Pence: Okay, but we rely on our trade organisations to do that.

Q1129 **Chair:** But you shouldn't—you should have responsibility for your own company and your own customers. That is not what the trade body is there for. They may lobby for you, but you are the one who has responsibility. These are your users and this is your company.

Canon Pence: I think that is a little unfair.

Q1130 **Chair:** Well, I don't. The World Health Organisation defined a gaming disorder as "impaired control over gaming...and continuation or escalation of gaming despite the occurrence of negative consequences." It is an addiction, in the sense that it is something that people feel compelled to do even though it is hurting them. That is the definition. I am not aware of the World Health Organisation defining excessive reading or excessive exercise as a form of addiction in the same way.

It seems to me that you can disregard what the World Health Organisation has said—that seems to be your position. Going back to what other Members were asking about duty of care, would it not be responsible of a company to consider the guidance given by the World Health Organisation, and therefore consider whether it has a duty of care to its users and whether some of them may fall into this definition of being victims of a gaming disorder? Do you think that would be the action of a responsible company?

Canon Pence: To clarify my earlier comment, my understanding of the World Health Organisation findings and process is that its audience is the global medical industry, rather than individual companies. In a broader sense, I think good companies will care about their customers. In the abstract sense, if we are talking about a non-legal sense, yes, I think we should care.

Q1131 **Chair:** How does your company care about the potential for your users to be suffering from a gaming disorder?

Canon Pence: In the ways that Matt and I talked about earlier, from a design philosophy approach—



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Q1132 Chair: Sorry—your design philosophy is about improving the play of the game. I have not heard anyone say anything other than that the design process is about making the game more enjoyable for users and designing a game that they want to play. That is a perfectly legitimate thing for a games company to want to do. I have not heard anyone so far say anything about that context of looking at the gameplay in terms of duty of care.

Canon Pence: My answer to that is that we as a company always try to resist the temptation to maximise short-term benefit. In my view, that is where the cases in which players are most likely to develop—

Q1133 Chair: We are drifting back to the gameplay experience. You are talking about designing the game in a way that encourages people to play it and doesn't put people off playing. What I am talking about is a duty of care—which, as you said earlier, a responsible company would exercise—to identify players who may potentially suffer from a gaming disorder, because they are playing the game excessively in a way that is not part of their enjoyment but has become a compulsion that they cannot control. I have not heard anything to suggest that your company believes that that is something that you have a responsibility to monitor.

Canon Pence: I think I understand better what you mean now. "I think this person is probably playing too much"—is that what you mean?

Chair: Yes.

Canon Pence: That is a difficult one, because I don't know how to define "too much", for reasons that we talked about earlier. How much is too much for following football matches?

Q1134 Chair: Yes, but following football matches or reading books is not a disorder under the World Health Organisation—gaming is.

Canon Pence: I do not think it is fair to say that gaming is a disorder under the World Health Organisation.

Chair: That is what it says. It has classified it as such.

Canon Pence: It is not my understanding that it has classified gaming as a disorder.

Q1135 Chair: Ukie, the trade body, which has representatives sitting behind you, has said that the industry should pause to reflect and consider what the World Health Organisation has said. It sounds as though you have paused, considered, reflected and disregarded what it has said. The answer to the question is very simple: you don't do it. Despite the fact that the company obviously generates weekly player usage reports so that it can send them to parents who request them—so the company obviously gathers data about gameplay and players—you don't believe you have any obligation at all to identify what might be excessive amounts of gameplay that might fall under the categorisation that the World Health Organisation has given to gaming disorder. Ultimately, there is no intervention that the company would make against somebody



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who appears to be playing for increasingly excessive periods. It is just not data that you gather and use in that way—well, you gather it, you just don't use it in that way.

Canon Pence: Our current approach is to resist designing a game that encourages people to play it or engage in it in an unhealthy way, to provide tools and reporting for parents to—

Q1136 **Chair:** Yes, but what if they are doing it anyway? That is the point, isn't it? If the drinks industry said, "We don't encourage people to become alcoholics," nevertheless, some people do, and there is a whole raft of duty of care practices that the drinks companies have adopted to try to protect vulnerable consumers, even though most consumers consume responsibly. I don't see any evidence of your doing something similar.

Canon Pence: That is fair. We do not currently have a mechanism in place that automatically sets limits on that. That is fair.

Q1137 **Chair:** I did not mention setting limits. Clearly, from what you have said in answer to other questions, the company gathers data about usage, so it would be quite easy to identify people who were playing over a set amount of time. It is interesting to us, because there are a lot of reports. My colleague Simon Hart read things out from a quick Google search. We have quoted newspaper articles, I have quoted what Prince Harry thought and what the WHO thinks, and your response to all of it is that, basically, all these people are wrong and you are right, there is not a problem and you are so confident that there is not a problem that you do not even monitor it.

Canon Pence: I believe I said I would not presume to say that any of those people are wrong.

Q1138 **Chair:** The record will show that what you said about what Prince Harry said at the beginning was pretty close to saying you thought he was wrong.

Canon Pence: That is fair. I was referring to Mr Hart's reference to self-reported family problems or concerns. I would not presume to say that those were wrong.

Q1139 **Chair:** If I were a parent who was concerned about my child's use of Fortnite, listening to your testimony would not give me any encouragement at all that this was an issue you cared about.

Canon Pence: I think we do care about it, and I would actively encourage those concerned parents to use the tools and measures that we have in place.

Q1140 **Chair:** So it is the parents' responsibility, not yours? You do not have responsibility—it is up to the parents to set the controls?

Canon Pence: I do not think it is our primary responsibility to determine how much individual players should play Fortnite.

Chair: I go back to the questions about the online harms and the concept



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of duty of care; this is one area where we may all end up disagreeing, in that we think that major platforms making large amounts of money from millions of people should have some sort of duty of care for the way people use their product.

Q1141 Brendan O'Hara: You may not have a legal duty of care, but I think you would agree that a company such as yourselves should have a code of ethics. We have heard a lot of evidence in this Committee from Dr David Zendle, among others, that loot boxes are closely linked to problem gambling, particularly among adolescents. Can I ask both companies: do you consider loot boxes to be an ethical feature of your games?

Kerry Hopkins: First, we do not call them loot boxes.

Q1142 Brendan O'Hara: Whatever term you wish to apply to them, do you consider them ethical?

Kerry Hopkins: That is what we look at as surprise mechanics. It is important to look at this. If you go to—I don't know what your version of Target is—a store that sells a lot of toys and you do a search for surprise toys, you will find that this is something people enjoy. They enjoy surprises. It is something that has been part of toys for years, whether it is Kinder eggs or Hatchimals or LOL Surprise!. We think the way we have implemented those kinds of mechanics—and FIFA, of course, is our big one, our FIFA Ultimate Team and our packs—is quite ethical and quite fun; it is enjoyable to people. We agree with the UK Gambling Commission, the Australian gambling commission and many other gambling commissions that they are not gambling, and we also disagree that there is evidence that shows it leads to gambling. Instead, we think it is like many other products that people enjoy in a very healthy way. They like the element of surprise.

Q1143 Brendan O'Hara: Just to be absolutely clear, you have no ethical qualms whatsoever about your loot boxes or surprise mechanics.

Kerry Hopkins: I think you are re-characterising my language. What I said is that I think the way we have implemented our FIFA Ultimate Team packs is ethical.

Q1144 Brendan O'Hara: Other than FIFA, are you equally comfortable and relaxed about the other games that you provide?

Kerry Hopkins: For all of the games we have on the market that have a randomised content mechanic—a surprise mechanic, a loot box—I have no qualms that they are implemented in an unethical way.

Q1145 Brendan O'Hara: Let me follow up on that. The Netherlands and Belgium have classified these surprise mechanics as gambling, haven't they?

Kerry Hopkins: Belgium and the Netherlands have taken a different view from every other gambling commission in the world.

Q1146 Brendan O'Hara: Why would two of our European neighbours take that view?



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Kerry Hopkins: They have different gambling laws. I am not sure how familiar you are with their views, but their views as to why these mechanics violate their laws are different. They are not the same view; they both have a very different interpretation, and they have a different law. They decided—the regulator, not the courts, decided—that under their local law, these mechanics violate the law under certain circumstances.

Q1147 **Brendan O'Hara:** Was it violating the law because a player was able to cash out in-game items for real-world value? Is that right?

Kerry Hopkins: Would you like me to get into the interpretation? The Belgians, no, that was not their view. Their view was that any loot box mechanic, any randomised content mechanic, if you paid for it, automatically violated the law. It did not matter if there was external game sale. The Dutch take a very different view: they say both paid and unpaid loot box mechanics violate the law, but only if they can be traded. There, what you are seeing is regulators making an interpretation under the local law that is quite different from what every other regulator in the European federation of gambling regulators has decided.

Q1148 **Chair:** Just for the record on this, you said they had different interpretations. Both regulators have interpreted loot boxes as being games of chance in the context of FIFA 18.

Kerry Hopkins: They did, but for different reasons under different laws.

Q1149 **Brendan O'Hara:** Those mechanics are still available in the UK. Is that right?

Kerry Hopkins: Both mechanics.

Q1150 **Brendan O'Hara:** Is there any evidence of players reregistering to play in other jurisdictions—UK players or players from other European countries registering to play in Belgium or Holland where these things do not apply?

Kerry Hopkins: Sorry, can you repeat the question?

Brendan O'Hara: Is there any evidence of game players registering from outside Holland or Belgium to play from Holland and Belgium to avoid the loot boxes?

Kerry Hopkins: In the Netherlands, all of our mechanics are still available. The only change we have made is that we no longer sell FIFA points in Belgium, because that is the virtual currency used to purchase our FIFA packs with money. In Belgium, after discussions with the Government and the regulator, we made a business decision to turn off the sale of points in Belgium; that is the only change we have made. I have no evidence that anybody has reregistered in a different country to avoid that, no. Because it is around purchase, it would be difficult, because it is a purchase; you have a country that you are located in that your credit card is attached to.

Q1151 **Brendan O'Hara:** Should we take it, then, that the response of your



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company would be that a Government would have to make a ruling and legislate against something before you will take action?

Kerry Hopkins: I think that is a really broad mischaracterisation. We had two regulators in two countries that, under their local laws, had an interpretation of the law. One, we ultimately decided to make a change in our game for business reasons; the other, we are still in discussions, both directly and with the industry, because we disagree with the interpretation the regulator has made. There is a law; neither of these laws have been tested by the court, or the interpretations have not been tested by the court. I don't know if that answers your question.

Q1152 **Brendan O'Hara:** I'm not sure that it does, but could I move on and probably come back to that? The initial question is about the ethics of, let's call them loot boxes or surprise mechanics. Do you have ethical qualms? Do you think they are an ethical feature of the game?

Matthew Weissinger: I personally do not have ethical qualms with that but Fortnite does not have those surprise packs or loot crate mechanics. All of our cosmetic purchases show what you are purchasing upfront. It is a pretty open transaction for those types of in-game lines.

Q1153 **Brendan O'Hara:** Are you comfortable with the ability to resell in-game purchases in the real world? Is that something that you would encourage or discourage or something you don't take a view on?

Kerry Hopkins: It is absolutely prohibited in buyer terms, and we have technical measures in the game to stop it. As I mentioned earlier, we ban thousands of people every year.

Q1154 **Brendan O'Hara:** But it does happen.

Kerry Hopkins: Well, people also break in to Government data, and we don't want that to happen. What I am telling you is that we put every lock and protection in place to ensure that it does not happen. There is no incentive for us to let it happen. It is bad for us; it is bad for our players. I personally have supported both the UK Gambling Commission and the FBI in going after people who do this. We take it very seriously.

Q1155 **Brendan O'Hara:** Realistically, what have you done to prevent it happening, other than banning people?

Kerry Hopkins: I cannot tell you all the technical measures we have in our game because that would give the bad guys some information that they would love to use to exploit. As I said, I worked for three years on a case with the FBI to stop this from happening and several people went to jail. We take it very, very seriously. We have a 24/7 security staff monitoring activity to be sure that people are not engaging in this type of behaviour in our game.

Q1156 **Clive Efford:** Mr Pence, Mr Weissinger, I found your answers very evasive. Were you coached before you came here on how to answer questions?

Matthew Weissinger: No.

Canon Pence: No.

Q1157 **Clive Efford:** No. You didn't pay any external adviser to advise you on how to answer questions here today.

Canon Pence: After our prep call with your Committee, we did seek English counsel advice—

Clive Efford: It shows.

Canon Pence: —advice on a precis of the White Paper.

Q1158 **Clive Efford:** I have a number of questions. Is it possible to disable text messaging on Fortnite?

Matthew Weissinger: Do you mean in-game chat?

Q1159 **Clive Efford:** No—text messaging. In-game chat you can, but is it possible to close down text messaging?

Matthew Weissinger: It is not possible to text message from within Fortnite. You can in-game chat.

Canon Pence: Not SMS. Not a mobile text message.

Q1160 **Clive Efford:** As I understand it—and you can correct me if I'm wrong—you can either in-game chat verbally or you can write to one another. However you want to describe it, you can. Can you switch the latter off?

Matthew Weissinger: Correct.

Canon Pence: Yes.

Q1161 **Clive Efford:** You can. Because the information I've had is that you can switch off the in-game chat but you can't switch off the written form. That has been a concern for some enforcement agencies in terms of protecting children from being groomed online. Is that something you are aware of?

Matthew Weissinger: As part of our parental control, you can control what access any player has, whether it is text or chat.

Q1162 **Clive Efford:** They can both be switched off.

Matthew Weissinger: Yes.

Q1163 **Clive Efford:** There is an article in *Business Insider* about what is described as a brutal work culture in your organisation, with people being forced to work up to a 100 hours a week. Do you have any response to that?

Matthew Weissinger: I do not know—I am aware of the article. I am not aware of anybody who has been forced to work. I do know that Fortnite became this global phenomenon at what was a relatively small company at the time, and therefore many people like myself recognised just what a tremendous kind of once-in-a-generation experience this was, and wanted to see it fulfil the ultimate level of success as much as it could. So people

like myself and Canon worked really hard to make sure that the game met its full potential.

Q1164 Clive Efford: I am sure you did, and I commend you for your hard work, but it is the people who have no choice whether to work or not that the article was referring to. Mr Pence, is this something that you would respond to if it was a calumny?

Canon Pence: Yes. I am aware of the article and we did actively respond to the article, in its—

Q1165 Clive Efford: And you refute it? It's not accurate?

Canon Pence: This is not some sweatshop where managers are standing behind people with weapons, forcing people to work—absolutely not. As Matt said, it took everyone by surprise and obviously there is an enormous amount of hard work associated with that, and everybody did their part. We recognise that we really need to take active measures to make sure that we have a healthy and sustainable workplace, so we are working on that and we continue to do so. But no, it is absolutely not true that anyone is or has ever been forced to do a 100-hour working week.

Q1166 Clive Efford: I give you the opportunity to refute that, on the basis that it would obviously lead to questions—if you treat your workforce like that, what would you do to your customers? But you have answered that.

When you create a game, what is the mindset? How do you go about deciding this will work and this won't? Is it just hit and miss?

Matthew Weissinger: For Epic, it can come from any one of a number of sources. I believe that Fortnite, way back in the day, rose out of what we would call a game jam, where developers are getting free time to construct whatever project they want, and they kind of played around with this building mechanic—that you can build a fort within a world—and it seemed really fun. And five years later, we had Fortnite.

Q1167 Clive Efford: Just like that?

Matthew Weissinger: That was it. I mean, there was a lot of iteration in that process. There were a lot of changes to the way the world was built, and even the first iteration of Fortnite was a kind of PVE—players versus enemies. That was the first mode of Fortnite to release. Separately, we had a small team who experimented with making a Battle Royale mode within Fortnite. I believe there was something like—believe it or not—about eight weeks of them developing that.

Q1168 Clive Efford: So this is just interacting with people online, altering the game, making it more attractive?

Matthew Weissinger: A little bit. I mean, Fortnite existed in a kind of early access beta phase for a long time, so players were able to jump in before the release of the game without paying for anything and actually get to play around with mode. Then we would solicit feedback, we would tweak things, we would take the game back down for an extended period of time, rework some major systems and put it back up. But people would



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play and we would solicit feedback—again, Epic is very iterative in that sense. We want to get the game out as fast as we can to the players, so that we can get feedback.

Q1169 Clive Efford: If I were a drug company developing a drug that may potentially do harm, I wouldn't be allowed to develop it like that. I wouldn't be able to put it out there in the marketplace and see how people reacted to it, and then decide whether it was a good thing or not, without anyone questioning my motives and what I was doing. Why should we allow that to happen in gaming?

Matthew Weissinger: I don't know if that is an apples to apples comparison. Games, demos, small gameplay experiences where the product is developed in tandem with the community—I feel like that is actually something that exists for a lot of professions, of understanding what the player likes, or what the customer likes, taking that feedback and making a better product.

Q1170 Clive Efford: Yes, but there may be people at the other end who like it but it is doing them harm. You have said in your evidence today that you have not even bothered to check whether there is any potential harm. You do not employ anybody to investigate that, or to determine whether there is potential for people who have the personal characteristics to become addicted to your game and spend more money than they should. You do not care about that.

Matthew Weissinger: That is why, when we are in those beta access phases, we are not charging anybody to play that experience. It's a case of, "Hey—come try this game out, and we'd love to hear your feedback."

Q1171 Clive Efford: I heard your answers to the questions earlier about age profiling. You do not check the age of anybody who signs up for your game at all?

Matthew Weissinger: Correct.

Q1172 Clive Efford: So how would you be satisfied that a child has not signed up secretly to play Fortnite? How would you satisfy yourself that you are taking proper care to prevent that from happening?

Matthew Weissinger: That is where participating in things like age ratings boards and councils, and utilising the parental controls that exist on these systems—

Q1173 Clive Efford: I heard that about parental controls earlier on. If a 15-year-old boy or girl turns up at a casino or betting shop and tries to walk in, is it the responsibility of the parents to stop that child going into that betting shop or is it the owner of the betting shop?

Matthew Weissinger: It is unlawful, isn't it?

Q1174 Clive Efford: Well, you are allowing these children to have access without checking their age before they can access your game. You seem to be taking no responsibility—no duty of care at all.

Canon Pence: As I mentioned earlier—Kerry did a much better job than me—if you are a PlayStation user, all of that transaction goes through PlayStation. They own the relationship with users. It is the same with Nintendo, Apple and Xbox. We do not own that account.

Q1175 **Clive Efford:** I get that, but you don't think that you have any duty of care there at all. You think that that should be passed on, and you can just absolve yourself of any responsibility. There are no traits of players in game when they play that would give you any indication of age, or anything like that. There is no data that you collect of any sort.

Matthew Weissinger: Not that I am aware of.

Q1176 **Clive Efford:** Do you recognise the term “addictive play mechanics”?

Matthew Weissinger: I feel like I can deduce what it means. I do not know whether it is an actual term that is used for some sort of condition or something.

Q1177 **Clive Efford:** You would not recognise it as something that would be inbuilt into a game to induce players to play longer hours, to make in-game purchases, and that those mechanics are inbuilt into the game, and that is basically how you monetise players.

Matthew Weissinger: I am not aware of any system or thing like that. I know that we would look at things like points of frustration—issues like balance. If an item seemed like it was too overpowered and was causing frustration for people playing in a particular mode we would use that information to optimise it so that it is more fun. That is the kind of thing that we are looking at.

Canon Pence: I am confident—I think I have probably seen it—that there are ways to design games in order to solicit maximum short-term benefit for the company. You may be referring to things like, “Oh, you're almost there! Just pay another dollar and you can cross the finish line.” That may be the kind of thing that you are talking about.

Q1178 **Clive Efford:** I can list it for you, actually. It includes encouraging frequent log-ins, getting users to spend more time on the device, distracting the user from everyday and real-world activities, encouraging deeper involvement through sign-ups, et cetera, making users feel as though they are missing out when they are not online, and upselling the user to spend more time and money on the app. You do not recognise any of those things as something that you do in your games?

Canon Pence: I do not think that that is a fair statement. This is not a game with a \$60 or £60 price of entry. If we don't have an audience, we don't have a viable product, so we have to have a product that is attractive to our customers and that has things that they want, and things that they want to come back to next week. Certainly, we have to design it in a way that gives them things that are entertaining and that they want more of.

Q1179 **Clive Efford:** Okay, let me move on to prompts. Do you prompt players



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if they have not been online?

Matthew Weissinger: We used to have an SMS push for mobile. You would receive a push notification that would go out if you hadn't jumped in in three days or something, I believe. There were a few more. Since then, that system has been disabled, mostly for technical reasons. I don't think we are against the concept of having push notifications. That is the only kind of out-of-game message on an actual platform.

Canon Pence: We advertise the game.

Q1180 **Clive Efford:** So if somebody has not been online for however long, they wouldn't receive an email or a text message or any other message.

Matthew Weissinger: We do send a CRM email blast, which would go out to players, potentially notifying them about a new event that is happening in the game.

Q1181 **Clive Efford:** That is a general thing. That is not targeted at somebody who has not played for a week or two weeks or whatever.

Matthew Weissinger: We might do it if somebody has not played for some amount of time. We might, for example, talk about a new mode that is available that we think is more interesting to somebody who may have left the game and didn't like the Battle Royale experience. For example, we had our Avengers event. That is a good example of something that we think people might be interested in. They may have stopped having an interest in Fortnite and they might want to play the Avengers mode within Fortnite, and we would put out a message like that.

Q1182 **Clive Efford:** What prompts that? What are you looking at that would say, "This guy has stopped playing Fortnite and wants to play something else." What data have you got that tells you to do that?

Matthew Weissinger: I wish it was more scientific, I suppose; I wish I could provide some sort of answer.

Q1183 **Clive Efford:** It is amazing you make any money at all, isn't it?

Matthew Weissinger: Basically, we look at events that are happening within the game that we think might be of interest and we manually cue those up and we send that out to players, because we think it might be of interest, and it is new and different. There's not some weird automated algorithm that is going in and trying to figure out based on your play pattern the specific message that would be optimised for you.

Q1184 **Clive Efford:** I wrote something down that you said earlier, when you talked about pulling people back in. What do you do to pull people back in and what tells you they need pulling back in?

Matthew Weissinger: Again, that would be somebody who hasn't played in maybe two weeks or a month. We might send them a message related to a big Avengers event or the fact that we are starting a new season.

Q1185 **Clive Efford:** Am I getting this wrong? I thought you just said you didn't



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do that. I asked specifically did you send messages when people hadn't played for a period of time and you said no, you didn't. Now you are telling me that to pull people back in when they haven't played for a while, you send them a message.

Matthew Weissinger: I am not sure if I did, but I would like to correct that. We certainly do send a message if somebody hasn't played in a while.

Chair: To be fair to Mr Weissinger, I think he did say that.

Q1186 **Clive Efford:** Okay, I thought he didn't.

I will move on to Electronic Arts. How is it possible that people can take these FUT points and sell them for money? If I was to buy them, what would I be able to do with them that means it is worth me buying them?

Kerry Hopkins: It is not FUT points. There are FIFA points and that is a premium virtual currency that you would purchase. There is no market for FIFA points. There is something called FUT coins, which are earned coins—you can't buy them; you earn them in the game.

For every commercially successful product in the world, there are bad guys who want to make money from it, so we have hackers, thieves and criminals who find ways to exploit the system. That may be through fraudulent credit card purchases, what they call gold farming—rooms of people in Asia who are playing the game over and over to earn—or hackers, who learn how to get into the system and exploit it. What they do is get an inventory of coins—the earned virtual currency again—but you can't take them out of the game, so other bad guys set up a website outside the game. They collect your money, say, "Meet me back in the game and I will give you these coins within the game", and set up a mechanism to exchange within the game. That's how it works.

Q1187 **Clive Efford:** Is there anything that you could do to close that down, to make it not possible for those people to get back into the game and do that?

Kerry Hopkins: We do a lot. We have a whole team who work on this, and I have my own team in legal who work on this. But you know this from reading the news: bad guys find ways to do bad things—they just do.

Q1188 **Clive Efford:** Your random content mechanics—as I understand it, people don't know what they are going to get. They get a random set of players, and so it is a form of chance, is it not?

Kerry Hopkins: They have some information on what they get. As I said, there is an element of surprise, for sure, but before you acquire a pack, whether you earn it or you buy it—just to be clear, 85% of the packs that are awarded in FIFA are earned—you know generally how many items are in there, or how many player items will be over a certain rating. You may not know exactly which players you are getting or exactly which items you are getting, and that is the element of surprise.

Sitting suspended for Divisions in the House.

On resuming—

Chair: After those Divisions, I am not expecting any further interruptions. I ask Clive Efford to conclude his questioning.

Q1189 Clive Efford: I shall be very quick. I was asking EA about the issue of FIFA points. To clarify, what benefit do you determine comes from FIFA points that can be monetised? You have to put in so many efforts to try to stop people acting fraudulently. What do they add to the game that you feel makes them worth the while, if you also feel that they are such a problem?

Kerry Hopkins: Do you mean the FUT coins, the earned coins?

Clive Efford: I mean the fact that FIFA points can be turned into the FUT coin, which can then be monetised. If this is such a great problem that you have to work so hard to stop it re-entering your games where people monetise it, is it worth all that problem? What is it about it that makes you feel that it is an important part of the game?

Shaun Campbell: From a player's perspective, that ability to get the pack—one of the bundles of items with the players' kit and so on in the game—is one of the most important features to them. When you look at what Ultimate Team is, it is about being able to build your best virtual team. The ability to do that is about earning the FUT coins to do it. Taking that mechanic out essentially prevents one of the most appealing things for players about the game: "I want to have my perfect team, which I can then play against another—my best friend's team, or another competitor's." It is a key feature of the game that players enjoy. From the perspective of a lot of people, it has been the driver. Look at the Ultimate Team: we've had it in the game for over 10 years, and it continues to increase in popularity. But it is about that ability to build your team.

Q1190 Clive Efford: Right, but if I have all the best players in the world in my team, it doesn't mean I am going to win.

Shaun Campbell: No, it doesn't.

Q1191 Clive Efford: It is player ability, is it not?

Kerry Hopkins: That's absolutely true, but the packs—the surprise that we talked about a little before—are fun for people. They enjoy it. They like earning the packs, opening the packs, and building and trading the teams. The thing about FIFA Ultimate Team is that it is not any one of those things—the points, the coins, the packs, the items, the trading market or building your team—but an integrated, really well designed mode in a game that we launched 11 years ago. Arguably, I guess it is one of the most popular game modes in the world. All those pieces go together; they are very balanced, they go together and players love playing them. Because it is so popular and commercially successful, we are a target for the bad guys.

Q1192 Clive Efford: Do you send prompts if players do not participate in the game?

Shaun Campbell: We use methods similar to those the Epic guys talked about. We have marketing messages that we will send to players who have opted in to receive those messages, to communicate to them about great new features, new modes in the game or key events, and part of that is about, "Come back and play."

Q1193 **Clive Efford:** Is that also about, "Come back and you can purchase"?

Shaun Campbell: It's about, "Come back and play the game."

Q1194 **Clive Efford:** Do you have an age limit for whom you would send those prompts to?

Shaun Campbell: Yes. We comply with the legislation and regulation. Again, players have to opt in to receive those communications.

Q1195 **Clive Efford:** What data do you collect to determine when someone should be prompted?

Kerry Hopkins: I do not know. Neither of us is the marketing expert, so I do not know whether we serve up marketing messages to different groups of people.

Shaun Campbell: If you think about how we all sign up for things, we have the ability to opt in or out of receiving marketing communications or emails.

Q1196 **Giles Watling:** We have already covered most of my questions in so many ways this afternoon, so I shall be mercifully brief. Thank you for being here today. There was a time when to get a video game, you bought a CD-ROM, you took it home and you pretty much played it on your own for as many hours as that game would last. Now, we have open-ended gaming and the addiction issues that we have established quite clearly. We had a young man before the Committee who was an undergraduate and managed to play for 32 hours straight. My colleague Simon Hart just bought up an issue of a young girl of nine who was playing Fortnite, refused to leave the game and, as a result, wet herself.

Clearly, the games industry has developed massively since those days of the CD-ROM. Regulation is behind the curve and, I would argue, corporations are behind the curve. It may be fair to say that you are creating a fun game but also, inadvertently along the way, creating a monster. In future, will you take corporate responsibility for duty of care? Will you look at that? Will you say that you will not have any more awkward sessions like today may have been, so that in future we can safeguard the vulnerable in our societies?

Canon Pence: I certainly acknowledge that there is more that the industry can do. At Epic we have made improvements, and I anticipate continuing to do so, both ourselves and in participation with industry groups such as the ESA in the United States or Ukie here.

Q1197 **Giles Watling:** So might you be brought to a place where you will make a commitment to institute a duty of care for vulnerable people who might be sitting at their consoles for far too long?



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Canon Pence: As any lawyer ought, I have to understand what I am signing up to before I sign up to it. I can say that as a company, we care, and we anticipate continuing to make improvements for ourselves and on behalf of the industry. I acknowledge that we have room to grow. I would not presume to say that you would not be able to come up with more questions for us in future, but I hope to continue to make improvements.

Giles Watling: I was not expecting a commitment; I was expecting an answer from a lawyer. Thank you, that was very good.

Kerry Hopkins: I will try not to give you a lawyer's answer. I have not found today at all awkward, and hopefully you have not either. First of all, I do not think we can agree to say that games are addictive. I do not believe the World Health Organisation's decision to designate a gaming disorder uses the word "addiction", or refers to games being addictive.

Q1198 **Giles Watling:** May I interrupt you there? We have looked at platforms such as Facebook and Twitter, and it has been established that there is an addictive spiral there.

Chair: I have the definition here. It says that it constitutes a "continuation or escalation of gaming despite the occurrence of negative consequences." It does not use the word "addiction", but that is a definition of what addiction is.

Kerry Hopkins: Sure, but what it does not say is that games are inherently addictive; it says that some people suffer from a disorder. The World Health Organisation put out a video and said, "We are not saying that people who play for a lot of hours are addicted, or have this disorder." It said that that is something that a doctor would need to diagnose. It said that is far more than playing a lot. It is a very new designation, and one that the industry has responsibility to follow. I think now that it is a designation, more medical practitioners and the scientific community will weigh in on it. It is something that we absolutely have to follow.

You have my background: I started in this industry before the first PlayStation launched. I was around when we used to sell disks; my job used to be anti-piracy when we had that kind of thing happen.

Giles Watling: Back to the cassette days.

Kerry Hopkins: Yes, exactly. It is a changing industry, and we are trying to change with it. We are a responsible industry. I know it feels a little like we are giving an excuse or saying we are not responsible, but the parental controls are tough to build, and we care about them. Another thing we are committed to doing as an industry is getting out there with information about healthy gaming. We have launched two campaigns already in Europe this year, and we are working in the UK to launch another that is focused on making sure that all players understand what healthy gaming is, and parents in particular understand what tools are available to them.

Q1199 **Giles Watling:** I was asking specifically whether you, as an industry, are going to take responsibility, rather than passing it on to parents and the



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gamers themselves. The point has been raised about alcohol use and so on around the table today. Are you, as an industry, going to take responsibility in future?

Kerry Hopkins: Electronic Arts is already a very responsible company. We make and put out games that are purposely made to be enjoyed in a healthy way. We work closely with our industry colleagues to provide tools and information. We are not able to go out and diagnose individuals; we are not able to go into their home and tell them how to play.

Q1200 **Giles Watling:** But arguably you are able to see how long people are sitting at their consoles watching your game. If you can see that someone is playing your game for a straight stretch of 10 hours, that has to be unhealthy.

Kerry Hopkins: I mean this in a very respectful way, but why can I say that? How can I say that? Has a doctor said that playing for 10 hours straight is unhealthy?

Q1201 **Giles Watling:** I said “arguably”. I am asking you to take responsibility and look at it.

Kerry Hopkins: I think that we will. We have been working with the World Health Organisation, and we will be watching that closely to do everything that we can to make sure that we are responsible to our players.

Q1202 **Chair:** I want to pick up on a couple of points that have been raised over the last couple of rounds of questioning. First, towards Epic, do you moderate content of chat forums in the game?

Matthew Weissinger: We have some tools in place that will automatically filter out bad and offensive words—it asterisks them out so that you cannot see that kind of language. On top of that, we have separate chat moderation tools that can even just disable it.

Canon Pence: Chat reporting and play communication reporting.

Matthew Weissinger: Yes, correct. Separately, in addition to the language filtering and the ability to toggle seeing those messages, you can report through our in-game systems if you see anything offensive or abusive.

Canon Pence: You also mentioned forums. The actual web forums have active human moderators.

Q1203 **Chair:** The forum administrator?

Canon Pence: I think that there are multiple tiers there, but basically humans oversee the web forum posts.

Q1204 **Chair:** Humans who work for you?

Canon Pence: Work for us or are designated community members—so both.

Q1205 **Chair:** So people who play to game are moderating the content of other people?

Canon Pence: I think it is common on web forums for trusted individuals to be elevated as a sort of first tier on the web. That is not in game; this is on the website.

Q1206 **Chair:** On the website? Okay. Just so I have understood what you have said, for in-game chat on Fortnite, there is a tool that identifies bad words?

Matthew Weissinger: Yes, there is an automatic language filter. If you try to write the F-word, it would not display that.

Q1207 **Chair:** And that is instantaneous?

Matthew Weissinger: Correct.

Q1208 **Chair:** Recently there have been reports of cases of grooming in the game. Are you familiar with those?

Matthew Weissinger: I have seen reports that there have been predators who may have tried to solicit people within Fortnite.

Canon Pence: I am aware. I work with law enforcement.

Q1209 **Chair:** There was a report in the *Daily Mail* about a school in Cornwall that had warned parents that someone was seeking to groom children at the school to perform sexual acts, and was threatening them and their families with physical violence if they refused to do so. Again, this is similar to the sort of questions that we have asked social media companies in the past. Why has it taken a school to warn people about this? Why had this not been spotted by Fortnite and action taken straight away?

Matthew Weissinger: For any kind of social communications, until an act has been committed, it is basically impossible to identify that in advance. I am not aware of a tool that exists where you can pre-emptively go in and identify a predator.

Q1210 **Chair:** You can identify language that people are using, can't you? You have a tool that reads what people are posting, because it is picking up key words in real time.

Matthew Weissinger: I feel like if we had some sort of natural language recognition tool that could figure out all the nuances of various—

Q1211 **Chair:** These tools exist. We took evidence yesterday from a company that makes them and deploys them around the world. These technologies exist.

Matthew Weissinger: I am not aware of that—if that would be effective inside the game.

Canon Pence: I am sure there is room for growth and sophistication on our side on that. We have taken steps. We have the things that Matt



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mentioned and, like I said, we actively co-operate with authorities whenever things are reported, or we report ourselves, to the extent that it comes through us. But I am sure you are right that there is better technology and growth we can do there.

Q1212 **Chair:** Remind me, how many registered users of Fortnite are there?

Matthew Weissinger: I believe that now it is over 250 million.

Q1213 **Chair:** We will not get back into the definition of “regularly”, but does that include dormant accounts?

Matthew Weissinger: Yes, some bulk of that will be accounts that no longer play.

Q1214 **Chair:** Roughly what proportion would you guess that is?

Matthew Weissinger: We would not disclose that information publicly.

Q1215 **Chair:** Okay. Given that you do not advertise through your platform, I will forgive you that. You have an AI system that picks up certain key words. I imagine that is probably quite a limited range of words.

Canon Pence: AI is probably an overstatement.

Matthew Weissinger: Yes. I believe it is an exclusion list of words that get filtered out from ever being displayed.

Canon Pence: It is a filter, yes.

Q1216 **Chair:** We have plenty of criticisms of Facebook and Instagram, but on Instagram certain phrases—certain terms of interest—will trigger a response and a challenge from the platform. I am not quite clear from what you said whether you have anything other than just this list of defined words that you would then respond to.

Matthew Weissinger: There is that, and then there is the player reporting.

Q1217 **Chair:** What happens when players report? Say someone feels they have been targeted with inappropriate content, or threatened by another player. What is the reporting mechanism?

Matthew Weissinger: Basically, there is a dropdown menu where you can report any player. You can select some sort of sub-category for what type of complaint it is—whether it is a bug or offensive behaviour. There are categories of different responses that you can select from. Then there is the option to put a message describing what the offence is, and then you can hit “submit”, and that will be triaged by our player support team. It actually gets sent to a real person, who basically identifies and categorises what type of complaint it is, and then there is a whole series of separate escalation processes. Based on what the complaint or offence is, there is a runbook for how to deal with each individual case.

Q1218 **Chair:** What is the timeline for the processing of a complaint that has been made?

Matthew Weissinger: Off the top of my head I am not sure, but I can look into that information.

Q1219 **Chair:** Is there a policy on that?

Matthew Weissinger: I would have to double-check.

Q1220 **Chair:** The online harms White Paper suggests, for example, that if social media companies are notified of the existence of harmful content, they might have 24 or 48 hours to remove that. Is that something that Epic would be capable of doing? Do you have that capability?

Matthew Weissinger: I would have to double-check, based on the volume of requests that we get.

Canon Pence: That would certainly be our intent.

Q1221 **Chair:** How many people do you have working on triaging complaints from users?

Matthew Weissinger: Thousands. Maybe not directly employed, but with a contract.

Q1222 **Chair:** At any one time, how many people would be working, processing complaints like this?

Matthew Weissinger: I think thousands.

Q1223 **Chair:** At any one time? You might have thousands of contractors that do it, but—

Canon Pence: Maybe less than that in this moment. It is 24 hours.

Q1224 **Chair:** Typically, right now, at this moment in time, how many people will be doing this?

Canon Pence: Certainly hundreds.

Q1225 **Chair:** Hundreds, okay. So thousands might be the total number of contractors, but hundreds.

Canon Pence: At least.

Q1226 **Chair:** Hundreds for a game played by hundreds of millions—not at the same time. Are you able to write and tell us what your policy is? Do you have a company policy on the turnaround and the processing of complaints users make against content that could be considered threatening or harmful?

Matthew Weissinger: I know that our goal and what we strive for is basically immediate turnaround.

Canon Pence: But that kind of stuff gets escalated, and jumps ahead.

Matthew Weissinger: Yes. Depending on the categorisation of the complaint, certain ones get filtered to the top and, obviously, something like that would go right to the top of the queue.

Q1227 **Chair:** I would be interested, if people are following this, about any experiences that users have had about making these complaints, because part of my concern is that when you see reports appearing in the press about these sorts of issues, it is often because they have gone undetected for a period of time. I am not convinced as well that, other than a user making a complaint, you necessarily have the systems in place to identify this sort of behaviour for yourself.

Matthew Weissinger: I think, on Canon's point, that it is probably an area we can invest more in, and investigate more.

Q1228 **Chair:** Kerry, can you tell us a bit about what sorts of policies Electronic Arts has in place to monitor chat between players?

Kerry Hopkins: Sure. For our in-game chat, which is voice chat and text chat—more often I would say voice chat these days—we do not have a monitoring policy, or we do not have a tool to monitor or filter voice chat. We do have tools that the players can use to mute certain people or block people from engaging with them. We also have abuse reporting.

Q1229 **Chair:** Sorry to interrupt you, but just for the benefit of the record, voice chat would enable players to talk to each other during the game.

Kerry Hopkins: Yes, exactly. Often it is group chat, so think about Battlefield games, when you are on a squad. The voice chat is used to further your gameplay; the squad can talk to each other. There, too, it means that we have a little less non-game-related information sharing. It is not something that cannot happen, but it is really about furthering gameplay.

There is one thing that we are doing that I don't have a lot of information about, but I had an opportunity to get a little insight on. We are very focused at EA on trying to combat what we call "toxicity". That is just players behaving badly. We had a project that we initiated with the University of Alberta that is specifically about using machine learning natural language to be able to combat bad behaviour in games, which may be voice chat. It is probably a ways out, but we take it seriously.

We also held a summit two weeks ago in LA, where we brought together 250 influencers in the game community to talk about toxicity, healthy gameplay and things that we could do to make our environment better and happier for people. Our analytics team published some research about a month ago in *Medium* specifically on this issue, so we take it very seriously. We want to do it because it is the right thing to do, but frankly it is a commercial necessity. If we do not have a fun, healthy, happy and safe environment, people will not come and play our games.

Q1230 **Chair:** Do you have policies in place, as I was asking Epic, for the time it would take to process a complaint? How quickly would you be able to analyse and respond?

Kerry Hopkins: I don't have an exact time for you. I do know that, like Epic, we have a very large consumer experience group who are trained very well at this. I would say that typically we are very quick, and

certainly I would like to believe that we would handle anything that would be highly harmful immediately.

Q1231 **Chair:** I would be grateful if you would write to us and tell us whether you have a policy in terms of turnaround time, and at any one moment in time how many people will be working on triaging complaints.

Kerry Hopkins: I could certainly take that question back. We have policies. I do not know that we have a policy that specifically says that it will be turned around in this amount of time. That does not mean that we don't; I just do not know whether we do.

Q1232 **Chair:** I would certainly be interested to know whether you have a policy. If you don't have a policy, I think we would like you to confirm that you do not have a policy, but maybe you could give an indication of what you believe the typical response rate is. Similar to Epic, rather than just giving us the global number of people who may be working on content moderation, many of whom will be contractors, tell us how many people would be doing it at any one time during a typical day.

Kerry Hopkins: Okay. We can take that question back.

Q1233 **Chair:** There is one final thing that I want to ask both companies. Both Electronic Arts and Epic have Facebook login for your games. If I could start with Epic, presumably you get age data about game players from Facebook if they log in through Facebook.

Matthew Weissinger: I don't believe that that is the case. I don't believe that we take that information.

Q1234 **Chair:** Facebook gathers that. Whether or not it is true is a different matter, but nevertheless Facebook requires people to give their age when they set up an account. Others have said that the only age verification data that they believe they have is data that has come from Facebook via Facebook login. Presumably, Epic would collect the same data as well.

Matthew Weissinger: That kind of relates back to the point that we don't collect any extra information. We would not take that information from Facebook.

Q1235 **Chair:** But I presume that that information would be available from Facebook if you wished to have it.

Matthew Weissinger: I am not sure. I don't know what sort of an agreement needs to be in place for that.

Q1236 **Chair:** That sort of leads into my next question. I would be interested to know what the data-sharing agreement you have with Facebook is, as a consequence of having Facebook login.

Matthew Weissinger: The way I know it, and I am not a technical expert on this topic, we gather just enough information in order to proceed with the authentication process around having a Facebook account, able to log in to the game.



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Canon Pence: We use the public API.

Matthew Weissinger: Yes—it is a public API. There is some sort of like a handshake-type exchange that must occur in order to authenticate that this is a real user and a real account, that we can then associate any progression in the game or purchases in the game against.

Q1237 **Chair:** Presumably, for any Facebook user who is logging into, say, Fortnite through Facebook, Facebook will be recording the number of times they log in and how long they remain logged in for.

Matthew Weissinger: I would have to double check if they can tell how long somebody is logged in. I don't believe so.

Canon Pence: I think not. It is like OpenTable. Instead of creating your own account with OpenTable, you just log in through your Facebook account, and then OpenTable just creates a "Facebook user 10,000" on that site.

Q1238 **Chair:** But part of the deal, if you use Facebook login, is that Facebook gets to collect data about what its users are doing through using that tool, so they certainly know when it is being activated and how frequently.

Matthew Weissinger: That is where I would have to investigate whether there is any additional information as part of that authentication process.

Q1239 **Chair:** It will be in the terms and conditions of the agreement. Facebook would probably say that people are aware of it. Login is also a data reciprocity tool as well. That is one of the reasons it was designed, and it has a particular value for Facebook for that reason.

Other than Facebook being able to identify when its users are logging into games like yours, what other data about the user experience on the game could Facebook gather?

Matthew Weissinger: That is what I am not sure about. I think there may be something related to a machine ID, like what kind of hardware you are logging in from. This is something that we would have to go back and talk to some folks about. I am not as adept on the technical data exchange that is occurring—

Q1240 **Chair:** I would be interested in whether Facebook keeps data not just about when people log in, which it obviously has if people use the Facebook tool, and how long they are logged in for, but whether there is any other data about gameplay, including whether they make purchases or not, that Facebook is gathering as part of the tool.

Matthew Weissinger: Certainly, it can't track any purchasing information.

Q1241 **Chair:** You said earlier on in response to Mr Efford's questions that you send marketing messages to people who haven't played for a while to encourage them to come back and play. Presumably, to do that through Facebook, you would have to have Facebook data about Facebook users



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who hadn't played for a while.

Matthew Weissinger: When it comes to targeting for advertisements on Facebook, we take a very conservative approach, again, in terms of sharing any sort of data or information with Facebook. Epic as a company does not provide any of that information in terms of being able to identify and target those groups. Facebook has existing groups that it has created that we can target in terms of advertising, but it is not information that we are contributing.

Q1242 **Chair:** But Facebook's got it already. It's already got it, so you don't have to give it to it. If you said to Facebook, "I want to send a marketing message to Facebook users who play Fortnite and who haven't logged in for a month," it knows that, because it knows when they log in, so you can just do that as a tool.

Matthew Weissinger: I don't believe that we can do that to that sort of specificity.

Q1243 **Chair:** Of course you can. It holds the data. It won't give it to you, but you can go to it and say, "With the Facebook login tool, you know which Facebook users play Fortnite, because they log in through your tool, and I want to message those people or advertise to them a marketing message," and that is an audience that Facebook can give you.

Matthew Weissinger: I do not believe that we do that.

Q1244 **Chair:** You don't believe that you do that?

Matthew Weissinger: No.

Q1245 **Chair:** How do you use Facebook as a company—as a marketer?

Matthew Weissinger: We use it to target general gaming segments that are within certain game genres and categories. You might have a role-playing game or a shooter game that you would target as part of that.

Q1246 **Chair:** I can understand how you do that to target people who aren't your customers. You might say that Facebook has data on people who play other shoot-'em-up games and so on, because it probably captures the data from other log-ins, and you want to advertise to them, but to advertise to your own people through Facebook, you'd do it through the log-in data, wouldn't you?

Matthew Weissinger: Not through the log-in information, no. We use the general Facebook advertising tools. We don't upload, for example, some sort of list of all the email accounts that we have in order to make a match and target those consumers. Epic does not do that.

Q1247 **Chair:** With respect, that is a different thing. That is a tool that you can use on Facebook, but actually I am just talking about people who use the Facebook log-in to log in to play Fortnite. You can go back to Facebook and market to them, because it knows who they are because they use the tool and it knows how frequently they log in.

Matthew Weissinger: I would have to investigate that specifically. I totally understand what you are saying. I understand that it seems like the capability should exist.

Q1248 **Chair:** Well, it does exist. If you are choosing not to do it, you are making your life a lot harder.

Matthew Weissinger: I know we do.

Q1249 **Chair:** Similarly, perhaps Kerry and Shaun can say what sort of data-sharing agreement you have with Facebook for people who use a Facebook log-in to access Electronic Arts games.

Kerry Hopkins: We only use a Facebook log-in on some mobile games. We don't use it on any of the console games that we talked about today. That is just not something that we do. My understanding is that when players use Facebook to log in, Facebook sends us an EA-specific hash, which basically acts as a token and says, "Yes, they can log in. This is the person." We get no other information from Facebook, and we don't share any information with Facebook.

Q1250 **Chair:** So people can link their Facebook ID to their EA account.

Kerry Hopkins: I don't think we do that, actually.

Q1251 **Chair:** This tells you how—this is on your website: "link your Facebook ID to your EA account." What I want to ask is, what would be included in your EA account in that case?

Kerry Hopkins: I know for a fact that we do not share information with Facebook. When people use their Facebook account to log in, all we get from Facebook is a hash. I am happy to look at that further and give you an explanation of what that means.

Q1252 **Chair:** On your site it says: "discover and play great games...connect with friends," personalise your experience and more. Presumably EA users link their accounts through Facebook, which helps them engage their friends with EA games. They are connecting their Facebook friends list with their EA account.

Kerry Hopkins: Sure. The question I thought you were asking me is about when people use their Facebook ID to log in. That is a very specific process that we have with Facebook, where you get to choose to use your Facebook ID and not have an account with us, or not use a different account. In that case, I know that all we get is a machine hash—a token. I don't know anything at all about that, and I would be happy to go back and find out more.

Q1253 **Chair:** This is on the EA site. It is telling you how to do it. To me, it sounds like through doing this, you are merging your Facebook friends data. I imagine that the purpose of the tool from Facebook's point of view—and yours as well—is that it encourages people who are already EA customers to get their Facebook friends to sign up and play games with them on EA.



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Kerry Hopkins: I can't make a supposition, but I would be more than happy to look into that for you.

Q1254 **Chair:** I would be interested to hear that. In the past, the Committee has looked at the extent to which Facebook then has access to data not just about EA customers who have Facebook accounts but their friends, if they are sharing their Facebook contacts.

Kerry Hopkins: We can take a look. Like Epic, we are pretty cautious about sharing—certainly, sharing any data that the consumer hasn't allowed us to share. I don't have enough information to be very articulate on that.

Q1255 **Chair:** Presumably, as with Epic, if people are using a log-in tool, Facebook will be gathering information about when they log in, to what games, and so on.

Kerry Hopkins: Right.

Q1256 **Chair:** And, again, I imagine that, as with Epic, you can market back to those users through Facebook using that data.

Kerry Hopkins: I don't have information about that particular thing that you are asking us about. I knew you would ask about the Facebook log-in, so I checked with our privacy team and confirmed that it was just a hash. I didn't know you would ask that question, so I am not prepared for that one.

Chair: Okay. I think that concludes our questions. Thank you all very much for travelling all this way to be with us.