



## **“The Unifying Power of Video Games”**

Hi, I’m Stan Pierre-Louis, President and CEO of the Entertainment Software Association. As you may know, the ESA serves as the voice and advocate for the video game industry.

Our goal at ESA is to ensure that our industry’s accomplishments – whether measured by our innovative game development, our audience engagement or our impact inspiring new waves of talent to get interested in STEM education – are understood, acknowledged and championed by policymakers and other stakeholders who care about games.

And because we are an organization originally founded to ensure First Amendment protections for video game creators, we continue to press for free expression for the video game community.

Like every artistic endeavor, games need to speak to our times. Now, we are certainly living in interesting times. In so many ways, there’s a broader reckoning going on throughout society today.

We started the year with hints of a virus thousands of miles away. Then, it hit our shores. Now, COVID is part of our lexicon. Every day begins and ends with reports of the devastating impact COVID-19 is having on the way we work, the way we play and the way we live.

Then, near the end May, we added “8 minutes and 46 seconds” to our lexicon. The brutal killing of George Floyd sparked a renewed dialogue on racial inequality – its history, its ongoing impact and what “Black Lives Matter” means beyond a hashtag.

More recently, another hashtag – “MeToo” – has resurfaced to remind us that the world our industry seeks to build needs to respect every member of our community and empower the voices that need to be heard.

All of these events are reminders that our industry does not operate in a vacuum. And, neither do our games. We are all impacted by these events, but our response will be the most critical thing we leave behind. What we do now will shape the narrative of our industry for the next generation of game developers, players and leaders.

The good news is that we have a lot to celebrate in where we are as a community today. Amid all of this sobering news – amid a health crisis, amid an economic crisis, and amid moral crises that will define a generation – video games have emerged as an important respite for so many people around the world. In many ways, there has probably never been a better time to celebrate what games mean to us or to enjoy how they bring us together.



Over the past few months, people around the world have turned to the comfort and joy that video games provide as a source of solace, connection, community and stability – especially when our lives have felt so uncertain and out of control.

In many ways, we are at an inflection point – you might call it a game-changing moment – for video games.

As an industry, we have always been good at reflecting the times in which we live, and we have always been good at projecting with the future might look like. We can imagine better than anyone. We can create scenes with resolutions as breathtaking as anything else available in HD, but we can also conjure up worlds that inspire new ideas about what's possible.

What has changed is our engagement and our leadership role during this global moment of uncertainty.

Take the ongoing COVID-19 crisis. The call went out to millions of people – stay home, wash your hands, practice social distancing. The first industry engaged in spreading the word after the news media was ours. In fact, we have played three critical roles during this crisis.

First, we blanketed our audiences with health and safety messages to mitigate the spread of this virus. And with a global audience of more than 2.5 billion players, it made sense that we could serve as effective leaders in this effort. In fact, this crisis actually helped forge an alliance between our industry and the World Health Organization to get the word out. The hashtag *#PlayApartTogether* was one of many campaigns spearheaded by our industry to encourage healthy behavior by players around the world.

Second, our industry raised tens of millions of dollars for COVID relief – and if you factor in gifts by related corporate entities, that amount is in excess of \$100 million. Through corporate donations, employee match programs and player fundraisers, our industry found significant ways to benefit relief organizations, local governments, first responders and those in need of financial assistance at time of true crisis.

Third, and most significantly, our industry brought joy and connection to the new stay-at-home culture. And it wasn't just avid gamers who played. It was also new players discovering what they'd been hearing about from their friends, their colleagues and their family members. And what they discovered blew away their notions of what a video game looks like, what a video game plays like and what a video game feels like. The modern video game looks more lifelike today, and platform innovations allow us to move in more lifelike ways. But they also draw us in emotionally like never before. They provoke us to play with others, but also as others – in their shoes. In fact, several medical studies released over the past year tell us that video game play can increase



emotional intelligence among adolescents and can lead to positive emotional outcomes for players overall. We all probably suspected this was the case based on our own experiences but it's nice to have the medical evidence to confirm it.

Of course, while we're on the topic of COVID-19, it's worth mentioning that the video game industry has been one of the few bright spots in our economy during the year. In fact, even before the new stay-at-home culture was in full swing due to the pandemic, video game sales were up year-over-year.

According to NPD, consumer spending on video gaming saw an increase of 9 per cent during the first quarter of the year as compared to the same period last year. Those numbers have soared in recent months – with spending up 73% in April and up 52% in May, compared to those same months last year.

Now, many industry leaders have described these spikes as a surge rather than as the new normal for sales, and that's probably right. However, even when those numbers come back to earth, the trend before COVID suggests that we will still see strong growth in our sector overall, and for all game genres.

That's for a few reasons.

First, we have a resilient, modern, dynamic workforce. We are a digital-first industry because our audiences demand it. Video games are the perfect confluence of art, technology and storytelling. That requires a workforce that can translate our ideas, our ideals and our emotions into a format that can reach millions of people at the same time so that they can experience the joy of playing together.

In fact, according to our recent survey of consumers, 65 percent of those playing games play with someone else, either in person or online. So, even as they work from home, game developers are responsible for creating connections for video game fans around the world.

Second, video games are the best entertainment value for families. Period. Bar none. These past few years, there has been a lot of debate about monetization features within video games. But none of that changes the underlying fact that getting upwards of a hundred hours of play for a triple A title at around \$60 can't be beat by any other form of entertainment. And if you're not sure what games meet your family's needs, no industry has a more respected ratings and information program than ours. Federal regulators have confirmed that fact over and over during the past decade.

But beyond the economic indicators, games remain popular and growing for more intrinsic reasons.



First, video games have changed the world of modern storytelling. Today, more voices are finding expression through game play. Whether you're into sports, fantasy, superheroes, or the environment, there's a game for you. And no matter your demographic, there's a game for you. That's why it's no surprise that 64% of American adults play games. Or, that 46 percent of gamers are women. Or, according to an AARP survey in 2019, 44 percent of Americans age 50 and over enjoy games at least once a month. That's up from 38 percent in 2016. It's no wonder *The Sims* remains so popular by encouraging us to be who we want to be and be brave and unapologetic about it.

Second, video games have become more than simply a mode of human expression. Video games inspire new generations of learners interested in STEM careers. In fact, girls who play video games are three times as likely to earn a college degree in a STEM field.

Video games also inspire how we learn history and how we can stay current in our times. One case in point was the recent announcement by iCivics. As you may know, iCivics uses video games to teach middle and high schoolers civics education. In light of the recent focus on racial inequality, iCivics plans to revamp its instructional materials on the impact of slavery and the history of civil rights in the United States. What better way to inform the current dialogue we are having more broadly in society than to make sure the next generation of leaders get a firm grasp of the underlying facts.

Also, video games inspire innovations in medical treatment. Video games are increasingly used as a part of physical rehab, which is particularly useful in the age of social distancing. And, in June of this year, the U.S. Food and Drug Administration approved the use of a video game as a treatment for kids with attention deficit hyperactivity disorder. Now that's progress.

But perhaps the most inspiring thing about video games is the way they forge connections, the way they welcome players at all levels, and the way they foster inclusion. Two years ago, the world learned about an innovative development to make games accessible to those with limited physical mobility. This innovation known as the Xbox Adaptive Controller created a new way to play off-the-shelf games using more than your hands. You could use your elbows, your feet, a mouth stick. You name it.

The idea grew out of an annual internal hackathon at Microsoft where employees are encouraged to showcase experimental concepts and passion projects and get feedback from their colleagues – and for the chance to take those concepts to fruition. The concept for a game pad for those with limited mobility was well received, and before they knew it, the new controller was in development and greenlit for sale. It was even featured in a moving ad during last year's Super Bowl.



One of the most interesting decisions by developers of this device was to keep the system open rather than proprietary, which would allow for third-party inputs. The thought was that more interoperability would mean more players could play. And, it's worked. It's led other innovators, like Logitech, to develop their own adaptive gaming kits for use with the Xbox product.

One of the most touching developments from this decision, though, comes out of the British Isle of Jersey. There, a nine year-old named Ava desperately wanted to play video games with her friends. But, she had limited mobility due to hereditary spastic paraplegia, which affects her motor controls and speech. She saw videos online about different controllers that might allow her to play and suggested that her dad, a school teacher, build her one. So, he spent a weekend doing some "serious soldering" and "wire management," as he put it. The resulting device was an arcade box containing two joysticks and lots flashing buttons, which he hooked up to an Xbox Adaptive Controller. Soon, they were able to connect their contraption to other systems, including a Nintendo Switch. Now, she regularly plays *The Legend of Zelda: Breath of the Wild* with her friends.

I remember welling up when I first heard about Ava earlier this year on NPR during my commute to the office. Her dad closed the story by sharing that Ava just wanted to be the same as everybody else. And that being able to play games put her on par with her friends and helped with her with building self-esteem and confidence.

That is the unifying power of video games.

Stories like Ava's remind us that we are truly part of the most extraordinary industry with the ability to make real, meaningful change. So, let's not lose this moment or the momentum we have. I encourage you to keep doing what you're doing, to keep creating worlds and innovations that bring us together and that inspire us.

Finally, I would like to close by commending Susanna Pollack and the entire Games for Change festival team for pulling together its first-ever, virtual conference. This has not been an easy time for charitable organizations, especially those that rely on events to raise revenue in order to accomplish their missions. Yet, in the face of overwhelming uncertainty, Susanna was determined to showcase the good in games. This conference has been vital to highlighting the varying dimensions that only games can evoke. Watching her decision-making process up close and her team's dedication to this event makes me a proud board member of this organization.

Thank you all for being a part of the 2020 Games for Change Festival and enjoy the rest of the program.