Remarks by John Riccitiello Accepting The Media Institute's American Horizon Award November 14, 2012

THANK YOU CHAIRMAN GENACHOWSKI, PATRICK AND MEMBERS OF THE MEDIA INSTITUTE, BOB, LADIES AND GENTLEMEN.

I'M ACCEPTING THIS AWARD ON BEHALF OF THE ENTIRE GAME INDUSTRY – THE DEVELOPERS AND ARTISTS WHO CREATE GAMES, THE RETAILERS WHO SELL THEM ... AND OF COURSE, THE BILLION CONSUMERS WHO PLAY THEM.

YOU MIGHT THINK THE GAME BUSINESS FLIES UNDER THE RADAR, BUT GAME LAUNCHES FREQUENTLY OUTGROSS THE GLOBAL BOX OFFICE OF THE BIGGEST MOVIES AND LAST WEEKEND THREE GAMES – HALO, ASSASSLIN'S CREED AND BLACK OPS, OUTGROSSED JAMES BOND AND SKYFALL.

WE'VE ALSO FOUGHT BACK A MULTITUDE OF CENSORSHIP ATTEMPTS. MOST RECENTLY, A CHALLENGE BY GOVERNOR SCHWARZENEGGER THAT TOOK US ALL THE WAY TO THE SUPREME COURT ... THAT'S RIGHT, THE TERMINATOR BELIEVED GOVERNMENT SHOULD RESTRICT VIOLENCE IN ENTERTAINMENT.

THE SUPREME COURT'S RECOGNITION OF FIRST AMENDMENT RIGHTS FOR GAME DEVELOPERS WAS A LONG TIME COMING ... BUT IT PROTECTS US FROM THE HARRASSMENT THAT HAS DOGGED THE INDUSTRY FOR 30 YEARS.

MANY PEOPLE COMMITTED LARGE INVESTMENTS OF TIME, MONEY AND BRAIN POWER INTO THAT EFFORT. MANY OF THEM ARE HERE TONIGHT.

I WANT TO THANK THE MEDIA INSTITUTE FOR THE PASSIONATE AMICUS BRIEF WHICH SUPPORTED OUR CASE.

MOST OF ALL, I WANT TO THANK THE STAFF OF THE ENTERTAINMENT SOFTWARE ASSOCIATION, AND IN PARTICULAR, ITS PRESIDENT AND CEO, MIKE GALLAGHER. MIKE, YOUR CONVICTON AND LEADERSHIP WERE UNFLAGGING AND YOU CONTRIBUTED ENORMOUSLY TO THIS HISTORIC DECISION.

THIS IS A VICTORY THAT WILL BE LONG REMEMBERED AS A MILESTONE IN THE STRUGGLE AGAINST CENSORSHIP.

BUT IT COMES AT AN INTERESTING POINT IN THAT HISTORY – A POINT WHEN GOVERNMENT'S ABILITY TO RESTRICT FREE SPEECH AND CONTENT ... IS ACTUALLY WANING.

MAKE NO MISTAKE, HUMAN RIGHTS AND FREE SPEECH ARE IN A LIFE OR DEATH STRUGGLE IN PLACES LIKE SYRIA, IRAN, EASTERN EUROPE AND ASIA. THOSE PEOPLE NEED OUR HELP.

BUT THE FACT IS, THE INTERNET IS A POWERFUL ALLY AND THE CENSORS ... ARE LOSING.

THAT'S GOOD, BUT IT SURFACES A LOT OF NEW ISSUES – PARTICUARLY FOR THE ENTERTAINMENT INDUSTRY.

WHEN MOTION PICTURES WENT MASS MARKET IN THE EARLY 20TH CENTURY, THE GOVERNMENT INTERVIENED WITH THE DREADED HAYES CODE – A SET OF RULES THAT PROHIBITED WORDS LIKE "HELL" AND "DAMN" AND BANNED WHAT THEY QUAINTLY REFERRED TO AS "FIRST NIGHT SCENES."

JACK VALENTI CHANGED THAT IN 1968 WITH A SIMPLE RATING SYSTEM THAT INFORMED MOVIE-GOERS WHAT THEY COULD EXPECT FROM EACH FILM.

TRUE, THERE WERE PLENTY OF SCRAPES, BUT VALENTI'S SYSTEM WAS HISTORIC IN THAT IT DID TWO THINGS: IT ALLOWED THE CONSUMER TO MAKE INFORMED DECISIONS ON WHAT TO WATCH ... AND IT ALLOWED THE INDUSTRY TO SELF-REGULATE – AVOIDING DIRECT GOVERNMENT OVERSIGHT.

IN 1994 THE GAME INDUSTRY ESTABLISHED ITS OWN SELF-REGULATED BODY, THE ENTERTAINMENT SOFTWARE RATING BOARD OR: ESRB. PATRICIA VANCE, THE PRESIDENT OF THAT ORGANIZATION IS HERE TONIGHT.

TODAY, THE MOST DYNAMIC ELEMENT OF BOTH MOVIES AND GAMES IS HOW THEY ARE DISTRIBUTED. MILLIONS OF FILMS ARE CONSUMED NOT IN THEATRES OR ON TELEVISION, BUT DIRECT-TO-CONSUMER ON THE INTERNET. AND MILLIONS OF GAMES ARE DOWNLOADED AND PLAYED INDEPENDENT OF TRADITIONAL RETAIL.

DIGITAL DOWNLOADS ARE BASICALLY BEYOND THE REACH OF GOVERNMENT.

SO IT'S TIME TO ASK OURSELVES:

WHAT HAPPENS TO RATINGS WHEN THE THERE IS NO GATEKEEPER ON THE ENTERTAINMENT WE WATCH AND PLAY? WHEN THERE IS NO TICKET-TAKER AT THE THEATRE AND NO RETAILER AT THE CASH REGISTER.

WHAT HAPPENS WHEN THERE IS NO ONE TO ASK FOR AN ID?

SOME PEOPLE THINK THE ANSWER IS AGE-GATING ... SIMPLY ASKING THE CONSUMER TO VERIFY THEIR AGE ONLINE.

AGE-GATING ON THE INTERNET?? WHAT AGE DID YOU PUT ON YOUR FACEBOOK PROFILE?

AND WHAT AGE DO YOUR KIDS USE WHEN THEY ACCESS A MATURE TRAILER FOR A GAME LIKE DEAD SPACE?

WE'RE AT A POINT IN HISTORY WHEN WE'VE NEVER BEEN SO FREE TO CREATE AND DISTRIBUTE CONTENT – BUT WE'RE ALSO AT A POINT WHEN WE NEED TO UPDATE THE WAY WE INFORM CONSUMERS.

CONSUMERS ARE FINDING MANY NEW PLACES TO GET THEIR GAMES – FACEBOOK, GOOGLE, APPLE, AS WELL AS SERVICES LIKE STEAM AND ORIGIN. MOST HAVE A RATING SYSTEM, BUT NONE ARE CONSISTENT. CONSEQUENTLY, WE ARE CONFUSING THE CONSUMER.

BUT, WE MUST MOVE BEYOND THE ALPHABET SOUP OF GAME RATINGS AND CONSOLIDATE BEHIND A SINGLE STANDARD THAT CONSUMERS WILL RECOGNIZE AND, ULTIMATELY, DEMAND.

THE PROGRESS IS SLOW ... BUT APPLE, GOOGLE AND FACEBOOK ARE EACH WORKING IN GOOD FAITH. EACH IS WORKING WITH US TO ESTABLISH A CONSISTENT SET OF STANDARDS.

HOWEVER, THERE IS ONE MORE GOAL – ONE THAT IS EVEN MORE CHALLENGING THAN ALIGNING THE AMERICAN TECH GIANTS. A GOOD RATING SYSTEM RECOGNIZES THAT DIGITAL CONTENT DOESN'T STOP AT THE BORDER. A GOOD RATINGS SYSTEM ISN'T LIMITED TO A SINGLE COUNTRY OR CULTURE.

THE ESRB AND ITS COUNTERPARTS FROM AROUND THE WORLD ARE NOW WORKING ON A PROPOSAL FOR A <u>GLOBAL</u> RATINGS SYSTEM. CLEAR AND CONSISTANT COMMUNICATION ... SELF-CERTIFIED BY THE PRODUCERS ... BUT MONITORED BY REGIONAL BOARDS.

THE ELEGANCE OF THIS CONCEPT IN NOT JUST ITS SIMPLICITY, BUT IN THE WAY IT BALANCES LOCAL CULTURAL NORMS WITH A COMMON GLOBAL STANDARD.

SO IT'S SIMPLE: FIRST, WE GET GOOGLE, FACEBOOK AND APPLE TO ACCEPT A COMMON STANDARD ... THEN WE ASK <u>FRANCE</u> TO AGREE TO IT.

THIS COULD TAKE A WHILE!

WE LIVE IN AN INCREDIBLE AGE.

IN THE PAST THREE YEARS THE AUDIENCE FOR GAMES HAS GROWN FROM ROUGHLY 200 MILLION, TO OVER ONE BILLION. VIRTUALLY EVERYONE ON THE PLANET WHO OWNS A PHONE, CAN PLAY A GAME.

THE SUPREME COURT HAS GIVEN US THE SAME FIRST AMENDMENT RIGHTS AS AUTHORS, MUSICIANS AND FILM MAKERS – A SET OF RIGHTS WHICH WE CHERISH.

BUT, AS WE ARE SO OFTEN TOLD: WITH GREAT FREEDOM, COMES GREAT RESPONSIBILITY.

TO LIVE UP TO THAT RESPONSIBILITY, WE NEED TO DO A BETTER JOB INFORMING THE CONSUMER, NO MATTER THE CHANNEL, THE PLAFORM OR THE GEOGRAPHY.

WE <u>MUST</u> ADOPT A SELF-REGULATED, GLOBAL RATINGS SYSTEM ACROSS EVERY FORMAT GAMES ARE PLAYED ON.

THANK YOU FOR LISTENING ... AND THANK YOU FOR HONORING THE GAME INDUSTRY WITH THE MEDIA INSTITUTE'S HORIZON AWARD.