

**WHAT I LEARNT FROM JAPAN**



**JULIEN MERCERON  
EIDOS WORLDWIDE CTO**



# WELCOME TO OUR SPEAKERS!

## **Jason Spangler**

Associate Technical Director  
Bioware



## **Jay Wilbur**

Vice President,  
Business Development, Epic Games Inc.



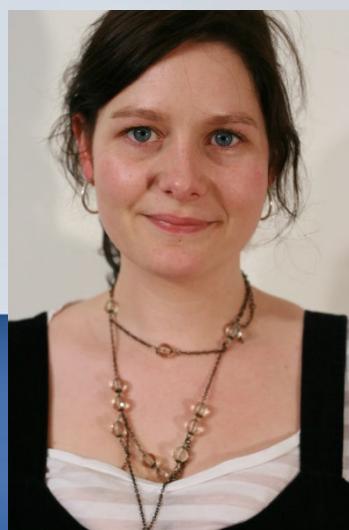
## **Sean Kelly - SCEE**

Director of International Development  
SCEE



## **Siobhan Reddy**

Executive Producer  
Media Molecule



# STRUCTURE & THEMES

## STRUCTURE:

1. INTRODUCTION
2. OUR SPEAKERS
3. for (int i=0; i<NB\_THEMES; i++)  
{  
    THEME\_INTRODUCTION(i);  
    DISCUSSION(i);  
}
4. OPENING
5. Q&A

## THEMES:

- 1.Talents in R&D
- 2.Graphics vs the Uncanny Valley
- 3.Importance of CGI Cinematics
- 4.Characters & Story Telling
- 5.Emotions in Games
- 6.Importance of Music
- 7.Multimedia & Convergence
- 8.Pipelines, Data and Trends
- 9.Game Design & Technology
- 10.Down on themselves
- 11.Outsourcing & Japan
- 12.Online in Japan
- 13.Japanese Market
- 14.Western making business in Japan



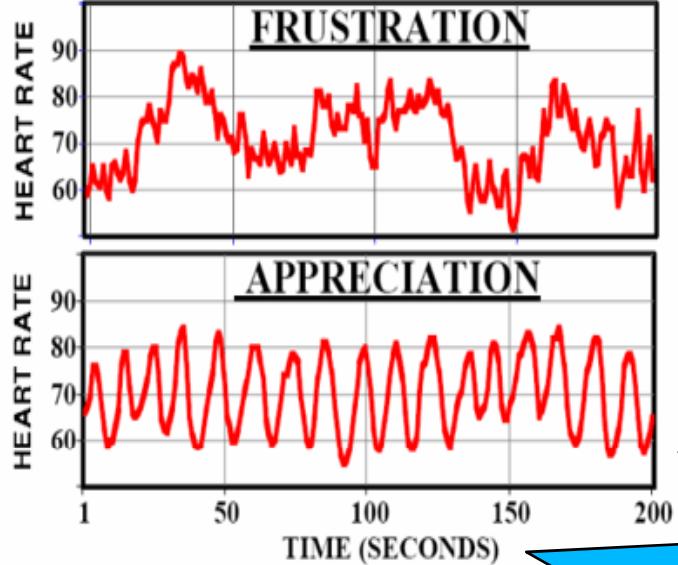
# IMPORTANCE OF CINEMATICS



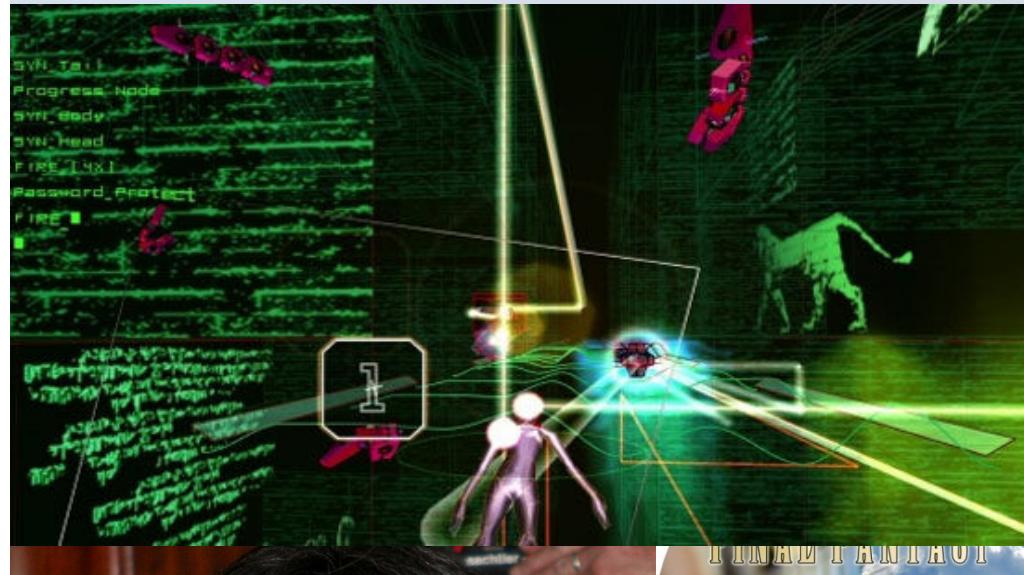
# CHARACTERS & STORY & MEMORABLE MOMENTS



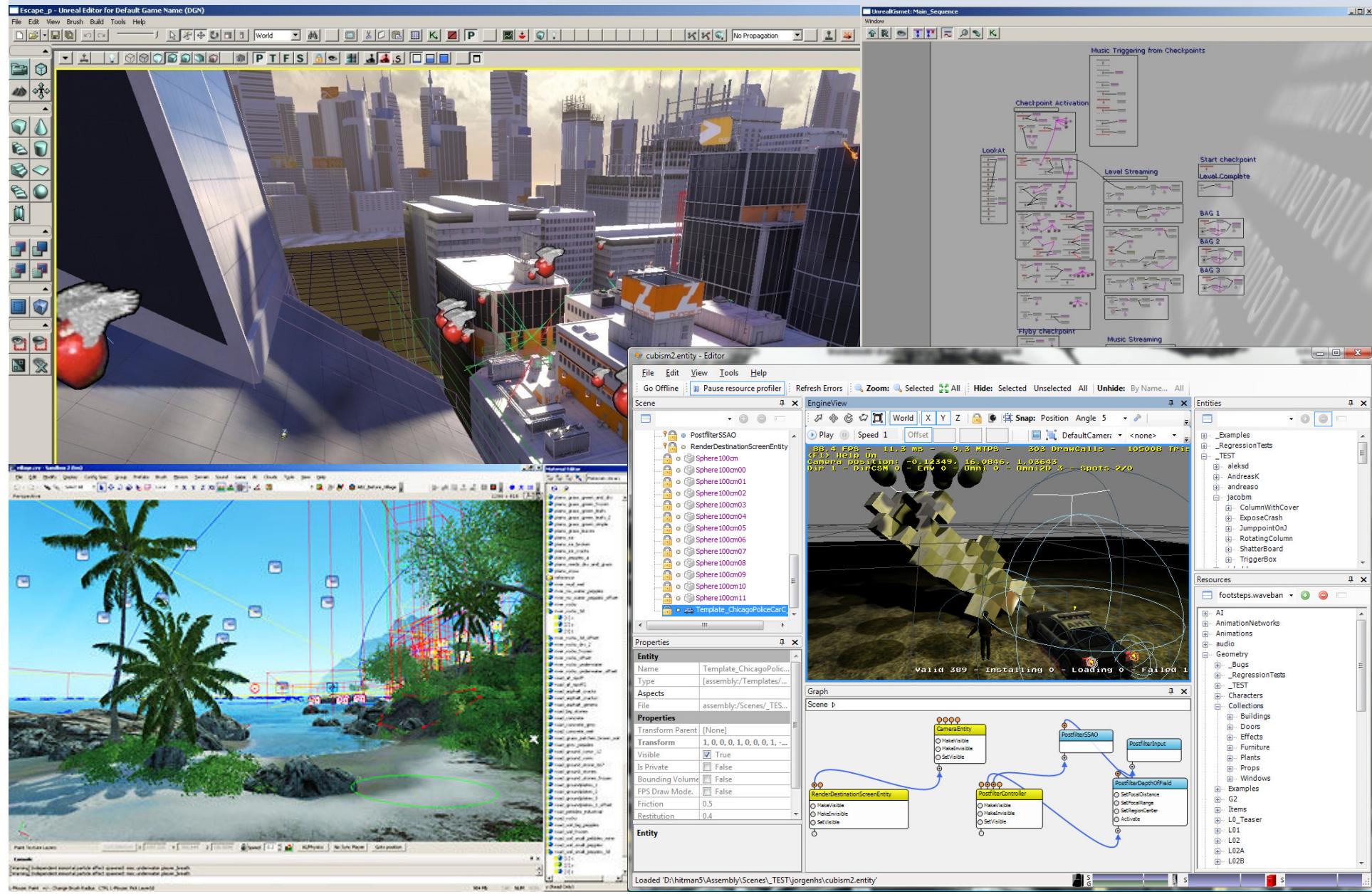
# EMOTIONS IN GAMES



# IMPORTANCE OF MUSIC



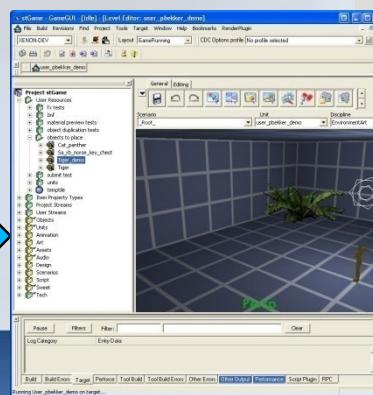
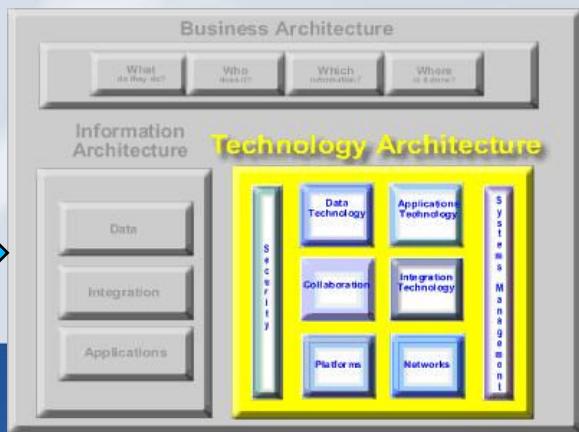
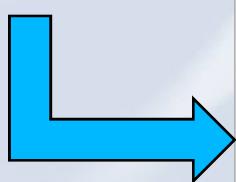
# PIPELINES, DATA & TRENDS



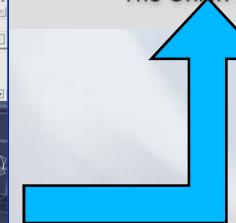
# GAME DESIGN & TECHNOLOGY



Designer-driven Game Design?  
Technology-driven Game design?



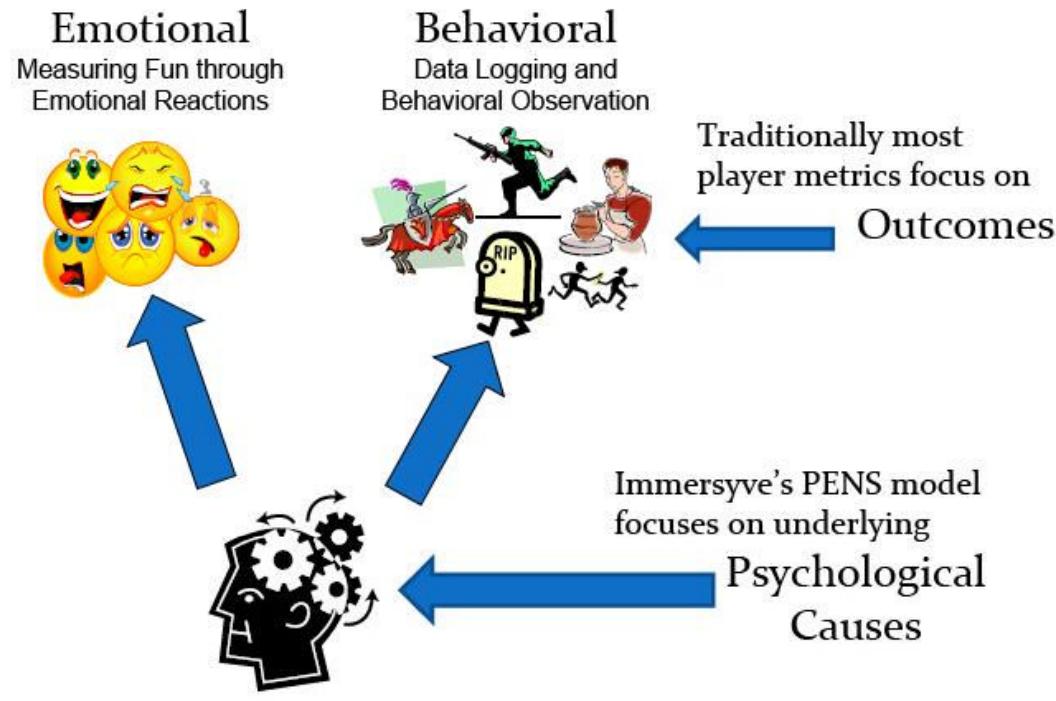
Game Design Layers  
The Onion Metaphor



**eidos**™

The Eidos logo, featuring the word "eidos" in a stylized font with a trademark symbol, and a white arrow pointing to the right positioned below it.

# COLLABORATIVE DEVELOPMENT

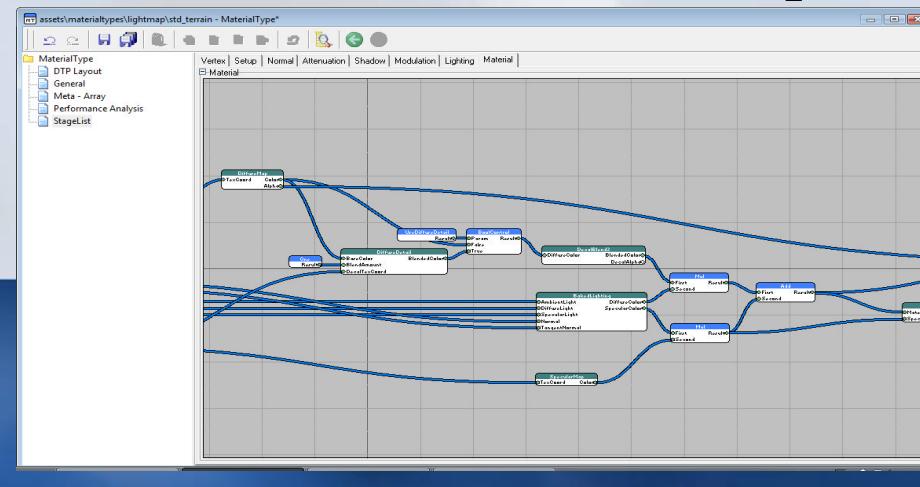
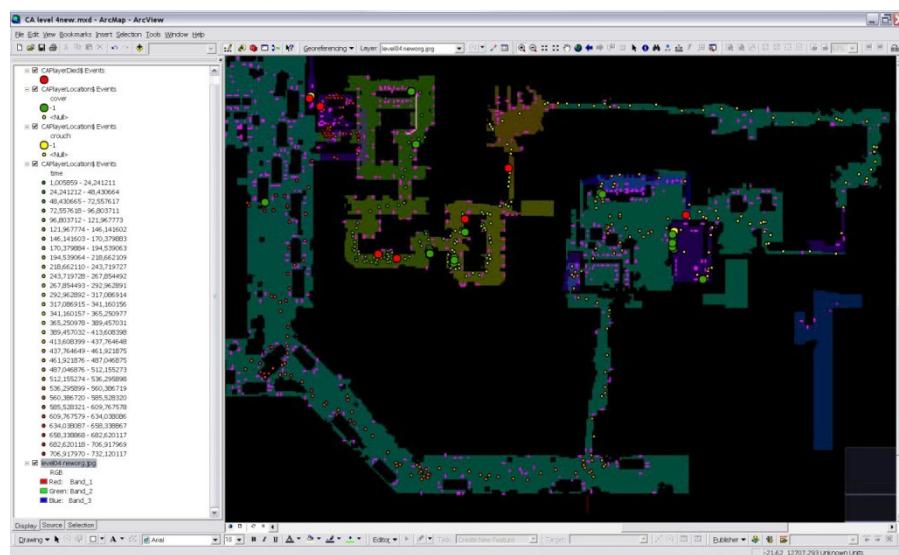


	Player Outcomes				
	Fun/ Enjoyment	Feel Immersed	Value Game	Will Buy More of Developer's Games	Recommend Game to Others
Experience of Competence (Adventure/RPG)	★★★	★★★★	★★★	★★★★	★★★
Experience of Competence (MMO)	★★★	★★★	★★★★	★★★	★★
Experience of Competence (FPS)	★★★★	★★★	★★★	★★★	★★★
Experience of Competence (Strategy)	★★★	∅	★	★★★	★★★

Legend:

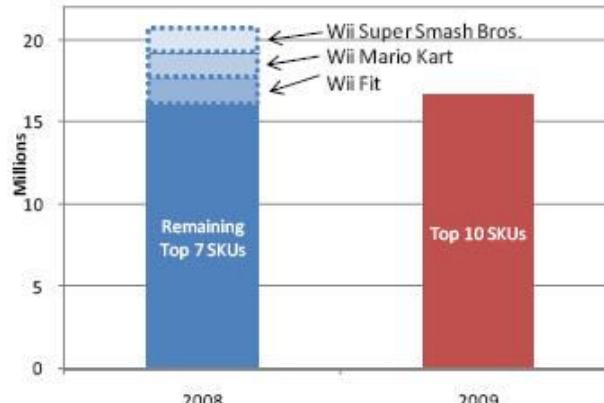
- ★★★★ = corr. greater than .40
- ★★★ = corr. between .25 and .40
- ★★ = corr. signif. at p<.05
- ∅ = No Significant Relationship

- Data driven choices
- Live Editing
- Collaborative development



# JAPANESE MARKET

Japan SW Sales Volume in Jan thru June  
2008 vs. 2009



Total Entertainment Software and Hardware Value 2007-2012E (in \$US, millions)

		2007	2008E	2009E	2010E	2011E	2012E
North America	Hardware	\$7,323	\$8,116	\$6,578	\$5,663	\$4,987	\$5,409
	Software	\$10,027	\$12,398	\$11,100	\$9,707	\$9,298	\$9,090
	Total	\$17,350	\$20,515	\$17,678	\$15,370	\$14,285	\$14,500
Western Europe	Hardware	\$7,929	\$9,586	\$7,297	\$5,821	\$5,528	\$6,190
	Software	\$9,873	\$12,854	\$11,986	\$11,083	\$10,498	\$10,422
	Total	\$17,802	\$22,440	\$19,283	\$16,904	\$16,026	\$16,612
Japan	Hardware	\$2,888	\$2,717	\$2,470	\$2,683	\$2,612	\$2,589
	Software	\$4,313	\$4,329	\$3,866	\$3,817	\$4,088	\$5,248
	Total	\$7,201	\$7,045	\$6,336	\$6,500	\$6,699	\$7,837
Grand Total	Hardware	\$18,140	\$20,419	\$16,345	\$14,167	\$13,127	\$14,188
	Software	\$24,213	\$29,581	\$26,952	\$24,607	\$23,884	\$24,761
	Total	\$42,353	\$50,000	\$43,297	\$38,774	\$37,010	\$38,949

PC, Console and Handheld Software Units Sold 2007-2012E (in millions)

	2007	2008E	2009E	2010E	2011E	2012E
Japan	116.2	118.3	108.2	110.4	120.5	151.5
Wii	13.4	19.2	20.0	18.5	11.8	5.3
PlayStation 2	21.2	15.4	6.2	2.1	—	—
PlayStation 3	3.5	9.1	17.9	23.4	22.4	26.4
PSP	9.0	7.9	5.6	3.0	—	—
Xbox 360	1.7	1.8	1.8	1.5	0.9	0.9
DS / DS Lite	66.4	64.8	53.0	34.8	20.4	20.5
PC Retail	—	—	3.1	20.1	41.9	62.9
Others	1.9	—	—	—	—	1.8

Console and Handheld Hardware Units Sold 2007-2012E (in millions)

	2007	2008E	2009E	2010E	2011E	2012E
Japan	16.2	14.3	11.8	14.1	16.6	15.3
Wii	3.6	3.4	2.5	1.8	0.8	0.2
PlayStation 2	0.8	0.4	0.2	—	—	—
PlayStation 3	1.2	1.7	2.6	2.7	2.0	1.4
PSP	3.0	3.8	2.6	1.2	—	—
Xbox 360	0.3	0.2	0.1	0.0	—	—
DS / DS Lite	7.1	4.8	2.0	0.9	0.4	0.1
Others	0.1	—	—	—	—	0.7

Japan Market Overview:

2009 Sales Volume (\$)

Software: \$2,700M (-15.2%)

2009 2008

Hardware: \$2,200M (-8.3%)

2009 2008

2009 Sales Volume (units)

Software: 54.5M (-17.2%)

2009 2008

Hardware: 10.0M (-18.5%)

2009 2008

2009 Platform Forecast Overview:

2009 Hardware Forecasts (Units)

2009 2008

PS2: 250K



PS3: 1,400K



Xbox 360: 450K



Wii: 1,600K



DS: 400K



DSi: 3,200K



PSP: 2,700K



2009 Hardware Installed Base

Wii: 9,130K (+1,600K)



PS3: 4,060K (+1,400K)



PS2: 20,900K (+250K)



Xbox 360: 1,320K (+450K)



DS: 24,200K (+400K)



DSi: 4,480K (+3,200K)



PSP: 13,800K (+2,700K)



2009 Software Forecasts (\$)

PS2: 164M

2009 2008

PS3: 483M

2009 2008

Xbox 360: 141M

2009 2008

Wii: 526M

2009 2008

DS: 1,035M

2009 2008

PSP: 364M

2009 2008

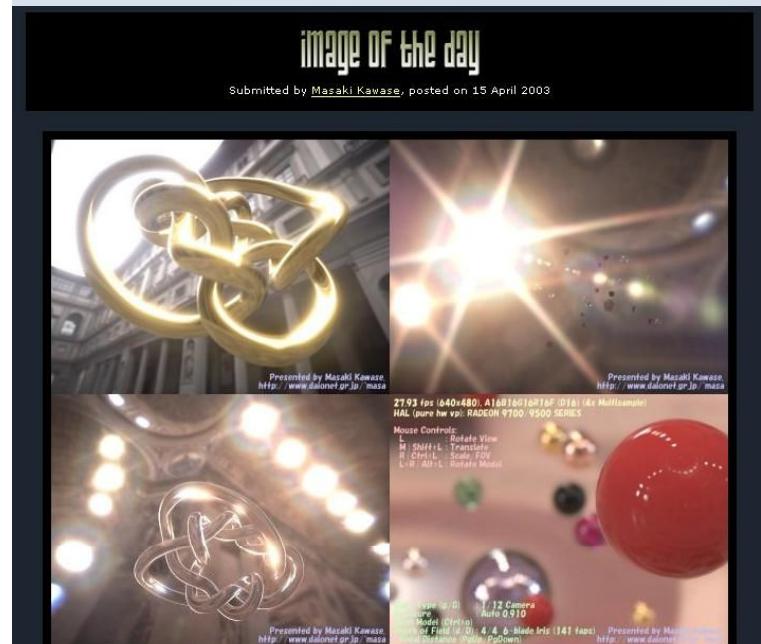
PC Games: M

2009 2008

# A WESTERN COMPANY IN JAPAN



# TALENTS IN R&D



**GR** GamersReports  
gamersreports.com

Gamers Reports

» Gamers Reports Forum > Gaming Forums > General Gaming Discussion

http://www.watch.impress.co.jp/game/docs/20070131/3dp77.htm  
http://www.watch.impress.co.jp/game/docs/20070131/3dp78.htm

MSAA reduction buffer is based on a presentation by Masaki Kawase for CEDEC 2002. In the reduced to 1/4 or smaller and draws in them -> draws effects in reduction buffers with transparency synthesizes them with a scene by alpha. Though the picture quality is lower than 1/4 it can solve problems in HD. Due to depth test done in a low-res Z-buffer, Z relations between particles are to have artifacts. Also an unnatural blur happens in synthesized parts because of a low-res t

You Tube

Broadcast Yourself™

masaki kawase

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Please upgrade to one of these more modern browsers.

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**HDR IBL small demo video (engine by Masaki Kawase)**

29.83 fps (640x480): A16B16G16R16F (D16) (4x Multisample)  
HAL (pure hw vp): NVIDIA GeForce 7600

Mouse Controls:  
L : Rotate View  
M | Shift+L : Translate  
R | Ctrl+L : Scale/FOV  
L+R | Alt+L : Rotate Model

Glare Type (g/G) : 11 / 12 Cine Camera Horizontal Flare  
Exposure (Up/Down): Auto 0.919  
Material (m/M) : 23 / 32 Diamond  
Depth of Field (d/D) : 3 / 4 6-blade Iris (37 taps)  
Focal Distance (PgUp/PgDown)

Presented by Masaki Kawase  
http://www.daionet.gr.jp/masa

Real-time HDR IBL.  
File Options Demo

29.83 fps (640x480): A16B16G16R16F (D16) (4x Multisample)  
HAL (pure hw vp): NVIDIA GeForce 6600 GT

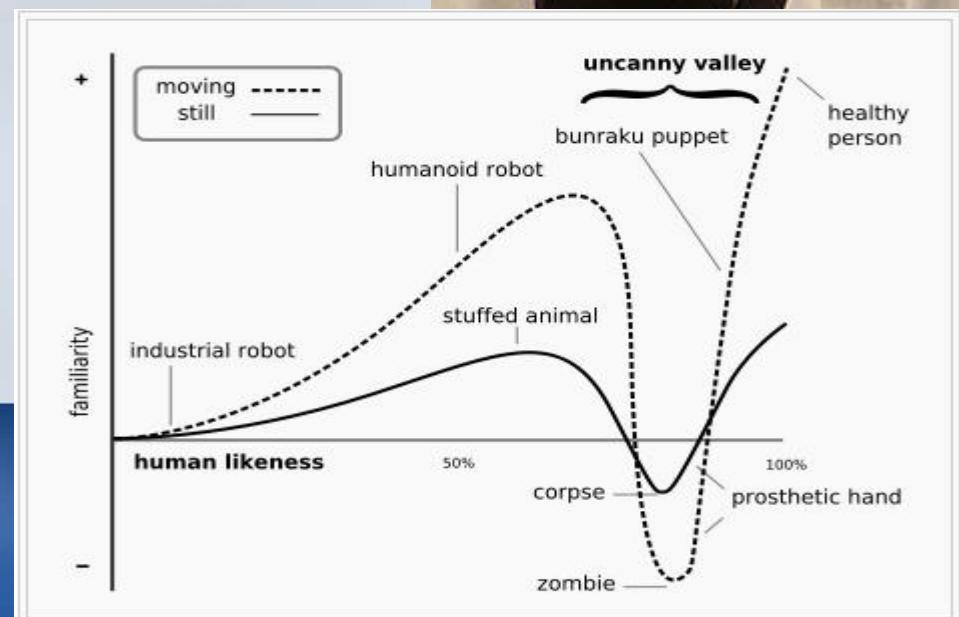
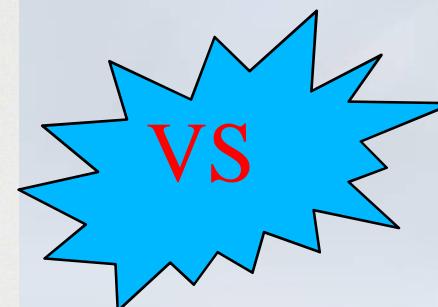
Mouse Controls:  
L : Rotate View  
M | Shift+L : Translate  
R | Ctrl+L : Scale/FOV  
L+R | Alt+L : Rotate Model

Glare Type (g/G) : 11 / 12 Cine Camera Horizontal Flare  
Exposure (Up/Down): Auto 0.169  
Material (m/M) : 23 / 32 Diamond  
Depth of Field (d/D) : 3 / 4 6-blade Iris (37 taps)  
Focal Distance (PgUp/PgDown)

Presented by Masaki Kawase  
http://www.daionet.gr.jp/masa

# PUSHING ON GRAPHICS

## WARNING: UNCANNY VALLEY



# ~~CONCLUSION~~ OPENING



# OPENING 1/4

- We've learnt a lot from Japan:
  - Games for Everyone (not sure we master it yet! ☺ )
  - Emotions & Memorable Moments
  - Characters & Story Telling heavy games
  - Audio approach in games, Convergence, future of Mobile
- Japan is giving us insights in the future
  - We see trends more clearly by looking at Japanese Industry
  - ...we see where the Western Market is going...
  - ...we see the danger of the Uncanny Valley...
  - ...we see the danger of not focusing enough on Pipelines
  - ... as well as we see the greatness in Characters & Stories & Emotions!
  - Many look at Japan!
    - ... including Microsoft that do learn from Sony & Nintendo! ☺



# OPENING 2/4

- Games we're expecting from Japan:
  - Games for Everyone
  - Emotions & Memorable Moments
  - Pushing CGI aspects of Games pretty high
- Technology we're expecting from Japan:
  - It could really be in the Mobile Game/Apps domain
  - Integration of new Controllers/Accessories in Games.
- But most importantly we would like to see Japan learning from the West as well!
- Japan has influenced us on many topics for years!
  - There is so much more we can learn I'm sure
  - ... but it is also time to return the politeness!



# OPENING 3/4

- Japan & Western Dev improved & experimented in separate ways
  - (As if we've been separated...)
    - Multiplatform / Single Platform
    - Pipeline / Engine
    - Animation & Dynamics / Graphics
    - Collaboration / Direction
    - ...Data driven decision making
    - ...Team structuring & Processes
    - ...Project Life Cycle & Outsourcing
    - ...Online, etc.
- Likely to find best practices and complementary knowledge there!
- Now is time to connect both ways!
- Learning takes time & resources
  - Spend vs improvements
  - I believe the balance can be positive!



# OPENING 4/4

- Today, we all look at the future
  - let's take advantage of all that to start working on a more unified way!
- Good news: there are many Tools for that!
  - Internet, Game Conferences, Internal forums, Interest Groups
- Bad News: Language can be a barrier!
  - I'll start Japanese in October... will you try learning English?
- We should all encourage more sharing & communication!
- I welcome how close Eidos & Square Enix have become! I feel we will all benefit from that. And it is a symbol also: it is a symbol of wish to learn from each other and empower each other.
  - I wish more Japanese companies embrace that model and move toward more East-West communication & collaboration !



どうぞCEDECを楽しんでください！  
またお会いしましょう！

## Q & A

Gamertag: JulienMerceron  
PS3 ID: JulienMerceron



# ADDENDUM



# Special Thanks & URLs

- Thanks to the CEDEC Advisory Board & Yoshioka-san for inviting me to speak
- Thanks to Eidos for allowing me to work on that presentation for CEDEC.
- And thanks to our speakers Guests!
- Referenced URLs
  - UNCANNY VALLEY:
  - <http://www.androidscience.com/theuncannyvalley/proceedings2005/uncannyvalley.html>
  - <http://www.androidscience.com/theuncannyvalley/proceedings2005/MoriMasahiro22August2005.html>
  - [http://en.wikipedia.org/wiki/Uncanny\\_valley](http://en.wikipedia.org/wiki/Uncanny_valley)
  - <http://www.arclight.net/~pdb/nonfiction/uncanny-valley.html>
  - <http://www.mahalo.com/uncanny-valley>
  - <http://www.gamespot.com/features/6153667/>



# OPENING 1/4

- 日本から学んだことがたくさんあります:
  - 誰でも楽しめるゲーム(まだマスターできていないかも☺)
  - 感情表現と、忘れ得ぬ瞬間
  - キャラクターと物語重視のゲーム
  - ゲームでのオーディオの使い方、収斂、携帯機の未来
  - 外注、西洋市場はどこへいくのか...
- 日本は未来を見せてくれる
  - 日本のゲーム業界を見る事で、将来のトレンドが見える
  - ...不気味の谷の危険...
  - ...パイプラインに充分な注意を払わない危険
  - ...素晴らしいキャラクター、物語、感情表現も!
  - 日本にはいろいろなものがある!
    - ...マイクロソフトも、ソニーや任天堂から学んだ! ☺



# OPENING 2/4

- 日本に期待するゲーム:
  - 誰でも楽しめるゲーム
  - 感情表現と、忘れられない瞬間
  - ゲームにおける高度なCGIの更なる進化
- 日本に期待する技術:
  - 携帯ゲームや、アプリにおいては間違いない
  - 新しいコントローラーやアクセサリーのゲームでの活用
- だけど、一番大切なのは、西洋から日本が学ぶ様子を見たい!
- 日本は色々な事で、長年に渡って影響を与えてきました!
  - 我々が学びきれたとは思えないくらい
  - ... そして、今、この親切に報いたい!



# OPENING 3/4

- 日本と西洋の開発は、別々に進化し、別々の経験を積んできた
  - (もし、別々ならば...)
    - マルチプラットフォーム / 単一プラットフォーム
    - パイプライン / エンジン
    - アニメーションとダイナミクス / グラフィックス
    - 協業 / ディレクション
    - ...データ駆動型意思決定
    - ...チーム構成とプロセス
    - ...工期と外注
    - ...オンラインなど
- 最善のやりかたと、補完的な知識が見つかりそう!
- 今こそ、両方のやりかたを繋げよう!
- 学ぶ事は時間もリソースもかかる
  - 無駄か、改善か
  - 最終的にはプラス信じています!



# OPENING 4/4

- 今日、我々は未来を見ました
  - これらの利点を活かし、もっと統一的な働き方を始めましょう!
- 良いニュース: このためのツールがたくさんある!
  - インターネット, カンファレンス, 社内フォーラム, インターネットグループ
- 言葉の壁はある:
  - 私は10月から日本語を習い始めるつもりです… 英語を勉強してみない?
- もっと共有と、コミュニケーションを!
- 私は、Eidosとスクウェア・エニックスが、とても近づいたことが嬉しい! お互いに利益を感じている。そして、これは象徴的なことでもある。お互いに学び、お互いに高めあることの象徴だ。
  - もっと多くの日本の会社が、このやり方を探ればいいと思います。そして、もっと東西のコミュニケーションと協力を進めましょう!

