

The 7th Games Convention computer game trade fair takes place in Leipzig from Aug. 21 – 24.

It is the industry's largest event in Europe.

The numbers look pretty good: the Interactive Software Federation of Europe ranks Germany and its €1.4 billion in sales directly behind the UK and France. The statistics of the Games Convention, held on the Leipzig trade fair grounds, also tell a good story. It is considered the industry's most important and best-attended event in Europe. Last year, 185,000 people went there to see more than 500 exhibitors.

This year, a few more are expected in Leipzig: 200,000 visitors in all. After all, 20 million Germans sly virtual dragons on their desktops and game consoles. The industry's revenue is now higher than the profit of movie theaters and sales growth is in the double figure range. In the first quarter of this year, the sector saw sales of €149 million in Germany, a jump to 41 percent compared to last year, according to figures from Media Control GfK International.

Computer games are a growth sector, which is why it's a mystery that they attract so little public attention in Germany. The first thing that many people associate with computer games is not usually their superb market potential but a school shooting massacre in Erfurt in central Germany six years ago, which sparked an ongoing discussion on whether they promote violence. The shooter, who killed 16 people before committing suicide, is said to have played the violent computer game "Counterstrike."

Public perception and clichés are hindering an objective evaluation of a huge entertainment market segment. Computer games have come a long way from being the isolated hobby of pimply teenag-

ers, fortified with cherry coke and dried out salami pizza, shooting virtual goals at 2:30 a.m. A 2007 study by the Allensbach Institute market research company found that young males between 14 and 19 still comprise the majority: 76 percent of them play virtual games. However, today four out of 10 females play.

Increasingly seniors are also catching the electronic personal entertainment bug. "The market development trend is fantastic," said Olaf Coenen, CEO of Electronic Arts Deutschland. The U.S. publisher of interactive entertainment software

for computers and video game consoles has a 25 percent share of the German market, the company's third-biggest. Along with the other industry players, Electronic Arts, which markets games such as "The Sims" and "Medal of Honor," sees two trends in Germany: The overwhelming popularity of the PC and strategy games.

Gamers in the land of poets and philosophers love to sit in front of their laptops and drag cards or patterns across their monitors more than in almost any other country. Portable computer games are also becoming

more widespread, although not to the same extent as in the United States, Japan and Britain, the biggest markets worldwide. Although computer games deliver high profit margins, the German economy is just beginning to discover their potential.

Close to 40 companies that develop games call Germany their home. They are primarily located in the Frankfurt and Berlin area, as well as in Hamburg, where 180 computer game companies have formed a network called Gamcity Hamburg. Munich also plays a supporting role. But again, there is no com-

parison to the U.S. or Britain and France.

Germany also lags behind when it comes to training new developers. Bigpoint, a Hamburg computer game developer with 190 employees that specializes in browser games, has to look hard for good staff. The company rarely finds its recruits in Germany – most of the around 10 new employees hired every month come from Eastern Europe or America.

"For our business, there are too many poorly trained, typically self-taught people in Germany and too few good study courses to meet our demand," said Heiko Hubertz, Bigpoint founder and CEO. Nevertheless, he can be satisfied with the way his company has developed. At the beginning of July, the U.S. consortium NBC Universal paid €70 million for the former startup.

Bigpoint is one of the companies playing a major role in developing browser-based games for the world market. These games are becoming increasingly more popular with users because they allow players to compete via the Internet – for many people more exciting than competing against the computer or the console. But aside from that, Germans have so far remained wary of new technology. That concerns the development of new products as well as consumer behavior, according to Pascal Schmidt, head of consumer marketing at Nintendo Germany.

Skepticism poses a challenge for every company in the industry, including global corporations such as Nintendo, for whom Germany is one of the most important markets. But once Germany embraces a specific technological innovation, it increasingly overtakes other countries in sales and in developing new games. There is still a lot of potential for the video game industry, in Schmidt's opinion. The German market's current growth rate is higher than the European average. ■

All game

The potential of the computer game industry is still underestimated in Germany | By Anna Loll



WOMEN INCLUDING THOSE ABOVE 50 PLAY VIDEO GAMES, TOO, BUT DIFFERENTLY.

