

I'd like to comment specifically on the proposals regarding online game games ("virtual worlds", as we call them in academia).

There is, as the Ofcom report suggests, a great deal of interest in virtual worlds such as Second Life. Contrary to what the report states, however, Second Life is not wildly popular: those 2.5m people (cited in paragraph 1.9) are now 4.5m, but they're not players: they are people who have ever tried the game, even if they quit after 2 minutes. Only perhaps 40,000 or so are ever logged in at once, and fewer than that actually pay to use the service.

Contrast this with World of Warcraft, a game which has 8.5m subscribers, most of whom are paying around \$15 per month to play. It gains more subscribers in a week than Second Life has in total.

Second Life is where a lot of the action is in terms of cross-media riffs, and it does raise new issues that the law is struggling to accommodate (tax, IP, ownership, governance etc.). However, when it comes to an entertainment form, Second Life is a pipsqueak compared to WoW.

The reason I mention this is that one of the main briefs of public service provision is the export of cultural values. If millions of people are playing games such as WoW for 2-4 hours every evening, week in, week out, that's where you should be looking for creating content, not social spaces such as Second Life. The US Government has, for at least two years, been investigating the possibility of funding virtual world development as a form of public diplomacy: if people are going to spend a lot of time in these games, they may as well pick up some American values as they do so.

The way things are going at the moment, it's becoming increasingly difficult to enter the marketplace. A good game, on the strength of its gameplay and graphics alone, can garner perhaps 200,000 subscribers a couple of years after launch. To get into the millions, it increasingly needs a brand. The Lord of the Rings Online automatically has a head start, for example. World of Warcraft extends the Warcraft milieu of a very successful line of single-player games.

What does this have to do with the Ofcom proposals for a Public Service Publisher?

Well, although I can see established game companies flocking to such a PSP's door for funds to develop virtual worlds, it won't be money well spent. It's unlikely that they'll have the international brand credibility needed to attract new players (existing players prefer to stay with what they're already playing), and even if they do they won't be set up to export British culture through the game's design.

There's one organisation which could do this, though: the BBC. It is very well respected across the world, and it could sell a virtual world on this basis. It couldn't do the development itself - it would have to sub-contract - but it could shape it and bring its decades of experience in marrying culture, education and entertainment to bear. This would not be possible under the Ofcom PSP model, however: the BBC would be one of the few organisations which could not benefit from funding from such a source. For this reason, although I was impressed by the PSP proposals, I don't think

they're the right way to go at the moment. The BBC brand is too good an asset to squander when it comes to competing on the international playing field.

Oh, and as a final aside: virtual worlds are actually a UK invention, so we do have the expertise in this country to do something here.