The future of Australia's video game development industry

My name is David Logan I spent 5 years designing video games before launching a company called Leaguecraft in 2009 which currently caters to millions of League of Legends players. Over the years i have consulted with Riot Games, Trion Worlds, Ironclad Games and a few other international game publishing companies. My expertise is game design and free to play systems.

I have several thoughts related to the development of Australia's video games industry and they do not quite fit into the bounds of the terms of reference which i believe may be too narrow.

Firstly I believe it's important that consideration is given to not only the videogames industry as it stands but to the future and what video games will evolve into, if we do not plan changes for the future by the time we finally catch up we will be behind all over again because we didn't have to foresight to get ahead of its evolution.

Traditionally games have come in physical formats, discs, cartridges, cds, dvds now with the rise of the internet and higher speeds many games are purely digital furthermore they are moving away from traditional game purchase systems and in some cases doing exceptionally well.

Riot Games was developing League of Legends with less than a dozen guys some of who started out working in their bedrooms and later they picked up 6 million dollars in venture capital to expand and publish the game. 3 years later they sold it for 400 million dollars to the chinese company 'Ten Cent' who i'm told turned over a billion dollars in the following 12 months and have continued to do better each year since. All this from a game that allowed anybody to download and play for free and has no physical discs that can be purchased in stores only taking its revenue from offering in game upgrades and visual character personalisation.

5 Years ago I could be heard raving about how digital download free to play games was the new format of video games and it was going to change everything, now i'm convinced that a new wave of games are coming nobody has achieved it yet but over the next few years we will begin to see video streaming games with no downloads. All player data, settings and saves will be stored on the games servers. When players login they will receive a video stream sent from one of the servers who's graphics and cpu are processing the game and sending it to the player in the form of a video that can be played from any device capable of receiving and playing video. This will greatly reduce user hardware requirements to play games and as technology advances allow industry grade servers to do the heavy lifting for players computers. Additionally a rising trend in video games since their inception is social interaction. Most games could say right now that with more multiplayer player support, players would have more fun. In a shooting game we usually see 16 vs 16 players and some games are able to reach to 32 vs 32 players but this is pretty much the limitations because each players computer needs to receive the download for every single bullet, explosion, player movement, action, physics related to every player in the match and too many can cause lag with some players unable to play properly because characters are displaying in incorrect locations and they cannot interact properly because their client has fallen behind putting them at a disadvantage and ruining the enjoyment. However once game servers process all the physics and player locations, explosions, npcs etc and just feed each player a video stream which they can send keyboard/mouse/joystick commands back through we will potentially reach a new age of video games where 10,000 players could play on the same 300km wide map and say charge the trenches of ww1 simultaneously without lag caused by hundreds or thousands of players being on screen at the same time. They would just receive a single video stream showing every player and explosion around them as it happens on the games servers.

The advances in video game technology are moving so fast now that soon we may see complete integration with the movie and education industries. New virtual technologies will allow players to walk around inside a movie and view it from their perspective turning their head at will to look around and see what else is going on. (1) This may be taken further with interactive movies that can be experienced socially, these 'movies' will more or less be interactive video games with a hollywood approach but it is important they are not ruled out by this report as they will be built by video games developers and we need to prepare and make sure Australia is ready for that rising industry.

Education systems may also go virtual in an effort to take class excursions to historical or distance places without leaving the classroom once again these virtual interactive education worlds will be developed by people with similar if not identical skills to video games designers.

The Solution

I think now more than ever it's imperative that Australia looks at setting up a technological city of innovation that will endure and always be at the forefront of the world leading or right alongside the greatest nations advances.

It would need to be somewhere along the internet backbones but not in a place that it would get bottled up trying to send and receive data internationally.
It should be somewhere on a major east coast train line or future train line preferably where a bullet train may one day reach from major cities to bring outside employment in daily.
It should be somewhere safe from natural disasters, earthquakes, tornados, tsunamis, bushfires the data, infrastructure organisation and value of its functionality could not afford to be lost.

It should offer tax incentives for start ups, strong personal rent tax breaks and other things that growing young adults need who set off with little money and a big idea. They do it tough but they are some of the hardest and most ambitious workers who's idea's can be worth millions.

The internet and perhaps even electricity in such a city should be controlled and owned by the city and should be structured in such a way that it is not to be seen as a tool of profit but as a tool of growth offering the world's fastest internet and electricity as cheap as possible to allow Australian companies one place in Australia to really compete with Asia and the rest of the world as a server host location.

Australia's most prestigious university of technology needs to be setup in such a city where the brightest minds from all over the country can get their education with practical experience and inspiration in every direction in the city outside the university.

We need a proper 'silicon valley' to give kids a goal and a future. I had nowhere to go just had to watch all my American competitors move to silicon valley and reap in the benefits. We need our own if you can put it in a secure place, with cheap or subsidised extremely powerful internet and tax breaks to get it started we can begin playing catch up start sending our brightest minds to places where employment is right outside waiting for them to graduate.

Chances are these big game ideas will come and most of them will be controlled by American based companies who look to the oceanic region to setup regional servers when that happens we need to compete with the prices and services of south east Asia to make sure they put their servers in Australia. If we can't get all the business of an online game we should at least be fighting to control the Australian business and that of our neighbours.

If we build a proper technological city, it will support not just video games but movies, education, web and application developers, hardware technology and many other fields as well as offering a new battlegrounds for entrepreneurs to invest their wealth in Australian companies instead of sending it overseas.

Thank you
-David Logan

1. http://www.engadget.com/2015/07/15/the-last-starfighter-tv-series/