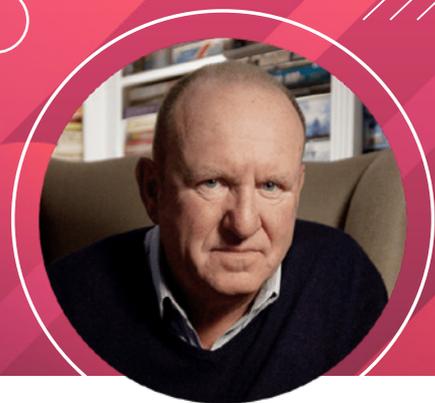


# PLAYABLE FUTURES

## NEXT GEN THINKING FOR THE FUTURE OF PLAY

Playable Futures is a collection of insights, interviews and articles from global games leaders sharing their visions of where the industry and medium will go next. Initially published on GamesIndustry.biz.



## Sir Ian Livingstone: My Vision for Games in 2022

*AUTHOR: Ian Livingstone, Partner, HIRO Capital*

Sitting in my office at home at the start of 2022 surrounded by 1,500 board and video games, I feel as excited as ever to be part of the amazing games industry. I started my first games company in 1975 with Games Workshop – D&D/Warhammer. In those days, the industry was homebrewed. We made it up as we went along, and growth was slow. After leaving Games Workshop, I co-led my first listed video games company in 1995 with Eidos (Lara Croft: Tomb Raider). Those days were quite volatile due to the risk and challenges of physical media and distribution.

Fast forward to today, we have games as a service being enjoyed by tens of millions of gamers worldwide with games now at the heart of the new economy. After leaving Eidos, I began investing in game studios, some of which became hugely successful, including Playdemic (Golf Clash), Mediatonic (Fall Guys), and Sumo Digital. This path led me to co-founding games and metaverse VC fund Hiro Capital - <https://hiro.capital/>. We've invested in innovative studios and platforms including Twin Suns Studios, FRVR, Snowprint, Polyarc, Happy Volcano, Double Loop, Flavourworks and Keen Games with more to come.

Games are at the sharp end of new consumer technology. Radical new tech tends to find its first utility in games - that was true back in the day with the first arcade machines and the early home consoles, and it's even more true today with streaming, VR and Web 3.0.

As for the future, I'm focussing on:

### **Total Addressable Market Growth**

The games market just keeps growing as more and more people get next-gen smartphones, 5G rolls out, etc., but games growth is still early stage in some continental markets.

### **Multiplayer, Cross platform, Cross Play**

It's not a new theme but it's still only a small proportion of games that can be played seamlessly on multiple platforms with deep cross-play. We will see more and more of this.

### **Metaverse MMO's - both Web 2 and Web 3**

The Metaverse is already an overused and poorly defined concept. As it happens, Hiro Capital was named after the lead character in the book (Snowcrash) that coined the term and at the fund we have a broad and clear definition of Metaverse and its components. So far, we have made several Metaverse investments in themes around creator platforms, no code game development, virtual avatars, and so on. We are excited about games as next generation social networks and immersive worlds where you can share collaborative experiences and express yourself more meaningfully than you can with a tweet or a like by being able to create content with your friends within these massive social worlds and enjoy live events together. We review a lot of social game world ideas, some of them built on traditional game platforms, some in VR, and some on the blockchain. They are all interesting, but we always come back to the fundamental question of 'Why would I want to go there in the first place?' which comes down to my old maxim of 'Gameplay, Gameplay, Gameplay!' If the gameplay is great, and the more these persistent worlds resonate with who we are as human beings, digital identity, community, and crafting, then the more excited I get about a concept.

### **Digital Assets, NFT's, Earnium and Web 3.0**

I've been a big believer in owning in-game assets and collectibles since painting and owning my own D&D miniatures in the 1970s! People become emotionally attached to their player-characters, and that connection has value. The fact that collectibles moved into Web 2.0 digital games over the last 20 years (\$50bn of game skins annually!) is perfectly understandable. And now Web 3.0 offers the promise of truly owning your game assets and trading them as NFT's. The challenge is designing great gameplay that is twinned with a meaningful reason for why a game would be better on the blockchain.

### **VR and AR**

At Hiro, we invested in VR quite early. I was initially sceptical, but VR is now going mainstream. Our investments in Polyarc, FitXR and LIV made me believe in the VR/AR future.

Sir Ian Livingstone is renowned as co-founder of Games Workshop and former chairman of Eidos and Sumo Group. Famed for his role in launching Tomb Raider, he is presently a co-founding partner of venture capital fund Hiro Capital.

### **Game Creator Platforms, Earnium and Web 3.0 Composability**

Whilst I'm not the techie in our fund, we have strong interest in creator platforms and Web 3.0 composability. Clearly this generation of gamers want to express themselves, sometimes by streaming themselves, sometimes by modding or building their own games, and that's great. It's remarkable the way the industry has evolved from Premium to Freemium and now Earnium. The opportunity to empower a new generation of creators who can make a living from games is exciting.

### **Summary**

Games as entertainment and social networks with compelling game play mechanics and technologies are becoming central to the new economy. In many ways games are driving entertainment and social networks, with influence growing by the gamification of fitness, health and education. We are early in the Metaverse, in VR and AR, in Web 3.0 and in the Blockchain — the total evolution will take many years. But, as ever in the games industry, the opportunities are exciting. The UK video games industry is a fantastic success story and continues to punch above its weight in content creation despite having been historically underserved by growth capital. But this scenario is rapidly changing as investors now understand the social, cultural and educational value of games as well as it being an economic powerhouse and revenue generator with unicorn exit potential for studios.

At the core, my focus remains on 'gameplay, gameplay, gameplay' and, on the back of that, creators who are building great IP. On a personal note, I recently opened the Livingstone Academy Bournemouth in association with Aspirations Academies Trust: <https://www.livingstone-aspirations.org/> It is an all-through state school for ages four to eighteen that aims to give its students the tools they need to succeed as young creators in a digital world. I'm especially proud of the school and I'm excited to see what the next generation of children will create, especially games.

**Game on!**