



The Immersive and Addictive Technologies Inquiry

Europe's radical report on video games

Regulator: The UK Department for Culture, Media and Sport (DCMS) September 2019



JURISDICTION RELEVANCE:

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TIMELINE:

As of May, subject to pandemic delays, an official response is expected in 2-3 months.

WHAT YOU SHOULD KNOW:

- In 2019, the UK's culture and sports regulator (DCMS) launched an inquiry into the growth of "immersive and addictive technologies." Video games moved front and centre.
- To a hostile panel, a well-known publisher caused a media storm by describing loot boxes as akin to a kinder egg, oblivious to the child play allusions.
- On September 9th 2019, after months of oral and written evidence, DCMS released its <u>final report</u>. It contains the most radical, interventionist proposals for the video games sector to emerge from Europe.
- These include: mandatory data sharing and an industry research levy, government-led research into gambling-like mechanics and gaming disorder, screen time and spend limits, tougher age restrictions including AV, amending the 2005 Gambling Act to catch loot boxes and banning their sale to children.

MOST TELLING:

"The Government should bring forward regulations under section 6 of the Gambling Act 2005 in the next parliamentary session to specify that loot boxes are a game of chance."

DELANY & CO HOT TAKE:

Following a landslide election win, the Conservative Party remains committed to making the UK the world's safest place online. However, the DCMS report may have pushed the envelope with proposals that threaten to put smaller developers out of business altogether. An official government response will provide a clearer picture as to whether a truly radical reform agenda has legs. Even so, we can say with certainty that once the dust settles from the pandemic, the industry faces significant regulatory risk in the UK, potentially setting a global precedent.