

Technology

Sony Unveils New Games, Controller in Smartphone Gaming Push

- ▶ New unit announces 11 games which will be released on phones
- ▶ Project Field to interact with cards, figures to control games

Sony Corp. is stepping up efforts to gain a foothold in mobile gaming. On Wednesday, Sony announced 11 new mobile titles and unveiled Project Field, a thin, lightweight device the size of a kitchen cutting board that connects to real-world objects so they can be used for controlling games on smartphones and tablets.

"We believe this is a brand new platform that will allow for a playing style that has not existed up until now," Kazuyuki Sakamoto, who is developing Project Field at Sony, said at a press conference in Tokyo announcing the new hardware. "To sum up the concept in a few words, we want to add a digital spice to the experience of touching an analog thing."

The device can read signals from electronic chips embedded in objects such as cards or even figurines to detect a user's actions, and then relay the commands to smartphones and tablets through a wireless Bluetooth connection. Sakamoto said he's "open" to the possibility of connecting the controller to devices other than phones, such as PlayStation consoles or TVs.

Nintendo Co. introduced a similar concept in 2014 called Amiibo, which allows players to use plastic figures to interact with games for its Wii U console.

Sony will partner with developers including LEVEL-5 Inc. and Bandai Namco Holdings Inc. to release titles that support the new hardware. The only game announced on Wednesday was Yokai Watch, a ghost-fighting title popular on Nintendo's handheld systems.

Sakamoto did not disclose when Project Field will be released, saying it will happen once games for the device are ready. He declined to talk about the price but said he wants to make the new hardware affordable for parents or grandparents.

Some analysts were skeptical about the product's chances.

"Mobile users don't want to spend money

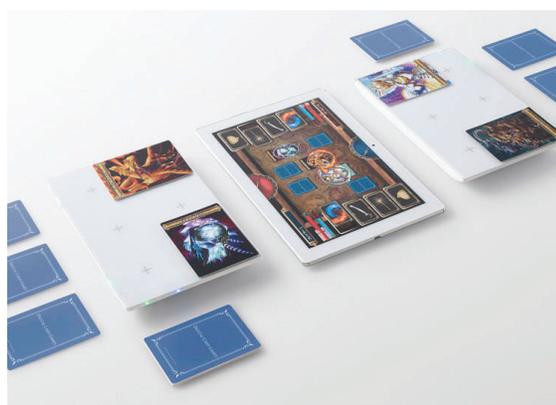
and then carry around an extra accessory with them just to play games," said Serkan Toto, founder of Tokyo-based consultant Kantan Games Inc. "So I think Sony's concept is cool, but it's not mainstream compatible."

Separately, Sony announced that its recently-created subsidiary ForwardWorks will work with developers including Gree Inc. to reboot classic PlayStation games as new content for smartphones. The first title, based on the Hot Shots Golf series, will be released in Japan this spring. An overseas release date was not disclosed, and the company declined to discuss how the game will generate revenue.

Sony's entry into the mobile space comes years after companies like Gree, DeNA Co. and GungHo Online Entertainment Inc. pioneered the practice of paying for virtual items on smartphone games to create a multibillion dollar industry in Japan. Yet growth has begun to plateau in recent years, and whether Sony's experience in console gaming can help it compete with established mobile rivals is questionable.

Despite its limited experience with mobile games, Sony already has a hit on its hands with Fate/Grand Order, a game that has stayed near the top of Japan's mobile game rankings since its release last year. The title, developed before ForwardWorks was created, rivals Pokemon Go in terms of profitability in the country.

Sony's Chief Executive Officer Kazuo Hirai has increasingly relied on his games division -- the company's largest source of revenue and profit -- as he downsizes



Sony's Project Field. Source: Sony

and restructures units, including TVs and smartphones. In October, the division released a virtual reality headset and last month an upgraded version of the PlayStation 4 console, which has outsold Microsoft Corp.'s Xbox One by about two to one, and Nintendo's Wii U by more than three to one. On Wednesday, Sony said sales of the PS4 topped 50 million units across the globe.

"iOS and Android platforms remain hugely important to all gaming firms and Sony's late move into this segment is justified," Amir Anvarzadeh, Singapore-based head of Japanese equity sales at BGC Partners Inc., wrote in a note to clients.

By Yuji Nakamura

Japan's Mobile Games Nearing Peak

Total industry revenue continues to grow, but at a slower pace



Source: Mobile Content Forum
Note: Converted to dollars at USD/JPY rate of 114.25

Bloomberg