

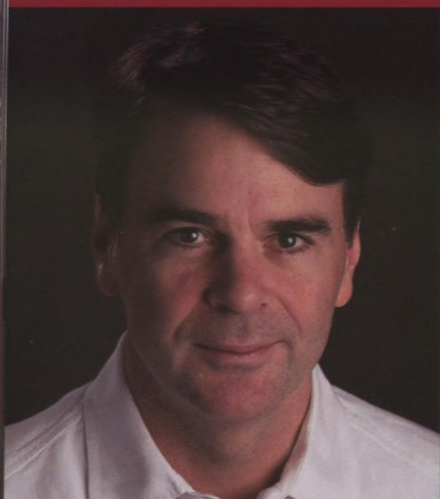
Canadian gaming and new media companies are also heavily involved in Web 2.0 and social networking revolution. They are experts at leveraging media properties to generate new revenue streams, for example, building ads into games and mobile services, and charging users subscription fees for online games.

Government incentives

In order to encourage even more investment in this rapidly expanding sector, the Government of Canada offers a range of Scientific Research and Experimental Development (SR&ED) tax credits for gaming companies. The SR&ED is further supplemented by tax incentives by provincial governments. British Columbia, Quebec and Ontario offer tax incentive plans for video game developers to help offset labour costs.

In addition to these tax incentives, Canada also offers other types of assistance to smaller game developers through the National Research Council's Industrial Research Assistance Program (IRAP). IRAP provides financial support for commercialization of technologies, and access to a specialized network of gaming-specific professional resources that can assist game developers to establish their game assets.

ELECTRONIC ARTS: IT'S ABOUT TALENT



Rory Armes,
Senior Vice President and
Group General Manager,
Electronic Arts

British Columbia's gaming industry has grown into a major global hub, with 86 studios now producing games and scores of companies providing support and other services. Together they produce \$1.4 billion in annual revenues and provide jobs for more than 5,000 employees.

Rory Armes, group general manager with Electronic Arts, believes British Columbia's post-secondary schools are doing a good job of aligning programs with the needs of the games industry. "The core building blocks of a game are programming, art and audio, and the schools in B.C. are strong in these areas," says Armes, whose company hires many new employees from Canadian universities and colleges. "New grads come into our studios with a good skill set and base of knowledge."