

EA's global reach, and the cultural diversity of its employees, have required management to implement broad business strategy that aligns development team and an employee's personal goals. Management is continually faced with the challenges of managing team size growth and project expenses. Moreover, cost control measures must be implemented in the context of keeping traditional schedules and consumer prices.

Technology innovation is a contributing factor for the strategic direction of EA. Mr. Bing Gordon, Chief Creative Officer, EVP and a founder of EA stated "in the next decade, digital technologies will bring almost unimaginable changes to the entertainment industry. Video-game quality will improve 150 times, cell phones will become pocket high-definition TV, all media will be re-mixable and instant messageable, and game techniques will be used to provide human-centred education." Management at EA is committed to achieving these goals.

Creative (product) innovation is also a management trend which cannot be overlooked. It is an integral part of all the content developed by EA. Management understands that to remain competitive, and turn out high quality content, the creative forces that go into game creation must always be trend setting.

Management is in step with maturing markets, changing demographics, and is cognizant of the fact that corporate growth can come in a variety of forms. A few examples of this are management's appeal to better manage product risk, and improve collaboration on intellectual property with traditional film and TV entities, to enhance corporate revenues.

Technology

EA has stated publicly four product related objectives, three of which pertain to technology:

- 1) Be the #1 company on current generation game platforms.
- 2) Be the #1 company on next generation game platforms and markets.
- 3) Be the #1 Provider of Interactive Entertainment Online.

To achieve these goals, the company uses a variety of technology solutions to develop products. The Chief Technology Officer leads the evaluation process, in close collaboration with other company technology leaders.

EA looks to use standard software, such as Alias/WaveFront's Maya, 3D Studio Max, Discreet's software suite, Side Effect's Houdini and Shake for its game development. It also uses Macromedia's Flash for Web-based games. EA has also developed a number of proprietary game engines, and proprietary software.

In July 2004, EA acquired United Kingdom-based Criterion Software and its intellectual property. This acquisition includes RenderWare and RenderWare4, which, when complemented by EA's software tools and technology library, creates a common framework for development on next-generation game consoles, which are expected to debut over the next two years. EA has a business unit committed to licensing this middleware solution to developers.