

Over the last 8 years, these guidelines have kept an enormous amount of offensive material, including excessive violence, out of American homes. Specific examples are contained in the statement that I have submitted to you.

Of course, our game guidelines are not perfect and may not answer everyone's concerns. After all, video games are a form of entertainment covering everything from education to the martial arts, but I must say that we have made a good-faith effort to keep offensive material off our game systems and we intend to continue applying our game guidelines in the future.

In the past year, some very violent and offensive games have reached the market and, of course, I am speaking about "Mortal Kombat" and "Night Trap." Let me say for the record, I want to state that "Night Trap" will never appear on a Nintendo system. Obviously, it would not pass our guidelines. This game, which, as you have indicated, promotes violence against women, simply has no place in our society.

Let me turn to "Mortal Kombat." To meet our game guidelines, we insisted that one of our largest licensees, Acclaim Entertainment, remove the blood and death sequences present in the arcade version of "Mortal Kombat" before we would approve this game. We did this knowing that our competitor would leave these scenes in, and with full knowledge that we would make more money if we included the offensive material.

We knew that we would lose money by sanitizing "Mortal Kombat," but sanitize it we did. Unfortunately, I must say that we have been criticized by literally thousands of young game players for insisting that the death sequences be removed from this game.

Senator LIEBERMAN. What has been the form of that criticism?

Mr. LINCOLN. We have received letters, we have received literally thousands of phone calls.

Senator LIEBERMAN. In other words, people actually call and write to complain that they can't have the more violent game on a Nintendo system?

Mr. LINCOLN. That is correct. The letters and the phone calls essentially say, leave in the violence, you are censoring.

Now, we share Congress' and the public's growing concern with violence, and as a worldwide video game industry leader Nintendo, of course, will do everything it can, working with you and your staffs and with all of the other companies in our industry, to develop a workable game-rating system. But a rating system is no substitute for corporate responsibility, and rating games will not make them less violent. Only manufacturers, acting responsibly, can do that by controlling game content and keeping outrageous games like "Night Trap" off the market.

We agree with your recommendation that a game rating system is needed. To be effective, it has to be comprehensive, uniform and understandable. And, of course, it has to have broad industry and public participation in its formulation, and it has to have credibility. A self-administered rating system is confusing and probably does more harm than good.

In conclusion, regardless of what happens here in Congress, Nintendo will sponsor industry forums in early 1994 to discuss game content guidelines and work out a comprehensive game rat-

SUBCOMMITTEE ON REGULATION AND GOVERNMENT INFORMATION,  
 COMMITTEE ON GOVERNMENT AFFAIRS, U.S. SENATE,  
*Washington, DC, December 21, 1993.*

SUBCOMMITTEE ON JUVENILE JUSTICE,  
 COMMITTEE ON THE JUDICIARY, U.S. SENATE,  
*Washington, DC.*

Mr. HOWARD C. LINCOLN,  
*Nintendo of America, Inc.,  
 Redmond, WA.*

DEAR MR. LINCOLN: We applaud the video game industry for announcing at our joint hearing on December 9th that it is committed to establishing a credible rating system which will inform the public about the content of video games. We are writing to share with you some of our concerns as you move forward.

First, in developing the rating system, the industry should include as full participants representatives of parents, educators, consumers, and scientific researchers, such as those who testified at our December 9 hearing. A wide range of view-points must be considered in setting up the rating system.

Second, if the industry creates a rating body, the rating body must be independent and insulated from marketing pressure by any member of the video game industry. The public must be assured that the rating body will provide objective guidance regardless of the impact of a particular rating upon sales. Once the rating body is established, its independence will depend upon several factors. Among those factors are (1) its membership, which should include an array of experts in child development and consumer protection, and (2) a guarantee that the compensation or tenure of members will not depend upon approval by video game makers.

Third, the rating body must define its mission broadly to cover all interactive video games, including games played on open and closed platform systems. The technology of video games, as you know, is rapidly advancing, and the rating system must be able to deal with the games of tomorrow, as well as the games of today. The ratings should be uniform across all types of games. Thus, video games played outside the home, such as arcade games, should be part of the rating body's concern.

Fourth, the rating system must reflect the differences among younger children and older children. A game appropriate for a ten year old may not be fine for a six year old.

Fifth, the rating body and the industry must implement an effective enforcement plan. Unless the ratings have teeth, they may be abused as a cynical marketing ploy. The council must ensure that all links in the marketing and distribution chain make the ratings work. Advertisements must not target children for games appropriate only for older players. Tie-in products, such as magazines, toys and movies, must not attract children to games meant for teens or adults. Video game retailers and rental stores must not allow children to buy games rated for older purchasers.

Sixth, the ratings must be clearly and prominently displayed in all packaging, advertising and other promotional material, including brochures.

Seventh, the ratings system must provide sufficient information to parents. The ratings should clearly explain the amount of three categories of material: (1) graphic violence, (2) sexually suggestive material, and (3) offensive language.

Eighth, there must be strong sanctions to punish violators.

Finally, the industry should undertake an aggressive campaign to educate the public about the rating system.

While all of these concerns cannot be met by our February hearing, we urge you to make every effort to move forward on this important commitment as expeditiously as possible. We also reiterate our concern that even the best rating system alone is not enough. The video game industry should heed the call from parents across the country: stop producing games with graphic violence.

We look forward to a productive hearing in February.

Sincerely,

JOSEPH I. LIEBERMAN,  
 HERBERT KOHL.

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PREPARED STATEMENT OF SENATOR BYRON L. DORGAN

Mr. Chairman, thank you for holding this hearing. I am very pleased that today this joint hearing is going to receive an update from the video game manufacturing industry on their efforts to address the issues we raised last December when this Joint Committee met to examine the problem of violence in video games. I am also

## NEWS RELEASE OF SENATOR JOSEPH I. LIEBERMAN

## LIEBERMAN CALLS FOR PARENTAL WARNINGS ON VIDEO GAMES SENATOR SAYS SOME GAMES PROMOTE VIOLENCE, SEX

Washington, DC—Calling violent video games, "the nightmare before Christmas," Senator Joe Lieberman (D-CT) said today he will introduce legislation to force the industry to label video games so parents will be warned about any violence or sex they contain.

"Violent video games may become the cabbage patch dolls of the 1993 holiday season. But cabbage patch dolls never oozed blood and kids weren't taught to rip off their heads, and tear out their hearts and spinal cords, as they are in these video games" said Senator Lieberman.

In a news conference with Bob Keeshan ("Captain Kangaroo") and representatives from leading parents and teachers organizations, Senator Lieberman said his bill, which will be co-sponsored by Senator Herbert Kohl (D-WI), will give the video game industry a one-year ultimatum: come up with a ratings or warning label system, or an independent council will do it for them.

"Few parents would buy these games for their kids if they really knew what was in them," Senator Lieberman said. "But that's the heart of the problem—there is no effective way for them to know what every video game contains." Senator Lieberman aired excerpts from two popular video games, "Mortal Kombat" and "Night Trap," which display scenes involving characters that spill blood, rip out hearts, tear off heads and spinal cords, and stalk scantily-clad women, drain their blood and hang them on meathooks.

Senator Lieberman also announced that he and Senator Kohl will co-chair a hearing next Thursday, December 9, on the issue of violent video games. Senator Lieberman is chairman of the Governmental Affairs Subcommittee on Regulation and Government Information, and Senator Kohl is chairman of the Judiciary Subcommittee on Juvenile Justice.

Senator Lieberman said new technologies, involving CD-ROMs and virtual reality, threaten to make even more realistic scenes of violence and sex available to young people.

"After watching these violent video games, I personally believe it is irresponsible for some in the video game industry to produce them. I wish we could ban them constitutionally, or that the industry would stop making them," Senator Lieberman said, citing the example of the comic book business, which uses the Comics Code Authority to prohibit images of graphic and bloody violence and explicit sex in their publications.

Senator Lieberman said kids may get access to violent video games either from parents who are unaware of what they're buying, or from video rental stores, many of which make violent video games available to children. "Video games with scenes of graphic violence or sex may be even more damaging to children than movies or magazines, because the child is doing a lot more than viewing. He or she is participating in the action, directing it, and being rewarded for their behavior," Senator Lieberman said.

One study found that ninety percent of 7th grade boys and two-thirds of 7th grade girls spend time playing video games. Two-thirds of children as young as six years old play video games. And nearly one in three American homes has a video game system.

"We now require warning labels on toys that can potentially damage children's bodies. Why not do so on a toy that can damage their minds?" Senator Lieberman said.

Senator Lieberman is a longtime advocate for children. As Attorney General of Connecticut, he introduced and enforced laws protecting children from abuse and neglect, and damage from products, pollution and other hazards. As Senator, he has advocated measures to protect children from environmental hazards and unsafe products. He is the author of "Child Support In America."

## PREPARED STATEMENT OF SENATOR JOSEPH I. LIEBERMAN

Good morning, and thank you for joining us. This morning, I am pleased to be joined by Bob Keeshan, known to millions as Captain Kangaroo and as a leading advocate for children's issues, and by Bob Chase, Vice President of the National Education Association, and by Barbara Toman, President of the Connecticut Chapter of the Parents-Teachers Association. I am announcing a legislative initiative to help parents get control of what their kids are exposed to when playing video games. It is particularly important to focus on violent video games at this time of

pleased that the Joint Committee will hear from retailers and arcade industry representatives since they are an import part of this issue.

As you know Mr. Chairman, since the hearing in December, a number of actions have occurred that are worthy to note on this occasion. At the previous hearing, we saw portions of a few video games which were deeply troubling. One of the most notorious was a game called "Night Trap" which showed a woman being attacked by hooded assailants who ultimately extracted blood from their victim. I am pleased that some retailers saw fit to pull that game off their shelves after the hearing. More importantly, I am pleased that the company marketing that game has withdrawn it for "re-editing." These actions were the responsible thing to do and I congratulate those that had the wisdom to remove that game from the market.

The most important activity has been the formation of an industry-wide group that is currently engaged in the development of a rating system for video games.

Based on the reports I have received about the progress that has been made by the industry in creating a working group to establish an independent rating system, it seems to me that the industry has responded responsibly. I applaud these efforts and want to encourage the industry to continue moving ahead along these lines.

I do want to note, however, that I believe that a rating system may not be the entire solution. I am concerned that a rating system, on its own, may serve the purpose of highlighting material designed for adults and provide an enticement for children. The question of enforcement or establishing some assurance that rating and identifying games will help keep material in the appropriate hands. But the real proof will be in the results. If we continue to see gratuitous and graphic depictions of violence after this system is up and running, then little has been accomplished. The goal that we hope is being sought is two-fold: we want to keep inappropriate material out of the hands of young children and there should be some standard of decency about what kinds of material that has no place on the shelves.

It is my hope, Mr. Chairman, that the spirit of cooperation and initiative that the video game industry has shown the past couple of months will continue. I want to work closely with the industry and the other members of the Committee develop an effective approach to address the concerns that have been raised about the violent content of video games. I think the industry is moving in the right direction and pledge my efforts to cooperate with the industry and keep moving down that road.

Senator **LIEBERMAN**. I want to briefly summarize the points that we made. In it, we said that a strong rating board must, one, be independent; two, have members who reflect the public, not the industry; three, have the power to penalize wrongdoers; four, be able to keep pace with technological advances; five, create ratings that are clearly understood by consumers; and six, advertise the ratings so they become as well known to purchasers as movie ratings are today—perhaps better known.

Let me briefly be more specific. Any rating system proposed by the video game industry will be subject to charges that it is not objective, that it will bend to the marketing whims of the companies that pay its bills. To gain the public's trust, it is therefore imperative that those responsible for rating games be absolutely insulated from pressure by the industry and be free to rate without fear or favor.

There must be a range of views expressed on the rating panel. A panel made up of former marketing views from the leading manufacturers would obviously not be trusted. The panel should include men and women, parents and educators. In short, it should reflect the public and its standards rather than the industry.

One of the most exciting aspects of the video game industry is the pace of technological development, but rapid change also points out the need for the rating system to be flexible enough to handle tomorrow's games as well as today's. Thus, we have asked that the rating board define its mission broadly to cover all interactive video games, including games played on personal computers as well as on closed platform systems.



ing system. To advance that cause, Nintendo will work with entertainment software publishers, game developers, hardware manufacturers, retailers, consumer advocacy groups and other interested third party to assemble the first industry-wide forum on these subjects. Certainly, we invite you and your staff to attend.

But, really, in the end the real issue here is not about game ratings. It is about exercising corporate responsibility. We have done this since we have gotten into this business and we are going to continue to do it in the future.

Thank you.

[The prepared statement of Mr. Lincoln follows:]

#### PREPARED STATEMENT OF HOWARD C. LINCOLN

Good Morning Senator Kohl and Senator Lieberman and members of the subcommittees. I am pleased to be here today to discuss the issue of violence in video games.

My name is Howard Lincoln and for the past eleven years I have served as senior vice president of Nintendo of America. My objective today is to provide you with a clear perspective of how Nintendo deals with the issue of violence in video games and how we intend to support your proposals in this area.

Let me say that Nintendo and its employees are just as concerned about violence—whether found in movies, television or video games—as anyone in this room. Of course, every entertainment executive tells Congress that. But Nintendo can back it up.

As you know, Nintendo is the world's leading manufacturer of home video games. Nintendo Company Ltd.'s worldwide sales for Fiscal Year 1993 were in excess of 5 billion dollars. In the United States, Nintendo of America, based in the State of Washington, employs 1400 people and is responsible for all Nintendo products marketed in North and South America. Based on current industry estimates, Nintendo systems are in 45 million America homes.

It is important to understand, however, that Nintendo and other video game companies are just one facet of the worldwide entertainment software industry, which has been in existence since the introduction of the first personal computer.

From humble beginnings Nintendo has grown to be a very successful company. And we owe our continued success to one simple principle—we are dedicated to providing consumers with the highest quality family entertainment. That has been our guiding philosophy since we were first established in the U.S. and it will continue to be so for as long as we are in this business.

Until 1985, when Nintendo entered the video game industry, no hardware manufacturer had ever made an attempt to monitor or regulate the content of the software that was marketed for their systems. This lack of quality and content control helped lead to the demise of the companies like Atari Inc. which preceded Nintendo in this industry.

We have been concerned about appropriate video game content since day one. In the beginning, Nintendo made a conscious business decision to adopt a closed architecture, protected by a patented security system, that would permit Nintendo to exercise a level of control over software content for its Entertainment System that had never existed before. At that time, this was a revolutionary and controversial idea, which has since been imitated by some of our competitors.

In addition to the games produced by Nintendo, more than 70 independent third party licensee companies have been granted the rights to develop games for our three systems—the Nintendo Entertainment System home video game system (“NES”); the Game Boy hand-held video game system and the Super Nintendo Entertainment System (“SNES”) home video game system. Games from these licensee companies represent over 80 percent of Nintendo's total library of more than twelve hundred games.

Eight years ago we developed written Game Content Guidelines, to guarantee appropriate content for games marketed under the Nintendo Seal of Quality. These Guidelines require that games developed for Nintendo systems meet the following standards:

- No sexually suggestive or explicit content
- No sexist language or depictions
- No random, gratuitous or excessive violence
- No graphic illustration of death

To be credible, the rating system must have teeth. Those who abuse it must be subject to sanctions. Of course, abuse may take many forms, including using the ratings in advertising to attract attention for a game. Abuse might also involve deceiving the rating council about the contents of a game by submitting an inaccurate version of a game. Or, a company might issue a more violent version of a game after submitting a tamer copy for review. Therefore, we must be sure that the rating council has both the means and the will to sanction offenders.

I hope the industry will also educate the public about the way the rating system works. A major campaign to alert parents and consumers to the meaning of the rating symbols will be central, I think, to its effectiveness. Otherwise, the ratings may go unnoticed, like the fine print on our airline tickets.

As the industry begins to define the actual rating categories, it must listen to the voices of parents, educators, and other experts and work to incorporate their suggestions into the final product.

Second, the ratings should provide as much information about the reason for the rating as possible. For example, if the game has sexual content, that should be clear in the rating. The same should hold for violence and offensive language.

Third, the ratings, I believe, must have tough, conservative standards, lest the confidence of parents be lost. If you rate a game as being OK for kids and we still find an enormous amount of blood and guts on the screen, then in my view, the rating is meaningless and the system loses its credibility.

I want to thank the retail store representatives who are joining us today. They really are on the front lines of video game sales and are often the first ones to hear from irate parents. They also can play a key, in some ways, determinative role in building a rating system, but more than that, in making that system work.

I am pleased, also, to see representatives of the arcade industry here today to report on their progress in responding to our earlier hearing. I understand the ways in which the home consumer video market differs from the arcade market, but the need for information about the content of games is just as significant, regardless of where the game is played.

As Senator Kohl indicated, since our hearing in December, there have been some significant steps taken, particularly by the two major manufacturers of video game producers, Nintendo and Sega, and I appreciate those steps.

Sega has withdrawn the game "Night Trap" from the market and has worked to ensure that advertising prominently displays its own ratings.

Nintendo has responded to complaints about an ad that promoted a game based on its violent content, and as was pointed out at the last hearing, it had previously decided to produce a less violent version of "Mortal Kombat" and not to produce and market "Night Trap" at all.

All of those steps signify a recognition by the companies of their responsibility to the public. I commend them and hope that this spirit continues forward beyond the narrow window of Congressional scrutiny.

rescued by women. My point is that video games such as Nintendo have a marked tradition of extreme violence, which is also combined with significant gender discrimination. Now, you have had a chance to see these types of games.

Am I out of time?

Senator KOHL. Yes.

Mr. PROVENZO. Let me just summarize quickly, then.

Senator KOHL. Go ahead.

Mr. PROVENZO. Go ahead?

Senator KOHL. Finish up.

Mr. PROVENZO. OK. What it comes down to is that in my testimony I simply establish the fact that the major game industry people are not taking into account their responsibility in this area and that they have a real obligation to do so.

I would like to conclude by saying that essentially we are at the threshold of a new generation of interactive video gaming and television. While I believe that this technology has wonderful potential—as an educator, I am terrifically excited about this technology; I think we can do extraordinary things with it—I am also convinced that if we continue using it without realizing and addressing the full ramifications and significance of the social content of video games, then we will be doing ourselves a serious disservice to both our children and our culture.

[The prepared statement of Mr. Provenzo follows:]

PREPARED STATEMENT OF EUGENE F. PROVENZO, JR.

Eugene F. Provenzo, Jr., is a Professor in the Social and Cultural Foundations of Education at the University of Miami and the author of *Video Kids: Making Sense of Nintendo* (Harvard University Press, 1991). He has just completed a new book dealing with the cultural significance of hypertext and hypermedia, as well as a series of articles dealing with video games, the emergence of interactive television for children and related issues of censorship.

Most adults pay relatively little attention to video games since they are largely the domain of children. Although I have been studying toys, games and the culture of childhood for nearly twenty years, it wasn't until a neighbor stopped me three years ago day and asked me what I thought of video games that I began to look at them carefully.

What I discovered, and eventually described in my book *Video Kids: Making Sense of Nintendo* (Harvard University Press, 1991), shocked me. Video games are overwhelmingly violent, sexist and racist. They are also big business. The industry grossed more than \$5.3 billion in the United States in 1992. That's more money than was made on all of the tickets sold at movie theaters during the same year.

Some of my more recent research suggests that video games are evolving into a new type of interactive medium—participatory or interactive television, possibly something very close to what Aldous Huxley described in *Brave New World* as the "Feelies."

The new CD-ROM based video games are a major evolutionary step beyond the simple graphics of the classic Space Invader arcade game so popular fifteen or twenty years ago, or the tiny animated cartoon figures of the Nintendo system that have dominated the video game market in recent years.

New virtual reality technologies that are already on the market, make it possible to participate physically in what takes place on a television or video screen. With Sega's *Activator!*, for example, you lay a track of sensors in a circle around your feet; when you jump, your character jumps, when you punch, your character punches, when you kick your character kicks.

The connection between media violence and violence in our culture, especially among our youth population is consistently denied as being a problem by members of the film and television industry.

There is, however, a significant research literature that connects violence to media exposure. Joy *et al.* investigated the impact of introducing television for the first time to an isolated Canadian community. The community, which was called

While it appears that the industry has made progress in the past few months to provide the public with a credible rating system, the most critical steps clearly lay ahead. If the industry does its job, we will have accomplished our job and legislation will be unnecessary. That would be fine with me and with Senator Kohl.

However, the key will be the effectiveness of the rating system in providing parents with the information they need and want about the content of these games. Therefore, until we are confident that a strong rating system is in place, we will not pull the plug on our bill.

Finally, I want to repeat my call for self-regulation of the content of the video games by the industry itself. The fact is that if the video game industry had practiced self-restraint before now, we wouldn't be here today.

Let me put this message, if I may, directly to the video game industry. If there were not blood and gore and sex in some of these games, the truth is, you wouldn't need to rate the games. I encourage the video game manufacturers to do more to remove violent and sexual images from the games. And respectfully, I warn you that a rating system must not become an excuse to market even more violent games. Our society simply does not need more violent messages assaulting our children.

Let me quote to you from a letter that a 13-year-old, Tara Geist, wrote to the editor of the Norwich Bulletin in Connecticut, in which she described riding on her school bus with young children passing around pictures of the figures in "Mortal Kombat" ripping off heads. She said:

These games are repulsive. When younger and older kids think that blood and violence is cool, that is a bad sign.

Tara is right. There are many bad signs about children and violence these days. The leading cause of death for black and white teenage boys in America is gunshot wounds. One out of every 25 high school students carries a gun to school. An estimated 1.2 million latchkey kids below the age of 12 are left alone with access to guns in their houses. They absorb the violence they see in the media and it affects their behavior.

Senator Kohl and I are clearly not saying that if video games were limited to Barney and Pac Man that violence would be out of our society, but we are saying that there are strong cultural forces at work, and video games are part of them, that raise our children these days as much as we parents do. If those games make violence exciting or even satisfying, then they contribute to the violence in our society that ruins the order that all of us yearn for.

So members of the video game industry, I say to you, you have the power in this remarkable technology to elevate or denigrate our society and our children. I hope you will use your power to entertain and enlighten rather than to incite and to enrage.

When we began this effort, Bob Keeshan, who for many years was "Captain Kangaroo" on television, reminded us of an old African proverb, which is that it takes an entire village to raise a child. The video game industry is a growing part of the electronic village in which we all live, and I urge you to recognize your responsibility as members of that village to help us raise our children—and your children—in the appropriate way.

- No domestic violence or abuse
- No excessive force in sports games
- No ethnic, racial, religious, or sexual stereotypes
- No profanity or obscenity
- No use of drugs, smoking materials or alcohol
- No subliminal political messages or overt political statements.

Since 1985, Nintendo has spent an enormous amount of time and resources enforcing these guidelines to ensure that the products sold under our name were appropriate family entertainment. This philosophy is still at the core of our business, which is why we are as concerned as you are about the growing trend in violent video games.

On a worldwide basis, each and every game designed for our systems must be submitted to Nintendo in prototype form to be carefully evaluated and subjected to our Game Content Guidelines.

Over the years we have required our licensees to make extensive changes in hundreds of games to meet our standards and to be approved for release under the Nintendo name.

Here are just a few examples:

- In one instance, racial remarks were removed from a game before it was released.
- In another game for the Super NES, a character resembling Satan was modified to avoid any religious connotation.
- In a different adventure game, a scene in which a character is tortured and beaten with a stick was removed from the game.
- In a boxing game, whistling at female characters was deleted because it was deemed offensive to women.
- In a popular licensee game, a female character was redesigned because her clothing did not adequately cover her body.
- In a recent Super NES game, bodies shown impaled on spears were completely removed.

Other examples of objectionable game content that were not allowed in various games submitted by Nintendo's third party licensee companies include the following:

1. the enemy is a group of naked women;
2. a female character exposes her buttocks;
3. a woman shakes her breasts;
4. bodies are impaled on spears;
5. a man commits suicide by plunging a sword into his chest;
6. a Ninja is shown thrusting a sword through a sleeping man's chest;
7. there are severed heads and impaled bodies in a pit;
8. when a player is tackled, a voice appears to utter an obscenity;
9. some of the "enemies" are hypodermic needles;
10. there is a sign on the wall that reads "Beer is Cool";
11. one of the players makes the sign of the cross on his chest when he defeats an opponent;
12. a voice at the beginning of the game says "too Black, too strong";
13. bodies are strewn around the ground in pools of blood;
14. there are swords sticking out of several bodies;
15. there are burnt bodies on the ground accompanied by the text "pieces of sizzling flesh";
16. a chained prisoner is tortured by guards;
17. the text speaks of sacrificing a woman;
18. women dressed as Playboy Bunnies surround an announcer at the end of the game;
19. the crowd "wolf whistles" at a scantily clad girl;
20. after defeating the female opponent, one of the characters says "all women should kneel before me" etc.

These are just a few examples of material removed by Nintendo from prototype video games over the past eight years. Most recently, to meet our guidelines, we insisted that one of our largest licensees, Acclaim Entertainment, remove objectionable material from the controversial arcade game "Mortal Kombat." In its original form, this game includes scenes where characters' heads are ripped off, their spines are pulled out, they are impaled on spikes and spurt blood when hit. All of these graphics were deemed unacceptable and removed from the Nintendo version of this game, while our competitor has released this game in its entirety.

I think that the message that we are going to hear from you today, from what I have heard about it, will suggest that you are accepting that responsibility, and I thank you for that. I look forward to the testimony.

Senator LIEBERMAN. I would now like to introduce our colleague from the House, Congressman Tom Lantos, who is not only a colleague but a friend and a leader on many issues, a parent, a grandparent, and has been good enough to introduce the legislation which Senators Kohl and Dorgan and I have introduced in the Senate on the House side.

Congressman Lantos, welcome, and we look forward to your testimony.

**STATEMENT OF HON. TOM LANTOS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS**

Mr. LANTOS. Thank you very much, Mr. Chairman. At the outset, I want to commend you and Senator Kohl for the remarkable leadership you have shown on this extraordinarily important matter.

I would like to make just a few brief comments, because I know you want to hear from the industry on their progress so far. As you have indicated, I introduced in the House parallel legislation, H.R. 3785, to achieve the goals we all seek. Those goals basically are not to establish a governmentally-mandated approach to this extremely important issue but to stimulate industry self-policing to such an extent that governmental action will not be necessary.

Let me say, however, that should the industry not respond adequately—cosmetic changes and cosmetic measure will not suffice—I think other measures would have to be taken.

Let me report to you gentlemen that there is strong bipartisan support in the House for the measure that you have introduced here and I introduced there. As a matter of fact, we have begun preliminary discussions with organizations involving teachers, school boards, parent-teacher organizations, law enforcement agencies, and others to build the kinds of grass-roots support for this legislation that it clearly calls for.

I think it is important to note that we should not demonize the industry. Torture, sadism, violence had been here long before this industry was born. From Chinese water torture to the Marquis de Sade and Dracula, we have a long and undistinguished record of the creativity of the human imagination in portraying horror to each other.

I suspect, at a time when our daily papers are filled with everything from drive-by shootings to the nightmare in Bosnia, and "Schindler's List" is headed for a sweep of the Academy Awards, it is important to realize that we are living in a world which is an unending horror show.

This makes it all the more important that one of the most exciting new technologies be designed for constructive purposes, so that it will propel us towards a more civilized and not a less civilized society.

I am a professional economist, not a child psychologist, but I also have 15 grandchildren. I don't think it takes an expert to understand that if in addition to the ongoing onslaught of the real world, with all its nightmares, children play with instruments of night-

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mare and torture and exploitation of human beings and human sentiments in a way that some of these products do that at your last hearing you discussed, they become insensitive and view this as routine.

I also would like to say a word about corporate responsibility. Now there are countless examples of genuine corporate responsibility, but there are just as many examples of corporate irresponsibility. From polluting factories to unsafe automobiles over the years to the sale of poison gas facilities to Libya and the sale of nuclear and missile materials to Iraq, the world is filled with people who, for a quick buck, are ready to create not just horror shows in a child's bedroom as he plays with these games but horror shows in the real world. So self-policing must be effective in order to be an effective substitute for government action.

Even in such relatively unexciting arenas as the making of pizza, I have found, as Chairman of the Oversight Subcommittee on Labor in the House of Representatives a few years ago, exposure is probably our most effective tool. Domino's Pizza, with its 30-minute deadline to deliver its product, caused the death of a young, underage boy who was driving their truck on a slippery city street to deliver before the 30-minute deadline expired. I had the painful opportunity of having his mother tell me how she lost her only son because corporate irresponsibility drove this 15-year-old boy to drive his pizza delivery truck too fast.

There is no doubt in my mind, gentlemen, that exposure, social ostracism, financial threat of losing the market is really our most effective tool, not governmental action. Just as in a totally different field, in the field of Chinese human rights violations, exposure and the danger of losing most favored nation treatment might lead the Chinese Government to behave more decently towards its own citizens. Even the least responsible members of the decision-making community that determines what our children and grandchildren see in interactive video, the threat of public exposure, social ostracism, and the subsequent financial penalties are probably our best allies.

I know that the industry—and I hope that the industry will be an ally and not an adversary of ours in this effort, but I would like to be sure. As a trial effort, and many of my colleagues are going to be watching the results, we will be holding a town meeting in my Congressional district, the 12th Congressional District of California, involving the full range of participants. We will invite the industry, but we will also invite teachers, parent-teacher organization leaders, school board leaders, law enforcement officials, child psychologists, and others, and we will get together in a town meeting to see if we can deal with this issue in a cooperative and civilized way, which is my hope.

There is no doubt in my mind that the industry would be well-served if it would recognize that cosmetic changes will not suffice. Substantive change is called for. This enormously powerful influence cannot just be neutral. It will have to become a positive force in making our society more civilized.

Thank you, Mr. Chairman.

Senator LIEBERMAN. Thank you very much, Congressman Lantos.



Some games are simply rejected, because no amount of modification would make them acceptable to Nintendo. And some games will never appear on a Nintendo system—either now or in the future. One such game is “Night Trap,” which contains full motion video of young scantily clad females being attacked by hooded men who drill holes in their bodies to suck out blood. This game simply has no place in our society.

Despite these examples, it is important to point out that the vast majority of home video games are not violent, including Nintendo’s most popular games—the “Super Mario Bros.” series of games and our “Tetris” puzzle game. Games with a “martial arts” theme, an internationally recognized sport and form of self-defense, represent a small percentage of video games sold. As an entertainment company, Nintendo markets a wide variety of software including sports, fantasy, adventure, role playing and educational games. This is also the case with our third party licensees. In fact, just last week three of our games were recognized by the prestigious Parent’s Choice Foundation—Yoshi’s Cookie (NES); Kirby’s Adventure (NES); and Mario’s Paint and Mouse.

Some examples of the kinds of software marketed by Nintendo and its licensees include:

- Super Mario Bros. series: This series of all family entertainment represents over 15 percent of all the games ever sold by Nintendo.
- Mario Paint—an “edutainment” title that allows children to use a mouse to draw pictures, design animation and create musical compositions.
- Puzzle games—like the world-acclaimed Tetris products which have sold over 35 million units and which continue to be a best seller four years after introduction.
- Captain Novolin—an action game that teaches children how to better understand and deal with Diabetes.
- Mario is Missing—an adventure game that teaches children about world geography as they search for their friend Mario in cities all over the world.

I hope you can see that Nintendo’s focus continues to be on wholesome family entertainment that is both challenging and exciting to youth while remaining non-offensive to parents. This will remain our philosophy despite the fact that we have been criticized by both video game players and others in our industry for taking what we feel is the only responsible approach. For example, we have received literally thousands of phone calls and letters from youngsters who have accused Nintendo of censorship for removing the “death scenes” and blood from Mortal Kombat.

In retrospect, we believe our game guidelines have served us and our customers well for the past eight years. And we have no intention of abandoning this approach. However, like all industries, ours is changing. The technology available to video game developers today provides a level of realism never before seen in video games. The tastes and demographics of the video game player have also evolved. And many in our industry are moving toward a completely open format that will allow any type of material no matter how offensive to be made available. And unfortunately, others are using violence and pornography as nothing more than marketing devices. For example, the 3DO Company, which has just introduced a new video game hardware system into the U.S. market, has publicly stated the following: “\* \* \* 3DO’s licensee program allows its software developers to publish as many titles as they wish, with no restrictions on category types or content \* \* \* This is in stark contrast to other licensing programs, which frustrate many publishers by closely regulating their software agendas.” Obviously, this is a reference to Nintendo’s Game Content Guidelines. In effect, the 3DO Company is proudly announcing that anything can go on its new hardware system \* \* \* and right into American homes.

To accommodate changes in technology, we have strengthened our guidelines over the years. But we have come to the realization that more needs to be done to ensure that the entertainment software industry remains responsible to the concerns of game players, their parents and society as a whole.

For that reason we welcome your interest and support your efforts to make this issue a priority. We look forward to working with you and other members of our industry in the coming weeks and months to develop an appropriate solution to these concerns.

In principle, we agree with your proposal that our industry should work together to develop a voluntary rating system for entertainment software. However, to be truly effective, we believe any proposed rating system should consider three very important points.

First, it must be industry wide.

Senator KOHL. We thank you very much for coming here this morning. Your words were distinguished, eloquent, and, I think, very well received.

Mr. LANTOS. Thank you very much.

[Prepared statement of Congressman Lantos follows:]

PREPARED STATEMENT OF CONGRESSMAN TOM LANTOS

Mr. Chairman, and other distinguished Members of the Committee, I would like to commend you all on the fine work you have done in bringing national attention and importance to the issue of video game sex and violence. Many of you know that I have 15 grandchildren, of whom I am very proud. After your hearing on video games last December, I was visiting my grandchildren and I had the opportunity to see some of the games that they were playing which were given to them as gifts. I must say that I was shocked by some of the garbage that was in these games. And as I have looked further into the subject, I have been sickened by what I have seen. The gratuitous violence and explicit sex on some of these games would be offensive to most adults and is certainly not appropriate for children. The least we can do as a civilized nation is warn parents of the filth that is in some of these games.

Games such as "Mortal Kombat," which allows a victor to kill the loser by tearing out his heart, by electrocuting him, by pulling his spine out or by decapitating him, and "Night Trap," where three men in black masks burst into the bedroom of a woman in a flimsy negligee, then drag her off and hold her down while a fourth attacker plunges an electric drill in her neck, are clearly the type of material that should carry understandable, indestructible warning labels to help parents monitor their children's play. The interactive entertainment industry will testify today on its progress in establishing a rating system for video games. But we must remember that the industry did not move to create an industry-wide rating system until it was pressured to do so by public outrage and Congressional inquiry and legislation.

It is my hope that with your leadership, Mr. Chairman, and with the help of other members of this Committee, we will have a credible and fool-proof rating system before games hit the shelves for this year's holiday season. You can be assured that I will do everything in my power to bring this about and you should know that I have bipartisan support in the House. It is my hope that we can work closely together to ensure that parents are provided with much-needed consumer information about the content of the games that their children are playing.

Mr. Chairman, in my recent discussions with representatives of the interactive entertainment industry, I have heard about a number of proposals to create an industry-wide rating system. It is my understanding that the industry will create an independent rating board, much like the Motion Picture Association's film rating system, which will be up and running in the fall of this year. From what I have heard, think the industry is beginning to take this issue very seriously. But I do have some concerns which I would like to briefly share with you.

First, a rating system must be credible and enforceable. Everyone who profits in the manufacture and distribution of these products must be held accountable to ensure that no games reach the market without a rating. For example, as a means to enforce their rating system, I see no reason why the interactive entertainment industry doesn't simply refuse to sell to retailers that choose to sell unrated games. And in the case of video arcades, I see no reason why adult-rated games that contain sex and violence inappropriate for children cannot be located in an area of an arcade out of the reach of children, just as convenience stores and drug stores have placed Playboy, Penthouse and Hustler out of the reach of children.

Second, a rating system must be fool-proof and air-tight. I understand that the industry plans to place rating labels on video game wrapping and boxes. Wouldn't it be more effective to place the warning messages directly on the game cartridge so that when the wrapping and box are thrown away a parent or video game user will still be informed of the content of the game? And a warning label that flashes up on the screen at the beginning of a game might also be another effective way to inform parents who monitor their children's activities of a game's content.

Third, I strongly urge the industry to consult with teachers, parents and other experts, in addition to interested Members of Congress, on how to implement a credible and fool-proof rating system before millions of dollars are spent by the industry on a rating system that turns out not to be effective in providing parents with important information about the content of games. Because if industry doesn't get it right the first time, our legislation would establish an independent commission to do it for them.

"Notel" by the researchers, had never had television because of signal problems. Using a double-blind research design, forty-five first and second graders were observed over a two year period to see if aggressive behavior such as hitting, biting and shoving increased. In the two control groups aggressive behavior did not increase significantly. In Notel, during the same two year period, however, such behavior increased by 160 percent.<sup>1</sup>

Huesmann, in a twenty-two year study of 875 men in a semi-rural setting, examined whether or not the viewing of violent television predicted the seriousness of criminal acts committed by the time the subjects were thirty years old. After controlling for the subjects' baseline aggressiveness, socio-economic status and intelligence, it was found that violent television viewing was a significant predictor for criminal behavior.<sup>2</sup>

In a June 1992 article in the *Journal of the American Medical Association*, Dr. Brandon Centrewall of the University of Washington Department of Epidemiology and Psychiatry, looked at violence in the United States from an epidemiologically point of view.<sup>3</sup> Centrewall compared homicide rates in the United States and Canada, where television was introduced in the mid-1940's, with the Republic of South Africa where television was introduced thirty years later. Canada, which had not gone through the political and social unrest of the 1960's, provided a control model for the United States. In order to rule out the effect of racial conflict in South Africa, only the white homicide rate was considered at by Centrewall.

Centrewall found that the homicide rate in both Canada and the United States increased by almost 100 percent between 1945 and 1970. Television ownership increased at almost the same percentage as the homicide rate for the same period. In South Africa, the white homicide rate gradually declined between 1945 and 1970. When television was introduced in 1975, the white homicide rate exploded, increasing 130 percent by 1983. Centrewall concludes from his research that in the United States and Canada:

\* \* \* the introduction of television in the 1950's caused a subsequent doubling of the homicide rate, ie, long-term childhood exposure to television is a casual factor behind approximately one half of the homicides committed in the United States, or approximately 10,000 homicides annually.<sup>4</sup>

Centrewall goes on to conclude that while other factors such as poverty, crime, alcohol, drug abuse and stress contribute to violence, the epidemiologic evidence suggests that

\* \* \* if hypothetically television technology had never been developed, there would be 10,000 fewer homicides each year in the United States, 70,000 fewer rapes and 700,000 fewer injurious assaults.<sup>5</sup>

The likely relationship between violence and television is very important in the context of interactive video games for children. For you see, *the real significance of video game technology for contemporary childhood is that it represents the first stages in the creation of a new type of television—an interactive medium as different from traditional television, as television is from radio.* I believe that the remaining years of this decade will see the emergence and definition of this new media form in much the same way that the late 1940's and early 1950's saw television emerge as a powerful social and cultural force.

If the video game industry is going to provide the foundation for the development of interactive television, then concerned citizens, parents and educators have cause for considerable alarm. During the past decade, the video game industry has developed games whose social content has been overwhelmingly violent, sexist and racist—issues I addressed in detail in my book *Video Kids*.

<sup>1</sup>L.A. Joy, M.M. Kimball and M.L. Zabrack, "Television and Children's Aggressive Behavior," in T.M. Williams, editor, *The Impact of Television: A Natural Experiment in Three Communities* (Orlando, Florida: Academic Press, 1986), pp. 303-360.

<sup>2</sup>L.R. Huesmann, "Psychological Processes Promoting the Relation Between Exposure to Media Violence and Aggressive Behavior by the Viewer," *Journal of Social Issues*, 1986, Vol. 42, #3, pp. 125-129.

<sup>3</sup>Brandon S. Centrewall, "Television and Violence: The Scale and Problem and Where to Go From Here," *Journal of the American Medical Association*, June 10, 1992, Vol. 267, #22, pp. 3059-3063.

<sup>4</sup>*Ibid.*, p. 3061.

<sup>5</sup>*Ibid.*

Mr. Chairman, the interactive entertainment industry employs some of the most creative minds in industry. I place this challenge to them: put your best and brightest resources on the development of a rating system that is credible and fool-proof to help parents differentiate between simple action-oriented video games and gratuitously violent and sexually explicit games.

Thank you, Mr. Chairman.

Senator LIEBERMAN. We will now call the first panel to the table. Representing the video game manufacturers, Jack Heistand, Senior Vice President for Electronic Arts, and Chairman of the Interactive Entertainment Industry Rating Committee; Mr. Howard C. Lincoln, who is Chairman of Nintendo of America, Inc.; and Mr. Edward A. Volkwein, Senior Vice President, Sega of America, Inc.

Gentlemen, we welcome you and thank you for being here. Mr. Lincoln, you return for the second time, this time becoming co-CEO of Nintendo. I don't know whether your appearance here in December was responsible in December for your elevation to that post or whether it occurred in spite of that, but in any case, we congratulate you and welcome you back and thank you for your continued cooperation. The same to you, Mr. Volkwein and Mr. Heistand.

Jack, I think we are going to ask you to go first.

**STATEMENT OF JACK HEISTAND, SENIOR VICE PRESIDENT FOR ELECTRONIC ARTS, AND CHAIRMAN, INTERACTIVE ENTERTAINMENT INDUSTRY RATING COMMITTEE**

Mr. HEISTAND. Good morning, Mr. Chairman. My name is Jack Heistand. I am the Senior Vice President for Electronic Arts, the largest publisher of interactive entertainment products.

I am appearing here today on behalf of our Industry Rating System Committee, a group that was formed to recommend to our industry what rating system would be put into place for products. Besides, EA, the committee members include Acclaim, Atari, Nintendo, Phillips, Sega, and the 3DO Company. Together, these companies comprise over 60 percent of the interactive software market. I am happy to report my testimony is supported in all respects by each of these companies.

We appreciate the opportunity to report on the progress the industry has made since January in developing a rating system for interactive entertainment software.

We understand and we agree with your interests in ensuring that consumers have the information they need to make informed decisions about the games they purchase. Specifically, our industry recognizes that our products clearly reach a significant number of children and that parents comprise a sizeable portion of consumers purchasing our products. We strongly believe that it is time to put the game controls in the hands of parents and adult consumers through the creation of a universal, responsible, reliable, understandable, and independent rating system.

At the same time, we recognize that the home video game component of our industry has undergone significant change since Atari introduced a video game called "Pong" in 1976. Today, less than 20 years later, this is a \$6 billion category, offering thousands of titles with three-dimensional graphics, full motion video, live action, and dozens of levels of play in a single title.

Our software is designed for all kinds of platforms, including cartridge systems like Nintendo and Sega Genesis, CD systems like

We agree with your recommendation to include all entertainment software in this process. It would be a mistake to focus solely on the home video game market. Our research indicates that the number one use of personal computers by children is to play video games. And the content of computer video games goes far beyond anything you will ever see on a Nintendo system.

In fact, pornographic CD-ROM titles like "Virtual Valerie" and "Heavenly Bodies" are some of the fastest selling entertainment software in the PC industry. And these games are also available through on line networks and may soon be part of the multimedia highway into the home that everyone is talking about.

The video arcade is another area that must not be overlooked in developing a comprehensive rating system. Currently, no procedures exist to monitor the content of these games or provide information to children or their parents.

Second, an effective rating system must have credibility.

In response to public criticism over games like "Night Trap," several video game companies have recently created their own ad hoc, self-administered rating systems. We are concerned that these hastily adopted systems are confusing to the consumer and may be doing more harm than good.

Asking a single manufacturer to rate its own games is like asking the fox to guard the hen house. In fact, manufacturers may use ratings not to inform consumers but to promote their products by titillating young people with forbidden fruit.

In addition, these self-administered rating systems are totally unenforceable. By simply checking with retail outlets that rent or sell video games you will find that no one makes any effort to restrict the sales or rental of a product based on its rating. So who is really benefiting from a self-administered, unenforceable rating system like this?

Nintendo is not prepared to adopt such a system simply as a substitute for corporate responsibility.

To provide any kind of credible information to the consumer, the entire industry—including developers, manufacturers, arcade owners, retailers and game players—needs to be involved in the process of developing a set of guidelines and applying them uniformly.

Once this system is developed, we believe it will be important to educate consumers about what a rating system means. This can be accomplished through brochures, like the one included in this package which Nintendo has developed, through effective retail displays, through magazines like *Nintendo Power* and through the consumer media. If a system like this is going to work it is incumbent upon us all to communicate what it means to the public.

In addition, we agree there needs to be some accountability built into the ratings system. Some independent third party must be responsible for interpreting, administering and even enforcing the ratings once they are in place.

We agree that these are all important issues that must be examined in the process of creating a rating system that truly serves the consumer and we are willing to play a major role in helping meet these challenges.

My third and most important point is that a rating system is simply not enough.

As the worldwide leader in video games, Nintendo will support and work vigorously with others in the entertainment software industry to develop a fair rating system which will provide meaningful information to help consumers make informed purchase decisions.

But, as you have so aptly stated, a rating system alone will not guarantee that our youth will be protected from exposure to harmful material. That responsibility lies squarely with two groups—software manufacturers and parents.

As a manufacturer, we encourage others in the software industry to adopt guidelines similar to our own to monitor game content *before* it reaches the marketplace, not after.

We believe this is the only responsible course of action. It is one that has served us well over the years and will continue to be at the heart of our corporate mission—regardless of criticism that we are engaging in censorship. Sure, there will be times when we will lose money by refusing to release a game with questionable content or by releasing a so-called "watered down" version of a violent arcade title. But that is a consequence that we are willing to accept in order to do what we believe is right. And we will continue to advocate that philosophy to others in our industry.

It is inevitable that the choices in entertainment available to young people are going to continue to expand. If children are going to make responsible choices, their parents must be involved in the decision making process. As parents ourselves, we urge other parents to get involved with their children's video game play. We encourage them to talk to their kids about video games and even play with them occasionally. As a first step in that process, we have created a parent's guide to video games

3DO, Phillips CD-I, for personal computers and personal computers with compact disk capacity. We know that the one constant in our industry is change, and we mark our technological and our creative strides not in years but in months.

These changes are having a profound impact on our market. Originally, the predominant portion of our market were products for children, and, of course, they are still an important segment. But as more sophisticated technology evolves, our market is rapidly attracting a more diverse and older audience. The Atari generation of the 1970's and the Nintendo generation of the 1980's have grown up, and many young adults are using a wide variety of interactive entertainment software products.

We are committed to educating all consumers, especially parents, about the content of our products. But in developing a rating system, we must all be mindful of the fact that this is an industry much like the movie industry, producing entertainment for consumers of all ages and with varied interests. The rating system we devise must work for all of our users, including our key constituencies—retailers, software developers, and the creative community at large.

The task we set out to accomplish earlier this year was even more challenging than many of us had imagined. It is daunting enough to develop and implement, in a very short time, a system capable of rating 2,500 titles annually. To put this into perspective, that is four times the level the Motion Picture Association of America reviews annually.

Our task is made even more challenging by additional factors, including our desire to make this system work for over 200 publishers, which span in size from garage operations where two people would produce a computer software game to multinational companies.

On top of all these challenges, we are trying to design a system which will be workable for consumers, the industry, as well as many others whose support is central to making this system universal, including retailers, arcade machine manufacturers, arcade operators, and on-line electronic delivery systems.

Before going into detail on where we are and what we have to report today, I want to make one brief comment about content of video game titles. Our committee's mandate is to design a system that will give consumers the information they need to make informed purchasing decisions, not to tell software developers or software publishers what to put in game titles. Neither the association nor the Government can or should regulate game content. That should remain the responsibility of individual game publishers and platform manufacturers.

With this context, let us get to the meat and review the 13 points that we have carefully thought out and have agreed to recommend to our industry. Given the enormity of this task, I believe we have made extraordinary progress in the period of 2 months' since we launched our efforts.

First, we have agreed to have a rating system in place by Christmas 1994. Products coming to market after November 1 will, if submitted by publishers in a timely fashion, be rated under the new system.

year, as parents and grandparents begin to shop for holiday gifts. Often, children ask for video games which parents have no familiarity with. Some of today's games are a far cry from "Pac Man." The new games teach kids to glorify violence and to enjoy inflicting the most gruesome forms of cruelty imaginable.

Let me show you what I mean. What you are about to see are scenes from two of the most violent and realistic new video games. First, we have one version of "Mortal Kombat," which is a martial arts contest involving digitized characters. While not real actors and actresses, these characters are extremely realistic. During the fight, blood splatters from the contestants' heads. When a player wins, the death sequence begins. The game narrator instructs the player to "finish" his opponent. The player may then choose a method of murder, ranging from ripping a heart out to decapitating the opponent, with spinal cord attached.

The second game is "Night Trap." This game is set in a sorority house. The object is to keep hooded men from hanging the young women on meat hooks or drilling their necks with a tool designed to suck their blood. "Night Trap" uses actual actors and actresses and achieves an unprecedented level of realism. This game obviously introduces the issue of sexual violence.

Shocking as these games are, they are just the beginning. With technology leap-frogging and the age of virtual reality on the horizon, these games, as one expert put it, "don't hold a candle to what's coming."

As a parent, what scares me most is that I have no way of knowing what's in a video game before I buy it. And, even if I don't buy it, these games are easy for kids to get. Kids can go to the local video rental store. One video chain rents "Mortal Kombat" and other games for only \$4.22. When we checked with the store, they said they had no age restrictions on video games—unlike movies. So a young child who can't rent an "R" rated movie can rent a game even if the game's manufacturer says that the game should only be played by older children or adults.

Is there reason to be concerned? The Surgeon General, the American Medical Association, the National Institutes of Mental Health and many other distinguished groups have demonstrated a link between television violence and aggressive behavior. A smaller, but growing number of experts has suggested that parents are right to be concerned about video games as well. In fact, common sense suggests that the causal effect may be even greater with video games. While watching television is passive, playing a video game is active. Children are not just sitting back but are fully engaged in the violence when they play these video games.

Millions of children every day play video games. One study found that ninety percent of 7th grade boys and two-thirds of 7th grade girls spend time playing video games. Two-thirds of children as young as six years old play video games. And nearly one in every three American homes has a video game system.

We are calling upon that industry to recognize its responsibility to the parents and children of this country. While some companies have made efforts individually, the result has been confusing and often ineffective. There is no uniform system to let parents and other purchasers know what they are buying for their children. And there is no independent, objective group to review what information purchasers should have. So this holiday season, millions of children will unwrap "Mortal Kombat" and, only once they begin playing it will their parents realize that they have given their children a game which glorifies gore.

Today, I am announcing legislation which will encourage the industry to come together to determine what information purchasers should have before they buy a video game. Let me make it very clear that I believe that, ideally, the video game industry should work out the solutions to this problem. This legislation will give the industry a year to implement a uniform system of point-of-sale information. If the industry fails to establish a credible, uniform system in a year, then an independent council will have to do it for them.

Let me also make very clear that I am not calling for federal censorship. Nothing in this legislation prevents the sale of even the most violent video games. As a parent, I would love to see the video game industry stop selling this violent material. But, in terms of legislation, I contend that the problem is lack of information. I am calling for more information to be available to the public.

Senator Kohl, the Chairman of the Judiciary Committee's Subcommittee on Juvenile Justice, and I, as Chairman of the Government Affairs Committee's Subcommittee on Regulation and Government Information, will be holding a joint hearing on the issue of video game violence next Thursday, December 9. We are inviting industry representatives, family advocates and experts. We expect to air all sides of this important issue.

Senator KOHL. Thank you very much, Senator Lieberman. I would like to begin by commending you for your leadership in this

Second, we will form a new industry trade association and establish an independent arm of that association as a ratings board made up of people from a variety of fields, including educators, parents, child development experts. This board will be empowered, upon submission of software titles from publishers, to determine a final rating for the submitted titles before they reach store shelves.

Third, starting this month, we will begin intensive consultations and research with experts across the country to develop guidelines and test different rating categories to determine which ones will be most effective and easily understood by consumers. We will make these proposed guidelines available and will seek public comment. We are aiming to complete work on both the guidelines and rating categories in June.

Fourth, we have agreed that the rating symbols will be accompanied by words describing the content of the title. In this way, parents and others will be able to get a very clear picture of the content of a title.

Fifth, we have agreed that all packaging, all advertising, print and broadcast, all consumer marketing materials, will display the rating symbol.

Sixth, we have agreed that publishers will be required to submit for rating the most extreme content of any title.

Seventh, we have agreed to a system that will result in tough sanctions against any company that withholds relevant information and, in effect, secures a rating fraudulently. These sanctions could include, for example, a trademark enforcement suit with the threat of civil penalty or a demand that a company re-sticker a product already on the market, which is an expensive proposition.

Eighth, we have agreed to adopt a voluntary advertising code of conduct for association members. This code will include guidelines on such things as properly targeting ads to users for whom the product is rated as appropriate.

Ninth, we have contacted retailers to help develop a system they can support. I am pleased to report that Wal-Mart, one of the largest retailers—I believe the largest retailer in America today and a large seller of video games—is committed to stocking only rated products. I believe we will have similar commitments from other chains as well. In addition, we will work with retailers and encourage them to prominently display the ratings of any titles they feature in their own advertisements.

Tenth, starting later this month, we will be actively soliciting support for this system from every entertainment software publisher, regardless of platform.

Eleventh, we have invited arcade operators and manufacturers to participate in our process and adopt our rating system, and we are prepared to help them and make a system like ours that works for their distinct and unique interests.

Twelfth, we have agreed that any game which is rated must display that rating in whatever form it is delivered, whether on-line or through cable television.

Thirteenth, we will mount an intensive consumer and retailer education campaign to ensure that everyone understands the system.



that we provide free of charge to consumers. We look forward to further educating consumers about the subject of video games.

In summary, I would like to emphasize that Nintendo is as concerned as you are about the growing trend toward increasingly violent video games.

As the industry leader, we are willing and anxious to work with you and the rest of the entertainment software industry to develop a program that will provide meaningful information to the consumer in a fair and effective manner.

To advance that cause, next week we will be issuing a letter of invitation to entertainment software publishers, game developers, hardware manufacturers, retailers, consumer advocacy groups and other interested third parties to join with Nintendo and to attend the first industry-wide forum on the subject of video game content and ratings. The first meeting will be sponsored by Nintendo and held right here in Washington, DC. Early in the new year. We hope that the members of this Committee, who are also on the invitation list, will attend. We will proceed with this regardless of what happens in the legislative arena. Based on discussions with several major players in our industry, there is a high level of interest in this important forum.

Senators, we appreciate your involvement in this critical issue. I sincerely hope that this hearing will be a wake up call for those in our business who hope to profit by marketing violent and pornographic video games. In the end, we must all take responsibility for the future of this industry and those it serves.

Thank you for your time and attention.

Senator LIEBERMAN. Thank you, Mr. Lincoln.

Mr. White, you are next.

#### **STATEMENT OF WILLIAM WHITE, JR.**

Mr. WHITE. Chairman Lieberman, Chairman Kohl, and Senator Dorgan, my name is William White. I am Vice President of Marketing and Communications for Sega of America and a father of two boys aged 5 and 8. Sega of America is headquartered in Redwood City, CA, and we develop 70 percent of our games here in the United States.

Since mounting a serious challenge to Nintendo's monopoly over the video game market in 1991, we have won nearly half of the total U.S. video game market. I am pleased to present Sega's views on how we can best ensure that all consumers, especially parents, have the information they need to make appropriate choices among interactive video products for their family, be it a single-person household or a household where children reside.

I want to address three key points; first, the fallacy that Sega and the rest of the digital interactive media industry only sell games to children—in fact, our consumer base is much broader; second, efforts Sega has already made to provide parents with the information they need to distinguish between interactive media products which are appropriate for young people and those which are not; and, third, efforts Sega is currently undertaking to gain the cooperation of all digital interactive media companies to develop an industry-wide rating system.

In recent days, the glare of the media spotlight on this issue has resulted in the circulation of a number of distorted and inaccurate claims. The most damaging of these distortions, in my view, is the notion that Sega and the rest of the digital interactive industry are only in the business of selling games to children. This is not the case.

Yes, many of Sega's interactive video titles are intended and purchased for young children. Many other Sega titles, however, are intended for and purchased by adults for their personal entertainment and education. The average Sega CD user is almost 22 years

We have laid out more details about these points in my written testimony so that you can get a better idea, for instance, of how the ratings board will function, how the ratings process will work, and what we will be doing to make it effective.

In conclusion, our agenda for the next few months is an ambitious one and we are committed to maintain, and among other tasks, achieve the following: Finalize the formation of a trade association of the ratings board; reach out to the industry to secure as much participation as possible; conduct research with experts and consumers to develop guidelines and rating categories; and continue our dialogue with retailers, culminating in a meeting with them at the Consumer Electronics Show in June in Chicago.

We are very proud of the progress we have made to date. We know much remains to be done, and we look forward to completing this process of giving consumers the information they need to make informed interactive entertainment purchasing decisions.

Thank you for giving us the opportunity to share our progress with you today.

[The prepared statement of Mr. Heistand follows:]

PREPARED STATEMENT OF JACK HEISTAND ON BEHALF OF THE INTERACTIVE ENTERTAINMENT INDUSTRY RATING COMMITTEE

My name is Jack Heistand and I am Senior Vice President for Electronic Arts, the largest independent publisher of interactive entertainment products. I am appearing here today on behalf of the Interactive Entertainment Industry Rating System Committee, a group formed to evaluate and recommend to our industry a system to rate our products. Besides EA, the IEIRSC committee members are Acclaim, Atari, Nintendo, Philips, Sega, and the 3DO Company. Together, these companies represent about 60 percent of the interactive software market. My testimony is supported in all respects by each of these companies.

I appreciate the opportunity to report on the progress our industry has made since January in developing a rating system for interactive entertainment software.

THE INTERACTIVE ENTERTAINMENT MARKET

We understand and agree with the objective of ensuring that consumers have the information they need to make informed decisions about the games they purchase. In particular, our industry recognizes that our products clearly reach a significant number of children, and that parents comprise a sizable portion of consumers purchasing interactive digital software. We strongly believe that it's time to put the game controls in the hands of parents and adult consumers through the creation of a universal, responsible, reliable, understandable, and independent industry ratings system. At the same time, we recognize that the home video game component of our industry has undergone enormous change since Atari introduced a video game called "Pong" in 1976. Today, less than 20 years later, this is a \$6 billion category offering thousands of titles with three-dimensional graphics, full-motion characters, live-action video, and dozens of levels of play in a single title. Our software is designed for all kinds of platforms, including cartridge systems like Nintendo and Sega Genesis, CD systems like 3DO, Philips CD-I, and Sega CD, and personal computers with compact disc capacity. And we know that the one constant in our industry is change. We mark our technological and creative strides not in years, but in months. The frontiers of what is possible in interactive entertainment are moving with dizzying speed.

These technological changes are having a profound impact on our market. Originally, the predominant market for our products was children. And, of course, they still are an important segment. But as more sophisticated technology evolves, our market is rapidly attracting a more diverse and older audience. The Atari generation of the 1970's and the Nintendo generation of the 1980's have grown up and many young adults are using a wide variety of interactive entertainment software products.

We are obviously committed to educating all consumers, especially parents, about the content of our products. But in developing the ratings system, we are also mindful of the fact, and ask that you bear it in mind as well, that this is an industry,

Of the forty-seven most popular video games in America which I studied for my book, forty had violence as their main theme.<sup>6</sup> Of these forty-seven games, thirteen included scenarios in which women were kidnapped and had to be rescued—i.e. the idea of women as victims. This represents a total of thirty percent of the games, a number which is even more revealing when we take into account that eleven of the forty-seven games were based on sports themes such as car racing or basketball. Women were consistently rescued by men. Although men were often rescued in the games too, they were never rescued by women.<sup>7</sup> My point is that video games such as Nintendo have a marked tradition of extreme violence, which is also combined with gender discrimination.

You've had a chance to see games such as *Mortal Kombat* and *Night Trap* this morning. I want to emphasize that *Mortal Kombat* is different from earlier martial arts games with violent content, such as *Streets of Rage* and *Street Fighter II*, in that its highly detailed graphics are based on human actors being filmed in a wide-range of martial arts poses. The result is that the program is much more realistic than earlier martial arts video games since its graphic content is digitized film. Sound effects are combined with highly realistic pictures as limbs are torn off the bodies of the losers and blood spatters across the game screen. Admittedly, some versions of the game that have been released include less blood and gore, but extreme violence and physical harm is the main theme of the game.

*Night Trap* is even more sophisticated than *Mortal Kombat*. In *Night Trap* the player or "viewer" becomes a major character in the story that unfolds in front of him or her. *Night Trap* is sexist, violent and at times, just plain silly. Problems with *Night Trap*—both in terms of its content and technology have been recognized elsewhere. There has been considerable debate about the game, for example, in Great Britain and Australia. After numerous complaints, the game was withdrawn from the Australian market.

Kevin Bermeister, the Managing director of Sega-Ozisoft (the Australian distributor for Sega), in a brief to the Australian Senate Select Committee on Community Standards and Electronic Technology, clearly recognized the implications of his company's new product when he explained that:

The rapid growth in technology over the past five years has meant a significant improvement in the depiction of violence in video games to the point where the latest product releases utilize live actors to play roles within a video game environment. These technologies will continue to improve bringing with them an even greater ability for publishers and developers of video games to release products which bring the fantasy experience of a video game much closer to reality.<sup>8</sup>

According to Bermeister:

Technologies such as CD Rom/Multimedia, Virtual Reality and Holograms will spread quickly into homes around the western world during the balance of this decade and will take many people by surprise as to the nature of these systems and the power of the new entertainment forms which they provide.

Unlike movies, videos, TV, Pay TV or any form of passive entertainment, this form is INTERACTIVE, requiring the user to participate in the actions and activities of the software making the experience far more realistic and intense.<sup>9</sup>

In a recent interview for the British television program *World in Action*, Tom Kalinske, President of Sega of America, explained: "All we are really doing is interpreting what one sees in the world today and making some game play out of it."<sup>10</sup> According to Kalinske, the games should be encouraged and embraced by educators and the general public since they expand the fantasy experience of the child. For a child playing Sega's *Night Trap*, this fantasy world includes torturing women with machines, and murdering them so that their blood can be sucked out and decanted into wine bottles!

<sup>6</sup> Eugene F. Provenzo, Jr., *Video Kids: Making Sense of Nintendo* (Cambridge: Harvard University Press, 1991), p. 127.

<sup>7</sup> *Ibid.*, pp. 109-110.

<sup>8</sup> Brief from Kevin Bermeister (Sega-Ozisoft) to the Chairperson, Australian Senate Select Committee on Community Standards and Electronic Technology, May 14, 1993.

<sup>9</sup> *Ibid.*

<sup>10</sup> Tom Kalinske as quoted on the program "Welcome to the Danger Zone," *The World in Action*, Granada Television, first broadcast in March of 1993.

much like the movie industry, producing entertainment for consumers of all ages and varied interests. The rating system we devise must work for all our users, as well as our key constituencies, including retailers, software developers, and the creative community.

#### DEVELOPING A RATING SYSTEM

The task we set out to accomplish last January was even more challenging than many of us imagined. It is daunting enough to develop and implement, in a very short time frame, a system capable of rating the more than 2,500 interactive software titles that come to market annually. To put that in some context, in a given year the Motion Picture Association of America's rating body rates about half that many films. But the task is made ever more challenging by additional factors.

- We are setting up a system for an industry that numbers more than 200 software publishers, from tiny companies operating from a garage in the family home to giant multinational companies producing 60–80 titles a year. Thus, the system must be affordable and user-friendly for all.
- We are developing a system for an industry dominated by entrepreneurs and creative minds to whom regulation of any sort is alien. Thus, we must overcome the inevitable bristling at anyone interfering with the creative process.
- We are developing a system for an industry whose products are changing with staggering speed. Thus, we must not only take into account where we are today, but anticipate where we will be in five years.
- We are developing a system for an intensely competitive industry. Thus, we must overcome the suspicion present in a market where companies are every day competing for position in the minds of each and every consumer and potential consumer.
- We are developing a system for an industry whose products can take 18–24 months to develop and which are so complex that they do not lend themselves to “cut and paste” editing once they are in advanced stages of development.
- We are developing a system for an industry whose products, unlike movies, which last two or three hours, can literally take 100 hours or more to play.
- Finally, we are trying to develop a system which insures that our efforts promote, not stifle, competition in the industry and the marketplace and are consistent with antitrust laws.

On top of all of these challenges, we are trying to design a system which will be workable for consumers and the industry, as well as for many others whose support is central to the system's success, including retailers, arcade machine manufacturers, arcade operators, and on-line electronic delivery systems.

Before going into detail on where we are, I want to say a brief word about the content of video game titles. The Committee's mandate is to design a system that will give consumers the information they need to make informed purchasing decisions, not to tell software developers and publishers what to put in game titles. Neither the association, nor the government, can, or should, regulate game content. That should remain the responsibility of individual game publishers and platform manufacturers.

With this context, let me tell you about the 13 points we have agreed to recommend to our industry. Given the enormity of the task, I believe that we have made extraordinary progress in the two months since we launched our efforts.

First, we have agreed to have a rating system in place by Christmas. Products coming to market after November 1 will, if submitted by publishers in a timely fashion, be rated under the new system.

Second, we will form a new industry trade association and establish, as an independent arm of the association, a ratings board made up of people from a variety of fields, including educators, parents, child development experts, business and others.

This board will be empowered, upon submission of software titles from publishers, to determine a final rating for the titles *before* they reach store shelves.

Third, starting this month, we will begin intensive consultations and research with experts across the country to develop guidelines and test different ratings categories to determine which ones will be most effective and easily understood. We will make the proposed guidelines available and will solicit public comment. We are aiming to complete work on both the guidelines and rating categories in June. In addition, we will make the ratings guidelines, once finalized, immediately available to all software publishers so they fully understand what will drive the ratings process.

old, and only 5 percent are under the age of 13. The average "Sega Genesis" user is almost 19 years old, and fewer than 30 percent are under age 13. There truly is something for everyone in our software catalogue and the variety of available software is multiplying each day.

Interactive media should be treated no differently than television, motion picture, the recording, music or publishing industries. Attempts to relegate digital interactive software to a media backwater are outdated and, we believe, inappropriate. It makes no more sense to conclude today that digital interactive media is only for children than it would have when Gutenberg's press was in its infancy to conclude that the printed word was only for Bible readers.

Digital interactive media will communicate increasingly diverse information to an increasingly diverse audience. In fact, it has already begun. Looking at our most recent data for 1993, action/adventure titles such as "Sonic Spinball" and "Jurassic Park" account for 40 percent of the revenue from our library. Sports titles such as "NBA Action 1994," "World Series Baseball" and "Joe Montana Football" account for 35 percent of revenues. Fighting games such as "X-Men" and "Eternal Champions" comprise 13 percent of revenues. Titles in the children/entertainment category such as "Barney" and "Where in the World is Carmen San Diego" and "Fun N Games" produce 5 percent of our revenues. Role-playing games such as "Landstalker" make up 5 percent of revenue, and strategy/puzzle games such as "Dr. Robotnik's Mean Bean Machine" constitute 2 percent of revenues.

As you can see, evolving interactive technology has sprung a huge market. Clearly, whatever Congress might do would affect a large, diverse group of consumers, young and old, and a volatile industry only in its infancy. Information, not regulation, is the appropriate policy.

Last week, Bob Keeshan, whom I knew as Captain Kangaroo growing up, said this:

When all is said, it is the parent or guardian who must be the final arbiter of what is appropriate for a child. Give parents the information needed to make an intelligent, informed decision. We agree.

Last September, Sega completed its phased implementation of a comprehensive parental guidance program which we began developing over 1½ years ago. The Sega program is a three-pronged approach designed to help parents determine the age appropriateness of different interactive video software. It includes a rating classification system, a toll-free hotline, and an informational brochure.

Building on the motion picture industry model, the Sega rating system applies one of three classifications to each interactive program released by Sega—GA, for general audiences; MA-13 for mature audiences aged 13 and over; and MA-17, adult-appropriate, not suitable for those under 17. We established a toll-free hotline, staffed more than 70 hours a week by professionals who can supplement the rating classification by informing parents about the specific content of each title.

The "Everyone Wins" brochure written by Scholastic, Inc., the Nation's leading educational publishing company, has helped to publicize and explain the new rating system. Sega's rating system

Fourth, we have agreed that rating symbols will be accompanied by a few words describing the content of the title. For example, a fighting game would not only receive a letter or a symbol, but could carry phrases like "contains graphic depictions of animated violence." In this way, parents and others will be able to get a clearer idea of the content of a given title.

Fifth, we have agreed that all packaging, advertising (TV, radio, on-line, and print), and consumer marketing material, will display the rating symbol.

Sixth, we have agreed that publishers will be required to submit for rating the most extreme content of a title.

Seventh, we have agreed to a system that will result in tough sanctions against companies that withhold relevant information and, in effect, secure a rating fraudulently. These sanctions could include, for example, a trademark enforcement suit with the threat of a civil penalty or a demand that a company re-sticker a product already on the market.

Eighth, we have agreed to adopt a voluntary advertising code of conduct for association members which will include guidelines on such things as properly targeting ads to users for whom the product is rated as appropriate.

Ninth, we have contacted retailers to help develop a system they can support. I am pleased to report that Wal-Mart, one of the largest sellers of video games, is committed to stocking only rated products. I believe we will have similar commitments from other major chains as well. In addition, we will encourage retailers to prominently display the ratings for any titles they feature in their own advertisements. Finally, those titles available for sale or rental through members of the Video Software Dealers Association (VSDA) will also have the ratings enforced by that group's existing "Pledge to Parents" program.

Tenth, starting later this month, we will be actively soliciting input from, and support for, this system from every entertainment software publisher.

Eleventh, we have invited arcade operators and manufacturers to participate in our process and adopt our rating system. We are prepared to help them make a system like ours work for their distinct interests.

Twelfth, we have agreed that any game which is rated must display that rating in any form in which it is delivered, whether on-line, through cable TV, or other forms.

Thirteenth, we will mount an intensive consumer and retailer education campaign to ensure that everyone understands the system.

I'd like to touch on some of these points in more detail, as well as address several other issues I know are of interest to members of these Subcommittees.

#### THE RATINGS BOARD

The heart of our rating system, of course, is the independent board. Here's how we see this board functioning.

The interactive entertainment software ratings board will have an executive director chosen by the trade association's board of directors.

The executive director will be responsible for selecting the expert independent raters. Neither the industry nor the trade association staff will know the identity of any raters. To ensure that the public is satisfied that the raters represent diverse walks of life, their demographic profiles will be made public. Thus, you will know that one rater is a white, 40 year old, Illinois-born, school teacher with 2 children or another is a 50 year old African-American Professor of Child Psychology. Raters will be paid by the ratings board, not the trade association, so they will have no sense of being accountable to the industry itself. The ratings board will have its own budget and accounting books. We expect that it will eventually be self-sustaining. However, in the early years, it will receive a fixed, annual contribution from the industry to ensure that it has the resources it needs to do its work.

We believe this structure ensures that the integrity and independence of the process will be inviolate.

It's worth noting that one of the challenges we have struggled with is developing a process and a system which will secure maximum participation by all game publishers. While many observers focus on the larger members of our industry, the fact is, as I said, we have over 200 software publishers, many of whom have limited resources. If we were to charge \$5,000-\$10,000 to rate each game, and that is what it might cost if the board were to be self-sustaining in the first year, we believe many publishers will opt out. We do not want to price this system out of their reach because that would defeat our purpose. Thus, we have tried to balance maximizing game submissions with maximizing board independence.

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## THE RATINGS PROCESS

We have also tried to design a ratings process that balances the interests of publishers with the interests of consumers. Under the system we will recommend, a publisher will submit a video tape of game play to the ratings board as late in the development process as possible. In most cases, we anticipate tapes will be submitted when games are far enough along to capture all critical game play depictions. Publishers will be required to submit tapes that show the boundaries of the game and include the most extreme portions that could affect the rating. In addition, they will be asked to submit story boards and detailed narrative material describing game play. Finally, a publisher will be asked to submit an affidavit answering a series of questions about the game and certifying that the submission is representative of game play.

The ratings board will then evaluate all submissions and either certify the manufacturer's rating as appropriate or impose a different rating. Let me make it clear that the manufacturer's rating is not in any way binding on the raters. They will have explicit authority to accept or reject the manufacturer's rating. If the board recommends a different rating, the publisher will be able to appeal this decision to a diverse appeals board. The appeals board will review the matter and recommend a final rating. But the burden of proof in this process will be on the publisher.

Let me say a brief word about the ratings categories. I know there is enormous interest, as there should be, in this subject. As I said, our intention is to develop these categories, and the guidelines, in conjunction with expert individuals and groups in various fields. These consultations will begin shortly so I cannot tell you yet what the age breaks will be, what the symbols will be or what criteria each rating will be based on. I can tell you that we will come back to you in June with our decisions on these critical issues.

## MAKING THE SYSTEM WORK

We will go to great lengths to do what we can to make the rating system work for all constituencies. To that end, we have:

- Decided to set up our own association. Among other benefits, this ensures that we own the trademarks. This significantly strengthens our ability to enforce the system against anyone who misapplies the symbols. Earlier in my testimony, I mentioned some of the possible enforcement tools we will consider as warranted.
- Committed to a major effort to solicit input and support from as many publishers as possible;
- Committed to mounting a consumer and retailer education campaign to maximize both understanding of the system and demand for its universal application.

At the same time, it is important to point out that there are limits on what we can do to make the system work. For example, while we want to secure total participation by all publishers, we cannot compel a publisher to submit a tape to the board, any more than MPAA can compel a producer to submit a film.

In sum, we hope and are optimistic that an efficient rating system, combined with strong support from retailers, and consumer demand for rated products, will result in the vast majority of publishers participating. In the end, public decisions not to buy unrated products will be the single most effective way to induce publishers to work with the system.

## STATE REGULATION

As we continue our efforts to develop an understandable, effective, and uniform system we would seek your help in another area. Following the December hearings, several states began actively considering legislation to impose ratings, warning labels, or other restrictions on the marketing of video games. We respectfully submit that these efforts are diverting our attention from the urgent task we have outlined to you today.

And they threaten our ability to develop the uniform system you seek in the ambitious timeline we have established.

For example, the State of Connecticut is considering legislation to require us to print warning labels on video games sold in the state. We submit that requiring labels specific to Connecticut would impose enormous, impractical burdens on our manufacturers to produce special packaging just for products that enter Connecticut's borders. Frankly, that kind of extra time and spending would be better utilized in creating, implementing and educating the public about a universal rating system.



has been carried out by the Video Game Rating Council, created by Sega and consisting of independent experts in the areas of child psychology, sociology, cinema, and education. The Council is responsible for evaluating each game and designating it with the appropriate rating classification. I want to emphasize that this is an independent Council. Even though it takes considerable time to evaluate each product, individual Council members are paid only a small honorarium for each game they rate.

Now, we and others in this industry are prepared to take the next step. This morning, a number of interactive video companies and some of the Nation's leading retailers announced their plan for creating the type of industry-wide rating system you have called for. The coalition committed to this effort includes Atari, 3DO, Wal-Mart, Sears, Toys 'R Us, Blockbuster Video, and the video game software publishers representing over 90 percent of the Sega video game market.

Sega was a catalyst in producing this collaborative effort and we hope that our rating system will serve as a model for the larger industry approach. The Software Publishers Association, the Video Software Dealers Association, and the Children's Advertising Review Unit of the Better Business Bureau have also pledged to provide leadership in this process.

The goal of the industry coalition is to develop and implement a rating system that enjoys widespread acceptance and voluntary participation throughout the industry at all levels of product distribution, is uniform and consistent, has a high degree of consumer awareness and understanding, and has the cooperation of retailers to enforce the program at point of sale.

Chairman Lieberman and Chairman Kohl, I would like to extend an invitation to you and to your staffs to join the industry coalition when it meets for its first working session at the winter consumer electronics show in early January. Your leadership and guidance will undoubtedly improve the process we are engaging upon and will help us establish a meaningful and effective rating system.

There is every reason to be optimistic about the industry's ability to voluntarily provide parental guidance, but we ask that you treat digital interactive media as you have treated other media, such as the motion picture industry. Give parents the power to choose what is right for their kids, but don't tell adults what is right for them.

Sega of America looks forward to continuing to work with this panel, other leaders in Congress and every responsible member of the industry to better inform parents about the age appropriateness and content of all interactive media products. Thank you for the opportunity to share Sega's views. I look forward to your questions.

[The prepared statement of Mr. White follows:]

PREPARED STATEMENT OF WILLIAM WHITE, JR.

Chairman Lieberman, Chairman Kohl, members of the subcommittees. My name is William White, and I am vice president of marketing/communications for Sega of America, Inc. and the father of two boys ages 5 and 8. Sega of America is headquartered in Redwood City, CA, and we develop 70 percent of our games in the United States. Sega's share of the U.S. market has grown dramatically, increasing from approximately 10 percent in 1991 to more than 50 percent by the end of this year. Sega is new to its leadership role, but we are indeed a worldwide leader in home video entertainment systems.

But more importantly, from your perspective, it would actually impede efforts to get consumers the information they need to make appropriate purchasing choices. If every state implements its own ratings system, it would cause massive confusion for consumers. What's the difference between Connecticut's and Massachusetts' systems? If a given product is rated as acceptable for a child in one state, but not in another, who's right?

In short, a piecemeal state-by-state ratings system just doesn't make sense. What we're producing is a universal ratings system that will work for everyone, everywhere. And we hope these Subcommittees will encourage the states to give us the time to finish the task. If we fail, we know full well that you and others will act. Believe me when I say we vastly prefer to get it right ourselves.

#### CONCLUSION

In conclusion, our agenda for the next few months is an ambitious one. We are committed to, among other tasks, achieving the following:

- Finalizing the formation of the trade association and the ratings board;
- Reaching out to the industry to secure as much participation as possible;
- Conducting research with experts and consumers to develop guidelines and ratings categories; and
- Continuing our dialogue with retailers, culminating in a meeting with them at the Consumer Electronics Show in Chicago in late June to finalize their support for our system.

We are very proud of the progress we've made to date. But we know that much remains to be done. And we look forward to completing the process of giving consumers the information they need to make informed interactive entertainment purchasing decisions.

Thank you again for giving us the opportunity to share our progress with you today.

Senator **LIEBERMAN**. Thank you very much, Mr. Heistand. That is a very encouraging report. It seems to me you have made substantial progress. I will have some questions for you afterward, but I thank you for that report.

I think it is extremely noteworthy, just to jump ahead, that you report that Wal-Mart has agreed to stock only rated games. That is as powerful an enforcement mechanism as I think we could want here, and I hope that the other major retailers will follow.

Mr. Lincoln, you are next.

#### STATEMENT OF HOWARD C. LINCOLN, CHAIRMAN, NINTENDO OF AMERICA, INC.

Mr. **LINCOLN**. Mr. Chairman, I don't have a prepared statement, but I would like to just make several comments.

As you know, when I testified in December, I indicated that Nintendo would work with the industry to come up with a comprehensive, understandable rating system. This industry, as you also know, is not an organized industry. We don't have a trade association as yet, and it is a highly competitive industry. I think you saw some of that at the December hearing.

I think a great deal of progress has been made. I think that this particular issue should not, and we don't regard it as a competitive issue. I am pleased to say that both Nintendo and Sega and other manufacturers and third party software publishers have joined together under the leadership of Jack Heistand to make a lot of progress. There is still a lot to be done, but I believe that if we continue the approach that we have taken, which is to delegate the responsibility to Jack Heistand, that we are going to be able to complete the task that he set out this morning in a timely fashion.

Thank you.

Video games are highly structured and programmed universes. Either you play the game according to a fairly rigid set of rules or you lose. Thus, if the game is about kicking, punching and killing your opponent, then in order to win, you must kick, punch and kill.

We are now at the threshold of a new generation of interactive video gaming and television. While I believe that this technology has wonderful potential, I am also convinced that if we continue to use it without realizing and addressing the full ramifications and significance of the social content of video games, then we will be doing a serious disservice to both ourselves and to our children.

I would like to suggest that video game companies consider alternatives to much of the programming they are currently producing. The video game medium has remarkable potential for entertainment and enlightenment. Companies such as Sega need to understand what it is their products may or may not be doing to our children and to our culture. What happens when children can literally participate in television? No one knows, but for the welfare and betterment of our children, we had better find out. This also suggests a major research agenda that needs to be pursued by psychologists, sociologists and media experts. Traditional violence studies of television and video games don't apply to this new medium.

I feel strongly that parents, educators and legislators cannot leave it up to the multinational corporations like Sega and Nintendo to define this new medium. The emerging world of interactive video games and television is, in the end, ultimately much more than just "child's play!"

Senator KOHL. Thank you very much, doctor.

Mr. Chase?

#### STATEMENT OF ROBERT CHASE

Mr. CHASE. Senator Kohl, Senator Lieberman, Senator Dorgan, I am Bob Chase, Vice President of the National Education Association, which represents 2.1 million education employees in the Nation's public elementary, secondary, vocational and post-secondary schools. I do appreciate the opportunity to speak with you about this very serious problem, the problem of the proliferation of corrupting influences on our children today.

America's children are faced with a bewildering set of messages from television, movies, music, electronic games and the print media. Too often, the most unrelenting assault on the senses encouraging aggression and irresponsibility are in direct opposition to the values families hope to instill and the mores our society struggles to preserve.

Parents, social scientists and the community at large share deep trepidation about the fruits of this ever-widening dispersal of negative images. The explosion of media in the latter half of this century has made the problem all the more pervasive and the challenges for parents and community leaders all the more difficult.

It is not surprising the first response is to suppress books, movies, or other media that are offensive on the basis of their sexual, violent, racist or sexist content. Many Americans, in fact, believe we can no longer permit the unfettered production and distribution of media that is contrary to commonly accepted standards of decency.

Yet, as history has proven, there will never be a true consensus for a national standard of decency. More importantly, we cannot afford to try to protect our Nation by undermining one of the United States' most essential foundation stones, the first amendment. The NEA has long been a fierce advocate of first amendment rights. The first amendment is central to a tradition of academic freedom and free inquiry that is the hallmark of American public education. It is, in fact, vital to our democracy, and it is essential to the liveli-

[Mr. Lincoln submitted the following:]

NINTENDO OF AMERICA, INC.,  
Redmond, WA, March 11, 1994.

Mr. KEN WASCH,  
Software Publishers Association,  
Washington, DC.

DEAR KEN: I certainly understand your concerns about the rating system as it applies to the computer entertainment software industry. I've forwarded your fax to Jack Heistand.

It is certainly my understanding that the video game industry does indeed want to work with the SPA and its members on an "equal partner" basis.

I've found Jack Heistand to be a very fair and reasonable man and I'm sure that your concerns will be handled by him in an amicable manner.

All my best.

Sincerely,

HOWARD C. LINCOLN,  
Chairman.

NINTENDO OF AMERICA, INC.,  
Redmond, WA, April 21, 1994.

Hon. JOSEPH I. LIEBERMAN,  
Subcommittee on Regulation and Government Information,  
Committee on Government Affairs, U.S. Senate,  
Washington, DC.

Hon. HERBERT KOHL,  
Subcommittee on Juvenile Justice,  
Committee on the Judiciary, U.S. Senate,  
Washington, DC.

DEAR SENATOR LIEBERMAN AND SENATOR KOHL: Thank you for your recent letter transmitting follow-up questions from the March 4 hearing. Enclosed are my responses to your questions, as well as the questions Senator Cochran posed.

Sincerely,

HOWARD C. LINCOLN,  
Chairman,  
Nintendo of America, Inc.

#### RESPONSES TO QUESTIONS SUBMITTED BY SENATOR LIEBERMAN

*Question.* In describing the ratings process, Mr. Heistand said that the publisher would be required to submit the most extreme version of the game. However, as I understand it, a publisher often buys a game from the actual developer. The developer may design "backdoors" or other devices into a game of which the publisher is not aware. These "backdoors" then are listed in gaming magazines or strategy guides. One example of this that recently came to my attention involved the Super NES version of Mortal Kombat. Apparently, if you have a Game Genie device, you can change the color of the sweat that flies off a combatant from blue to red. This makes it look like blood. In fact, one game guide says that with the right codes "Most sweat displayed on the screen turns to blood. It's almost like playing the Arcade Mode on the Genesis System, especially when used to perform an Upper-Cut Punch." I assume that these changes are beyond Nintendo's control?

*Answer.* Game Genie is a product which is not authorized by Nintendo of America. You are correct that the changes it creates are beyond our control. The device permits the game player to make numerous changes in our games, including the colors used. In the case of Mortal Kombat, the color of sweat flying off a combatant can be darkened considerably. It's a matter of opinion whether it can be made reddish enough to look like blood.

Regarding your concern about a game developer not divulging all aspects of a game to the publisher, who submits a game for a rating, this should not be a problem. I believe the rating system will require that publishers submit the entire game play to the rating board, and that publishers will insist that developers inform them of all potential game play. The stakes will be too high for both developers and publishers for any information to be withheld.

I want to thank you for the opportunity to appear before you today to discuss Sega's approach to ensuring that all consumers, especially parents, have the information they need to make appropriate choices in their selection of interactive video products for their family—be it a single person household or a household where children reside.

In the course of my testimony, I will briefly address these three general points:

- *First*, the fallacy that Sega and the rest of the digital interactive media industry only sells games to children—in fact, our customer base is much broader;
- *Second*, efforts Sega already has made to provide parents with the information they need to distinguish between interactive media products which are appropriate for young people and those which are not; and
- *Third*, efforts Sega is currently undertaking to gain the cooperation of all digital interactive media companies to develop an industry-wide rating system.

#### DEVELOPING NEW RULES FOR A NEW MEDIUM

In recent days, the glare of the media's spotlight on this issue has resulted in the circulation of a number of distorted and inaccurate claims about our industry. The most damaging of these distortions, in my view, is the notion that Sega and the rest of the digital interactive media industry is only in the business of selling games to children. While this may have been somewhat more accurate in the past, with older technology, it is not at all the case today.

If I accomplish only one thing with my testimony today, I hope that it will be to correct this damaging misconception.

Yes, many of Sega's interactive video titles are intended and purchased for young children. Many other Sega software titles, however, are intended for and purchased by adults for their personal entertainment and education. *The average Sega CD user is almost 22 years old; the average Sega Genesis user almost 19.* There truly is something for everyone in our software catalog, and the variety of available software is multiplying each day.

Interactive media should be treated no differently than the television, motion picture, recorded music, or publishing industries. Attempts to relegate digital interactive software to a media backwater are outdated and inappropriate.

Because the initial uses of this new digital interactive medium were, in fact, for entertainment that appealed to children—Pac-man and other games—you have started down the path of mistakenly treating our industry as a medium only for children. It makes no more sense to conclude today that digital interactive media is only for children than it would have, when Gutenberg's press was in its infancy, to conclude that the printed word was only for bible readers. Following the development of other media, digital interactive media will, as time passes, communicate increasingly diverse information to an increasingly varied audience. Ours is a relatively new industry which, until a few years ago, was virtually a monopoly.

Make no mistake about it, Senators. Despite your admirable goals, censorship in this area is the equivalent of insisting that a sophisticated, new technology be restricted to uses appropriate for children. If you do that, you will be undermining the leading edge of a huge digital interactive media industry—an industry which, in the coming century, will be a driving force in education, entertainment, employment, and in simplifying the tasks of an increasingly complex society.

I urge you, instead, to treat digital interactive media as you have treated these other media in the past: with respect for the full range of expression that can be communicated.

The library of interactive video compatible just with Sega systems contains more than 600 titles, with dozens more scheduled for release in the coming year, and has moved well beyond the child-directed titles that spawned the industry.

Looking at our most recent data for 1993, action/adventure titles such as "Sonic Spinball," and "Jurassic Park" account for 40 percent of the revenue from our library of titles. Sports titles such as "NBA Action 94," "World Series Baseball," and "Joe Montana Football" account for 35 percent of revenue. Fighting games such as "X-Men" and "Eternal Champions" comprise 13 percent of revenue. Titles in the kids/entertainment category, such as "Barney," "Where in the World is Carmen San Diego," and "Fun N Games," produce 5 percent of our revenue. Role playing games such as "Landstalker" make up 5 percent of revenue. And puzzle/strategy titles such as "Dr. Robotnik's Mean Bean Machine" constitute 2 percent of revenue.

Why is the universe of titles so diverse? The reason is that the evolving technology has spawned a disparate audience of consumers.

You have seen that the products we distribute entertain and educate people of all ages. Consider these statistics:

*Question.* I wanted to follow-up on a number of commitments Nintendo made at the last hearing and in subsequent meetings. First, I take it from your participation in Mr. Heistand's committee that Nintendo is fully committed to the development of strong ratings systems, with accompanying safeguards?

*Answer.* Nintendo of America is committed to the development of a fully effective industry-wide video game rating system, with as much enforcement as we can put into a voluntary system. I am optimistic that our industry will succeed in establishing such a system so that games sold for the 1994 holiday season will carry ratings.

*Question.* At the last hearing, we raised concerns about the content of the Lethal Enforcer game, both in terms of graphic violence and in terms of apparent stereotyped portrayals of Asian American characters. Both SEGA and Nintendo subsequently told us that each would be seeking some changes in the content of the game. Can you discuss the changes you sought and obtained from Konami, the publisher, and when those changes were implemented?

*Answer.* Konami submitted Lethal Enforcer to Nintendo in September 1993. We insisted on numerous changes in the game. The changes took several months, and the game was not released for the Super NES until January, 1994. This was well after the Sega version, which was not changed substantially from the arcade version, was on the market.

The changes were intended to both remove racial stereotypes and excessive violence. Among the specific changes ordered were the following:

- Remove the name "Justifier" from the gun used with the game;
- Remove the "Innocent Victim" text and blood splatter when a citizen or police officer is shot by a player;
- Change "China Town" reference to "Down Town" or other non-racial reference;
- Change "China Inn" to "Restaurant" or other non-racial reference;
- Include text that reminds the player that he or she is a police officer, not a crazed gunman;
- Eliminate the throwing back of the victim when hit by gunfire and substitute the flashing, freezing and disappearance of the victim;
- Shorten significantly the audio "scream" when enemies are shot;
- Remove the homeless person from the subway;
- Change the phrase "Drug Dealer" to "gun runner" or some other crime not related to drugs or violent crimes; and
- Remove all smoking occurrences.

*Question.* At the last hearing we displayed a copy of the Ocean of America ad "There's a bullet with your name on it." I know you subsequently received assurances that the ad would be pulled. I noticed, however, that in the February issues of the gaming magazines that the ad is still there. Is this simply because of the advertising lead times, and if so, when can we expect to no longer see the ad?

*Answer.* I have been assured that Ocean of America has pulled the "There's a bullet with your name on it" advertisement for the "Untouchables" game. However, as you noted, because of advertising lead times, the ad continued to appear for a few months after your December hearing.

Ocean's original schedule called for the advertisement to run from the December through March issues of Video Games, Game Players, and Electronic Gaming Monthly, and from December through February issues of Electronic Games. Future buys for the ad were also contemplated. The advertisement was pulled by Ocean effective December 10. Because of the production cycle, it was not possible to remove the ad from any issues prior to March, but it did not appear in any of the March issues.

*Question.* The focus of these hearings has been on violence and sex included in video games. It seems these games are created primarily for the elementary and secondary age group of children for entertainment. What percentage of your games are educational from an academic perspective, such as math, science, writing?

*Answer.* Nintendo's library of educational games is growing rapidly, and includes more than 20 diverse and entertaining titles. Many of these games, including "Donkey Kong Jr. Math," "Where in the World is Carmen San Diego," and "Miracle Piano," focus on improving children's skills in the traditional academic disciplines.

In addition, Nintendo offers a host of games which challenge players' problem-solving and reasoning skills through the simulation of real world situations. In "Aerobiz," for example, a player serves as the CEO of a commercial airline and must negotiate for routes, launch advertising campaigns and compete for passengers—all the while learning about marketing, forecasting and budgeting. In "SimCity," players serve as city planners and must confront the many challenges associated with urban growth. We also have titles designed to teach children about health. "Captain Novoline," "Bronkie the Bronchiasaurus," "Rex Ronan: Experimental Surgeon," and

area. As you know, Senator Lieberman, I have some familiarity with your subcommittee, so when I say that you are doing a great job, I do so from personal experience.

I would like to briefly outline the major issues as I see them. First, with today's announcement that most of the video game industry is committed to a rating system, I believe that we have already changed the terms of the debate. Simply put, we are no longer asking whether violent video games may cause harm to our children, especially to our young children. Clearly, they can, or the industry would not be willing to rate its own games so that young kids cannot obtain them. The question now is just what restrictions we need to put in place and who should do it.

Not surprisingly, the video game industry believes that self-regulation is best, and in the best of all possible worlds I would agree. Government intervention should be a last rather than a first resort. In a sense, then, this hearing represents a window of opportunity for the video game industry.

Under one scenario, the industry can throw us the smallest possible bone and gamble that it can take the wind out of our legislative sails. In my estimation, that would not only be a bad risk, but also an irresponsible position. Under another scenario, the industry can do something more substantial, at the very least creating an independent panel to review the suitability of these games for children, with the purpose of eliminating the most violent games. It is up to the industry, then, whether they can be heroes or grinches.

I have spent the bulk of my adult life in business and I know that if Nintendo and Sega, which together control 90 percent of the market, make the development and enforcement of a meaningful rating system a top priority, then it will happen quickly, voluntarily, and without chilling any first amendment rights.

Second, let me say that I share Senator Lieberman's outrage at the excerpts that we will be viewing on the TV. "Mortal Kombat" and "Night Trap" are not the kind of gifts that responsible parents give. "Night Trap," which adds a new dimension of violence specifically targeted against women, is especially repugnant. It ought to be taken off the market entirely, or at the very least its most objectionable scenes should be removed.

But those games are only two examples. Let me tell you about another video game called "Lethal Enforcers." It comes with a special piece of hardware, an oversized handgun called the Justifier. What does this game seem to teach our kids? Basically, that a gun can solve any problem. With "Lethal Enforcers," sometimes the player hits innocent bystanders. In that case, blood splatters to the ground. But what the heck, bystanders need to learn to get out of the way.

Make no mistake about it, "Lethal Enforcers" is aimed at young kids. Just look at the ad. The warning label is almost entirely obscured, but enormous guns dominate the package. The ad features more than 20 guns in all, and the lead of the ad says, "You won't find a toy like this in any Cracker Jack box." Well, I hope not. What a cynical, irresponsible way to market a product.

I find this glorification of kids and guns to be highly offensive. It comes on the heels of our long battle to enact the Brady bill and less than a month after Senator Lieberman and I passed a bill to

the "AIDS Avenger" teach children about diabetes, asthma, and the dangers of smoking and AIDS, respectively.

*Question.* Have you done market research on the potential for educational video games, which I presume are primarily purchased by parents for their children? The computer software industry is doing very well in this market. I believe the video game industry could explore this market more than it has. This doesn't mean they should abandon the entertainment aspect that characterizes these games. But can't learning be fun and engaging as well?

*Answer.* Learning can indeed be fun and engaging, and Nintendo's "edutainment" titles—combining education and entertainment—are based on that very idea. Games, such as those enumerated above, provide for fun educational experiences, and are being integrated with regular classroom activities across the country. There is indeed a market for educational video games, and Nintendo is committed to offering an increasing number of "edutainment" titles to parents, children and educators.

*Question.* During the process of reviewing standards for violence and other criteria in video games, I would encourage the video game industry to consider establishing an "E" rating for the academically educational games they create. Parents who are largely purchasing these games, at least for younger children, should not only be aware of the degree of violence in the games—they should have the option to purchase games that are educational in nature. What do you think of this idea of an "E" rating and could you share with the Subcommittee any suggestions or proposals to carry it forward?

*Answer.* The video game industry should make every attempt to promote educational video games, and help parents identify the games which can provide the most educational value. I will ask the committee which is developing a video game rating system to explore the possibility of a type of standard notification for educational games.

Senator LIEBERMAN. Thank you, Mr. Lincoln.  
Mr. Volkwein, thank you for being here.

**STATEMENT OF EDWARD A. VOLKWEIN, SENIOR VICE  
PRESIDENT, SEGA OF AMERICA, INC.**

Mr. VOLKWEIN. Thank you very much, Mr. Chairman. My name is Edward Volkwein. I am a Senior Vice President for Marketing for Sega of America and the father of three girls, ages 2, 21, and 24. I am also Sega's representative to the industry working group, created in response to your call for an industry-wide rating system.

During the past 3 months, I have been deeply involved in the industry's efforts. Thank you for the opportunity to appear.

At your hearing on this subject last December, you impressed upon all of us in the video game industry the need to responsibly address your concerns and to ensure that all consumers, and parents in particular, have the information they need to select age-appropriate games.

We told you then that there was reason to be optimistic about our industry's ability to give parents the information they need to choose the right video games for children. Now, less than 3 months later, we have taken a number of those actions, which, I believe, confirm the ability of this industry to successfully monitor itself.

Beyond the industry actions, we promised in December that Sega would take significant independent actions to strengthen the voluntary rating system we currently have in effect, and we have done that. We told you that Sega would do its part to ensure that, as an industry, we would begin a process to implement a uniform, industry-wide rating system in time for the 1994 holiday season, and we have.

I will share with you some specific examples of Sega's progress since we were last here, but first, a brief word about our industry. There may still be some misperceptions.



According to retail industry market analysts, NPD Researchers, 40 percent of the users of the leading video game system, Sega Genesis, are adults 18 years of age and older. Less than 30 percent of Genesis users are under age 13.

With respect to our compact-disc based product, Sega CD, the percentage of adult users jumps dramatically to 60 percent, while the percentage of child users under age 13 drops to only 5 percent.

This very real trend demonstrating the size and vitality of the adult digital interactive video audience will only accelerate as technology becomes more sophisticated and CD-ROM and on-line interactive products become more widely available. Currently, it is estimated that 10 million adults play games at home on their personal computers; soon, they will be utilizing CD-ROM technology or setting-up interactive machines.

To responsibly move in this direction, Sega has voluntarily adopted a ratings system for our interactive software, thereby providing parents with more information for making choices about which interactive media products are appropriate for young people and which are not. With the exception of the motion picture industry, I know of no other media industry that has taken this major step. At Sega, we believe that the concerns raised by this panel should be addressed by giving consumers more information—not by censorship. There simply is no need to ban digital interactive software in order to protect children from software intended only for adults. I believe strongly that an information-based ratings system along the lines of Sega's model—perhaps improved with what we have learned since initiating it—is the only approach that can work over time, and it ultimately will be the approach that is adopted.

Much to our regret, two controversial scenes—in the tens of thousands of scenes found in our library of hundreds of software titles—may have wrongly created the impression that Sega stands on the opposite side of this issue from the members of this panel.

Just the opposite is true. In fact, Sega is the industry leader in establishing the type of voluntary rating system envisioned by the legislation introduced by Chairman Lieberman and Chairman Kohl. Sega changed the industry from a near monopoly, a few years ago, to a very competitive industry through great sports titles, simulation games, and Sonic the Hedgehog. Our success is due to these products, 70 percent of which we developed in our U.S. offices.

#### HELPING PARENTS MAKE INFORMED CHOICES

Last week, Bob Keeshan, the child advocate known to millions as Captain Kangaroo, spoke out in support of Chairman Lieberman's proposal. He stated:

When all is said, it is the parent or guardian who must be final arbiter of what is appropriate for a child \* \* \*. For a parent to exercise this responsibility they need information and that is what is being called for here today. Give parents the information needed to make an intelligent informed decision \* \* \*.

We agree. At Sega though, we see a shared responsibility; and we are proud of the efforts we have made on our own to provide parents with the informational tools they need to give their children guidance with respect to interactive video. We willingly accept our responsibility to join parents as partners in this effort.

Sega announced our rating system to third-party publishers and to retailers in June, and on September 8, 1993, we completed the phased implementation of our comprehensive parental guidance program. By doing so, we were able to achieve our goal of full implementation in time for the release of *Mortal Kombat* on September 13, 1993. Developing the Sega parental guidance program required almost a year and a half of work, and in the three months between initial implementation of the rating system in June, and our September announcement, almost 150 games had been rated.

The Sega program is a three-pronged approach designed to help parents determine the age-appropriateness of different interactive video software. It includes a rating classification system, a toll-free hotline, and an informational brochure.

Here is what Sega has accomplished so far:

Building on the motion picture industry model, the Sega rating system applies one of three classifications to each interactive video program released by Sega:

GA: for general audiences;

MA-13: for mature audiences age 13 or over; and

3MA-17: adult appropriate, not suitable for those under age 17.

Video games are only one category of the newly-evolving interactive digital media industry. At Sega, we have three hardware platforms. The average age of user for our most popular platform, Sega Genesis, is 19 years old. The average age user for our most technologically-advanced platform, Sega CD, is 22 years old.

Many companies develop software to play on our system, just as many companies develop software to run on IBM PCs or Apple Macintosh systems. We ask you to allow this medium the same freedom to evolve as has been accorded earlier forms of media, unfettered by Government censorship. We, in turn, will do our part by giving all consumers the information they need to make informed choices, and we have been doing our part.

Almost 2 years ago, Sega began developing its own games rating system. The Sega program to assist parents and other consumers to make informed purchase decisions includes a ratings classification system, a toll-free hotline, and an informational brochure. We completed implementation of the program last September.

As with any new effort of this type, our program had room for improvement. Throughout the fall and winter, Sega continued to do just that by strengthening the program's advertising, marketing, and promotional features.

First, all television and print advertisements created by Sega by our video game products display our video game rating council's symbol prominently. I have a tape showing how we have added the rating symbol to all of our television advertising, which I will leave with the Committee staff.

Second, we have explicitly conditioned the availability of co-op advertising dollars on strict adherence by retailers to Sega's advertising standards: No game rating, no advertising dollars from Sega.

Third, Sega revised its marketing materials to improve the visibility of our ratings, and we have worked to ensure that brochures promoting our rating system are widely available at all retail outlets.

Fourth, Sega has sought maximum possible compliance from publishers who develop software compatible with the Sega platform.

In addition, I want to highlight the ways in which Sega is using technology to make our products even more parent-friendly. In the next few weeks, the Sega Channel will launch on a pilot bases in a number of cable systems in the United States. The Sega Channel is an interactive cable service that will deliver Sega Genesis video games direct to the home.

Through the use of a coding device, our Password for Parents program will let parents screen out games based on their rating. For instance, if they choose, parents will be able to allow only GA-rated games into their home through the Sega Channel.

By standing behind the voluntary rating system concept with this investment in technology, Sega has tried to respond to the concerns of parents and others in a substantive and meaningful way. In the future, we will explore using technology to reinforce ratings systems on new hardware platforms.

Sega's efforts to develop and implement a voluntary rating system are evidence that we are longstanding advocates of giving in-

hood of our members as educators and America's students as thinkers and communicators.

Some may argue that our founding generation never anticipated the denigration of women on television in programs and advertisements when they averred that "Congress shall make no law abridging the freedom of speech or of the press." It is reasonable to argue that they never contemplated the need for restrictions on electronic games with intensely violent or graphically sexual content, nor could they in their wildest imagination conceive of micro chip circuitry, CD-ROM technology, or the leisure time to expend on such idleness. It remains to this generation to sort it out.

It is unfortunate that the producers of such electronic games do not exercise restraint, and I join Senator Lieberman in calling for the producers of such electronic games to live up to their responsibility in helping raise a generation of children free from violence.

It is even certainly disheartening that there is a demand for games that are explicitly violent and graphically sexual. The first line of defense against wide distribution of such games and other material remains the family. All parents must assume for themselves the responsibility to raise their children with a set of values, standards of respect and decency, and a sense of limits about what is appropriate behavior in our society.

The real challenge comes when we begin to determine what our community standards are. My own independence, the legacy and heritage of the American character, determines that I don't wish anyone, even members of this committee or any other body, to dictate to me what I believe to be appropriate for my daughters to see or to say or to do, any more than I would presume to tell you what is appropriate for your sons and daughters.

What is fitting, however, and I hope we can share, is a commitment to providing parents with appropriate tools to make reasonable judgments for our children. That is precisely what we are here to consider today. The facts in this matter, I believe, are not in dispute. There is a relationship between thought and action. Media that contains violence and inappropriate sexual behavior and bigotry can promote these behaviors in others.

Electronic games, because they are active rather than passive, can do more than desensitize impressionable children to violence. They actually encourage violence as the resolution of first resort by rewarding participants for killing one's opponents in the most grisly ways imaginable. Many movies, books, television programs, performances and electronic games are inappropriate for young audiences, and we must assure that the guidelines that now exist for films to serve as a tool for parents be extended to the electronic games.

NEA strongly supports the legislation authored by Senator Lieberman and cosponsored by Senator Kohl to establish a National Independent Council for Entertainment in Video Devices. We believe this Council, working with the video game industry, can and must establish a system for parental notification about graphic sexual or violent materials contained in some video games. In addition to providing parents a tool for identifying games that are inappropriate for children, we believe the Council can help promote

formation to consumers and giving parents, in particular, the opportunity to act on that information.

Sega fully supports the industry-wide effort led by Mr. Heistand. We are prepared for and look forward to the time when Sega's independent rating system can be replaced by a uniform industry-wide program. To that end, we are sharing with the industry working group the practical experience Sega has gained from developing and then implementing its own system. We are proud of the speed and seriousness with which this initiative is being undertaken, and we are committed to making it work.

Thank you for this opportunity to testify.

Senator LIEBERMAN. Thank you, Mr. Volkwein

Let me just say to all of you briefly, before I yield to Senator Kohl to begin the questioning, that I, again, appreciate what you have done here. I think that you have heard the voices of the people around this country, particularly parents, who feel they are in a struggle to raise their own children with the influences in our culture, including video games. I appreciate that response.

You are not the first element or part of the entertainment industry to be confronted with questions like the ones that Senator Kohl and I have raised. Decades ago, people raised the same question about comic books and movies, and more recently about music and television and cable.

I think you are on the way to doing something significant here, and I really would like to challenge you to continue to work with us to build a system of ratings and content guidelines that will become the model for the rest of the entertainment and cultural industry, because there is a lot on the line here.

Obviously, there is more to do with the ratings categories and how you implement them and how we go forward with them, but I do think we are off to a significant start here, and I thank you for that.

[Mr. Volkwein submitted the following:]

PREPARED STATEMENT OF EDWARD A. VOLKWEIN ON BEHALF OF SEGA OF AMERICA, INC.

Chairman Lieberman, Chairman Kohl. My name is Edward Volkwein. I am senior vice president of marketing for Sega of America Inc. and the father of three girls ages 2, 21 and 24. I am also Sega's representative to the industry working-group created in response to your call for an industry-wide ratings system.

Like me, many of you are parents with children who have become young adults. This generation increasingly views mass media and passive media as less relevant and less meaningful than interactive media. This generation will define interactive media. They will define its parameters as an art form, as an educational tool, and as a form of entertainment. They understand this medium differently from those of us of an older generation.

INDEPENDENT ACTIONS BY SEGA

And we trust parents will do their part to use that information while exercising the parental responsibilities they have, to govern their childrens' media consumption habits. I assure you, we will do our part.

GAME RATING, NO ADVERTISING DOLLARS FROM SEGA

The "Everybody Wins!" brochure, written by Scholastic Inc.—the nation's leading educational publishing company—is now widely available through retail stores and our toll-free hotline. Over a quarter million copies already have been distributed.

While by and large our licensees, contractually, have wide latitude regarding their own advertising and marketing, we are using whatever persuasion we can to urge

The toll-free hotline, 1-800-379-KIDS, is staffed more than 70 hours a week by professionals who can supplement the rating classification by informing parents about the specific content of each Sega product.

The "Everybody Wins" brochure, written by Scholastic Inc.—the nation's leading educational publishing company—has helped to publicize and explain the new rating system. It provides additional information about the responsible use of interactive video. This complimentary brochure is available through 2,800 retail stores and our toll-free hotline. A quarter million copies already have been distributed.

Development of the ratings system, hotline, and brochure was preceded by Sega's formation of the Videogame Rating Council, consisting of independent experts in the areas of child psychology, sociology, cinema and education. The Council is responsible for evaluating games and designating them with the appropriate rating classification. I want to emphasize that this is an independent council. Even though it takes considerable time to evaluate each product, individual council members are paid only a small honorarium for each game they rate.

Speaking to representatives of the entertainment industry in Los Angeles last weekend, President Clinton noted that he is "a movie-goer almost to the point of compulsion" and urged industry leaders to recognize their "capacity to do good." The President pointedly added that he had no interest in preventing the industry from making violent, titillating, or horror films. Instead, he urged the motion picture industry to be more balanced in its choice of subject matter. At Sega, we have worked very hard to achieve the kind of balance recommended by the President. Of the 173 Sega titles that have been rated to date, 86 percent are appropriate for general audiences (GA); 10 percent earned an MA-13 rating; and only 4 percent of our titles have been created or licensed for an exclusively adult (MA-17) audience.

Based on an independent research poll of more than 1,200 individuals across the nation, most people believe that, because of the mechanics and economics of our industry, parents can exercise more control over video games than can be exercised over television, motion pictures, or film videos. We believe, therefore, that a rating system modeled on the Sega and motion picture industry systems would be effective. Eighty-five percent of respondents with children said they supervise their children's consumption of electronic media. Parents want information, and Sega is working on ways to provide them with more of it.

The Sega rating classification system, in use since June, has given us a head start in contributing to the type of rating system you have proposed, Senators: a uniform system, widely recognized and accepted throughout the interactive media industry. Admittedly, our system is new and it has flaws—flaws which we want to work with our industry colleagues to remedy. We welcome your help in getting all industry participants to adopt an industry-wide rating system, regardless of whether it is the Sega system or an improved alternative.

#### MAKING THE SYSTEM WORK

Sega is committed to making a ratings-based parental guidance system work. Regardless of the outcome of this hearing or the fate of any legislative proposal, I can assure you that Sega will make its best effort to make certain that no toy store will sell or rent Sega products intended only for adults, and that no child will find these products on toy store shelves.

To implement our ratings system in a meaningful way, Sega has voluntarily decided that the distribution of our products bearing the MA-17 label should not include retail toy stores. In addition, the Video Software Dealers Association (VSDA) has today agreed to extend its "Pledge to Parents" program to video games. As you may know, the "Pledge to Parents" program states that video materials will not be rented or sold to children under the appropriate age specified by an industry rating system. We hope to have the full support of all our friends in the retailing community for this effort.

In this way, Sega is strengthening its voluntary rating system so we can help to protect children without taking away the rights of adults.

Choosing and Developing the Most Effective Classification System Sega agrees that industry-wide action is required to address the concerns you have raised about interactive video intended only for mature audiences. But the answer cannot be limited to content censorship, self-policing, or a "pass/fail" grade on suitability. The failure of such approaches is guaranteed by the continued evolution of technology and the emergence of new interactive video products that we have not yet seen and cannot even anticipate.

What will constitute a passing or a failing grade when these technologies arrive? What will be the appropriate amount of self-censorship? What self-restraint should a company exercise when confronted with a breakthrough product desired by ma-

prominent and consistent display of the VRC game ratings when Sega products are highlighted.

Sega has worked to ensure that promotions for software rated MA-13 or MA-17 do not appear in advertising aimed at children, and we are casting our commercials and making our media buys with this concern in mind.

Sega has pledged to provide parents with technology allowing them to decide which video games are suitable for their children. For now, the system will let parents limit the games their children can play, based on the VRC ratings. When the industry-wide ratings system is developed, the system will accommodate those ratings as well.

In a few cases, Sega's efforts to strengthen our advertising practices have been imperfect. And in other cases they have been burdened by the reality of lead-time for advertising copy, the need to educate our advertising agencies, and other day-to-day implementation problems. The industry's ambitious goal of adopting a rating system this summer is intended to ensure that wrinkles of this type are ironed out well in advance of the 1994 holiday season. To assist the industry's effort to develop guidelines for advertising, Sega has willingly provided our experience in this area.

Thank you for this opportunity to testify. I look forward to your questions.

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SEGA OF AMERICA, INC.,  
Redwood City, CA, April 21, 1994.

Mr. SLOAN WALKER,  
Office of Senator Lieberman,  
U.S. Senate, Washington, DC.

DEAR MR. WALKER: Enclosed please find answers to questions submitted for the record by Senator Lieberman and Senator Cochran.

Thank you for your assistance with this matter, and please don't hesitate to call me if additional information is required. You can reach me at (415) 802-3641 or Lynn Brinton, our legislative liaison at (415) 802-3640.

Sincerely,

EDWARD A. VOLKWEIN,  
Senior Vice President,  
Marketing.

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RESPONSES TO QUESTIONS SUBMITTED BY SENATOR LIEBERMAN

*Question.* At the last hearing, we raised concerns about the content of the Lethal Enforcers game, both in terms of the graphic violence and in terms of apparent stereotyped portrayals of Asian American characters. Both Sega and Nintendo subsequently told us that each would be seeking some changes in the content of the game. Can you discuss the changes you sought and obtained from Konami, the publisher, and when those changes were implemented?

*Answer.* Sega worked with Konami in January 1994 to ensure racial stereotypes were eliminated. Specifically, the words "ninjas in Chinatown" were removed from all Lethal Enforcers advertising. In addition, Konami opened a dialogue with both the Organization of Chinese Americans and the Japanese American Citizens League to ensure all potential sensitivities were eliminated. Enclosed is a copy of a letter to the Organization of Chinese Americans.

*Question.* Sega has taken a number of steps since our last hearing to strengthen its rating system and ensure that all advertising contains ratings. Can you summarize those for the record?

*Answer.* There really are two parts to your question. The first involves strengthening of our rating system. Specifically, Sega convened an internal task force to evaluate existing Video Rating Council guidelines. These are used by our Video Rating Council to designate a game GA, MA-13 or MA-17. The task force identified and tightened any imprecise language to limit gray area between categories.

The second question involves our advertising. Sega has worked with our advertising agencies to ensure ratings marks are clearly visible on all print and broadcast ads and any marketing/promotional materials such as point-of-purchase displays and posters. In addition, we strengthened our cooperative advertising guidelines to ensure that any Sega licensee who does not clearly display ratings in advertising does not receive cooperative dollars.

Under separate cover, I have forwarded to John Nakahata a VHS tape of some recent broadcast advertising. I have enclosed several recent print ads.

## **VIOLENT VIDEO GAMES: WHAT PARENTS NEED TO KNOW**

**THURSDAY, DECEMBER 9, 1993**

**U.S. SENATE, COMMITTEE ON GOVERNMENTAL AFFAIRS,  
SUBCOMMITTEE ON REGULATION AND GOVERNMENT IN-  
FORMATION, AND COMMITTEE ON THE JUDICIARY, SUB-  
COMMITTEE ON JUVENILE JUSTICE,**

*Washington, DC.*

The subcommittees met, pursuant to notice, at 11:05 a.m. in room SD-226, Dirksen Senate Office Building, Hon. Herb Kohl, chairman of the Subcommittee on Juvenile Justice, and Hon. Joseph I. Lieberman, chairman of the Subcommittee on Regulation and Government Information, presiding.

Also present: Senator Dorgan.

### **OPENING STATEMENT OF HON. HERBERT KOHL, A U.S. SENATOR FROM THE STATE OF WISCONSIN**

Senator KOHL. This hearing is called to order. This hearing is a joint hearing of Senator Lieberman's Governmental Affairs Subcommittee on Government Regulation and Information and my Judiciary Subcommittee on Juvenile Justice. Our subcommittees have jurisdiction over most children's issues and Federal commissions.

Before I turn the microphone over to Senator Lieberman for his opening statement, I want to make one point. Today is the first day of Hanukkah and we have already begun the Christmas season. It is a time that we think about peace on earth and goodwill toward all people, and also about giving gifts to our friends and our loved ones.

But it is also a time when we need to take a close, hard look at just what it is that we are actually buying for our kids, and that is why we are holding this hearing on violent video games at this time. That is why we intend to introduce legislation on violent video games as soon as Congress returns.

[Senator Kohl submitted the following:]

#### **PRESS RELEASE OF SENATOR HERBERT KOHL**

**KOHL JOINS CALL FOR COMMISSION TO WARN PARENTS ABOUT VIDEO GAMES VIOLENCE**

WASHINGTON—With just 24 shopping days until Christmas, U.S. Senator Herbert Kohl called for the video game industry to be held accountable for exposing kids to violence. Kohl is a cosponsor of legislation that will set up a commission to work with the video game industry to provide parents with information about the graphic content of some video games, and allow an antitrust exemption to promote industry-wide regulations.

*Question.* When Sega withdrew Night Trap, it said it was withdrawing it for re-editing. Does Sega anticipate re-releasing Night Trap? If so, when?

*Answer.* Night Trap will be considered for re-release after the new industry-wide ratings system is in place. If it is re-released, and this has not been determined, it will carry the rating assigned by the new independent ratings board.

*Question.* Sega committed to print ratings directly on the cartridges and CDs to avoid the problem of the rating being lost when the game was taken out of its package. Has that been implemented yet? If no, when do you anticipate implementing that step?

*Answer.* All Sega titles—cartridges and CDs—clearly display the Video Ratings Council rating. This will remain the case once the new industry ratings board system is in place.

*Question.* In our meeting, Mr. Kalinske said that Sega would be redrafting and tightening up its internal content guidelines. Is this process underway, or are you waiting for the industry-wide rating process to be completed?

*Answer.* Sega believes strongly that the video game ratings are meant to inform consumers of the content of video games. The ratings are not meant to dictate to game publishers and manufacturers the content of the games. For this reason, the new industry ratings system will not change the guidelines Sega now has in place.

As discussed in our meetings, Sega publishes titles for a wide range of audiences; in fact, our average Genesis player is 18 years old and our average CD player is 21 years old. These players demand games that involve more mature content than may be appropriate for our younger players. The ratings system will ensure parents have the information they need to ensure younger players do not have access to titles meant for our mature consumers.

*Question.* As I understand it, Sega was going to be inserting a provision in all new contracts with distributors and developers that advertising for mature games not appeal to younger audiences. Has this been done?

*Answer.* As discussed above, Sega completely redrafted our cooperative advertising guidelines for all licensees. As you may know, these incentives dollars are very important to the companies with whom we work. The guidelines now mandate, not only the prominent placement of ratings in all advertising, but age-appropriate advertising. Enclosed is a copy of our revised cooperative advertising guidelines.

*Question.* Part 1) The focus of these hearings has been on violence and sex included in video games. It seems these games are created primarily for the elementary and secondary age group of children for entertainment. What percentage of your games are educational from an academic perspective, such as math, science and writing.

*Question.* Part 2) Have you done market research on the potential for educational video games, which I presume are primarily purchased by parents for their children? The computer software industry is doing very well in this market. I believe the video game industry could explore this market more than it has. This doesn't mean they should abandon the entertainment aspect that characterizes these games. But can't learning be fun and engaging as well?

*Answer.* Learning can be fun and engaging. In fact, for this reason, video games present an ideal vehicle for educational software. Sega has initiated extensive research not only on the market demand for educational titles and products, but how interactive digital media can enhance in-home and in-school learning. We anticipate that by 1995, approximately 10 percent of our software titles will be educational.

Pico™ is one of our flagship learning aids. It is a revolutionary hardware and software system that connects to any television to create endless hours of fun and learning for children. To parents, it's like a laptop computer with enough CPU power to be a serious learning aid. To kids, it's a toy that creates new magic on their television every time they play. Interactive technology makes it easy and fun for 3-7 years old to learn the basics of counting, spelling and matching, plus developmental skills like problem solving, memory, logic and motor skills.

*Question.* During the process of reviewing standards for violence and other criteria in video games, I would encourage the video game industry to consider establishing an "E" rating for the academically educational games they create. Parents who are largely purchasing these games, at least for younger children, should not only be aware of the degree of violence in the games—they should have the option to purchase games that are educational in nature. What do you think of this idea of an "E" rating and could you share with the Subcommittee any suggestions or proposals to carry it forward?

*Answer.* This is an idea that the committee will certainly be looking at, both in terms of a separate rating symbol and in terms of adding descriptive words to other rating symbols. There are a number of practical issues that this kind of a rating raises, such as the correct definition of "educational" and whether the same panel



ture audiences? These questions can be answered neither by Congress, nor by Sega, nor by any other industry participant or interested party. Attempting to answer such questions will result only in inconsistent and ultimately ineffective attempts to deal with this issue.

A ratings classification system, on the other hand, will work today, ten months from today, and ten years from today. The motion picture industry's ratings system—in existence for more than two decades—has stood the test of time despite dramatic changes in the film industry. There is a high level of public awareness of the motion picture industry's system, and it enjoys immense public support.

The reason for this success is that rating systems are based on communicating information, not limiting it. Regardless of what happens to be the latest development in interactive video technology, we can always help parents make informed choices for their children. That is what the rating system advocated by Sega will do. And it will protect children without limiting adults; there will be no restrictions placed on the choices available to adults or on their constitutional rights.

Nintendo of America makes use of a "pass/fail" grading system for its software and has suggested that internal game standards ensure that only appropriate software reaches the marketplace. Until recently, Sega employed a similar internal game standard system, but we concluded that it was inadequate. It is our belief that such a system has serious shortcomings, including (1) its inability to deter the production of violent material, and (2) its failure to provide the information needed to distinguish between software that is appropriate for young people, and software which is not.

With the creation of the Videogame Rating Council and adoption of a rating system, Sega has moved beyond internal game standards and is now providing parents with the information they need to make intelligent choices.

Whatever policies emerge from today's hearing, they will be applied to a large, diverse group of consumers, young and old, and to a volatile industry only in its infancy. Information—not regulation—is the appropriate policy.

#### WORKING TO REACH INDUSTRY-WIDE AGREEMENT

In order to succeed more broadly—beyond our own unilateral actions—a rating system for interactive video must incorporate the best characteristics of other successful ratings systems, such as the motion picture industry's code. These characteristics include:

- Widespread acceptance and voluntary participation throughout the industry and at all levels of product distribution;
- Uniformity of ratings standards;
- Consistency as to the presentation of ratings in product packaging, advertising, and promotional materials;
- A high degree of consumer awareness and understanding of classifications; and
- Retailer cooperation on implementation.

In addition to looking for ways to improve our own rating system, Sega is succeeding in gaining the cooperation of other interactive video companies and some of the nation's leading retailers to develop a ratings system with the characteristics I have just listed. The emerging coalition committed to this effort will include Atari, 3DO, Wal-Mart, Sears, Toys R Us and Blockbuster Video, as well as video game software publishers representing over 90 percent of the Sega video market.

It is my hope that the Software Publishers Association, the Video Software Dealers Association, and the Children's Advertising Review Unit of the Better Business Bureau will also assume leadership roles for the industry in this process.

#### SETTING THE RECORD STRAIGHT ON "NIGHT TRAP"

Before concluding my remarks, I feel compelled to specifically address concerns raised about Sega's "Night Trap" video game. A selected, taped segment from "Night Trap" was played at last week's press conference and has since been aired on most of the national television networks. The controversial portion of the game contains lifelike film footage of two women, wearing silk nightgowns, who are attacked by a gang of high-tech, vampire-type villains.

You may think that this scene speaks for itself. Sega disagrees and believes that there are additional, highly-relevant facts about this game and the controversial scene that have been ignored but deserve to be considered.

First, if I showed you only all the violent and gory scenes—out of context and consecutively, one after the other—of "Gone with the Wind" or "Roots," you might conclude that these are horrible films.

which rates entertainment games can assess educational content as well. In any case, we will be consulting with educators, parents, child development experts, and others over the next few weeks to develop recommendations for ratings guidelines and categories and we will be glad to report back to you on the issue. This is a subject that, if addressed properly, could help us attract many of the personal computer educational publishers to the new rating system.

Senator Kohl?

Senator KOHL. Thank you, Senator Lieberman.

For those who are watching today, Mr. Heistand, Mr. Lincoln, Mr. Volkwein, again, I join with Senator Lieberman in commending you on your obvious willingness and your desire to see an effective rating system in place and functioning throughout our country.

What are the problems in getting it done? I was thinking while you were testifying that at one point, we were totally unable to tell the American people about 45 years ago or 50 years ago, not able to tell the American people how and when we were going to be able to assure them that polio was no longer a problem in our country. Several years went by, and we developed a way and a means to ensure virtually all American children against the scourge of polio. Things had to be done, and we accomplished it.

As you look ahead to the balance of this year, when we had hoped by the end of year and expected that we would have a system in place and functioning and getting the job done, what are the problems that you anticipate, both at the manufacturing and distribution and the retail level, in trying to get this system up and running so that we can tell the American people by the end of the year, yes, indeed, we have jointly taken on a challenge and we can say that we have accomplished what we set out to do.

Mr. Heistand, would you comment on that?

Mr. HEISTAND. Certainly. We have made a public commitment that the system would be in place by this holiday season. We could not have made that commitment if we did not believe we could have an independent and credible system in place by that date.

Right now, we have every reason to believe that this will occur. The discussions that we have had with retailers, the preliminary discussions we have had within our industry lead us to believe we can make this happen.

The major pitfall we would see right now, something that would slow us down, is if we work backwards, if we have to start thinking about existing products in the marketplace and debate individual titles that exist today. Our goal is to get the system defined and operating so that products that ship into the marketplace in September, October, November, December, will be rated.

Senator KOHL. Let us examine that. As I understood you to say, or perhaps you can enlighten us, you cannot say today that you represent the entire industry.

Mr. HEISTAND. That is correct.

Senator KOHL. So isn't that going to be a problem that needs to be addressed, again, as we move toward what our goal is, which is to assure the American people that we have resolved the problem?

Mr. HEISTAND. Absolutely.

Senator KOHL. Isn't that a problem that needs to be addressed?

Mr. HEISTAND. Yes.

awareness of the relationship between the depictions of violence and the reality of violence in America today.

America's public schools and the members of the National Education Association have long played a vital role in preserving our culture. In recent years, we have worked to establish programs to help our members and schools address the issues of violence in our society. A September edition of Teacher TV which airs on the Learning Channel focused on issues of violence and violence prevention in the classroom. This episode has become the most requested of the 30 programs we have produced because of the sincere and grievous problems that our educators are having around this country.

We ask all Americans to join us in supporting those lessons learned in schools, to help teachers teach our young people about positive ways of dealing with conflict, and to take steps to learn and wisely choose among entertainment options for their own children.

Thank you for the opportunity to share some thoughts with you today.

[The prepared statement of Mr. Chase follows:]

PREPARED STATEMENT OF ROBERT CHASE

Thank you, Senator Lieberman, for the opportunity to participate in this important press conference.

The 2.1 million members of the National Education Association are acutely aware of the problems caused by violence in our society. We see that violence in our schools every day—violence directed at students, and violence directed even at teachers.

Our members are concerned about violence, and they have insisted that the NEA address this issue in our resolutions and programs.

Our association-wide commitment to finding solutions to societal and school violence problems recently led us to establish an interdepartmental task force on violence.

So the legislative proposal that Senator Lieberman is submitting will be very supportive to our efforts. But we certainly can't do it alone. Reducing violence among children must become the goal of every citizen, particularly every parent.

The world of children has become increasingly violent. Just how much is dramatized by a recent report from the National Association of Children's Hospitals and related institutions.

In 1991, more than five thousand children under the age of 19 were killed by guns in the U.S.—almost 15 youths per day. In many cases these children were innocent victims. In other cases, they were callous perpetrators.

But they were still children—children who weren't born with violent impulses, but learned them. Video games that glorify violence are among their negative teachers.

These video games are not just child's play. They shape our children's values, their sense of justice and compassion, and their overall world view.

Many studies have established a link between passive television viewing and aggressive social behavior. Video games are anything but passive in the way they involve young people in brutal acts.

In the world of today's video games, children are encouraged and even rewarded for committing electronic acts that are nothing short of heinous, sadistic and barbaric.

Yet these games are the recreation of millions of our children—children who are not only impressionable, but unable to cope with the perverse emotional states these games demand.

The NEA realizes the importance of maintaining the first amendment rights of all our citizens. We actively seek to protect and preserve those rights. We do not want to see them abridged. Nor do we want to see censorship imposed. It is our hope that America's video game companies will respond and act responsibly to curb this electronic violence.

Senator KOHL. How do you imagine that you are going to be able to address it successfully? Isn't it also true that unless you do, then those who we have on board right now at some point will say—and understandably so—if you cannot handle my competitors and get them on board, at some point you have to be willing to let me off board? Is that a possibility?

Mr. HEISTAND. Right now, the seven companies that sit on the committee that are going back to the industry at large represent 60 percent of the software and hardware business. We spent the last 60 days creating a road map for the solution. The next 60 days, our main objective is going to be outreach. We need to talk to members of SPA, we need to talk to the members of the Interactive Multi-Media Association, and we need to reach out to our industry at-large, which we plan to do.

The single most important thing that could occur to bring our industry together lies within the delivery vehicles. So when a company like Wal-Mart says they will stock rated products only, it makes our job of putting together a universal, reliable, responsible, understandable rating system much easier.

Senator KOHL. So we have made a good beginning, but clearly, there is a long way to go—understandably, but clearly, there is a considerable distance to go yet before we will be in a position to say that we have accomplished our task.

As you pointed out, until virtually or almost all department stores or outlets in our country are prepared not to stock rated games, then there is a problem that has not yet been successfully addressed. Isn't that ultimately where it needs to be addressed, in the marketplace, unless you can say that you expect to get all manufacturers on board? Can you tell us how that is going to work? How do you see that unfolding in the next several months?

Mr. HEISTAND. The easiest way to get maximum compliance of the industry is if the market drives it, and our business is very much market-driven. We can't dictate to publishers to sign up or manufacturers to sign up. It is a voluntary rating system. But if parents are demanding rated products, if retailers are encouraging that rated products be supplied, all publishers will fall in line.

Senator KOHL. Does this whole thing fall if I am not able to get Kohl's Department Stores on board? [Laughter.]

Mr. HEISTAND. We would appreciate your help.

[Laughter.]

Senator KOHL. Thank you very much. I think you are doing great. I think it is a wonderful start, and I really am very pleased.

Senator LIEBERMAN. I am sure that Kohl's Department Stores will set the national standard, as you have personally, Senator.

[Laughter.]

Senator LIEBERMAN. Let me just first indicate for the record that Senator Cochran, who could not be here, has submitted three questions regarding the educational potential of these games. We will ask that each member of this panel answer them after the hearing for the record.

Senator LIEBERMAN. Let me continue with some of the questions that Senator Kohl asked, just to carry through on the system.

Mr. Heistand, as you know, we were very concerned about the interplay of ratings and advertising. At our last hearing, we

*Second*, "Night Trap" has received the MA-17 rating from the Videogame Rating Council. The label on the product clearly states: "Not appropriate for minors; Mature Audiences." The staff answering calls to Sega's toll-free hotline tells parents that the game is inappropriate for any child younger than age 17.

*Third*, Sega is doing everything in its power to see that "Night Trap" is not sold at retail toy stores.

*Fourth*, "Night Trap" is available only in the CD-ROM format. The average Sega CD user is almost 22 years old. CD-ROM products are available to a much smaller audience than products formatted for the Sega Genesis system.

*Fifth*, the controversial scene is displayed when the gameplayer *loses* after reaching an advanced stage of the game. A winning effort saves the women; the scene is displayed as a penalty, not a reward. Your job as the player is to identify the villains and to trap them. If you are a good player, you keep the villains from the women *and men* who are potential victims.

*Finally*, while there is some research suggesting a short-term, momentary increase in "playful" aggressive behavior after playing video games or watching violent television programs, there is no research concluding that this has any lasting impact; in fact, quite the opposite is true.

Having made these points, I will say only that very few children were aware of this admittedly graphic scene prior to last week's saturation coverage by the media.

#### CONCLUSION

Sega's voluntary rating system is a mirror-image of the central provision in your proposal, Chairman Lieberman and Chairman Kohl. In June, Sega began—on its own initiative—to institute the very same measures your proposal asks the rest of the industry to adopt in the coming year. Sega has devoted substantial time and resources to developing and implementing a thoughtful parental guidance program. We are proud of the leading role Sega has taken within the industry, and we hope that our work will serve as a model for the voluntary industry-wide effort you have proposed.

There are many reasons to be optimistic about the industry's ability to voluntarily provide the type of parental guidance you seek. As I stated at the outset of my testimony, it would be a serious mistake to treat our industry as though children were its only audience. Such an approach could undermine one of the most technologically advanced sectors of our economy.

Instead, we ask that you treat digital interactive media as you have treated other media, such as the motion picture industry: give our industry an opportunity to provide parents with the information they need to make choices for their children; do not, however, limit adults only to material fit for children.

Sega of America looks forward to continuing to work with this panel and others in Congress, independent software publishers as well as our industry competitors, to better inform parents about the age-appropriateness and content of all interactive media products.

Thank you for this opportunity to testify.

Senator LIEBERMAN. Thank you, Mr. White.

Now, Ms. Rosenthal, representing the Software Publishers Association.

#### STATEMENT OF ILENE ROSENTHAL

Ms. ROSENTHAL. Thank you. Chairman Lieberman, Chairman Kohl, Senator Dorgan, thank you for the opportunity to appear today to discuss the creation of a uniform rating or labeling standard for video and computer interactive games. My name is Ilene Rosenthal and I am the General Counsel of the Software Publishers Association. More importantly, Senator Lieberman, I am by birth and at heart a native from the great State of Connecticut.

The Software Publishers Association is the principal trade association of the personal computer software industry. SPA has a membership of over 1,000 companies and represents 90 percent of the personal computer software sold worldwide. Its members range from such well-known companies as Adobe, Apple, Broderbund, Computer Associates, Davidson and Associates, IBM, 3DO Com-

showed examples of advertisements in which the child appeared to be below the rated age group and others in which the ratings were obscured and others in which the ratings were used, and in a sense, punctuated to market the violent nature and content of the game. Senator Kohl and I raised these concerns in a letter we wrote to the Federal Trade Commission in December.

You state that the industry committee would be developing an advertising code. I wonder if you can give us a better idea of what you are thinking of and how it would relate to the concerns that we discussed at our last hearing and in our letter to the FTC.

Mr. HEISTAND. What we are describing as a voluntary advertising code would be similar to what the Children's Advertising Review Unit has in place today. What we would be recommending to our industry to do is there would be minimum requirements for display of the rating symbol, as well as the words to describe the content of the title.

We would be recommending that the casting of any children in an ad, whether it is a print ad or whether it is a television ad, has got to reflect the suitability or the age-appropriateness, as designated by the rating.

Third, we would encourage that the media-buying strategy also reflect that. If a product is intended for a 13 to 17-year-old audience, it shouldn't be advertised on a show that predominantly has an audience of 4 to 6 year olds.

Regarding to is there an opportunity for this to be a cynical marketing ploy, all of us that have children or spend time with children, we know one thing. A 9-year-old wants to have what a 13-year-old has and what a 13-year-old thinks is desirable.

So it is a tough decision for us, because we know by putting age breaks in our rating communications to parents, kids are going to want to emulate the older kids and what they have. But we think the importance of putting those age breaks in there and communicating the suitability of programming to parents far outweighs the potential that younger kids are going to want to have what the older kids have.

Senator LIEBERMAN. That is a good, comprehensive answer. I was particularly interested in the third point of the three you initially made, which is, again, because of the power of television advertising, if we have a product that your system rates as MA-17 or whatever the category is that would suggest it is not suitable for people under 17 and then that product is advertised on shows that we know have audiences considerably younger, that would seem to me to be substantial violation of the intent of the code and the frustration of the purpose of the rating code.

Do you contemplate any deterrent or sanctions against a company that would violate the intentions of the code in that direct a way? In other words, what is the enforcement mechanism here?

Mr. HEISTAND. We have discussed and gotten agreement within our committee for sanctions regarding misleading the review process on ratings. We haven't gotten to a discussion yet or reached agreement on sanctions for an advertising review code, but we will put that on our list and report back to you.

Senator LIEBERMAN. I would appreciate that. I understand it is a step beyond the initial question and the fundamental question of

take handguns away from minors. At the very least, this game sends a tremendously reckless message and turns any effort to discourage youth violence completely on its head.

Third, we all know that there are many causes of the violence that plagues our cities and increasingly our suburbs and our small towns—broken families, poor education, easy access to firearms, drugs. The list goes on and on. Certainly, violent video games and TV violence have become a significant part, but we cannot become paralyzed by the multiplicity of causes or the magnitude of the challenge. We need to make every effort to reduce this culture of carnage, and we need to make that effort now because with interactive technology a virtual reality, these games are going to become even more sophisticated and persuasive.

Experts can debate whether entertainment violence causes brutality in society or merely reflects it, but there should be no dispute that the pervasive images of murder, mutilation and mayhem encourages our kids to view violent activity as a normal part of life, and that interactive video violence desensitizes children to the real thing.

Our Nation's children should not be told that to be a winner, you need to be a killer, or that make-believe violence yields real-life success. That subtle but menacing message pollutes our society. If the video game industry cannot effectively police itself—and so far, despite today's announcement, it has not proven that it can—then parents throughout the country will insist that Congress take action because while adults can rely on the dictates of the marketplace, obviously our children cannot.

So today we are here to learn more about this issue and seek advice and cooperation from all sides. We hope to produce substantive results, and as part of that effort we hope that we will receive a pledge from the industry to make a real commitment to our kids that exceeds its commitment to the bottom line.

We have with us today one of our esteemed colleagues, Senator Dorgan. We would like to call upon him.

**STATEMENT OF HON. BYRON L. DORGAN, A U.S. SENATOR  
FROM THE STATE OF NORTH DAKOTA**

Senator DORGAN. Mr. Chairman, thank you very much. I am only going to be able to be at this hearing for an hour, but I am on Senator Lieberman's subcommittee and I wanted very much to be here because I think this is a very important issue. It has been quite a leap from Pac Man to "Night Trap." Video games and their impact and effect on our children is an important issue, and in many respects it is a first cousin to the issue of violence on television programming.

I have introduced legislation with respect to violence on television and this is, in my judgment, related to that interest. Children spend not only a lot of time in front of television sets, but many children spend a lot of time playing video games.

I know there are critics of the bill that you Mr. Chairman, intend to introduce jointly with Senator Lieberman. These critics are similar, in my judgment, to those who are still counseling us that there is no evidence that cigarettes cause cancer. There is no evidence, they say, that violence on television or violence in video games af-

the honesty of the presentation to the rating board and the adherence to that rating. Nonetheless, as we have learned here, this system is only going to be as strong as every link from the production to the actual purchase by the consumer, hopefully an informed purchase. Advertising is so important that the integrity of the advertising part of this process will be a critical link.

I would really appreciate anything you would do to try to establish and put some teeth into your very strong and appropriate call.

Similarly, I want to ask you about the enforcement of an advertising code on downstream advertisers, which is even more complicated in a way. One of the ads we showed at our last hearing was not placed by Sega, as I recall, but was placed by a retailer. Sega responded to our concern by requiring advertisers who seek co-op advertising payments to make sure the ratings are clearly visible in the ads.

I wonder if you anticipate that the other members of the committee would implement the advertising code with respect to downstream advertisers in a similar way. Mr. Heistand or Mr. Lincoln?

Mr. HEISTAND. I am not sure I understand your description of downstream advertisers.

Senator LIEBERMAN. I am really talking about retailers, primarily, who may get into cooperative advertising with the producers.

Mr. HEISTAND. The discussions that we have had to date with retailers have centered on two communications with consumers. One is materials that we would put up at store level to educate and inform parents about what the rating symbols mean. Second would be having the rating system symbols shown in their advertisements which feature our products.

We can't speak for the retailers today. We are not prepared to say that in any ad that they run, the symbol will be a minimum of  $\frac{1}{2}$  square inch. But the feedback we have had from all key retailers is they want to work with us on this and they plan to support the rating system and show the ratings symbols.

Senator LIEBERMAN. Mr. Lincoln, do you have anything to add from the point of view of Nintendo about how you would attempt to influence what I have called the downstream advertising of your product?

Mr. LINCOLN. I think that I would echo what Mr. Heistand said. It seems to me that we will have to address our co-op advertising policies, Nintendo's policies, once the rating system is in place. It would be my view that we would want to insist in our co-op advertising policy that the rating symbol be displayed in a retailer's ad. In the absence of the rating system, it is really speculation, but certainly as I sit here, that would be Nintendo's intention.

Senator LIEBERMAN. Thank you.

Mr. Volkwein, do you want to add anything to that, or have we covered it?

Mr. VOLKWEIN. I think you have done a pretty good, comprehensive job. I would add that this is going to be a process. Our experience shows that it is going to take a while, because you have to educate advertising agencies, customers, and even the person pasting up ads that to be part of a title is the rating, and it is as simple as that.



pany, Knowledge Adventure, Sega, Philips Interactive Media of America, Time-Warner Electronic Publishing, Sony Electronic Publishing, Pioneer New Media Technologies, Interplay Productions, Novell and Symantec, to hundreds of smaller companies all of which develop and market consumer, business and education software. SPA members sold more than \$30 billion of packaged software in 1992.

Mr. Chairman, I ask that my written statement be entered into the record. Today, I would like to make the following three points. First, on behalf of the SPA, I would like to commend you, Chairman Lieberman, Chairman Kohl, and members of the committees, for the work that you have done to address the problems of youth violence in our society. Our culture is inundated with violent and sexual content that is constantly being broadcast to our youth through television, movies, radios and books.

As the video game industry has grown, we are finding that some products have begun to incorporate violent and explicit themes. It is inevitable that some of these products will find their way into the hands of children. In our attempt to protect our children from those video and computer games which contain violent and mature themes, however, we must not lose sight of the fact that the vast majority of video and computer games are appropriate for children and have the potential for developing many important and socially desirable skills.

For example, it is a fact that children who are labeled as having short attention spans can focus for hours on a video or computer game, discovering rules and patterns by an active and interactive process of trial and error. Surely, the potential of this medium for bettering our children's education and thinking skills is enormous.

I was sitting next to, in the first part of the panel, Mr. Terry Veleski, who is the senior vice president of marketing at Atari. He was telling what Atari has recently done. They have taken their newest video machine, which is called the Jaguar, and brought it to cancer wards of children's hospitals throughout the country. He told me it was amazing to see how these children who are victims of a disease that is taking over their lives felt empowered when they could act and interact with new technology, when they could shoot down a spaceship. There are many very positive things that come from the new technology.

Even the literature that the Children's Television Resource and Education Center presents—Dr. Page, of course, represents them today—in the literature it asks the question, is there anything good about playing video games, and the answer is, sure, there is. Like puzzles, board games and other forms of interactive entertainment, playing videos can help kids relax, learn new game strategies, develop concentration skills, and achieve goals. If they are playing with others, it can also be a great time for socialization.

I also thought it would be interesting to note that SPA puts out each month the top-selling software. In September 1993, the majority of the software game titles that are most sold are ones that really have nothing to do with violence, and I know that this committee will find that interesting—Microsoft's flight simulator "Privateer," which is a spaceship arcade role-playing game; "Front Page Sports," which is a football game; "X Wing"; "Lands of Lore,"

Senator LIEBERMAN. I think Senator Kohl has a relevant question.

Senator KOHL. I just want to add on to what Senator Lieberman has said. Isn't it true, or is it true, that unless you are able substantially to get everybody aboard, at some point this falls apart? In other words, how long would Nintendo or Sega, understandably, be limited in terms of your businesses' potential if, in fact, some of your competitors are able, without any harm, to manufacture and then sell in stores games that might have been censored, but they don't go through the process and the stores are willing to sell them and they gain that competitive advantage? Isn't this a major problem in reaching the goal?

In other words, either everybody or virtually everybody has to pay and abide by some common set of rules, or else, after a point, nobody does. Is that a real danger?

Mr. HEISTAND. If the market is demanding products that are more controversial in terms of content, in terms of being more violent or being sexual, and the products that are going out and delivering that don't go through the ratings system, there would be a huge disincentive among the cooperating members, the members that are part of the association, playing on a different playing field than the other competitors. Clearly, that would be a threat and that is something that, in designing the system, we need to ensure maximum participation.

Senator LIEBERMAN. Let me go now, Mr. Heistand, to the question of game content prescriptions. Again, as positive as we are, Senator Kohl and I, about the response, quite comprehensive and substantial response that you have presented today to our interest in a rating system, obviously, if the rating system becomes an excuse for publishing the worst stuff, it is not going to have the effect we want it to have.

You said in your testimony that the industry committee is not in a position to develop game content prescriptions, and I understand that that is beyond your charge, although I note that both of the companies before us have their own game content guidelines. I do hope that at a next step of your development, that it may be possible to develop some industry content guidelines.

But just to be clear and on the record, I take it that it is your position, speaking on behalf of the committee rather than a representative of the Electronic Arts Company for which you work, that the decision to adopt content restrictions is, for the moment, the province of individual companies. Is that correct?

Mr. HEISTAND. That is correct. We don't believe it is our business to dictate game content or restrict any creator, any publisher, from producing something that any one of us may find objectionable. We can't do this as a group any more than the American Booksellers Association can tell Simon and Schuster what to publish or the MPAA can tell Disney's Touchstone Film Division what movies they can publish.

Senator LIEBERMAN. But just to be clear, I take it that you see no inherent conflict between the industry through your committee developing a rating system and individual companies imposing additional restrictions on the content that they wish to license or publish.

Senator Lieberman's proposed legislation offers a first step in addressing this issue. It is sensitive to our first amendment concerns and gives the video game companies the opportunity to regulate themselves.

Once again, thank you, Senator Lieberman. We applaud your efforts to deal with this issue so central to the future of America's children.

Senator KOHL. Thank you, Mr. Chase.

Ms. Droz?

### STATEMENT OF MARILYN DROZ

Ms. DROZ. Thank you for the honor of being able to address you gentlemen today. I am Marilyn Droz and I am from Farmington Hills, MI. I have been a parent for 16 years, a wife for 20, a teacher in Royal Oak, Michigan, for 23, and a woman since the day I was born. Let me tell you, in all of my labels and all the hats I wear, I find that so extremely offensive, and the only words you can say to the manufacturers and the shareholders of the company is shame on you. I think that they really should stop and think about what they are doing. I mean, how would you like to have a teenage daughter go out on a date with someone who has just watched or played 3 hours of that game?

The word "toy" comes from the Scandinavian word for "little tools," and it is very appropriate because play is the work of children, and play and their toys are what prepare children for the future. The toys that we have now, the technology that we are getting through the video games, is phenomenal, and certainly it can have the power to prepare our children for a future that we are not even able to understand ourselves and a future that is well worth looking forward to if we can get the industry to change some of the values and some of the levels of violence that are in the games.

When computers first came out, computer video games were played with equally among boys and girls in the classroom. There was equal time. Now, there is a turning-around where it seems more boys, of course, are comfortable with the technology. Video games are geared for boys. Fifty percent of our children are losing the value of learning from the interactive techniques and technology. We are now losing another generation of women if we don't start addressing that the video games must address the needs of all children, and the need, of course, being a safe toy.

We are doing some research in NCTV which is indicating that the girls are very offended by the lack of games for them to play with. They feel inferior. It is very easy to determine which are girl games, boy games. Girl games are the ones with the fluffy little bunnies and they are the games the boys choose not to play with.

Playing video games has become a macho boy thing. Girls are being trained in dressing Barbie dolls and boys are being trained in technology. This has to change. As a mother, as a parent, as a woman, and as an American citizen, I am stating this needs to be changed.

The video industry has done the same thing that the movie industry has done. They have confused children's desire for action with violence. My 23 years of working with children directly has proven to me that children want action, they want excitement. They do not need to see the insides of people splattered against the wall to understand. You know, they need action, but they do not need to find murder as a form of entertainment.

Mr. HEISTAND. If our partners and colleagues at Sega and Nintendo had more stringent requirements for products that would be compatible with their machines, there would be no problem with that.

Senator LIEBERMAN. The cable television industry has been going through a similar process, and in its initiative which it calls Voices Against Violence, it has agreed to use an outside monitor to analyze violence in television programming and to issue a public annual report. Yesterday, NCTA, in fact, announced that it was going out for bids on that monitor.

Would your trade association be willing to consider something similar for video games, which would be an annual independent review, a report, really, on the extent of violence and other potentially objectionable material in the games?

Mr. HEISTAND. I think we would consider that. To date, there is no evidence that there is a linkage between video game play and content and aggressive behavior in children, at least none that we have been able to turn up.

Dr. Jeffrey Goldstein, professor at Temple University, professor of psychology, recently reviewed all major studies done on this subject and conclude that while this makes for good headlines, the majority of psychological studies and books published deny that there is any linkage.

If this is something that, as an industry, we see as a concern, if we see evidence of emulation, that children are behaving similar to what they are seeing on an interactive entertainment software product, we would monitor it.

Senator LIEBERMAN. I must say I am surprised by the second part of your answer, because it runs contrary to the testimony that we received at the last hearing from experts. I gather that the preponderance of evidence of social science in this area, which is focused, these studies have been focused primarily on television, violence in television, says that aggressive behavior is stimulated by watching this.

I acknowledge that the research data on the effect of video games is limited because it is a relatively new phenomenon, although I presume it will increase, but both the experts before us last time and I guess we, ourselves, just in the exercise of common sense, assume that the effect is similar, perhaps even greater because we are talking about an interactive process here where the kids are involved in creating the violence and, in some sense are rewarded for it.

I don't need to get into that argument again with you. I wanted to register my disagreement with the second part of what you said, but to go back to the first part of what you said, which is to appreciate that you will consider the possibility of an outside monitor.

Understand that what the cable people are doing is not saying that that person would have the ability to censor what goes on cable, but would be an independent outside authority to publish an annual report describing what has happened on cable television in these areas of concern about violence and sexual content.

I know at our earlier hearing, some of the witnesses said, which I gather to be the truth, that the games that we find objectionable are a very small fraction of the games and interactive products that

which is a fantasy role-playing. I am not going to go on with naming all of these, but many of these games are good, fun games.

Finally, I just want to point out that computer-based games traditionally have been targeted to an older audience than some of the original video games. That is because, in part, they are geared to an audience that uses computers and keyboards, and the target audience age has been 18 to 45.

But on to my second point, after talking to—

Senator LIEBERMAN. Ms. Rosenthal, excuse me. I don't want to censor you either, but the red light is on, so to the extent that you can, if you would try to summarize the second and third points.

Ms. ROSENTHAL. I certainly will. Thank you.

My second point is that after talking to industry leaders such as Sega, 3DO, Philips Interactive, and hundreds of our SPA members and the Video Software Dealers Association, SPA is pleased to pledge its support to do whatever is required to help the industry create a uniform and fair system that will provide parents and consumers with the information they need to make informed choices when purchasing or renting video and computer games.

In just the past two days, SPA has received over 130 letters from entertainment software developers asking it to take the lead in working with industry to develop, implement and administer such a system. This outpouring of support from so many companies is a reflection of the industry's commitment to the well-being of America's children. I would like to submit these letters to the committee.

Senator LIEBERMAN. Fine.

Ms. ROSENTHAL. Finally, my third point is that we should note that the issue is not whether to place a rating on video and computer game products. Many leading entertainment companies already place ratings on their products, particularly products that contain graphic violence or sexually-explicit material. Rather, the issue is how best to create, promote and enforce a standard that is helpful to parents in selecting appropriate products for their children. This is clearly a job for industry, and it is our intention to step forward and do that job.

At the request of its members, the SPA has joined with other concerned parties present today to initiate the process of developing and implementing a uniform rating or labeling standard. We anticipate working with experts in the fields of child psychology, sociology, and education, as well as industry leaders, this committee, and national education and parent-teachers groups to set guidelines for determining suitable content for children of various ages. The process will be an open one and all interested parties are invited to participate.

The first steps of the process will begin in just a few weeks with a meeting of interested parties at the consumer electronics show, an appropriate professional forum for such a meeting. It is our intention to complete development of the uniform rating standard within the coming year.

Mr. Chairman, the SPA is pleased to facilitate and support the effort to create and administer a uniform standard. Our industry has a strong tradition of social responsible and action in the public interest, and this issue will be no exception.

are out there. That may be one of the conclusions that the monitor would reach.

Do you want to respond?

Mr. HEISTAND. No, I think we can leave it that we will consider that.

Mr. VOLKWEIN. I would like to add, Senator, that this is a new association. As the ink dries on our association partnership, then we act as colleagues instead of vicious competitors that have characterized our start-up, that we will address some of these issues in the form of an annual report that would report our progress on a variety of issues, and that could very well be one of them.

Senator LIEBERMAN. That would be a step forward, as part of the other steps forward you are taking.

I know that both you, Sega and Nintendo, have your own, as I said, game content codes or guidelines, and I would ask you at this point whether you anticipate that you will continue to have the game content standards once the industry-wide system is in place, or do you anticipate any narrowing or widening or your existing guidelines?

Mr. Lincoln, do you want to start?

Mr. LINCOLN. I think, as I testified in December, we have had game content guidelines at Nintendo since 1985. We have enforced them over that period of time.

Certainly, it is our intention at Nintendo to continue to maintain those guidelines, particularly with respect to Nintendo. As far as—

Senator LIEBERMAN. Let me just interrupt. And it was on the basis of those guidelines that you decided not, for instance, to produce or market "Night Trap?"

Mr. LINCOLN. That is correct. So I think we will continue the guidelines in the future.

Senator LIEBERMAN. Mr. Volkwein?

Mr. VOLKWEIN. Guidelines are a good way for a company to understand who it is as a company, and I couldn't imagine that Sega wouldn't want guidelines in place internally, regardless of an industry-wide rating system, that would describe what types of games we want on our platform, especially since we, in many respects, have some ability to impact that.

Senator LIEBERMAN. Do I remember correctly that both companies established advisory boards to assist you in the construction and implementation, again, of your own content guidelines, beyond the rating system we are talking about, the initial decision about what you are going to produce and then how you would rate it and market it? Am I correct that you have been involved with outside people in constructing these?

Mr. LINCOLN. I think we have, from time to time, consulted with outside experts, but in the main, the guidelines that we have developed over a period of time and that are set forth in the written statement that I filed with the Committee in December really reflect our own internal view of what we feel is appropriate.

Senator LIEBERMAN. Let me go on to another area. Mr. Heistand, it was not clear from your testimony how the industry is proposing to handle a product that is already on the market, so I ask you now whether the industry will be submitting all existing products or

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some existing products for rating, or in the case of Sega or 3DO, which has had its own rating system, for re-rating under the new system.

Mr. HEISTAND. Regarding existing products, as we said in the beginning, our goal is to get a rating system in place as soon as possible. Our industry is one that can be characterized that when a new title is launched, 70 percent of the volume of that title, 70 percent of the sales, occur in the first 3 months. So for us to have the most influence on the products that are being consumed, we are targeting to get the system in place as soon as possible.

There are probably a few titles any one of us might find is not suitable for a very young child to play. In total, there are probably 4,000 or 5,000 titles on the marketplace today and there are 50,000 retail outlets. For us to try to go back and rate those products, sticker all those products, would put such a burden on accomplishing what we are trying to do for the next 6 months, it is virtually impossible.

Senator LIEBERMAN. Let me alter it this way. I understand what you are saying, that there are thousands of titles out there, but I do think in terms of the credibility of the whole approach—and again, I appreciate the distance we have come here—that it would really help.

For instance, "Mortal Kombat" is still out there. It seems to me that it ought to be re-rated. Versions of "Night Trap," I gather, are still available in the 3DO system. "Lethal Enforcer" is out there. There are a certain limited number of games that have attracted attention, and I wonder if, and I will ask you, Mr. Volkwein and Mr. Lincoln, whether you would consider submitting those that have become the obvious subject of public interest, without asking you to submit every title you ever marketed or sold, to this new rating system?

Mr. Lincoln?

Mr. LINCOLN. I think, as I have previously testified and as you have pointed out, Nintendo does not do "Night Trap." In the case of "Mortal Kombat," we eliminated the fatality moves. We did introduce a toned-down version of "Lethal Enforcer."

I would think that the way to handle this would—I think it is important that we do everything we can to get the rating system in place as quickly as possible, so that is the primary goal. But I think that certainly, that this issue that you have raised, if we are talking about a limited number of titles, is something that perhaps the committee could address.

I think what Mr. Heistand was referring to was just all of the games, but—

Senator LIEBERMAN. Yes, and I accept that. I understand the effective impossibility of doing that.

Mr. Volkwein, how about yourself? Would you agree to submit "Mortal Kombat" for rating under the new system?

Mr. VOLKWEIN. "Mortal Kombat" is a title from a third party, so we must work with them. We would certainly pass on your remarks and use whatever influence we can on that.

I think the remark Jack made is the central one, though. To the extent we look back rather than forward, we are going to lose time on putting this system in place in time to get the majority of sales.



Thank you.

Senator LIEBERMAN. Thank you, Ms. Rosenthal. Just to clarify, you mentioned Apple and IBM belong to the association. They are not involved in what we are talking about here. Is that right? In other words, you also represent software publishers who, in that sense, create the games that are then produced by Nintendo, Sega, or whatever. Is that correct?

Ms. ROSENTHAL. Yes. Well, actually, in some cases the hardware companies also distribute software products, so they would be involved. But we do; we represent many of the software producers of computer interactive games.

Senator LIEBERMAN. So that in the case of "Mortal Kombat," for instance, that was a game that was not developed by Sega or Nintendo. It was developed by someone else and they licensed it from that person. That is the way the business works?

Ms. ROSENTHAL. Yes, that is correct.

[Ms. Rosenthal submitted the following:]

PREPARED STATEMENT OF ILENE ROSENTHAL ON BEHALF OF THE SOFTWARE PUBLISHERS ASSOCIATION

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to appear today to speak about The National Independent Council for Entertainment in Video Devices Act of 1993. My name is Ilene Rosenthal, and I am general counsel for the Software Publishers Association (SPA).

SPA is the principal trade association of the personal computer software industry. SPA has a membership of over 1000 companies representing 90 percent of the personal computer software sold in the U.S. Its members range from well-known companies, such as Adobe, 3DO, Sega, Time-Warner Electronic Publishing, IBM, Sony Electronic Publishing, Pioneer New Media Technologies, Interplay Productions, Inline Software, Apple, Jostens, Computer Associates, Novell, and Symantec, to hundreds of smaller companies, all of which develop and market consumer, business, and education software. SPA members sold more than \$30 billion of packaged software in 1992, accounting for more than half of total worldwide sales.<sup>1</sup>

SPA has been a leader in advancing the interests of a diverse range of educational and entertainment software developers and publishers. Our members include companies whose products have been cited as outstanding, including Broderbund, The Learning Company, Davidson & Associates, Maxis, and Knowledge Adventure. On behalf of our members, we conduct various services, including: research on the use of computers in homes and schools; an awards program recognizing the best home-learning, curriculum based and entertainment products; educational and legal efforts to protect the intellectual property of our members; and coordination of an industry-wide philanthropic campaign that aims to put technology in the hands of 100,000 not-for profit organizations by the year 2000.

SPA applauds the efforts by these Senate subcommittees, as well as by education and parent groups, to address the problems of youth violence at all levels. Our culture is inundated with violent and sexual content that is constantly being broadcast to our youth through television, movies, radio and books. As the video game industry has grown, we are finding that some products have begun to incorporate violent and explicit themes. It is inevitable that some of these products will find their way into the hands of children.

In our attempt to protect our children from those relatively few video games which contain unacceptable violence, however, we must not lose sight of the fact that the vast majority of video games are appropriate for children, and have the potential for developing many important and socially desirable skills. As stated so eloquently by Bob Keeshan, otherwise known as Captain Kangaroo, "Video games \* \* \* provide the potential for here-to-fore unknown opportunities for information, education and delightful entertainment \* \* \*. The technology is to be encouraged

<sup>1</sup>For world market estimates, see U.S. Dept. of Commerce, *U.S. Industrial Outlook, 1993*, at 26-34 (Table 7).

It is my understanding that sales in the United States for "Mortal Kombat" have already sold through upwards of 3 million titles, so I would submit that going backwards now to sticker what is left is not, perhaps, the best use of our time.

We have promised earlier and we will resubmit our "Night Trap" title for review and choose whether to re-market it or not. One of the things I think we will be discussing as an association is perhaps an older title that is going to be re-marketed or re-launched should be the subject for consideration for going back through a rating system.

Senator LIEBERMAN. I hope you will do that. I understand that "Mortal Kombat" was produced as part of an arrangement with a third party. I believe they are a part of your association, are they not?

Mr. HEISTAND. That is correct.

Senator LIEBERMAN. So I hope you will work with them, if there are contractual arrangements or there are not. That has become such a symbol of the public's concern, and it is real concern, that I think one of the best ways to get this system going in a credible way, in addition to all that you have done, is to put that one into the new system.

I assume, but I will just ask you the question because it is your business, not mine, that "Mortal Kombat" will continue to sell in substantial numbers as this goes on. Although I know the business changes dramatically, this is so hot a title that there will continue to be substantial sales, maybe not another 3 million, but substantial sales.

Mr. HEISTAND. Different than other media forms, we have very short life cycles in our industry. Electronic Arts can launch a title like "John Madden Football 1994." The minute the football season is over, that product stops selling. The minute that we announce plans for "John Madden Football 1995," it discontinues.

The same thing, I think, is true here with "Mortal Kombat". If I had to guess off the top of my head what percent of the total volume that is going to be sold on "Mortal Kombat I" has already occurred, I would say it is well over 90 percent.

Senator LIEBERMAN. I hope you will go back to that and see if you can help us get this started with that kind of strength.

It leads me to this final question. The committee has five major hardware manufacturers. I wonder if each of them are going to require all of their licensees to submit products for rating. Do you know, Mr. Heistand?

Mr. HEISTAND. We haven't posed that question to each company. The decision to date has been to define this thing and get them to support it. I think our committee and our industry can't dictate to any individual company what they have to do. Both Sega and Nintendo have said that moving forward, they would recommend, they would make as part of their license agreements that people do display the licenses prominently.

Whether they could guarantee to you today that someone they have had an existing agreement with that is in effect, they can't go back and say, the agreement is null and void now, you have to do this. But these companies are powerful enough that if Howard Lincoln or Ed picked up the phone and said, we want you to rate

Teachers by day, parents by night, we all work so hard to raise our children to learn proper problem-solving and to raise them to be good American citizens, and all our actions are undermined by the moment they go to the video game and they learn that they only way to solve a problem, the quickest, most efficient way to solve a problem is kill them off. This has to stop.

There are very few women characters of any control or power. The self-image that we are giving our girls through the video games is showing them that they are once again sex objects and victims. They have their choice. The very few women who are of any kind of power are built with iron body parts or they have the kiss of death; they can blow the kiss of death. Once again, we have got sex and violence mixed in the message. This has to stop.

Cigarettes, cars, almost everything we purchase nowadays has regulations. Certainly, if we have regulations saying that toys have to be physically safe for children—the only law protecting our children now is that no moving parts on this video game can be swallowed by someone under the age of 3. Well, I am finding this violence very difficult to swallow.

I see my light, and I want to thank you gentlemen so much for bringing this issue to the public. You need to be applauded.

Thank you.

[The prepared statement of Ms. Droz follows:]

#### PREPARED STATEMENT OF MARILYN DROZ

Thank you for the honor of inviting me to testify. I am Marilyn Droz from Farmington Hills, MI. I have been a parent for 16 years, a teacher in Royal Oak Michigan for 23 years and recently elected to Vice present of NCTV.

The word for toy comes from the Sandanavian word for "little tools," and how appropriate. Play is the work of children and helps prepare them for the future. Video games are today's toys, and they too serve the purpose of preparing children for the future. The rapidly changing technology in videos has made boys very comfortable with technology. They readily expect and accept technical changes. Children not comfortable with computers, and visTech (visual technology) will be at a disadvantage.

I'm sad to say once again women will be at a disadvantage, as the vast majority of games are designed for boys. A toy which once was created to be non-sexist has become sexist. When computer and video first came out both boys and girls played almost equal time. While many girls still would like to play video or play it more often they don't. Girls have difficulty finding games that don't treat women as sex objects or victims. Currently NCTV is conducting research which is indicating that girls would play more video games if games were less violent. Girls do want action games but without violence; girls want more mysteries and challenges. From the study boys appear to be less demanding of games, they just seem to be concerned with controlling people and action. Playing with violence has been a macho-boy thing.

Video industry has done the same thing the movie industry has done, they have confused violence with action to the point children are confused. Murder is entertaining especially when you can control the moves. There seem to be more danger in the effects of violence when you actually control it.

Teachers by day, and parents by night struggle to teach children positive ways to solve problems, and positive self images.

Their efforts are often destroy by after school video games. These games teach children all problems can be quickly solved with violence. Most women are victims waiting for a male to come to the rescue or they are sex objects. When women are strong they often use sex. In one case the character gives the kiss of death.

Cigarettes, cars, almost every item we purchase has some regulations yet the very toys that go into the hands of our future is really only govern by one law—it has to be too big to swallow. Let's look beyond the physical safety of our children. Violence is destroying our society. We have a generation of children growing up shout-

the products, I think in most instances the people are going to do it.

Senator LIEBERMAN. Exactly. Mr. Lincoln and Mr. Volkwein, is it your intention to do that?

Mr. LINCOLN. Yes. I think what Mr. Heistand said, other than his comment about my picking up the phone, is correct.

[Laughter.]

Mr. LINCOLN. Our intention would be to require licensees, as a part of the ongoing renegotiation of our license agreements, to provide a rating for the product. That is going to take a period of time, because our contracts are, for example, 2 years in length, but we will go a step further. Once a rating system is up and running, I think that we will do everything we can on a noncontractual basis to encourage our licensees to rate their games.

Mr. VOLKWEIN. I would say, for Sega's part, that with the system in place today, we have 100 percent compliance, and I would expect nothing more from the future system.

Senator LIEBERMAN. Great. Again, I don't have any more questions. I thank you. We have come a considerable distance, really to your credit, since December when this started. We obviously all have a distance yet to go, as you acknowledge yourself, but we are now at the next stage, which is how to establish the ratings categories.

But I think you have set up a process that is a good one. Senator Kohl and I will probably want to come back, at whatever point you feel you have done enough more to come in and talk about it more completely. I think you really heard the message here and I appreciate it.

I do think that it is going to make it easier for parents and it is going to be one small step. We are not going to have a less violent society or a more valued society with any one single magic step. It is going to take a lot of individual steps, and we are all responsible. But I think that you have demonstrated responsibility and willingness to take that step on behalf of the video game industry and I appreciate it very much.

Senator Kohl?

Senator KOHL. Yes, I feel similarly. I think what we can accomplish this year will set a standard that will be noticed throughout our country at many different levels.

I cannot tell you the level of interest that I have received from people back in Wisconsin on what is happening, because it gets publicized because of the fact that I am, along with Senator Lieberman, co-chairing these hearings. People are really interested to see what we are going to accomplish. They are skeptical, but they are interested and they know it is important.

If we can do it collectively, I think we will have done a very important thing that reaches in its impact on our country even beyond this industry. So I also am very pleased with the start that we have made.

Senator LIEBERMAN. Thank you very much.

Senator LIEBERMAN. We will now call the second panel, representing the retail stores, Mr. Chuck Kerby, who is the Divisional Merchandise Manager for Wal-Mart Stores, Inc.; Mr. John Sullivan, who is the Vice President of Toys 'R Us, Inc.; and Ms. Mary

because, used appropriately, such games can be a tool for education as well as entertainment."<sup>2</sup>

This theme was reinforced at a conference that met last year in Louisville, where a group of academics presented findings that video games benefited thinking skills. As Chris Geist, chairman of Bowling Green State University's department of popular culture concluded, "Success in playing video games involves perseverance, quick thinking, firm decision making, intense competition and often forceful action. For at least two centuries these traits have been characteristic of the American dream of success."

Moreover, it is a fact that children who are labeled as having short attention spans can sit for hours in front of a video game machine discovering rules and patterns by an active and interactive process of trial and error. Surely the potential of this medium for bettering our children's education and thinking skills is enormous.

The sponsors of the legislation, Senator Lieberman and Senator Kohl, are correct in saying that there is at present no uniform system for warning concerned parents about the violent or sexual content of video games to be used by their children. This lack need only be temporary, however. With industry support and participation, SPA is prepared to take the lead in developing, implementing, and administering a uniform ratings or labeling system in the United States for the interactive computer game industry.

Because the proposed legislation would affect not only videogames, but all interactive computer games, several members have asked SPA to look into the issue.<sup>3</sup> As the principal trade association of the personal computer software industry, SPA would be in a unique position to meet this challenge. By working with industry leaders to craft a true and widely-accepted industry standard, SPA could extend the ratings system among its own members and throughout the industry. SPA would also have the ability to ensure that the system is self-supporting and impartially administered. With industry support, SPA is prepared to take the lead in creating a uniform system that will provide consumers with the information they need to make informed choices about the entertainment software they purchase for themselves and their children.

While details are necessarily sketchy at this time, SPA anticipates working with experts in the fields of child psychology, sociology and education, as well as industry leaders, these Senate subcommittees, and national education and parent/teacher groups, in setting guidelines for determining suitable content for children of various ages. The process will be an open one, and everyone interested will be invited to participate. In just the last two days, SPA has received letters from over 80 entertainment software developers indicating their support for a labeling or rating system administered by SPA. This outpouring of support is a reflection of the industry's commitment to and concern about an issue that affects the safety and well-being of children.

SPA anticipates that only a very small number of works will be deemed unsuitable for children and teenagers. To use the experience of the Sega platform just as an example, of the 82 that have already been rated, over 90 percent are rated CA, and thus appropriate for children and young adults. Only seven games are rated MA-13, and only one game is rated MA-17.<sup>4</sup> Thus, SPA expects that the vast majority of entertainment software will be suitable for children and adults of all ages.

The software entertainment industries are committed to moving quickly and decisively on this issue. In just a few weeks, the SPA, along with a coalition of other concerned parties, will host a multi-industry meeting to begin the process of developing and implementing a uniform, national labeling or rating system for interactive computer games. Working closely with these interested groups, the coalition intends to establish a rating system that is easy for consumers to understand and for the industry to implement by late 1994.

SPA has one specific comment for these Senate subcommittees regarding the scope of the proposed legislation. SPA believes that the phrase "sexually suggestive" in Section 1 is too broad. Because the phrase "sexually suggestive" could easily include content as harmless as romance and flirtation, the bill would unnecessarily stigmatize our best-loved works for general audiences. Children and indeed our en-

<sup>2</sup>Bob Keeshan, Remarks to UPS. Senate Press Conference on Video Game Violence 1 (December 1, 1993).

<sup>3</sup>In this regard, it should be noted that computer and CD-ROM-based games are marketed primarily to individuals between 18 and 45 years of age, while cartridge-based television games are typically geared to a much younger audience.

<sup>4</sup>Lynch and Gilbert Sega Press Release—Videogame Guidance Program Established to Help Parents Make Informed Videogame Choices 2 (Sept. 8, 1993).

P. Evans, who is the Vice President of Store Operations of Babbage's, Inc.

You have already received some attention and appreciation. We look forward to your continued cooperation, because you really are critical in making this work.

I am going to start with Mr. Kerby on behalf of Wal-Mart. Thanks for being here, and we look forward to your testimony.

**STATEMENT OF CHUCK KERBY, DIVISIONAL MERCHANDISE  
MANAGER, WAL-MART STORES, INC.**

Mr. KERBY. Thank you, Mr. Chairman, for having us here. Thank you, Senator Kohl.

My name is Chuck Kerby. I am the Divisional Merchandise Manager of Electronics for Wal-Mart Stores. We are currently merchandising interactive software in approximately 2,000 locations.

Wal-Mart fully supports the establishment of an industry-wide rating system for interactive software. We believe a credible rating system is needed to help parents determine if a video is appropriate for their children. After discussing this issue with several key members of the video game industry, we believe the industry is committed to establishing a credible rating system and we intend to hold them to that.

Wal-Mart will fully support a credible rating system and offer any assistance necessary in the implementation of this system. We will provide point-of-purchase materials defining the rating system to our customers and will include each game's individual rating in any advertising that is done. Upon implementation of an industry-wide rating system, Wal-Mart will only purchase video games that have gone through the rating process and received a rating.

Thank you.

Senator LIEBERMAN. Mr. Kerby, by Congressional standards, that was an unusually short statement. [Laughter.]

Senator LIEBERMAN. But, I would add, it was unusually significant. I appreciate it very much.

Am I correct that Wal-Mart is the largest retailer of video games in America today?

Mr. KERBY. Mr. Sullivan of Toys 'R Us might argue that point. [Laughter.]

Mr. KERBY. We would be a significant player, I would say.

Senator LIEBERMAN. You are a significant player. So obviously, if you say that you are only going to carry rated games, that is a tremendous incentive for any producer out there who wants to sell to rate their games.

Mr. KERBY. Yes, sir.

Senator LIEBERMAN. I appreciate that very much.

Mr. Sullivan, are you the largest retailer of video games in America?

Mr. SULLIVAN. Senator, in this format, probably not.

[Laughter.]

Senator LIEBERMAN. OK. Representing Toys 'R Us, Mr. Sullivan, please go ahead.

fects our children. Of course, it affects our children. Have we lost all common sense? Of course, it affects our children, and it affects our kids in a very negative way.

About 2 months ago, I saw the video game "Night Trap" for the first time. It is a sick, disgusting video game, in my judgment. The depicts assailants who trap and kill women. Shame on the people who produce that trash. It is child abuse, in my judgment.

I know there will be people who will call us the thought police trying to suggest what people can see or do. That is not my intention. However, we in the Congress have some basic responsibility in this country to protect children. Those of us who have children understand that they deserve protection. Certain things are appropriate for them and certain things are not appropriate, and when we see the new generation of video games, and especially "Night Trap" and several other examples, in my judgment, they have gone too far.

So I want to compliment Senators Kohl and Lieberman on your interest in this area. I think that it is a breath of fresh air. I want to add my name as a cosponsor to the legislation you intend to introduce and join you in your efforts.

Someone said—I don't remember the author—that 100 years from now it won't really matter very much how much your income was or how big your house was, but the world might be a different place because you were important in the life of a child. Maybe, just maybe, this hearing, and maybe, just maybe, our efforts will be important in the lives of children and will make improvements in this world. I hope so, and I am pleased to be a part of this hearing.

Thank you very much.

[Prepared statement of Senator Dorgan follows:]

#### PREPARED STATEMENT OF SENATOR BYRON L. DORGAN

Mr. Chairman, thank you for scheduling this hearing today on the subject of violence in video games. I share your concern with the increasing amount of violence that our children are exposed to today—whether on the streets or on television or in video games. I commend you for your leadership in this area.

There seems to be a proliferation of violence in contemporary society. We see it on the streets, in the subways, and it is a consistent theme portrayed in the entertainment industry. Children between the ages of 2 and 11 watch an average of 28 hours of television per week. Although I am not aware of any studies that address how much time children spend playing video games, but anyone who is Christmas shopping this year knows how popular these games are and that many children will perhaps spend more time playing these games than reading books for English class. Unfortunately, TV's and video games are the baby sitters that spend the most time with children in many homes. If we ignore the content of these, we are turning our backs on one of the most significant influences on our children.

There is no disputing the link between human behavior and what children see on television or in video games. In the case of television, for example, twenty-six people died from self-inflicted gunshot wounds to the head after watching the Russian Roulette scene in the movie *The Deer Hunter* when it was shown on national television. Recently, it has been alleged that the cartoon *Beavis and Butt-head's* depiction of setting objects on fire recently lead a 5-year old in Ohio to set his family's mobile home on fire, causing the death of his 2-year old sister.

I am deeply disturbed by the reports I have read recently about violent themes in video games. Any responsible person is asking the question: what kind of a message are we sending children in games like *Night Trap* where an assailant attacks sorority girls or games like *Mortal Kombat* where the loser of a martial arts fight is decapitated or has his heart or spinal cord ripped out?

As disturbed as any of us are in the Senate about the amount of violence our children are exposed to either through television or video games, any legislative action we take must be sensitive to the first amendment. I do not advocate censorship, nor

**STATEMENT OF JOHN SULLIVAN, VICE PRESIDENT, TOYS 'R US, INC., ACCOMPANIED BY ROGER GIDOUX, EXECUTIVE VICE PRESIDENT AND GENERAL MERCHANDISE MANAGER, TOYS 'R US, INC.**

Mr. SULLIVAN. Thank you. My name is John Sullivan. I am currently a Vice President for Toys 'R Us. I am also accompanied by Roger Gidoux. Roger is the Executive Vice President and General Merchandise Manager of Toys 'R Us. He is prepared to testify and answer questions, also.

I did not bring a prepared statement, but I am here to convey the following three points from my company.

Number one, Toys 'R Us fully supports the establishment of an industry-wide rating system. We feel an industry-wide rating system is important for the consumer to clearly and easily understand the game content, enabling them to make an informed buying decision.

Number two, Toys 'R Us would support the industry-wide rating system via in-store point-of-purchase materials and in our advertising.

Point three, once the industry-wide rating system is established, Toys 'R Us would also only purchase rated games.

Thank you.

Senator LIEBERMAN. We are on a roll. That is great. Thank you. Ms. Evans?

**STATEMENT OF MARY P. EVANS, VICE PRESIDENT OF STORE OPERATIONS, BABBAGE'S, INC.**

Ms. EVANS. My name is Mary Evans and I am the Vice President of Store Operations for Babbage's.

Senator LIEBERMAN. Tell us about Babbage's, because some of the folks here and maybe some watching on television may not know about that.

Ms. EVANS. I was just getting ready to, Senator.

Senator LIEBERMAN. Great. This is a free advertisement possibility. [Laughter.]

Ms. EVANS. Thank you. Babbage's owns and operates 302 retail stores in 39 States and in Puerto Rico. Our stores specialize in the sale of video games and computer software for the home.

I was the manager of the company's first store which opened in 1983, and therefore I have been associated with the video game industry for 11 years. In addition to my association with the video game industry, as a retail executive, I am affected by video games in another way as well. I am the very proud mother of two young boys, so I am strongly in favor of a video game rating system from two distinct standpoints, as a retailer, and, of course, as a mother. I really appreciate the opportunity to speak here today.

At Babbage's, we see a rating system as something that will help us improve our customer service. With a good rating in place, our people in over 300 stores will be better able to assist parents and grandparents in making an informed decision as to whether or not the content of a particular video game is appropriate for their child.

As a mother working in this industry, even I find it difficult to know which games are appropriate for my sons. Since I know that



ture culture are routinely exposed to such innocent materials without ill effect. SPA urges the Subcommittee to consider substituting the phrase "sexually explicit" to cover the mature content that is the true concern of parents and children's groups.

While the United States has a strong tradition of caring for our children, it has no such tradition of censorship. Most would agree with us that it is better to have industry police itself, than to have the government determine what acceptable content should be. This is supported by an independent national survey conducted in 1990 for the Recording Industry Association of America, which found that three out of four parents agreed that the government should not make decisions about what music their children should listen to.

In all forms of art and entertainment, there are works that are not appropriate for children, but nonetheless appeal to and have value for different audiences. The entertainment industries have traditionally responded to the call of its audience for more information about content. History shows that ratings systems and content warnings are the least intrusive means of insuring that children do not use entertainment until their parents choose to make it available to them. They also have the virtue of encouraging parents to become involved in the choices their children make, without limiting the availability of works containing more difficult content when they mature.

We believe that SPA is uniquely qualified to develop, implement, and administer a uniform rating system that will meet the concerns of Senator Lieberman, Senator Kohl, educators, children's advocates, and, most important of all, parents throughout America. SPA is confident that a uniform, industry-wide ratings system developed cooperatively with industry and community leaders will strike the proper balance between the needs of parents and other consumers for information about the content of entertainment software, and the legitimate need to preserve the first amendment freedoms of software developers. SPA looks forward to working with consumers and industry, as well as with educators, children's advocates, and parents, to provide the tools parents need to make informed, responsible choices for America's children.

Once again, SPA would like to express its gratitude for the opportunity to address the subcommittee today, and is prepared to answer any questions it may have.

#### SOFTWARE PUBLISHERS ASSOCIATION

The following is a list of Software Publishers Association members who have responded via fax endorsing the creation of (202) 223-8756 a uniform system for rating interactive computer games and asking SPA to take the lead in working with industry to develop, implement, and administer such a system. As of 7 a.m. December 9, there were 132 respondents.

1. The 3DO Company
2. 7th Level
3. Ad Hoc Technologies
4. AGI, Inc.
5. Alexander & Associates
6. All Source
7. American Laser Games
8. Arnowitz Studios
9. Berkeley Systems
10. Berkshire Multimedia Group
11. Bridgestone Multimedia Group
12. Brix Software
13. Cambium Development, Inc.
14. Celeris
15. Charles River Analytics Inc.
16. Cinet
17. Circle Noetic Services
18. Conner S/W Business
19. Core Design
20. Creditware, Inc.
21. Crystal Dynamics
22. DataCal
23. Davidson & Associates
24. Dine Systems
25. Distribution Internationale de Logiciels
26. Edmark
27. Egghead Software

a rating system would be helpful to me, I feel certain that it would be of even greater value to a typical parent.

Let me also say that when a rating system is established, I will see to it that Babbage's store personnel ensure that our customers understand the information the system is intended to provide.

Not only does Babbage's favor the implementation of a rating system, we strongly recommend that once it is established, all video game publishers participate in the same system. I have discussed this issue with our Vice President of Merchandising, who has direct responsibility for determining what we do and do not carry in our stores. She, I might add, is also the mother of two young children. She has made it very clear that a video game released without a rating would raise a red flag in her mind and it would be very unlikely that Babbage's would stock such a title.

Although a significant part of our sales are from video games, another important segment of our business is entertainment software for computers. We believe that a rating system should also be established for this type of software. The growth of CD-ROM technology will inevitably lead to more and more software programs which incorporate digitized video of live actors. As a result, the need for a rating system for computer software will become greater and greater.

In closing, let me reiterate that Babbage's strongly believes that a video game rating system should be established by our industry, and we welcome the opportunity to assist in any way we can in the development and the implementation of such a system.

Thank you.

Senator LIEBERMAN. Thanks, Ms. Evans.

I am going to urge you, based on the testimony of Wal-Mart and Toys 'R Us, to see if you can't convince that Vice President of yours to go from very likely not to stock, to will not stock and sell the nonrated games.

Ms. EVANS. There may a circumstance where there is Mickey Mouse or Donald Duck all over a box, in which that would be, but I can almost assure you that that won't happen in our stores.

Senator LIEBERMAN. I appreciate that from all three of you, because that really puts market teeth into the rating system, which will make it work.

Let me just clarify, because it is an important point and it was certainly my understanding—unfortunately, Mr. Heistand has left the witness table—that the effort of the committee really is directed toward covering not only the video games that exist now but the full range of interactive games, including software computer games.

I note for the record that Mr. Heistand is nodding.

So the question you raised is a goal of the committee, and very importantly so, because as one of the witnesses said in their testimony, this industry changes not within a period of years but within a period of months. Obviously, the reach of the personal computer will become more dramatic here.

I know that Senator Kohl has to depart soon, and I wonder if he has any questions that he would like to ask before he does.

Senator KOHL. Thank you.

ing "kill him, mash him" and taking pride in their kill ratio. If you want to hear shocking language go to any video arcade and listen to the boys.

My 23 years as a teacher convinces me children would enjoy playing games which involves logic and creativity to solve problems rather than physical force. Children should not relax and unwind to murder, and mayhem. Playing violence on the video screen, makes real violence seen less so.

People in the industry have stated that there are studies that state violence is not necessarily harmful to children; some even go on to say "learning physical techniques to protect yourself is helpful to children" I have several answers to that. The studies they cite are few and often flawed, or non conclusive, also even cigarette industry has found a few studies proving cigarettes are not harmful. As for the theory learning to kill gives children confidence, wouldn't feeling smart, creative, and capable of making good decisions, and overcoming evil with their mind give them more confidence?

I am sure the other panel members will point out the effects of video games but as a teacher and parent I have seen children become more aggressive, tense, and develop weaker social skills from playing video games. Playground aggression is up. In school heavy video watchers are easily bored, and distractable. Parents who call NCTV office talk about poor sleep patterns, irritably, low tolerance, and increased fighting. Many of our children are suffering from sensory overload.

In a ideal world parents could and should control what games children play with. Well its NOT a perfect world. It's hard for parents. They can't just open the box and peek inside nor can they easily pick up the newspaper for reviews. The description on the box is loaded with adjectives with gives the parents a vague idea. I was pleased to hear yesterday that the industry is planning on setting up a rating system. Good. But the rating system really only divides the games into too groups GA for general audiences and MA-13 for mature, in other words cartoons or violence. Yes I know they said there would also be a MA-17 for adults only but Sega has already stated they don't have any or will have any games that fall into that category, all violent games are M-13 despite the amount of violence. Some concerned parents can and do subscribe to newsletters like NCTV and Playwrite which does help tremendously, but its not enough.

I know the industry says its not their responsibility to teach problem solving, that they give boys what they want. This is a irresponsible destructive answer. Its takes a whole village to raise one child—and they receive over billions dollars directly from the children in sales certainly this gives them a role in the village to help our children. It certainly isn't their role to teach them to kill, maim and destroy—to be insensitive to the deadly consequences of violence. If the Pentagon were to have developed this such as Mortal Kombat and then tried to place it in the homes of children, I don't have to tell you what the American people would say. Certainly we can expect more from the industry, and certainly these should be more regulations to protect children from violence. The rating system is just a start in the right direction.

We would like warning labels to the effect of violence on children, a stronger rating system, and less violence. As a parent, teacher, and Vice President of NCTV I want to thank you for bringing the issue of violent video games to the public.

Senator KOHL. Thank you very much, Ms. Droz.

I would like to ask each of you, if you had the opportunity to talk to the manufacturers who will be sitting here after you leave the witness table, what would you say to them? Let us start with you, Dr. Page.

Mr. PAGE. Well, I have, I guess, two issues. The first is that I really would like to see the marketing techniques, now that this proposed rating system is going into effect, so that there are not toy and candy tie-ins for games that are designed for kids 13, 14 and 15 years old. The toy tie-ins will attract children 4, 5 and 6 years old. I think it puts tremendous pressure on parents to buy games that are marketed in that way.

Second, I think what I would like to see—and I echo what Ms. Droz said. I think what kids are attracted to, especially younger children, is action, and I would hope that the industry, with all of the great minds that they have and the creative minds that they have, would put more time and effort into finding creative games

Yes, I, too, want to say how marvelous it is that you are prepared to take the pledge that you have taken this morning, and what a great impetus and a start it is for us to get the ball rolling.

It is probably true that if, in fact, it doesn't spread and a point in time comes when you do not represent the overwhelming majority along with some of your competitors in the industry with respect to taking this pledge, then you would be at a competitive disadvantage at some point.

Again, I am referring back to how important it is that several months from now that the start we have made really start a snowball rolling down a hill and getting bigger and bigger as it rolls down the hill.

Would you not, in fact, just as prudent business people, be required to review the sincere, well-intended pledge that you are making today if a year from today you are the only two? Mr. Sullivan?

Mr. SULLIVAN. It is certainly a valid point. I can't envision us moving off our position. We have, as a company, come to the agreement that this is a very important part of our business and that the rating system, an industry-wide rating system, would be an important thing for us to support.

I couldn't answer you as to the future, if others moved off if we would, but others haven't moved on to it and we have. I can't speak to the future as to how we would respond, but we feel it is very important and we do support it now.

Senator KOHL. Wonderful.

Mr. Kerby?

Mr. KERBY. The possibility does exist. I think the support is there. Really, we are representing the customer today, and it is the customer response. As I think you said earlier, we are the first ones to hear, really, being on the front line, from our customers. Customers have been very vocal that they do want a rating system, and I believe that the retailers that support their customers will support this rating system, and I don't think that issue will come up.

Senator KOHL. That is great.

Ms. Evans?

Ms. EVANS. Speaking as a parent, it will be very important that once the rating system is established that it stays established and continues to grow with the number of titles coming out. I truly do not believe that Babbage's would ever get off of the rating system for any reason, and we would definitely continue to carry the games that have been rated.

Senator KOHL. Just another question, as people try and assess what happened here today, particularly with respect to three of you and Wal-Mart and Toys 'R Us, what do you imagine the impact is of the pledge that you are taking today, the impact on this whole process will be, understanding your business, the retail business, your position in the retail business in this country? Do you imagine this has a considerable impact in getting this thing off the ground and moving in the right direction?

Mr. Kerby?

28. Eliashim Microcomputers
29. EPYX
30. Equilibrium
31. GameTek
32. General Investments Corp.
33. Global Concepts
34. Global Touch, Inc.
35. Great Wave Software
36. H.M. Hinsch & Co.
37. Husdawg Enterprises
38. IBM
39. Id Software
40. ImageWare Software
41. Incredible Technologies
42. In4mation Software
43. Information Technology Design Associates
44. Inline Software
45. Innova Corporation
46. IntelliPlay
47. Interconsult
48. Interplay Productions
49. Intuit
50. Jot Development
51. Just Playing Around
52. Konami
53. Language Systems Corporation
54. Lawrence Productions
55. LCSI
56. Lead Technologies
57. Learn Company
58. Legacy
59. Legand Entertainment Company
60. Lerman Associates
61. Lurie, Debevetz & Associates
62. Lyric International
63. Madjim Corporation
64. Mallard Software
65. Magee Enterprises
66. Masque Publishing
67. Maxis
68. Mecc
69. Medvec Company
70. MegaTech Software
71. The Merlin Group
72. Micro Vision Development
73. Mission Studios
74. Namco Hometek
75. New Enterprise Associates
76. Oasys Technology Corporation
77. O'pin Systems
78. Optical Data Corporation
79. PC Integrity
80. PC-Kwik
81. Pioneer New Media
82. PMI Inc.
83. Postcraft
84. Power
85. Prograph
86. Promodisc
87. Psygnosis
88. Putnam New Media
89. Quality Education Data
90. QuickSilver Software
91. R.R. Donnelley & Sons, Co.
92. Rayasystems
93. ReadySoft
94. Revell-Monogram
95. Rocky Mountain Translators

Mr. KERBY. I do. I think that any manufacturers who are out there that might have been on the fence of whether to rate their product or not, that this will assist them.

Senator KOHL. Mr. Sullivan?

Mr. SULLIVAN. I agree. I think that, definitely, the support of the three of us does have meaning and that anyone that was on the fence would definitely want a rated game.

Senator KOHL. Ms. Evans?

Ms. EVANS. I have to agree with both of them.

Senator KOHL. I think that is marvelous. I congratulate you. I think you have done a great service for our country and for the parents in our country, and, as a result, for your business, too. So I am really pleased with your decision.

Senator LIEBERMAN. Great timing. [Laughter.]

Thank you, Senator Kohl. I again applaud your leadership. Senator Kohl is asking a very good question, and it is from his own background in business as well.

You, as leaders in the market, are genuinely leading. You are creating a market reality. Now somebody can always try to get around that and offer unrated products, but you are making it hard for them to do that. I appreciate that very much.

And I appreciate what you said, Mr. Kerby, that really, you are representing the consumers here, your customers. And you all said it. This is really what they want. So in that sense, I hope and believe that you are not only showing a kind of good citizenship but that it ultimately is going to be good business sense, too, because this is what your customers want.

Let me ask you just a few more questions. Mr. Kerby, you stated that Wal-Mart will provide point-of-purchase materials concerning the rating system. I wonder if you have thought at all about what kinds of materials, as this system is developed, that you would like to see in your stores. Is it posters, is it brochures, is it warnings on the shelves? What do you look for here?

Mr. KERBY. I think the big thing as this first comes to fruition, the consumer is not going to know anything about it.

Senator LIEBERMAN. That is right.

Mr. KERBY. We do have an advantage in the fact that all of our video game product is in one location in the store. I would see a poster, a major signing package. The big thing is defining what the rating system is to the customer so they can make the decision. Also, on top of that, any time we would merchandise the product out of its normal side-counter home, we would also have point-of-purchase material there to support the product so that there wouldn't be a miss.

Specifically, we haven't designed what it would be, but we would support it in a very significant manner.

Senator LIEBERMAN. Good.

Ms. Evans?

Ms. EVANS. Yes, not only would we support any kind of package that we could display in our store, I think it is really important for us to remember that on the package itself, it probably shouldn't be a removable sticker of any sort that the child could peel off and then, as a parent, would not know what the rating of the game

"Kids are spending hours parked in front of the TV tearing out hearts and ripping off heads of their video enemies," Kohl said, "The video game industry has a responsibility to let parents know when their kids are participating in games that can desensitize them to violence."

Kohl and Senator Lieberman of Connecticut are scheduled to hold a hearing on video game violence on December 9th, bringing together video game manufacturers and other industry experts. Kohl has suggested that unless the industry develops an independent rating system, the Congress may have to step in with regulations to do so.

"The days of Lincoln Logs and Matchbox cars are gone for a lot of kids," Kohl said, "Some of these interactive video games, complete with screams of pain, are enough to give adults nightmares. Let's recognize that children don't benefit from seeing this garbage. And let's be fair to parents—they have a right to know what holiday gifts they're buying their kids."

Senator Lieberman?

#### **STATEMENT OF HON. JOSEPH I. LIEBERMAN, A U.S. SENATOR FROM THE STATE OF CONNECTICUT**

Senator LIEBERMAN. Thank you very much, Senator Kohl. It is a privilege to co-chair this joint hearing with you. As chairman of the Judiciary Subcommittee on Juvenile Justice, you have been out front in protecting our children, and frankly in occasionally protecting the rest of us from our children, from minors, particularly in terms of their ability to obtain guns, an amendment on the crime bill which I was privileged to cosponsor with you, and I thank you for your leadership on that.

Every day, the news brings more and more images of random violence, torture, and sexual aggression right into our living rooms—just this week, the dreadful story of the young girl abducted from a slumber party in her own home and then found killed; a man on a commuter train begins coldly and methodically to fire away at innocents on their way home, killing five people and injuring many others.

Violence and violent images permeate more and more aspects of our lives, and I think it is time to draw the line. I know that one place parents want us to draw the line is with violence in video games. The fact is that a new generation of video games crosses that line, containing the most horrible depictions of graphic violence and sex, including particularly violence against women. Like the Grinch who stole Christmas, these violent video games threaten to rob this particular holiday season of a spirit of goodwill. Instead of enriching a child's mind, these games teach a child to enjoy inflicting torture.

For those who have not seen these so-called games before, I want to show you what we are talking about. What you are about to see are scenes from two of the most violent new video games. First, we have "Mortal Kombat," which is a martial arts contest involving digitized characters. We are going to show two versions of the game.

In the first segment, which is Sega's version, blood splatters from the contestants' heads. When a player wins, the so-called death sequence begins. The game narrator instructs the player to, and I quote, "finish" his opponent. The player may then choose a method of murder ranging from ripping the heart out to pulling off the head of the opponent with spinal cord attached. The second ver-

would be, and probably somehow displayed on the cartridge, where it is not removable.

Senator LIEBERMAN. That is a very good point. We didn't bring that up today, we brought it up before, but I have had consumers, particularly parents, tell me this, that the kids will often throw away the cover. So they hope that the rating is on the cartridge as well. I think that is a good point.

Mr. Sullivan?

Mr. SULLIVAN. I think, absolutely, that we have to make it clear at the point of purchase that the rating system, not only how a game is rated but what the rating system means. We would do that, I would see, via various in-store signs as well as clearly indicating on the actual product what the rating is.

Senator LIEBERMAN. Let me go to the next step in it, which is how you carry out the rating system and what kinds of steps might occur within the stores, and I understand in asking this that this is all very preliminary.

For instance, Mr. Sullivan, Toys 'R Us led the way here in taking "Night Trap" off the shelves, and we appreciated that. Would you anticipate that Toys 'R Us might not carry products that were rated above, for instance, an "adults only," or would you review each one to see, or would you segregate them in the store, since most of your customers are parents buying for kids, I presume. That is why I go into your stores.

Mr. SULLIVAN. It is difficult to guess as to what the rating system would develop as, but I would envision that if it had a system similar to the Sega system, the Sega rating system that is in place, that there are games that we would determine not to be appropriate for our store.

Senator LIEBERMAN. It is a little different in your case, though, because you both have a broader audience and a broader product line, but I wonder whether you would consider segregating some of the higher, or in my understanding, lower-rated material in separate sections of the store or on separate shelves. Ms. Evans or Mr. Kerby?

Ms. EVANS. Yes, we would take that under consideration. We also, as a company, do not carry some software titles that we feel are not appropriate for our store, based on the packaging and the content of that particular product.

Senator LIEBERMAN. Good.

Mr. Kerby?

Mr. KERBY. I can tell you definitely there could be a product category rating, if it is adult, as in an "X" rating for video or anything carrying strong sexual content, it will not be in our stores. Again, without knowing exactly what the system is, I don't know what category that is going to be. The other categories and the other ratings will be clearly culled out and will be grouped together within category of product, whether it be action, adventure, sports, whatever.

Senator LIEBERMAN. Mr. Sam would be proud of you.

Mr. KERBY. Thank you.

Senator LIEBERMAN. That is a good answer.

A final question on this line, a difficult question, but I wonder if you have thought at all about whether it will be necessary to try



96. Scanlon & Associates
97. Seymour I. Rubenstein
98. SilverSun
99. Sir-Tech
100. Soft Horizons
101. Softac Corporation
102. Softdisk Publishing
103. The Software Factory
104. Software Holdings
105. Software Product News
106. Software Publishers Inc.
107. Software Toolworks
108. Software Security, Inc.
109. Software Valley
110. Soleil Software
111. Sony Electronic Publishing
112. Spectrum HoloByte
113. Starplay Productions
114. Step 1 Systems Corporation
115. Strategic Marketing Partners
116. Subtle Impact
117. Sunsoft
118. Survivor Software
119. Sybex
120. Symantec
121. Systems Compatibility Corporation
122. Tecmo
123. T.H.Q., Inc.
124. Time-Warner Electronic Publishing
125. Tradewest
126. Training Table Systems
127. Transparent Language
128. Unobstructed Reason Corporation
129. Usability Sciences Corporation
130. Vic Tokai
131. Virgin Games
132. The Wexler Group
133. Zono

Senator LIEBERMAN. Next is Dawn Wiener, who is the President of the Software Dealers Association.

#### STATEMENT OF DAWN WIENER

Ms. WIENER. Good afternoon, Senator Kohl, Senator Lieberman and Senator Dorgan. I am Dawn Wiener, President of the Video Software Dealers Association, and we are the national trade organization that represents the \$16 billion home video industry. I am also president and the principal stockholder of Home Video Plus in Austin, Texas. I have been in the retail home video business for more than 10 years and have served on the VSDA board of directors for 4 years.

With more than 4,000 member companies, VSDA's home video entertainment network encompasses some 20,000 retail locations, representing more than 80 percent of the industry's total annual revenue. Each week, approximately 57 million consumers visit home video stores to rent and purchase prerecorded videos, video games, and a growing array of home entertainment products.

Interactive video game rentals and sales are one of the fastest growing segments of our business. With the rapid growth of CD-ROM and other interactive video formats, we anticipate that this form of home entertainment will become an increasingly important component of our industry. But the explosion of the interactive

to train or at least inform, in some way beyond routine, your sales personnel about how to live within the rating system.

Mr. Sullivan?

Mr. SULLIVAN. I am not sure I understand the question, Senator.

Senator LIEBERMAN. In other words, whether you would try to advise your sales personnel about the rating system and train them how to help you implement it and advise consumers about it.

Mr. SULLIVAN. I think that we have had, with the assistance of Nintendo and Sega, we have dedicated personnel during times in our year that are there to answer questions for consumers, and I would imagine that that person's responsibility would certainly encompass the rating system and an explanation to what games are appropriate. But beyond that, I think that we also have a role of monitoring the games that are purchased, and to that degree, I would think that there definitely are games that we would pass on that would not be appropriate for our store.

Senator LIEBERMAN. Ms. Evans?

Ms. EVANS. Educating our sales people on the actual rating system, for us—we are not as big as Wal-Mart or Toys 'R Us in store size, and since we only have video games and computer software, as long as I am head of operations, that will take place and we will be able to provide them with the proper information to give the customers the best information.

Senator LIEBERMAN. Mr. Kerby?

Mr. KERBY. At the implementation of the rating system, we would definitely spend time training and educating our associates on how to carry out the rating system so they could answer questions from the consumer.

Senator LIEBERMAN. I thank you for that. Let me ask you a final question. I know at least one of you has been in touch with Mr. Heistand's committee. Is there an adequate interaction between the groups at work here so that you feel they are designing a system that is sensitive to your concerns as retailers?

Mr. KERBY. I will respond to that. I have been in contact with Mr. Heistand. I think there is adequate communication. The chain of communication is open, and we have offered any support that can be beneficial.

I would like to applaud the group, because if you take the companies that they have, without an association, and come as far as they have come in this short period of time, they have really taken off the gloves. They are working together. This is a mutual problem and they are addressing it, and I applaud them for that.

Senator LIEBERMAN. Well said.

Do either of the two of you want to comment on that?

Mr. SULLIVAN. Mr. Heistand has done an excellent job in keeping us within the loop. We have been involved in a meeting at CES and he has done, since that point, has done an excellent job of keeping us informed as to the group's progress and where they are headed.

Senator LIEBERMAN. Ms. Evans?

Ms. EVANS. I have not personally been involved with Mr. Heistand, but I know members of our company have and are very, very for this.

Senator LIEBERMAN. That is great. Thank you very, very much. This is building here. We have a good rating system that seems to

that supply action and movement and the glitz that kids love, and at least drop back a little bit, and probably more than a little bit, on the violence that seems to be the mainstay of most of the games at this point.

Senator KOHL. Dr. Provenzo?

Mr. PROVENZO. I think there are a couple of things. One is that a lot of people in the industry say that these things simply reflect what is in the culture. I think that by manufacturing games like "Night Trap," what, in point of fact, these manufacturers are doing is endorsing that violence, and I think that is really objectionable.

I think that there is an obligation, as Mr. Page has said, to develop good games, and I think to stop confusing violence with entertainment and to really put the time and effort into developing quality games, which is much harder to do—one of the things about the games is they have remarkably similar scenarios. The game industry is, in point of fact, not developing new games. What they are doing is they are cloning them from one another. There needs to be a major effort to develop quality games, and there are a whole series of scenarios, we know from game and toy history, in order to do that.

Another thing is that parents need to be provided with guidelines, help, in choosing games. Those need to be available in toy stores, in video rental places. In addition, the industry needs to reveal what the games actually are on the covers. They are very, very clever at not giving you a full notion of what the game is about in terms of how they are advertised on the covers and when you walk into the store. It is very different when you see them in the advertising. The kids know what they are about, but the parents really don't know what they are about. So those would be my major suggestions.

Senator KOHL. All right. Mr. Chase, what would you say to them if you had a chance?

Mr. CHASE. I think it would be a very simple message, and that is responsibility. I understand only too well the importance of the profit motive in business, and applaud that and appreciate that. However, I think that there are some things that override that, and the continued opportunity for young people to engage in violent activity—and that is what these interactive games do give young people the opportunity to do—in fact, is an irresponsible act and it is very harmful in a situation where our society is trying very, very hard to overcome the increasing amount of violence in this country.

Just as I as a teacher and a teacher leader have the responsibility to educate young people in the best way possible, I think business leaders who produce games and toys, or whatever, for children have the responsibility to ensure those games and toys enhance our society rather than tear it asunder.

Senator KOHL. Very good. Ms. Droz?

Ms. DROZ. I would ask them to work together with a panel of people outside of the industry, like you gentlemen have suggested. I feel to allow them to police themselves when they have already demonstrated they are out of control is like leaving a classroom in charge of the troublemaker. You know, that is not responsible.

be taking shape. We have you, as really major forces in the retail sector, agreeing to help us in a significant way to implement it. I appreciate it very, very much.

I just go back to what I said about Bob Keeshan's African proverb, that really you are all showing that we are part of this village together, and it is the village that we need to cooperate to raise our kids as we want to raise them, so thank you very, very much. I look forward to shopping in all of your stores.

[Laughter.]

Senator LIEBERMAN. Now the third and last panel—this is the arcades—consists of Mr. R.A. Green, III, President of the Amusement and Music Operators Association, and Steve Koenigsberg, who is the President of the American Amusement Machine Association.

Gentlemen, thank you for being here. Understand that this is a somewhat different but somewhat similar area of activity and concern, and we look forward to your testimony.

Mr. Green, if you would go first.

#### STATEMENT OF R.A. GREEN, III, PRESIDENT, AMUSEMENT AND MUSIC OPERATORS ASSOCIATION

Mr. GREEN. Thank you, Chairman Lieberman, for the opportunity to testify today. My name is R.A. Green. My home and business are located in Myrtle Beach, South Carolina. My three sisters and I currently own and operate an amusement company that my grandfather and father founded in 1957.

Today, I am representing the Amusement and Music Operators Association, AMOA. Our association is a 1,700 member association made up of owners of coin-operated amusement devices, including video games. The great majority of our membership consists of privately-owned businesses that employ less than five people. It is important to note that our membership deals primarily in commercially-placed amusement devices and does not, as a rule, manufacture or sell or rent video games to the home.

We are in the entertainment business, with a wide variety of music and amusement products. Our prominent forms of entertainment are juke boxes, pool tables, electronic darts, pinballs, other games of skill that appeal to a wide variety of people from the very young to the young at heart. Video games represent only a relatively small portion of our total business. Therefore, any guidelines would have a minimal impact on the majority of our industry.

I am a father of three, and as a parent, I am concerned about America's children and their future. As an association, we share your concerns about the rise in violence in America today.

Acknowledging the trend towards increased violence in some video games prompted the AMOA board to take a proactive position last October. This resulted in a public statement and position paper presented to our membership during our annual business meeting. This statement requested that manufacturers of video games address the issue in our industry of graphic content found in a small number of video games.

We as an association encourage the current trend towards family entertainment centers. Family entertainment centers enforce the laws that are designed to protect children. Family entertainment

video game market is a relatively recent phenomenon. The video game industry is still in an early stage of development.

As President of the Video Dealers Association, and perhaps more importantly as the mother of three children, I am very concerned about the depictions of gratuitous violence in all forms of entertainment, but I am also concerned about governmental actions that may endanger two of our most cherished freedoms—freedom of expression and the freedom to make our own individual choices concerning our private lives.

We believe the creation of any governmental or quasi-governmental organization, such as the proposed National Independent Council for Entertainment in Video Devices, is unnecessary, and let me tell you why. A few months ago, we began working with video game manufacturers and others involved in the interactive video game industry to create a comprehensive, industry-wide, voluntary rating system for interactive video. We have announced a major video game and new technology conference for April 10th and 11th in Chicago where interactive video manufacturers, distributors and retailers will meet to discuss a variety of issues, including content and ratings.

We see a very high degree of agreement among the manufacturers about the need for a comprehensive rating system and the desire to implement such a system. The Software Publishers Association has taken the lead in developing this rating system, with participation from both manufacturers and retailers. One company, Sega of America, has already put in place a ratings program for its own games. We believe this is an excellent starting point.

As the Los Angeles Times said in a recent editorial concerning video game content, Sega's leadership should be applauded. The industry recognizes that it is now time to implement an industry-wide rating system. We believe such a voluntary rating system will address the concerns of this panel, and indeed of the American people regarding interactive video content.

Our work with the rating system operated by the Motion Picture Association of America gives us the experience and the confidence to make such a statement. The MPAA rating system, which was introduced in 1968, has proven to be very successful and an effective tool to help parents decide which movies are appropriate for viewing for their children. This rating system has been used effectively by video retailers for many years to enforce in-store policies regarding the rental and sale of video products to minors.

In 1991, VSDA formalized the use of the MPAA system through the introduction of our Pledge to Parents program, which established an industry standard restricting the rental and sale to minors of R- and NC-17-rated materials. Through our Pledge to Parents program, we provide our members with a parental consent form, store poster, and other materials that they can use to explain this policy to their customers.

We also require all members of our home video entertainment network to sign a certification promising to make every effort never to rent, sell, or give any video product rated NC-17 to persons under the age of 17, or any video product restricted R to persons under the age of 17 without parental consent.

centers are safe environments where families can go to spend quality time together while enjoying a variety of amusement and learning activities meeting a variety of interests and skill levels.

Following the Congressional hearing in December, we began to contact other interested groups, such as the consumer home retail association, manufacturers, distributors, child psychologists, and parent groups in a continuing effort to resolve this issue.

AMOA, along with this broad coalition, is committed to developing a rating system which will ensure that consumers have information they need to make appropriate decisions. The main purpose of this coalition is to establish a system that will give parents information about game content. Our objective is to design a system that will be easy for everyone to accept, for the industry to use, and for consumers to understand.

The coalition's proposed system will work because it will provide parents with the information they need to make informed decisions for their children. We endorse the following concepts which were developed by this board.

Establish a system and implement it as soon as possible. The members of this coalition are working together to meet the consumer home market's 1994 Christmas selling season.

Establish an independent, highly credible rating board which will have clear authority to evaluate and rate video game software.

Establish clear categories, easily recognized and understandable, including content descriptions and recommendations for appropriate audiences.

Undertake an in-depth consumer education program to ensure that consumers have the information they need to make appropriate purchasing choices.

Contact the individuals and groups whose help we will need to make this work, such as experts on children's issues, retailers for the home market, manufacturers, developers, publishers, and other hardware and software companies.

We suggest that the rating be displayed in the "attract mode" of a coin-operated video game. The attract mode is a digital message that is flashed repeatedly without the need for a coin to be inserted, displaying information about the content of the game to parents and consumers.

This system will meet the objectives laid out by the Senators. It will inform parents of content and age appropriateness. It will be uniform across all platforms, making it easy to understand to the general public.

Thank you for your time and attention.

Senator LIEBERMAN. Thank you very much, Mr. Green. I will have some questions for you in a minute.

Mr. Koenigsberg, welcome.

**STATEMENT OF STEVE KOENIGSBERG, PRESIDENT, AMERICAN AMUSEMENT MACHINE ASSOCIATION, ACCOMPANIED BY BOB FAY, EXECUTIVE DIRECTOR, AMERICAN AMUSEMENT MACHINE ASSOCIATION**

Mr. KOENIGSBERG. Thank you, Senator. The American Amusement Machine Association, AAMA, is pleased to testify on the efforts that the coin-operated video industry has undertaken to pro-

will I support any legislation that appears to be, in my judgment, censorship. However, it seems to me that there is still a great deal of room for legislative action that is constitutionally sound.

It would be nice if the video game industry could regulate itself and find ways to ensure that graphic violent themes would not be portrayed in children's games. However, I am skeptical about the effectiveness of efforts I have seen reported thus far.

Mr. Chairman, I intend to keep an open mind about exploring solutions to reduce the amount of violence found in video games. I am, however, of a single mind that this indeed is a problem and I am pleased that this Committee is taking some action. It is my hope that we can work cooperatively with the industry to address this problem and if necessary pass legislation as part of the solution.

Thank you once again for holding this hearing today. I look forward to hearing from today's witnesses.

Senator KOHL. Thank you very much, Senator Dorgan.

We would like to call our first panel right now. The panel is composed of representatives from academia, education, and also concerned citizens. If you would like to come up, we will announce you.

Dr. Parker Page is the President of the Children's Television Resource and Education Center. Dr. Page has been a leader on the issue of violence in the media with regard to its effects on children and has addressed the issue of video game violence. Dr. Eugene Provenzo is a professor of education at the University of Miami and author of the book *Video Kids: Making Sense of Nintendo*. Dr. Robert Chase from Danbury, Connecticut, is Vice President of the National Education Association and speaks on behalf of millions of educators throughout our country. Last, but certainly not least, Ms. Marilyn Droz is the Vice President of the National Coalition on Television Violence. She is here in that capacity and as the mother of a teenager.

Before we introduce our panelists any further, we would like to watch the video.

Senator Lieberman?

Senator LIEBERMAN. Thank you, Senator Kohl. The tapes are ready which I described before. They begin with two sequences from "Mortal Kombat." The first is the Sega version. The second, regrettably, is very brief, but nonetheless an illustrative sequence from the Nintendo version. [Videotapes shown.]

Senator KOHL. All right, let us continue. We would like to thank you all for being here today. In order that we can move the hearing on with reasonable quickness, we would like to ask you to hold yourselves to a 5-minute opening statement and to be pretty careful about maintaining that schedule. We will include your full statements in the record, and when you have finished your opening statements then I and Senator Lieberman and Senator Dorgan would like to ask you a few questions. Also at this point I would like to submit Senator Hatch's prepared statement.

[Prepared statement of Senator Hatch follow:]

#### PREPARED STATEMENT OF SENATOR ORRIN G. HATCH

I share my colleagues' concern with the violent content of video games and the accessibility of these games to our nation's youth. Excessive, gratuitous violence in video games should concern all of us. Like violence depicted elsewhere in the media, it coarsens society and promotes acts of violence against real victims. In real life, violence has consequences that cannot be undone by pressing a reset button or inserting another quarter into a arcade game. But when our children are desensitized to violence by these games, they don't learn this until it is too late. So I welcome this hearing and commend my colleagues for holding it.

vide parents and consumers with information regarding the level of violence in some of our industry's products.

AAMA is a national trade association that represents approximately 125 manufacturers, distributors, and parts suppliers of coin-operated amusement equipment. I am Steve Koenigsberg, a distributor of coin-operated equipment in Baltimore, Maryland, and I also serve in the elected office of AAMA President. With me here today is Bob Fay, the Executive Director of our association.

We are pleased to share with you our progress in addressing the concerns of these Subcommittees about video game violence.

AAMA recognizes that businesses who relate to young minds have a special responsibility for the content of their products, and that is why in June of last year we asked one of our standing committees to tackle this violence issue and report back to the board, which they did in September. We then engaged each of the video game manufacturer members in a dialogue towards defining a proper role and actions for our association.

This activity was underway, but not concluded, when you first introduced your initiative on this subject. However, with the involvement of Congress and their concerns and timetables, it became necessary for us to take this issue out of a standing committee with broad responsibilities and to place it in the hands of a committee specifically formed and dedicated to dealing with the video violence issue.

Thus, our Parental Advisory Committee was formed in January 1994. The committee is made up of five manufacturers and three distributors. To date, that committee has designed a parental advisory system that embraces many of the principles that Congress is urging. For example, the public disclosure of violence and/or sex content and the inclusion of nonindustry persons in an oversight role.

Our Parental Advisory Committee will continue to refine this system for coin-operated video games. At the same time, we will actively work with the consumer and home video game industry towards a common goal of providing consumers and parents with a single, understandable, and reliable source of information. In fact, we have already attended all of the publicly-held consumer and home video-related meetings.

AAMA appreciates this opportunity to inform members of these Senate Subcommittees that our industry is making serious efforts to find the appropriate steps needed to protect the interest of the children who use our products.

Thank you, Senator.

Senator LIEBERMAN. Thank you, Mr. Koenigsberg.

Let me just pick up on one of your last points, which is the work that your association is doing to develop a parental advisory system, just to clarify something you said after that. Would you be willing to simply submit your games for rating by, for want of a better name, for now we will call it Mr. Heistand's organization? Obviously, provided that the cost was not exorbitant and the time delays were not significant?

I ask because of just the point that you made in passing, which is that from the public's point of view, it will be a lot more clear and easily comprehensible if there is one rating system that runs



These efforts are designed to give parents the information they need to make informed choices about entertainment products for their children. This program is working extremely well. Consumers understand the rating system and use it to evaluate video products. Since the introduction of the Pledge to Parents program, we have had very few consumer complaints about minor obtaining inappropriate video products from our members.

With the growth of interactive video products, concerns about content have shifted to this arena. Today, you have challenged us to move ahead quickly with the implementation of a video game rating system. We accept this challenge, and I firmly believe the American people will be far better served by a voluntary system than by any government-imposed or prescribed system.

The VSDA and our 20,000-store home video entertainment network pledge to support the video game manufacturers by working with our members to enforce the voluntary system now under development by restricting the access of minors to inappropriate video games. Our members are not only video retailers and business people, but many are mothers and fathers who are concerned about the future of their children. We believe a voluntary rating system for interactive video will protect our children, while preserving our cherished freedoms of expression and choice.

Thank you for the opportunity to express the views of the Video Software Dealers Association and its nationwide home video entertainment network of retail stores.

Senator LIEBERMAN. Thank you, Ms. Wiener.

Finally, on this panel, Mr. Craig Johnson of the Amusement and Music Operators Association, which I assume includes what we might call arcades or other places where video games are played.

Mr. JOHNSON. Yes, it does. Thank you very much.

Senator LIEBERMAN. Thanks for being here.

#### STATEMENT OF CRAIG JOHNSON

Mr. JOHNSON. My name is Craig Johnson and I am the immediate past President of the Amusement and Music Operators Association, better known as AMOA. Our association is a 1,700-member association made up of owner-operators of coin-operated amusement devices such as video games. I think it is important to note that our membership deals in commercially-placed amusement devices and does not, as a rule, deal in the home video game market. I also think it important to note that as owner-operators of amusement devices, we do not manufacture amusement devices. We do, as AMOA, however, have in our membership some 140 manufacturers.

I am here today to address the concerns of video game violence from the point of view of the commercial game owner, the individual that has invested a significant amount of money in owning and operating video games. Our association at our most recent convention on October 21st of this year took a position and expressed our concerns to the manufacturers and the industry as a whole. Our position states, AMOA believes that the current trend of the escalating use of violence in video games will prove to be detrimental to the industry in the long term.

through the entire video game industry. Also, from your point of view, it may reduce the need to set up a separate operation to do this.

Mr. KOENIGSBERG. Senator, the activities that we have taken to date are the result of our being a smaller industry. As a result, we were able to take steps that you would take to build consensus, to get agreement, to get focused on the issues rather rapidly.

We do not view our activities as detracting from, but rather that it provides us an internal processing forum, where we can become better informed, better educated, and participate in a more informed way to the larger goal in working with Mr. Heistand's group.

We recognize that we have some unique needs. There are some differences between us and consumer, and this committee gives us the ability to articulate them and to get them to the larger group.

To answer your question specifically, we have no objection to a larger system that embraces those needs, but we find that this committee also is working very nicely as our own way of processing toward that end.

Senator LIEBERMAN. Why don't you tell us a little bit about what the committee is doing insofar as it has reached a point where you can describe. For instance, what kinds of advisories are you contemplating? Would they have age distinctions? Would there be content descriptions? What kind of work are you doing now?

Mr. KOENIGSBERG. To date, we have been able to build a consensus around the content description. The subject of age is on the table and it is one that is under active discussion. We have looked at the use of outside experts in the form of what we called a video monitoring council. It was an outreach to the various interests and expertise that have been mentioned by other panels today, to bring them into the rating or disclosure process, to give it credibility and to help us in the industry understand the needs and concerns of our ultimate customers, which are the consumers.

Senator LIEBERMAN. So you are contemplating some kind of content guidelines or description for your manufacturers?

Mr. KOENIGSBERG. Yes sir.

Senator LIEBERMAN. Which presumably would put some things beyond the range of permissible. In other words, they would establish some parameters for the kinds of games that would be manufactured for the arcades.

Mr. KOENIGSBERG. What it would establish is the message that we are sending the public, and that message is that this game contains violence or this game contains sexually or graphic sex. The discussion that was held earlier in terms of age appropriateness is on the table with us, but I can report that the consensus so far of a voluntary is unanimous on at least the content base. So we really feel that we have moved along rather quickly and very positively to recognize the two principal issues, which is disclosure and outside oversight.

Senator LIEBERMAN. You are in an area of activity which is not as private as, for instance, the person who buys something and takes it home. It is somewhat more like a movie, I suppose. Anybody has access to it. Obviously, there are differences in terms of your ability to directly control who plays the game, and the ease

I feel that they need to have more input from people in the field, like some of the gentlemen I am serving on the panel with. I would like them to set up a rating system that is more accurate rather than the pass/fail system really that they have now. They just seem to have like basically two categories of games, and it is a pass/fail.

I would like to see a rating system that allows parents to truly judge the program. It is easier for a mom to understand the ingredients in a Hostess cup cake than it is to understand what is inside that video game box, and I would like to get some truth in labeling and some more games. I would like them to work closely with the educational community. They have been excellent at teaching children that violence is a problem-solving technique. Now, I would like them to teach children creativity, logic and other forms of problem-solving. They can do it better than anybody.

Mr. PROVENZO. I would like to comment in that context. This is an industry that, as I understand it, in 1992 made \$5.1 billion. I would like to look at them and say, you are profiting off of the American child to an enormous degree. What are you giving back to the American child? What are you contributing to the American child? How are you making life for children in this culture better? I don't have much evidence of that, not much evidence of that at all.

Where are good games, where are programs for children based out of your profits? I think they have a moral obligation there. Maybe they don't perceive that. They are making a huge amount of money. This is very profitable, extraordinarily profitable. Where is that money going?

Senator KOHL. Senator Lieberman?

Senator LIEBERMAN. Thank you, Senator Kohl, and thanks to all the members of the panel. Just hearing what you have said now, we also repelled, we are disgusted by this material, and yet it is a measure of our values in this society that we resist the impulse to do what I think, let me say for myself, I would like to do. I would like to be able to pass a law saying you can't produce this stuff anymore. We don't do that because we value our freedoms.

But with those rights that the producers of video games in this case have also come responsibilities, and that has been the partner to rights in our society. I think what we are all saying is that we don't feel that this particular industry has carried out those responsibilities in the way that they should and now is the time to change.

Dr. Page, you spoke about the literature in this area, and in the interest of fairness I guess I would say is there any—and you have basically summarized the literature that demonstrates that violent TV programming in this case has a link to raising children's subsequent levels of aggression. With regard to the video game industry, there is a much smaller set of experiments or studies that have been done, but it seems to be heading in the same direction.

In fairness, I wanted to ask you this. Is there any substantial body of opinion within the profession that argues against those conclusions?

Mr. PAGE. Against the conclusions about television or the conclusions about video games?

of controlling, because most of your operations are small businesses, I know.

Let me ask you, Mr. Green, from your testimony, it sounded as if your members would prefer to have a clear rating system similar to what the motion picture folks have or to what Mr. Heistand is describing for the industry generally. Is that correct?

Mr. GREEN. That is correct.

Senator LIEBERMAN. I believe the representative of your organization here in December suggested that there were already cases where either consumers or neighbors to the arcades were raising questions about the content of the games.

Mr. GREEN. Senator, across the country, since you started holding these hearings, we have seen corporations such as the national pizza chains, the national retail stores, people that have a higher level of corporate responsibility and an image to protect, demand that the more violent games be removed from their stores and places of business. The economic side of that works for us.

We, as an industry, embrace ratings because it allows us, first, to place games where they are appropriate to be placed. It lets our customers know exactly what he is purveying to his public. If it is children's arcades, then it is children's games. If it is an adult game, whatever it may be, maybe it is more appropriate in an adult environment.

Senator LIEBERMAN. That is a very important point, and particularly relevant for your business. We obviously hope for some self-regulation on content by the manufacturers, but you make an important point. Once we have a rating system, then your folks have the basis for making a decision. If something is rated "adults only", there is a real question as to whether—it should be in a pizza parlor. Obviously, in my opinion, it shouldn't be. In my opinion, it shouldn't be in an arcade. But probably you would feel differently about it being in a bar, for instance, where you have to be a certain age to get in there in the first place.

Again, the market speaks. The consumers are speaking, and people in business have concerns about image as it affects their business.

You mentioned, Mr. Green, the possibility of putting a rating in that flashing attract screen which is displayed between plays, and I think that is a good idea.

I wonder if there is more that can be done. Is there any sense to putting rating decals on the machine cabinets, for instance?

Mr. GREEN. You would have to ask that of Mr. Koenigsberg. He is in the manufacturing end of our business.

Senator LIEBERMAN. Right.

Mr. KOENIGSBERG. That is under active discussion. One of the things we have found is that any time we put decals on machines, we find little fingers that pick at them. Also, our equipment tends to be moved from location to location over time, and the handling itself tends to wear down on decals. But we are looking at that to see if we can come up with something that might work in addition to the attract mode that R.A. spoke of.

Senator LIEBERMAN. We anticipated this question earlier, Mr. Green, what we said about the placement based on ratings, but I hope that your association will give this some consideration. I un-

We are currently seeing parents and safety advocate groups speaking out against video games and their use of graphic violence. AMOA believes that it is indeed possible to design successful video games without the use of graphic violence. AMOA believes that if the use of graphic violence continues, our industry will suffer repercussions similar to the regulatory backlashes of the early 1980's, with state and local governments receiving pressure to further regulate and tax the industry. AMOA encourages all manufacturers to design games with wide appeal without the excessive use of graphic violence. That is the end of our position.

While AMOA does not manufacture video games and cannot control what designers put into their games, we do believe that the violence in the games would best be controlled within the industry through self-policing policies. At least in the coin op side of the industry, this is a relatively new issue and most games that are now on the streets in commercial operation have been under design for some time. In many cases, the design of video games takes over 1 year to complete.

We appreciate the attention Congress is giving the issue. Your interest will help our industry focus on the situation and the solution. I encourage you to allow the industry time to take care of their own problems and to limit and control the violence that is now in some games.

Thank you.

Senator LIEBERMAN. Thank you very much, Mr. Johnson. Thank you all.

Mr. White, let me begin with you and I suppose in one sense go to the heart of the matter. We saw the clip before from "Night Trap" with the woman being attacked, and I have said earlier that I thought that violence was gratuitous and offensive and ought not to be available to people in our society.

Mr. Lincoln just a few moments ago, as vice president of the other leading company in this field, Nintendo, said, and I quote, "This game simply has no place in our society." Why don't you agree? Why doesn't Sega just pull "Night Trap" off the market?

Mr. WHITE. I think, Senator, with all due respect, the point I tried to make in my oral arguments and testimony was that this industry as part of the interactive media industry has grown tremendously. Children represent only a portion of the audience that we try to serve with our interactive software. "Night Trap" was developed specifically for an adult audience. Sega took a leadership position in establishing an independent rating council and appropriately labeled "Night Trap" MA-17, not appropriate for children.

We believe, just as Congress has treated the motion picture industry, that we as an industry should have an opportunity to regulate ourselves, and believe that we have taken that first step this morning in developing an industry-wide coalition to adopt an industry rating system, with enforcement.

Senator LIEBERMAN. I must say that in the exercise of responsibility, do you think it is even appropriate for you to be pushing that stuff out there for adult audiences to use, with the way in which the woman is attacked? I mean, clearly, she is dressed provocatively, she is brutally attacked by the people dressed in dark clothes there. You have mentioned a list of products that your com-

derstand the difficulty if you bring a wide range of games into an arcade with a limited number of employees policing it, but it does seem to me that it may be possible to separate by area, so that at least even if you had a limited number of employees in a case, they would know that if they saw a 13-year-old over in an area where there were only MA-17 games or adult-only games, that it would be within the range of your personnel to say, hey, young fellow, you don't belong there.

Does that make sense to you?

Mr. GREEN. By nature, our industry has been changing. If I can share an observation for a few minutes?

Senator LIEBERMAN. Certainly.

Mr. GREEN. In 1982, when the video boom, so to speak, was on, before everybody got a platform system at home, approximately 80 percent of all coin op that was manufactured in this country was video. Today, that number is less than 25 percent. It is being directly reflected in the marketplace as far as numbers and types of games in family entertainment centers.

Quite frankly, as video has moved into the home, it has moved out of our marketplace. I heard some numbers here today of 2,500, 5,000 titles available. Video for the home is easy to manufacture. It is copying a floppy disk or making a cartridge.

The products that Steve has to manufacture, his association has to manufacture, are dedicated core systems that consist of a cabinet, monitor, power supply, coin mechanism, and then the board. We might see 100 new titles in a year. More likely, it is 80. The games that this Committee has focused on make up a very small portion of that.

So by virtue of more and more video moving into the home, our market tends to become something else. We concentrate now on games of skill, and video is constantly dwindling and I dare say it will dwindle some more.

Senator LIEBERMAN. How would you define a game of skill as opposed to a video game?

Mr. GREEN. Football game, basketball game. In the centers that I am seeing in my travels around the country, redemption games or games of skill for prizes are making up over 60 percent of the product that is now found in stores.

Senator LIEBERMAN. That is interesting.

Mr. GREEN. You simply do not have a video game room anymore. It is just not on the cutting edge of our industry. Nobody does those anymore. They are dinosaurs.

Senator LIEBERMAN. That is interesting.

I have no further questions. I thank you for what you have begun to do, and I urge you to try, to the extent that you are able, to work with Mr. Heistand's committee, because it will create a national standard here. Our Committee will want to continue to work with you and monitor your own association's development of guidelines as the ratings go into effect, because again, just as is true with the retailers of video games and in a different sense has been true with the theater owners when it comes to the motion picture code, your role is going to continue to be an important one, perhaps diminishing in this limited sense, but nonetheless important as kids obviously still enjoy going into the arcades.

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**RATING VIDEO GAMES:  
A PARENT'S GUIDE TO GAMES**

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**JOINT HEARINGS**  
BEFORE THE  
SUBCOMMITTEE ON JUVENILE JUSTICE  
OF THE  
COMMITTEE ON THE JUDICIARY  
AND THE  
SUBCOMMITTEE ON REGULATION AND  
GOVERNMENT INFORMATION  
OF THE  
COMMITTEE ON  
GOVERNMENTAL AFFAIRS  
UNITED STATES SENATE  
ONE HUNDRED THIRD CONGRESS  
FIRST SESSION  
ON  
EXAMINING THE NEED TO ESTABLISH RATING STANDARDS FOR  
ELECTRONIC VIDEO GAMES AND OTHER MEDIA

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Again, I thank you for being here.

To wrap up very briefly, we are making real progress here. I thank everybody involved for doing that. The Committees feel an obligation to stay involved in a supportive way, keep your feet to the fire, so that this continues to make the progress that we have been making, which is really to the benefit of our kids and hopefully to society in general.

We are going to keep the record of this hearing open for an additional 2 weeks, if anyone has additional testimony to submit. There may be a few members of the Committee who couldn't be here today who will have some questions for the witnesses, which we will send to you to answer as quickly as possible.

Again, I thank everybody, and this will formally adjourn the hearing.

[Whereupon, at 11:36 a.m., the Subcommittees were adjourned.]



pany produces. A lot of them are great. Why do you need to go across that line and produce this stuff for adults or kids?

Mr. WHITE. Let me make two points. First, if you showed only the violent and gory scenes out of context consecutively, one after the other, from "Roots" or "Gone With the Wind," you might conclude they are horrible films, but in reality they aren't. What you have done is picked a particular segment of that game.

Let me clarify. A winning effort within "Night Trap" saves the women. Your job as the player is to identify the villains and to trap them. If you are a good player, you keep the villains from the women and men who are potential victims. This game is an appropriate game for adults that choose to entertain themselves in this way, shape and form.

Senator DORGAN. And if you are a bad player, what happens?

Mr. WHITE. If you are bad player, you will see that scene.

Senator LIEBERMAN. The woman gets attacked.

Mr. WHITE. The woman gets attacked.

Senator LIEBERMAN. You are going to have a long way to go to convince me that you are raising anyone's values or reducing anyone's inclination toward aggression, and particularly aggression toward women, by putting this on the market.

Mr. WHITE. We agree with much of what was said on the earlier panel. We believe that more research is necessary to conclude the effect that these games are having on both adults and children. The point we want to make is that—

Senator LIEBERMAN. Well, why don't you pull it off the market until the research is done?

Mr. WHITE. Until the research is done, we feel it is an appropriate step to develop an industry-wide rating system which has enforcement that will allow adults, which represents 60 percent of the players for the Sega CD system, to make the choice as to whether or not that game is right or wrong for them.

Senator LIEBERMAN. Let me talk to you about the rating system. I understand your argument—I disagree with it—that you have a broad market and it includes adults as well as kids, and you have set up the rating system to try to give advice as to how to distinguish.

Incidentally, my staff, in going into a number of stores where your products are sold, has never seen that poster that you put up explaining what the rating system is. Is it displayed in stores?

Mr. WHITE. Senator, I am sorry. I did not mean to suggest that it was displayed in stores. It is part of our "Everyone Wins" brochure and it is distributed at 2,800 retail outlets. We make it available to all of our key retailers. We also provide a holder for this, but ultimately it is the retailer's responsibility to keep it on the counter as opposed to behind the counter.

Senator LIEBERMAN. Well, at a minimum, I hope that you are doing everything you can, if you are basing your argument on the rating system, to make sure that people first understand what the rating system is and then, as we will show on some of the ads, at least get a chance to look at it.

My staff went into Circuit City. Here is a brochure that you put out, "Hot 1993 Titles." In the midst of this, you have got "Night Trap" right alongside "Joe Montana's NFL Football" and "Spider

## RATING VIDEO GAMES

FRIDAY, JULY 29, 1994

U.S. SENATE, COMMITTEE ON GOVERNMENTAL AFFAIRS,  
SUBCOMMITTEE ON REGULATION AND GOVERNMENT IN-  
FORMATION, AND COMMITTEE ON THE JUDICIARY, SUB-  
COMMITTEE ON JUVENILE JUSTICE,

*Washington, DC.*

The Subcommittees met, pursuant to notice, at 9:35 a.m., in room SH-216, Hart Senate Office Building, Hon. Joseph I. Lieberman, Chairman of the Subcommittee on Regulation and Government Information, and Hon. Herb Kohl, Chairman of the Subcommittee on Juvenile Justice, presiding.

Also present: Senators Kohl and Cohen.

Senator LIEBERMAN. Good morning, and welcome to the third of our hearings on the need for video game ratings. It has been my pleasure to work throughout this process with my friend and colleague from Wisconsin, Senator Herb Kohl, and I would like to call upon him now for an opening statement.

### OPENING STATEMENT OF HON. HERBERT KOHL, A U.S. SENATOR FROM THE STATE OF WISCONSIN

Senator KOHL. Well, thank you very much, Senator Lieberman.

Ladies and gentlemen, I would like to begin by commending Senator Lieberman for the leadership that he has shown on this important issue. I would also like to commend his very fine staff—in particular, John Nakahata and Sloan Walker—for the work that they have done.

Less than a year ago, our respective Committees joined forces to find a way to help parents and consumers to deal with the escalating level of violence in the video games that are sold to young people in our country, and we believe that our efforts have paid off. Today, representatives of the video game industry across the entire distribution chain will present to us their rating system. And make no mistake about it, this is a huge American success story. As a businessman myself, I am very proud of what has been achieved.

Often, where our children are concerned, people care more about profit than protection, but this is not the case here. Yes, it is true that we in Congress have prodded the industry, but it is really the coalition of creators, manufacturers, and distributors working with parents who have taken dramatic steps to respond to what has become a serious problem.

The video game rating system developed by the Interactive Digital Software Association will cover more than 80 percent of the market for video games. This system will provide critical guidance

Senator LIEBERMAN. The conclusions about violence on television increasing the aggressive behavior of children.

Mr. PAGE. A very, very, very small minority. It has now become a consensus belief that all of the issues that I listed as effects are, in fact, effects on children.

Senator LIEBERMAN. OK. Dr. Provenzo, I take it that you agree with that? In your familiarity with the literature, the strong preponderance of opinion is that there is a link here between—

Mr. PROVENZO. Yes, very definitely, and I think another thing to point out here is that the video game literature which I have reviewed very carefully from the psychological point of view is all from the early 1980's, as you pointed out, and they are based on arcade games, "Space Invaders." Those are "shoot 'em up" and they are highly depersonalized.

Senator LIEBERMAN. Right.

Mr. PROVENZO. There are three or four generations of video games. There is "Pong," there are things like "Space Invaders," there is Nintendo with cartoon figures. We are into the next stage right now, which is "Night Trap" type games, and there is a new stage after this, which is the combining of this with virtual reality devices.

I mean, imagine this game with eye-phones to bring sensuround, digital contact devices, data gloves, those types of things. That is the other level and we are beginning to move into that. Sega, to my knowledge, has got a new wrap-around vision screen available right now; at least it has been advertised that it is coming out. Maybe they could provide some more information about that, but that is where kids literally physically participate in the violence.

We need to redo all the classic television studies where we observed how kids responded to the violence they saw on television. We need to redo all those things in the context of watching a game like "Night Trap." We don't know what the results are, but we can pretty much make some guesses.

Senator LIEBERMAN. Well, this leads me to my next question, which is it has been my personal reaction, and I am not a professional in this, that if we have established in this long series of studies a link between TV violence and aggressive behavior by children who watch it, then it should be even more so with video games because the child is more actively involved in the video game. I mean, he is not just watching; he is making the violence happen. Now, has that been tested yet?

Mr. PROVENZO. No.

Senator LIEBERMAN. It hasn't been?

Mr. PROVENZO. No.

Mr. PAGE. His point is the studies were done in the early 1980's. There have been a couple of studies which have found that the kids in the experiments who played the violent video games also had a partner coupled with them who only watch, and what they found was that the effect on both the player and the watcher were very similar and both of those children were significantly more aggressive after the game-playing time. Again, that is only one or two studies. There really needs to be a body of upwards of 100 or more studies looking at this issue from all angles before it will be as definitive as the research on television. However, given the

to parents and consumers about the nature of the products that they are purchasing for their children, and it will be enforced. So we appreciate all the help that we have received from major retailers, like Wal-Mart and Sears, who pledged from the very outset not to stock unrated games.

Today, we will also be hearing from representatives of the computer game industry, the SPA. They represent a small segment of the interactive entertainment business and they are attempting to develop an alternative rating system. They are not nearly as far along as we would like. In my opinion, they need to show much more progress, but we nevertheless look forward to hearing their report here today.

Finally, let me also remind all of us why we are here today at this third in our series of hearings. The reasons are very simple, because according to the vast weight of evidence, violent video games do contribute to the violence in our society, and because until our efforts are completed parents will often not know what they are buying their children. Notwithstanding the good news that we expect to hear today, Senator Lieberman and I continue to be prepared to take action if the need arises.

Thank you very much, Senator Lieberman.

[Prepared statement of Senator Kohl follows:]

#### PREPARED STATEMENT OF SENATOR HERBERT KOHL

Good morning. Less than a year ago, our respective committees joined forces to find a way to help parents and consumers deal with the escalating levels of violence in the video games aimed at our youth. And our efforts have paid off. Today, representatives of the video game industry will present to us—and the American public—their video game ratings system. We would not be here without the sustained effort and teamwork displayed by my co-chair, and so I applaud his efforts.

Let me also remind people why we are here today—at this third in our series of hearings. The reasons are simple: because, according to the vast weight of evidence, violent video games probably do contribute to the violence in our society; and because, until our efforts began, parents often did not know what they were buying their children. In fact, until the ratings systems we are unveiling today go into effect, they still may not.

This morning representatives of the video game—and video arcade—industry are here to unveil their approaches. The video game rating system developed by the interactive digital software association (“I-D-S-A”) will cover 80 percent of the market for video games. This system will provide critical guidance to parents and consumers about the nature of the products they are purchasing for their children.

It is not a perfect approach, of course, but we can't let the perfect be the enemy of the good.

We will also hear from representatives of the computer game industry. The computer game industry represents a smaller segment of the interactive entertainment business, and they have also committed to developing a ratings system. They are not nearly as far along as we would like, but we nevertheless look forward to hearing their progress report.

Finally, consumer and education groups will give us their preliminary evaluations of both approaches. And a representative from the retail industry—representing the last, but perhaps most important link in the distribution chain—will offer yet another view: they will not carry unrated games.

At our first hearing, we said that if the men and women of the video game industry made developing a rating system a top priority, it would happen this year. And now that goal seems within the industry's grasp: for the first time ever, video games with independent, credible ratings will begin to appear in our nation's stores by Christmas season. So let me commend the many people from the industry for all of their hard work and cooperation.

Today's developments represent a good beginning, but only the passage of time will allow us to determine whether we have truly achieved all of our goals. Public outrage over games like “Night Trap” and “Mortal Kombat” proves that consumers want to make sure that a real ratings system is in place—a rating system that will

Man v. Kingpin” and “Sherlock Holmes, Consulting Detective,” with no indication of the content of this and that you, as you have said just now, expect this only to be bought by adults. So is this responsible advertising?

Mr. WHITE. Senator Lieberman, we have taken the first step to what we believe is a more appropriate industry-wide rating system. Just as the motion picture industry produces films for children as well as for adults, the interactive entertainment industry, as it grows with the technology available, will continue to produce a product that is appropriate for both children and adults.

We would like to see better enforcement at retail. We would like to see the ratings prominently displayed in the advertising of all the games. That is a step that we will take with the industry-wide coalition.

Senator LIEBERMAN. Do you agree that this is irresponsible, then?

Mr. WHITE. That was developed, Senator Lieberman, prior to our full implementation of the rating system. What I am saying is that we as a company believe in the action and the steps that you are suggesting we take, and we are prepared to move in that direction.

Senator LIEBERMAN. If your defense on “Night Trap” is that it is for your adult market, then it seems to me you have got an obligation to put out a separate “Hot 1993 Titles” for adults instead of—this was just picked off the shelf by one of our staff people and it was just done in the last week. Now, if you have updated your rating system, I hope that you will also update your promotional system.

Let me go on to one other aspect of this because I must say, you are here as the company; you are not the whole company, but I find the course of behavior by Sega the most objectionable here in these games that we are talking about. I want to show you the tape of an advertisement for “Mortal Kombat.” Now, this game is rated MA-13. It has the death scenes at the end that we talked about. MA-13 means that it is not appropriate for children under 13, but just take a look at this ad that Sega placed promoting “Mortal Kombat” and some other games and tell me whether it doesn’t have the effect of encouraging children under 13 to buy “Mortal Kombat.”

[Videotape shown.]

Senator LIEBERMAN. To me, if I may, the nerd that you have made into a hero by encouraging him to buy “Mortal Kombat” looks to be under 13. The ad certainly is calculated to encourage kids to buy that game, and I would be interested in knowing, apart from the content of the ad which seems directed toward children, what you can possibly do in placing that ad on television to make sure that kids under 13 are not watching it and therefore feeling that their masculinity, if not their freedom from bullies, will be determined by whether they play this game.

Mr. WHITE. That advertisement was directed to teens specifically, not to children. I can’t comment on the age of the cast within the commercial because I am just not familiar with it.

The intent with the Sega video game rating system and the independent council and the packaging guidelines that we have established, Senator, is to take a first step and we are proud of that step

let parents know precisely what their kids are playing. And this Christmas, the video game industry will have the opportunity to demonstrate that they have responded. Their credibility is on the line—ours is too—and so we will closely monitor this situation.

Notwithstanding the good news we expect to hear today, Senator Lieberman and I continue to be prepared to take action if the need arises.

Senator LIEBERMAN. Thank you, Senator Kohl. Thank you again for your support and cooperation and partnership, and thanks, too, to your staff. I agree with you; I think we have achieved something here thus far.

**STATEMENT OF HON. JOSEPH I. LIEBERMAN, A U.S. SENATOR  
FROM THE STATE OF CONNECTICUT**

Senator LIEBERMAN. I became involved in this problem after I saw the videos, "Mortal Kombat," with its bloody scenes of dismemberment, and "Night Trap," with the offensive portrayal of violence against women. I was personally outraged, but I was also very concerned as the parent of a 6-year-old girl who does not want her to grow up in a world where she or other kids can easily play these games.

The best answer here, obviously, is for the video game manufacturers to eliminate or reduce the violence and sex in the games. But short of removing such scenes, there should at least be a rating system so parents can know what is in a game before they allow their child to play it, and that really has been the focus that Senator Kohl and I have maintained.

I must say that I was surprised by the extent of the reaction to the first hearing we held. It seems to me that we touched a larger nerve among people than I expected. I kept meeting parents who said that they not only shared my outrage, but that they believed that our society was in too many ways out of control, that we had lost a sense of standards and values, and that in their own small way violent video games symbolized both that loss of control and the difficulty that so many parents have in sustaining the raising of their own children.

When they find their kids playing video games for hours on end, it compounds parents' concern about violence in our society. The point is that parents feel they are in a struggle with forces that are often beyond their control to influence and raise their own children, and video games are part of that struggle.

Well, obviously, we can't stop all of society's violence, but maybe we can draw a line here on violent video games. Today is a turning point in the battle to protect our kids and reestablish some standards. Today, the video game industry is announcing the establishment of an independent rating system that promises to give parents for the first time a clear idea of which video games are good for their kids and which should stay out of their homes.

If the video game industry takes this rating system and goes the next step, which is to rate and label the games that are on the store shelves, then we can shelve the legislation that we have prepared to force a rating system into existence. Senator Kohl and I have said from the beginning that this was a task best handled by the video game industry itself, free of Government involvement.

Earlier this year, nonetheless, we introduced our legislation based on that simple principle, which is that if we can require com-

The legislation proposed by my colleague from Connecticut would establish the National Independent Council for Entertainment in Video Devices as an independent agency of the federal government to oversee the development of "voluntary" standards to warn parents of the content of video games. It would also provide an exemption from the antitrust laws for the industry to develop such standards.

There are several areas which I hope this hearing will explore. First, I hope that a solution to the problem of video game violence is found that fully addresses the constitutional concerns raised.

And, second, the hearing should explore the necessity of the antitrust exemption. I have in the past supported similar exemptions for the television industry. I hope that this hearing will begin to develop a record on what the proper scope of an exemption in this instance should be.

I am encouraged by reports that the industry was already responding to criticism of some of its video products with a rating system of its own. I hope we will hear more about these efforts during this hearing. The most beneficial outcome for all would be a solution that protects our children from these violent games without the heavy hand of government bureaucracy.

I intent to follow this issue with great interest and urge the video game industry to act responsibly to lessen the amount of needless violence to which our children and our society are exposed.

Dr. Page, we would like to start with you first.

**PANEL CONSISTING OF PARKER PAGE, PRESIDENT, CHILDREN'S TELEVISION RESOURCE AND EDUCATION CENTER, SAN FRANCISCO, CA; EUGENE F. PROVENZO, JR., UNIVERSITY OF MIAMI, MIAMI, FL; ROBERT CHASE, VICE PRESIDENT, NATIONAL EDUCATION ASSOCIATION, WASHINGTON, DC; AND MARILYN DROZ, VICE PRESIDENT, NATIONAL COALITION ON TELEVISION VIOLENCE, WEST BLOOMFIELD, MI**

#### **STATEMENT OF PARKER PAGE**

Mr. PAGE. Thank you, Mr. Chairman. Since its inception in 1984, the Children's Television Resource and Education Center has been dedicated to creating research-based products and services that promote children's social development and academic success. During this period, TV violence has been one of our chief concerns. That concern has been supported by two comprehensive government reports and more than 3,000 studies on the effects of television.

While TV violence remains a significant problem, parents and educators tell us that they are increasingly worried about the effects of violent video games on children. But do their worries merit national attention? After all, in a country which is grappling with an epidemic of real-life violence, should we bother ourselves with kids' leisure-time activities like video game playing? We think the answer is yes, for while the impact of violent video games is still open to debate, early studies, as well as decades of television research, warn us of possible consequences, especially for young children.

The TV research is conclusive. Violent screen images have their own special effects. Children who watch a steady diet of violence programming increase their chances of becoming more aggressive toward other children, less cooperative and altruistic, more tolerant of real-life violence, and more afraid of the world outside their homes.

The case against video game violence is not nearly so clear-cut, for one simple reason. There hasn't been enough research. In the last 10 years, only a handful of published reports have explored the

panies to label products that can damage a child's body, why not label products that can damage a child's mind.

After our December hearing, Senator Kohl and I urged the industry to meet certain tests as it began to work on a rating system, and those tests included involving outside experts in the design of the system, creating rating panels that are independent and not subject to industry pressure, and promising to display the ratings prominently in all advertising.

I am pleased to say that the industry has created a rating system which certainly appears to pass all of those tests. From what I have seen, they have heeded the call of parents, of teachers, and of Congress to build a system that we can trust to provide the information we need. They are on the track to keeping their promise to having the system up and running for this year's holiday shopping season. Given the intense competition within this growing industry, this is a very significant accomplishment indeed.

The rating system now, of course, must go from the hearing room to the store show rooms as soon as possible because every day video games are hitting the markets that contain graphic violence and other material which is just not appropriate for children. A recent example is a game that I gather will be more widely distributed this fall, called "Doom, Knee Deep in the Dead." This game, which has not yet been rated, involves stalking gunmen—that is, gunmen who are stalking targets—with an arsenal of weapons, from handguns to machine guns to chain saws. I would like to play an excerpt just to show that the problem continues. This is from "Doom."

[Videotape shown.]

Senator LIEBERMAN. What you see there is an individual with a successive round of weapons—a handgun, machine gun, chain saw—just continuing to attack targets. The bloodshed, the gun fire, and the increasingly realistic imagery combine to create a game that I would not want my daughter or any other child to see or to play.

What you have not seen is some of the language that is displayed on the screen when the game is about to be played, such as "Act like a man," the player is told. "Slap a few shells into your shotgun and let's kick some demonic butt. You'll probably end up in hell eventually. Shouldn't you know your way around before you make an extended visit?"

Well, some may say this is funny, but I think it sends just the wrong message to our kids. The games' skill levels include "I'm Too Young To Die" and "Hurt Me Plenty." That obviously is not the message that parents want their kids to hear or be involved in.

Every game like "Doom" or "Mortal Kombat" which comes to market without a rating tarnishes the reputation of the video game industry. I understand "Mortal Kombat II" will soon be available as well. Without a rating, there will be unsuspecting parents who buy the game for their children. Without a rating, there will be stores that rent or sell the game to children. With a rating system, parents at least will have a fighting chance to control what comes into their homes.

The rating system unveiled today is a significant accomplishment. However, it alone is not enough. My hope, again, is that the



we have taken. We don't believe it is perfect, but we do believe that more information and a better rating system is the answer, not regulation, and certainly not censorship.

Senator LIEBERMAN. Well, you know, you have kept repeating it and I agree with you. The rating system is only a first step and it is a fig leaf to cover a lot of transgressions if you do not spread out here and both enforce it better, and I hope apply a little bit of self-control to yourselves, but make sure it gets carried along because that kid looks to me like he is under 13.

Am I right that you have no way, when you place an ad like that on television, of guaranteeing that younger kids are not going to see it? There is no way you can do that. I presume you are placing it on children's shows.

Mr. WHITE. No, that ad would not be permitted on children's television, and children's television shows were not bought as a part of that. But you are right. We buy television time that is directed toward teenagers or television time that is directed toward children. That ad was not approved for children's television. It was directed toward teenagers and on time that was purchased directed at teenagers.

Senator LIEBERMAN. OK. Again, in terms of your emphasis on the rating system, Attorney General Dan Lungren of California, who is also not one of your fans, spoke with me the other day. As you know, he has been troubled by the violence and graphic sex in the video games. He discussed with me and sent me an ad from Game Pro magazine. Now, these involve Sega products, although I see that it is placed by NAMCO. So you will have to tell me whether you are responsible for it.

Mr. WHITE. No, we are not. I am sorry. We are not.

Senator LIEBERMAN. OK. Let me just direct you—and I don't know to what extent you have any ability to control this. At the top it says, "He's Back, Splatter House 3, for Sega Genesis, is the kind of game rating systems were invented for." Then it goes on at the bottom to advertise that it includes deadly new weapons, six levels of monster-bashing mayhem and killer special moves.

Don't you agree that that kind of advertisement makes a mockery of your rating system? By that, I mean to say the specific reference that this is the kind of game that rating systems were invented for.

Mr. WHITE. I haven't seen this advertisement, Senator Lieberman, and we don't have control—

Senator LIEBERMAN. Well, you have got it now.

Mr. WHITE. We don't have control over what an independent publisher would say about our system, nor, I believe, would the motion picture industry have control over what an individual studio might say about the MPAA guidelines.

Senator LIEBERMAN. But wouldn't you agree, just having seen it now, that that makes a mockery of your rating system? I can't believe that is what you want your independent producers to do with your rating system.

Mr. WHITE. We want to go to the next step, Senator, and that is why we have worked around the clock over the last 2 weeks to establish an industry coalition to work with your committee and

video game makers will rid their games of needless violence, and I ask you to use this marvelous technology to fire the imagination of our children in positive ways. On behalf of all parents, I say to the video game industry, don't glorify violence. Teach our kids to solve puzzles, to answer questions, to learn about technology, to have fun, but having fun need not mean appealing to their lowest instincts. You don't have to give a child the chance to kill people to gain his or her attention. The marriage of high technology to low morality may yield short-term gain, but it is not in the long-term interest of our children or our country.

For any rating system to be effective, we are going to need the cooperation of America's retailers, and I must say thus far they have been wonderful. Wal-Mart has led the way for the retail community's growing support of a credible rating system, and their support is essential to make this system work in the real world. They have been joined by other retailers. An impressive cross-section have issued letters of endorsement, including Sears, Target Stores, and Software Etc. I am going to submit these letters for the record. Combined with the support voiced at our last hearing by Toys 'R Us and Babbage's, these letters demonstrate a broad and deep retail coalition determined to help us make a strong video rating system succeed.

[Mr. Lieberman submitted the following:]

JOSEPH I. LIEBERMAN,  
HERBERT KOHL,  
*Washington, DC, December 21, 1993.*

Ms. ILENE ROSENTHAL,  
*Software Publishers Association,  
Washington, DC.*

DEAR MS. ROSENTHAL: We applaud the video game industry for announcing at our joint hearing on December 9th that it is committed to establishing a credible rating system which will inform the public about the content of video games. We are writing to share with you some of our concerns as you move forward.

First, in developing the rating system, the industry should include as full participants representatives of parents, educators, consumers, and scientific researchers, such as those who testified at our December 9 hearing. A wide range of viewpoints must be considered in setting up the rating system.

Second, if the industry creates a rating body, the rating body must be independent and insulated from marketing pressure by any member of the video game industry. The public must be assured that the rating body will provide objective guidance regardless of the impact of a particular rating upon sales. Once the rating body is established, its independence will depend upon several factors. Among those factors are (1) its membership, which should include an array of experts in child development and consumer protection, and (2) a guarantee that the compensation or tenure of members will not depend upon approval by video game makers.

Third, the rating body must define its mission broadly to cover all interactive video games, including games played on open and closed platform systems. The technology of video games, as you know, is rapidly advancing, and the rating system must be able to deal with the games of tomorrow, as well as the games of today. The ratings should be uniform across all types of games. Thus, video games played outside the home, such as arcade games, should be part of the rating body's concern.

Fourth, the rating system must reflect the differences among younger children and older children. A game appropriate for a ten year old may not be fine for a six year old.

Fifth, the rating body and the industry must implement an effective enforcement plan. Unless the ratings have teeth, they may be abused as a cynical marketing ploy. The council must ensure that all links in the marketing and distribution chain make the ratings work. Advertisements must not target children for games appropriate only for older players. Tie-in products, such as magazines, toys and movies, must not attract children to games meant for teens or adults. Video game retailers and rental stores must not allow children to buy games rated for older purchasers.

similarities of the game-playing and the television watching, I would be amazed if we don't find either similar effects and/or effects that are stronger.

Senator LIEBERMAN. I am struck by the point that Ms. Droz makes about the particular impact on the gender difference here. It has been my experience with my kids and other kids that it is true that the—I am curious as to whether any of you know whether this is true that boys tend to play these games much more than girls; young boys tend to play much more than girls.

Therefore, when I see the obvious sexual aggression against the woman in "Night Trap" which kids do have access to, I worry that we are not only perpetuating the gender stereotypes we talked about in terms of skills, but we are running the risk of increasing the probability that these boys who are playing these games are going to be more sexually aggressive and abusive as a result of the experiences they have had with the games.

Now, again, that is a personal, non-professional reaction. Is there anything in the literature or in your experience, your studies, to suggest that that is true?

Ms. DROZ. There have been studies that have shown that the more violence a child or a male adult watches, the more likely they will be insensitive to victims of sexual crimes. There has been enough research out there, I think, to state with all fairness that the more violence that a young boy watches at an early age, the less likely they will be sensitive to women's issues.

I think if you look at our health care costs and see the rising costs of women being treated in hospitals for domestic violence, I think it bears truth and there is enough proof on that right now. It has not been done. This is the first generation we have right now where we have a large mass of young boys being exposed to sexual violence where not only can they just observe it, but as Dr. Provenzo pointed out, they are causing and controlling the movement. So they are getting all the effects of doing the movement except for the actual tactile of skin on skin.

Senator LIEBERMAN. Right. Dr. Provenzo?

Mr. PROVENZO. There is a parallel issue, and I would say it is relevant here in terms of violence against women, which is there is a new field emerging called cyber sex and dildonics. That is not a joke, and what it amounts to is pornography being placed on CD-ROM technology. Essentially, what it comes down is you can dial up what you want in terms of a blonde, a red-head, a brunette, male or female, dress the person up, get them to do various things you want them to do.

Now, my concern with that is I am not sure it is possible to have more benign forms of that, but if that stuff gets into the hands—imagine that getting into the hands of a 13- or 14-year-old who has had no sexual experience or encounters and they work on those models in the video game context or in the computer context for 3 or 4 years and then they finally meet, you know, a real woman on a date. I would not want to date that kid, frankly. I mean, that is very scary.

I think some of the stuff in terms of the type of thing you are seeing here—I mean, look at the portrayal of the woman there in

Sixth, the ratings must be clearly and prominently displayed in all packaging, advertising and other promotional material, including brochures.

Seventh, the ratings system must provide sufficient information to parents. The ratings should clearly explain the amount of three categories of material: (1) graphic violence, (2) sexually suggestive material, and (3) offensive language.

Eighth, there must be strong sanctions to punish violators.

Finally, the industry should undertake an aggressive campaign to educate the public about the rating system.

While all of these concerns cannot be met by our February hearing, we urge you to make every effort to move forward on this important commitment as expeditiously as possible. We also reiterate our concern that even the best rating system alone is not enough. The video game industry should heed the call from parents across the country: stop producing games with graphic violence.

We look forward to a productive hearing in February.

Sincerely,

JOSEPH I. LIEBERMAN,  
HERBERT KOHL.

Senator LIEBERMAN. We also have representatives of consumers and educators here this morning. They were with us from the start and they really are the representatives of the millions of parents and children who are pushing to get the sex and violence out of the video games and to get a good rating system in place. I look forward, of course, to hearing their views this morning on the rating system that the industry will describe.

I would now yield to our friend and colleague from Maine, Senator Bill Cohen.

**STATEMENT OF HON. WILLIAM S. COHEN, A U.S. SENATOR  
FROM THE STATE OF MAINE**

Senator COHEN. Thank you very much, Mr. Chairman. Let me commend both you and Senator Kohl for the extraordinary leadership that you have shown in this particular field.

It strikes me that you have touched upon the right theme: how we glorify violence in our culture. This glorification is not confined to video games. You can look at movies, at music, at sports—how we reward people for tearing baskets down rather than making baskets—and at video games. All of this violence threatens our families, it threatens our schools, it threatens our communities. It threatens to tear apart the fabric of society itself.

I am always struck by the paradox that is involved and the inconsistency of the policies we pursue. We support tobacco, for example, and yet we then have to turn around and call for increased support for the Cancer Institute to find ways to defeat this dread disease. The same thing is taking place today. We are about to pass an anticrime bill, a component of which is to combat violence against women, which is an increasing phenomenon in this country.

Senator Kohl will recall a few months ago we held a hearing in a different room about gangster rap. It was a well-attended hearing by both the public and the press, trying to at least give some exposure to what is taking place in the field of gangster rap. The lyrics that are being pumped into the ears of our young and perhaps most vulnerable segment of our society are truly horrific. They advocate violence against women, treating them as mere chattel, to be raped, and even murdered.

I called upon one of the recording industry executives. I handed him a copy of the lyrics to one particular gangster rap song and

the other members of Congress to develop an industry-wide system that will be more effective.

Senator LIEBERMAN. OK. Well, there is a lot of work to do, to put it mildly.

Mr. Lincoln, let me just ask you one question. I appreciate the extent to which you have self-regulated to some degree, and I also appreciate the fact that you have accepted today the idea of a rating system because even though the materials that you have been producing are less violent and less graphically sexual than others, nonetheless there is violence in them. It is still possible, obviously, for a parent buying a Nintendo game to not appreciate the level of violence in them. Dr. Provenzo in his book, I think, which focused on Nintendo, felt that there was a lot of violence in the Nintendo products.

I guess my point is that I appreciate the rating system that you have adopted, and I guess my question is would you accept the responsibility, having adopted the rating system, to try to make sure that every link in the chain that Nintendo is involved in, such as the advertisements and the brochures that we have discussed with Mr. White, carries out your desires with the rating system.

Mr. LINCOLN. Well, we will certainly do that. The point that I am making, Senator, is that the game ratings just don't go far enough. We have to get our hands on the game content, and we have been doing that, but like any other system, it is not perfect.

Let me make just a couple of other points. I can't sit here and allow you to be told that somehow the video game business has been transformed today from children to adults. It hasn't been, and Mr. White, who is a former Nintendo employee, knows the demographics as well as I do.

Furthermore, I can't let you sit here and buy this nonsense that this Sega "Night Trap" game was somehow only meant for adults.

Senator LIEBERMAN. I am not buying it, I assure you.

Mr. LINCOLN. The fact of the matter is this is a copy of the packaging. There was no rating on this game at all when the game was introduced. Small children bought this at Toys 'R Us, and he knows that as well as I do. When they started getting heat about this game, then they adopted the rating system and put ratings on it. But, today, just as I am sitting here, you can go into a Toys 'R Us store or a Wal-Mart or a K-Mart, and you know as well as I do that you can buy this product and no one, certainly no sales clerk at retail, is going to challenge you.

So the point I am getting at is putting these ratings on, if that is as far as we are going to go, isn't going to get us anywhere. We have got to get further into this, and let me say that I agree that everything that we have done has not been perfect. As a matter of fact, when I came into the hearing room this morning, I saw that you have got an advertisement up here for one of the Super Nintendo entertainment system games that says "They've got a bullet with your name on it."

Well, let me tell you what I did. I phoned my office to find out that that licensee put that advertisement out without our consent, without our review, and without our permission. Unless that advertisement is withdrawn, that company is in breach of its license agreement. So we do have, just as Sega does in the case of

asked if he would mind reading it to the members of the Committee and to the people who were covering it. Of course, he refused, and when I asked him why he declined to read the lyrics, he said children might be watching.

It was about 10:00 a.m. I think the hearing was covered by C-SPAN. I am not sure how many children are watching C-SPAN at 10:00 in the morning, but that was the rationale; it might, in fact, affect their sensibilities. It was also too outrageous to read to adults who were watching and listening.

That is one of the purposes of this Committee. What Senators Kohl and Lieberman have been trying to do is call the attention of the adults because ultimately it is not the Government's job to decide what children should watch. None of us up here has the expertise or the capability, or indeed even the moral judgment to constantly pass that judgment on what is good or bad for our children or other members of society. But parents have a responsibility, and in many cases they have abdicated that responsibility.

This hearing at least calls to their attention what is potentially going into the eyes and the hearts and the minds of their children. It is informed consent, much as we have in the field of medical practice. We are informing them as best we can, but they have the ultimate responsibility, and not members of Congress, to do the regulation. They may measure up to that responsibility or abdicate it, but at least what the industry is doing now is giving them a fair opportunity to measure up to that responsibility.

That has largely come about, Mr. Chairman, through your efforts and Senator Kohl's, so I want to join you, and I have a formal statement I would like to submit for the record.

Senator LIEBERMAN. Thank you very much, Senator Cohen. The statement will be printed in full in the record. I appreciate your sentiments and your continuing support in this effort.

[The prepared statement of Senator Cohen follows:]

PREPARED STATEMENT OF SENATOR WILLIAM S. COHEN

I want to commend Senators Kohl and Lieberman for their ongoing efforts to address the issue of video game violence. Many of today's video games are violent and realistic and, in marketing their products, the entertainment industry has capitalized on the infatuation of our youth with violence. By pressing the video game industry to take responsibility, Congress is helping to ensure that parents and other adults have the information they need to make informed decisions on the suitability of video game products for our nation's children.

Our society has unfortunately embraced violence as part of our culture. We glorify violence in movies, on television, in popular music, and in the video games played by our children. Violence infects and threatens our families, our schools, our communities and the fabric of our society as a whole.

This constant exposure to violent behavior has numbed us—and particularly our children and young people—to the pain that violence inflicts. We have been conditioned to accept violence as a natural and inevitable part of our lives. The well-publicized incident in which a group of junior high school students laughed at the depiction of a summary execution of a young Jewish woman in *Schindler's List* is a good example of how we have grown numb.

The majority of research on the subject indicates that exposure to violence and violent imagery makes children more aggressive or more tolerant of aggressive behavior. Other findings indicate that exposure to violence may also blur many traditional distinctions between fantasy and reality. To the extent that video game violence contributes to the desensitization of our youth as to the consequences of their actions, we need to come to terms with the violence that is rampant on the television and computer screens in our homes.

sion, made by Nintendo, leaves out the blood and decapitation, but as you will see, it is still a violent game. [Pause.]

Senator LIEBERMAN. I assume that the kids who are playing these games have more success than we do this morning in showing them.

The second game is "Night Trap," which is a game set in a sorority house. The object is to keep hooded men from hanging the young woman from a hook or drilling her neck with a tool designed to drain her blood. "Night Trap" uses actual actors and achieves an unprecedented level of realism. What is particularly troubling about the scene in this film that we have an extract of is a graphic depiction of the violence against women, with strong overtones of sexual violence. I find this segment deeply offensive, and believe that it simply should be taken off the market.

Now, these games are just the beginning, these two we have talked about. Every day, new games are appearing on the market. Last Wednesday, in fact, as we were announcing our intention to introduce legislation to create a rating system for video games and to hold this hearing, one video game maker was announcing the release of yet another brutal video game which is called "Lethal Enforcers." This game encourages players to shoot this gun, which is called a Justifier. In other words, this is the hand-held implement with which you play the game by shooting it at the screen, and the more successful you are, the more powerful the gun becomes.

CD technology is also making sexually-explicit video games available, and there is no way really of effectively keeping these games out of the hands of guns. Next on the horizon are interactive video games which are going to come right through our TV screens over cable channels.

Today, just a short while ago, I gather that some members of the video game industry announced their intention to create a voluntary rating or warning label system. I am pleased that the video game business, by this action, has shown that it recognizes that there is a problem here. A credible rating system will help parents determine which games are appropriate for children of different ages, and that is exactly what our proposed legislation contemplates.

But I must say here that creating a rating system is, in my opinion, the very least the video game industry can do, not the best they can do. It would be far better for America's parents and children if the industry simply kept the worst violence and sex out of their games.

Now, I have three major concerns as the industry develops a rating system. First, there are questions about the system itself. Who will do the rating? Will all manufacturers participate? How many age-specific ratings will there be? Will the industry spend money to inform parents about the meanings of the ratings?

Second, a rating system must not be perverted into a cynical marketing ploy to attract children to more violent games. A rating system without some industry self-regulation may put us just where we don't want to be. We must not allow the industry to trumpet a violent rating as a selling point.

Third, the industry must work to enforce whatever rating system it creates. It should consider licensing agreements and contracts

Like my colleagues from Wisconsin and Connecticut, I do not advocate censorship. It is not the government's role to decide what video games can be produced and sold. Parents and consumers, however, have a right to make informed decisions about the products they buy. They have a right to know whether a movie, television show, or video game contains violent or sexually explicit messages to which they do not wish to expose themselves or their children. Not only does the government have the authority to ensure that consumers are informed about their content—it has a responsibility to do so.

I am pleased that the video game industry has responded to the concerns raised by this Subcommittee and other Members of Congress and the public, and that it is moving forward in developing and implementing a uniform rating system. Many parents are simply unaware of violence and realism in many of these video games. A clear and credible ratings system will enable parents to make informed decisions about what is suitable for their children.

And, of course, the ultimate responsibility does lie with parents. Parents have an obligation to protect their children from being exposed to inappropriate material. Parents have the duty to instill in children respect for themselves and others, to take responsibility for their own actions, the obligation to contribute to their community, and values such as honesty and fairness.

Unfortunately, many children interact with violence on a much more serious and direct level than in video games, and they can not disengage their interactive experience with the flip of a power switch. Today, juveniles are both the perpetrators and victims of violence. Juveniles are increasingly involved in random acts of murder, rape, and robbery. Many juveniles live in homes where drug use, alcoholism, or domestic violence is commonplace. Although I am concerned about the lessons that violent video games teach our children, it is critical that we do not lose sight of the problems facing our youth who interact with real life violence on a daily basis.

I share Senator Kohl and Senators Lieberman's concern for the children of this nation and endorse their efforts to ensure that consumers have information about these games—information they need to make informed decisions. I look forward to hearing the industry's testimony on the status and implementation of the ratings system for video games.

Senator LIEBERMAN. Let's go to panel one now, which consists of Jack Heistand, Senior Vice President for Marketing at Electronic Arts, and the Chairman of the Interactive Digital Software Association, IDSA, as we have come to know it.

Good morning, Mr. Heistand. We welcome your statement and very much appreciate your efforts.

**STATEMENT OF JACK HEISTAND, SENIOR VICE PRESIDENT,  
ELECTRONIC ARTS, AND CHAIRMAN, INTERACTIVE DIGITAL  
SOFTWARE ASSOCIATION**

Mr. HEISTAND. Good morning, Chairman Lieberman, Chairman Kohl, Senator Cohen. I am Jack Heistand, Senior Vice President of Electronic Arts, and Chairman of the Interactive Digital Software Association. The IDSA's founding members include Acclaim, Atari, Capcom, Crystal Dynamics, Electronic Arts, Konami, Nintendo of America, Philips, Sega of America, Sony Electronic Publishing, Viacom, and Virgin.

Senator LIEBERMAN. Jack, could you indicate, and maybe you will, how much of the business IDSA represents?

Mr. HEISTAND. Currently, our association represents in excess of 60 percent of retail sales of entertainment software.

We appreciate the opportunity to update you on the development of a rating system for interactive entertainment software. Last March, we promised you our industry would develop a rating system that would put the controls back in the hands of consumers, and especially parents. The system we present to you today re-deems that pledge.



NAMCO, which is a Sega licensee, the ability and the right to control advertising by our licensees and we take that seriously. I am going to apologize to this committee for the fact that we slipped up and our licensee didn't tell us about this, but let me tell you, when I get back to Seattle I will call that licensee.

Senator LIEBERMAN. Well, thank you. Thanks for your forthrightness, thanks for assuming responsibility. I believe you have shown some leadership here. You are not perfect, as you have said, but you have been a damn sight better than the competition.

Mr. WHITE. Senator, may I make a comment, please? It is all well and good to say that we have content guidelines. Sega of America has content guidelines as well. I had the opportunity on Tuesday to meet with your staff and some of the others to show some of the Nintendo video games to the staff and compare the level of violence in the Nintendo video games to the same game on the Sega platform. I would be pleased to show 1 minute or 1½ minutes of that comparison to demonstrate that the guidelines that Mr. Lincoln speaks of continue to allow excessive violence in these games without the benefit of a rating system, without the benefit of clear packaging, saying this is for mature audiences.

Our voluntary system, with an independent council, suggests that all fighting games receive an MA-13 label and warning so that parents can decide whether that level of aggressive activity in a video game should or should not be allowed into the house. Nintendo continues to suggest that their internal guidelines are appropriate and go far enough. They simply don't.

Senator LIEBERMAN. Go ahead and show it. Senator Kohl has been very patient here.

[Videotape shown.]

Senator LIEBERMAN. Senator Kohl is going to question now, but, Mr. White, let me just say this to you. Mr. Lincoln, on behalf of Nintendo, has accepted the idea of a rating system. They have previously been self-regulating more than you have. They chose not to produce "Night Trap" and they have a clearly less violent version of "Mortal Kombat" out. You have a rating system, but I have still not today heard you accept responsibility for regulating the content of your games more than you already are, and I regret that. That, I think, notwithstanding the tape you have shown us, which doesn't compare, in my opinion, to "Mortal Kombat" and "Night Trap," is what is at issue here.

Senator Kohl?

Senator KOHL. Thank you, Senator Lieberman. I would like to ask both Mr. Lincoln and Mr. White the following question. As you move and expand your business and move into the adult market and create product for the adult market only and sell it in your stores and adults come to buy it, do you have any way of guaranteeing the American people that their children aren't going to see it?

Mr. LINCOLN. No.

Senator KOHL. Mr. White?

Mr. WHITE. No, we don't, Senator. All we can do is work with the mechanisms that are available to us, and that is what we want to do through this industry-wide coalition. That is why we are so pleased to see the VSDA here.

When all features of this rating system are taken into account, from its independence, its reliance on outside academic, consumer, and industry oversight, its adoption of a rigorous rating process based on actual game play submission, its use of clear rating categories with content descriptors, and the display of easily understood icons, the result is a system which gives consumers credible, understandable, informative, and independent ratings for interactive software.

I hope you will not underestimate the dimensions of this accomplishment. The issues we have tackled have been complicated, and clearly there are no right answers and there are no wrong answers. Indeed, perhaps the best way I can describe what we have gone through is the video game industry are equivalent to what you all face in crafting a national health care bill.

I do not believe anyone in the entertainment industry has moved as far as we have in such a short period of time. Soon after our appearance here last March, the IDSA hired Dr. Arthur Pober as Executive Director of the Entertainment Software Ratings Board. This is important because Dr. Pober was recently Vice President and Director of the Children's Advertising Review Unit of the Council of Better Business Bureaus. Before joining the Better Business Bureau, Dr. Pober was principal of Hunter College Elementary School. He has worked extensively in the public and private sectors to create and develop programs and materials for children.

The charge we gave Dr. Pober was to design a rating system which met a series of standards. We have met, or even exceeded, each and every one of the standards you laid out for us. Let's review those.

You asked that the system be developed based on input from experts in a variety of fields, including education, child development, and consumers. We did that. Dr. Pober conducted extensive focus groups with parents to test their reactions to different rating systems and get a sense of content that they felt was appropriate for various age groups. Beyond that qualitative research, Dr. Pober consulted with numerous nationally known experts in child development and education, including several identified by this Subcommittee staff.

You asked that the rating body be independent and insulated from marketing pressure by video game companies. That is done. The Ratings Board was set up functionally independent of our industry. The rulings of that Ratings Board are not subject to review by the IDSA board or its member companies. Dr. Pober has the sole authority to hire and terminate raters and staff. Moreover, the identity of those raters will be anonymous to anyone except for Dr. Pober. Each rating will be determined by three demographically diverse individuals with no ties to the industry and will be based on their review of actual game content.

In addition, several independent, highly distinguished experts on media and children have agreed to serve on an advisory board to meet regularly and evaluate all aspects of our system and, if needed, make any recommendations it deems necessary to preserve the independence of this system. The active oversight of these experts, who include Mary Ellen Fise of the Consumer Federation of America, Dr. Parker Page, President of the Children's Television Re-

the image from "Night Trap." I mean, there are obviously sexual overtones operating there to a large degree.

Senator LIEBERMAN. Sure. I was moved by your statement which is one that parents must all feel, which is they wouldn't want their daughters going out with a boy who had just been playing one of these video games.

Ms. DROZ. That is right.

Senator LIEBERMAN. Part of the outrage here, and the anger and the frustration, of course, is just what you testified to, which is that parents increasingly feel that they are losing the battle for their children to other forces in our society, and this is part of it.

Yes?

Mr. PAGE. A few points. One is I just want to make it clear—and I know it is; it just hasn't come in this hearing today—that there are a number of major and primary causes for human aggression and for violence in kids, and video games and TV violence may or may not be part of it for any one child or group of children.

But having said that, I want to mention a second thing because it has come up in the recent national debate about violent video games. There are some folks who believe that violent video games can drain away aggression; that after kids play a violent video game they, in fact, will have a cathartic effect and will be less violent.

Senator LIEBERMAN. Yes, I have heard that.

Mr. PAGE. That is a great theory and it makes for very lousy research. The research, especially in the area of TV violence, points in the exact opposite direction. Kids, after playing a video game, may or may not feel more relaxed, may or may not feel less frustrated, may or may not feel better about themselves, but the research indicates, both from TV and from the early studies on video games, that they are not going to be any less aggressive, that their attitudes about aggression will not have changed or decreased. In fact, they probably, if anything, will have increased, and I think that point needs to be made.

Senator LIEBERMAN. Dr. Provenzo, you indicated in your book that video games are not only violent and sexist, but they are also racist. Can you just briefly give us a few examples of what you mean?

Mr. PROVENZO. Sure. In interviews with children, what I found was that they talked about the ninjas as being bad. Then you asked them who the ninjas were and they were sort of like the Japs and the Chinese. It turns out that they perceive Asians, any Asians, as being extremely violent, as being dangerous, as being evil. It is operating at a very basic level, and at times simplistic.

It carries over into other areas as well. There are depictions, I believe, although it is hard to prove, but my perception of homophobia operating in terms of how certain types of women are portrayed. I think that there are also things about race in terms of black and color issues that are clearly there. They are subtle and they are hard to get at sometimes, but I think they present a rather disturbing world.

Could I make one comment about the gender issue, following up on what Ms. Droz was saying? There is another issue that I found in my research that I think is very important, and that is that I

source and Education Center, Freddi Greenberg, Editor-in-Chief, Child Magazine, Dr. Lewis Lipsitt, founding Director at the Child Study Center at Brown University, and Dr. Jeffrey Goldstein, recent recipient of a grant from the Guggenheim Foundation to study the topic violent entertainment and its effects on society, will provide enormous assurance that this system, at the outset and continually, will serve the public first.

You have asked that the rating system be capable of defining its mission broadly enough to cover all interactive entertainment software. That is accomplished. This system is capable of rating interactive software published for all platforms.

You have asked that the rating system recognize differences in age between very young children and other children. This system does that. You asked that the ratings body implement an effective enforcement plan with strong punishment mechanisms. We have done so. The icons I will show you in a moment will be registered trademarks of the IDSA, and as a trademark owner the IDSA will be able to take appropriate action, including but not limited to, pulling the rating, restickering the product, and payment of fines for violation of the marks.

You asked that the ratings be clearly displayed on packaging, advertising and promotional material. That also has been accomplished. We will strongly recommend that the rating icon be displayed on the front of the package. The accompanying content descriptors will be displayed in a consistent location on the back of all packages so consumers will know where to find them, and all publishers will be required as a condition of securing a rating to display it on packaging, advertising, and other consumer marketing material.

You have asked that the system provide sufficient information to parents in three areas—violence, sex, and language. We have done so, and more. Our system has coupled the five rating categories with a unique set of content descriptors so that consumers will know the nature of the content which influenced the ultimate rating.

You have asked that advertisements not target audiences for whom the game is not appropriate. That is done. Dr. Pober, with his expertise in the area of children's advertising, is developing an advertising code which will be supported by all of our member companies.

You have asked that there be an aggressive industry public education campaign to inform consumers about the system. We are putting that campaign together. We are committed to providing detailed information to retailers, and I am happy to report that retailers again have stepped up to the plate and have pledged their willingness to print and disseminate that information to their shoppers.

Let me now take a moment to describe the system itself. The first rating category is the Early Childhood category and it will contain games recommended for children aged 3 and older who have preliminary communication skills, such as fine motor coordination and the ability to use computer support material, like a mouse. Games in this category will not contain any objectionable words or depictions whatsoever.

Senator KOHL. So there is no way in which we can feel comfortable that the kind of material that some of us might think doesn't belong on the market at all isn't, in fact, going to get on the market and then be viewed by children?

Mr. WHITE. Well, Senator Kohl, it is similar to the motion picture industry.

Senator KOHL. Yes, it is; yes, it is. I understand what you are saying.

Mr. WHITE. Yes.

Senator KOHL. I just want to clarify so everybody understands where this all leads.

Mr. WHITE. There is an interesting difference between Sega and Nintendo in this matter in that we have moved ahead with CD technology, using a CD-ROM player as an interactive entertainment device. We have Sega CD on the market; we have had it in the market since November of 1992. Nintendo does not have a CD-ROM device. They continue to focus their marketing efforts against children.

We have recognized that the interactive entertainment market is far larger than just a children's market. The demographics of our Sega CD player, which are 60 percent adults, suggests that that is the fact, and we would like to see a rating system that will allow us to develop games for that broad array of players, but give the consumer information necessary to make an appropriate decision for his or her family.

Senator KOHL. Do you want to say something, Mr. Lincoln?

Mr. LINCOLN. Well, I didn't realize that the hearing was focused on market share. I thought we were talking about regulation of violence, but my colleague must think differently.

Let me say this. The biggest problem we have here in a rating system is to try to figure out some way of enforcing it, and you, Senator Kohl, as a former retailer, I think, understand that as well as I do, being a businessman. If we simply put these ratings, "This game is violent," on this packaging, however we do it, and we don't have the cooperation of retailers—if we don't have some enforcement mechanism, my own personal view is that that really may be a step backward and we may really only be encouraging people to make more violent games.

Certainly, the industry is moving into different territory with new technology. Nintendo, for example, is going to be coming out with a 64-bit system in the future, but the point of that is that graphics are going to become much better and my sense is that unless we can get everybody in this business, not just the video game companies, but the retailers and the Government, involved in putting a stop to the kinds of things that you are seeing in "Night Trap," we are really deceiving ourselves that we are going to keep this kind of violence out of the hands of children.

Ms. WIENER. Senator Kohl, may I address this?

Senator KOHL. Yes, go ahead.

Ms. WIENER. I want to say that back in September, we made a concerted effort from the VSDA to meet with all the video game manufacturers. Sega helped to implement it. We had eight different manufacturers show up. Nintendo declined. At that meeting,

The second categories, Kids to Adult, with the K-A symbol, will include games recommended for audiences from 6 to adult. Prior to purchase, parents thinking of buying it for their children over the age of 6 should review packaging and descriptions. The titles may require more advanced reading, thinking, and communications skills than the EC category.

The interactive products in the K-A category will contain a range of games, from traditional sports games to classic games like Mario and Sonic. Games in this category could contain mild animated violence such as one might find in a Looney Tunes cartoon. Games might also include comic mischief such as one might see in cartoons or slapstick comedies like "The Three Stooges."

The third category is the Teen Category. This category contains titles recommended for consumers 13 years of age and older. The products in this category could contain depictions of violence, suggestive sexual scenes, or other content which would be inappropriate for children under the age of 13.

The fourth category is the Mature category. Titles in the M category are appropriate for persons over the age of 17. Products in this category could contain more intense depictions of violence, sex, and other subjects than would be available in a Teen game, as well as substance abuse.

The last category is Adults Only. Products here may contain graphic depictions of violence, strong sexual content, and the extreme depiction of profanity. It is distinguished from the Mature category in much the same way the R rated movie differs from an NC-17 or X-rated movie.

As I have indicated, in addition to rating icons, the system that Dr. Pober has developed will provide more detailed information on game content through application of descriptors on virtually every game. These descriptors give purchasers the critical information on the content which influenced the rating.

Let's talk for a minute about the rating process. The rating categories and descriptors are the visible elements of what comes out of the system, giving consumers the basic content and age information they need. But the foundation of this system is the process by which that information is generated. Thus, the Ratings Board has worked intensely to create a process which makes objectivity and independence paramount.

A publisher can submit a wide range of materials, including videotape, story boards, scripts, and narratives. The publisher must submit the materials which show the most extreme content of the title. Then, three demographically diverse raters will be randomly to rate the product. These raters will separately review the submission, entering their detailed observations into a computer. When they complete their review, the raters will finalize their recommended ratings and descriptors.

These individual ratings are then reviewed by a full-time Ratings Board staff member who will then return the consensus rating to the publisher. Once the publisher receives the rating, it will have an opportunity to accept it or appeal it. The entire rating process will take no more than 5 to 7 days from start to finish, and it will be the same for all publishers and be applied on a first-come, first-serve basis.

effects of video games. Moreover, the few experimental studies that have been conducted relied on crude cartoon-like video games produced in the early 1980's, archaic by today's standards of technological wizardry. Even so, several of the initial video game studies suggest that there is a link, much like television's, between the violent video games and children's aggression.

For example, research studies have found that, one, at least in the short term, children who play violent video games are significantly more aggressive afterwards than those children who play less violent video games. Two, violent TV programs and video games have similar effects in raising children's subsequent levels of aggression. And, three, violent video games can suppress children's inclination toward engaging in prosocial behaviors.

All this research is limited and it is dated. The overall trends, however, must give us cause for concern as we approach virtual reality in video game technology. "Mortal Kombat" is simply the first in a new generation of video games that allow software designers to combine high levels of violence with fully digitalized human beings. While these life-like characters may make the video game more thrilling, the previous TV research sends us a warning. The more realistic the images of violence, the more likely they are to influence young children's attitudes and behaviors.

Unfortunately, there is no time-out for millions of American children who are daily immersed in video game violence and bombarded by video game advertising. Clearly, all of us—government, the industry, parents—need to create our own action on this side of the video screen. The actions we recommend are as follows.

We recommend that the Federal Government fund independent research projects and disseminate their findings in order to shed additional light on the effects of video games and other emerging interactive media. We recommend that the video game industry, one, provide parents with more accurate and detailed product information than is presently available, and, I am happy to hear today, establish an industry-wide rating system that is independent of producer pressures.

Two, make an industry-wide commitment to advertising strategies and marketing tie-ins that reinforce such a rating system rather than undercut it. Three, pursue a voluntary industry-wide agreement to put a cap on the violence. With the emergence of enhanced human-like graphics, video games that allow young players to participate in heinous acts of cruelty, misogyny and inhumanity should not be portrayed, regardless of profits.

Having made these recommendations, it is important to underscore the fact that parents, not government or industry, must still shoulder the major responsibility for guiding their children's entertainment activities. We recommend strongly that parents, one, become actively involved in helping their children make video game choices that reflect each family's own values; two, take seriously the video game rating labels, warnings or content descriptions that are available; and, three, make video game playing truly interactive by setting up time limits, substituting less violent games, and by making game-playing a social rather than an isolating activity.

Developing this rating process was one of the hardest tasks we faced. It is not a rubber-stamp system. It is labor-intensive and very costly to the industry, but we believe the ultimate credibility of a rating to customers rests mainly on who assigns the rating and how it is done. This rating system lodges ultimate ratings power in the hands of independent, demographically-diverse raters who review actual game content. Without the opportunity for independent persons to exercise their own judgment, you are left with little more than a publisher-administered rating which will not be useful to consumers, nor will it win public confidence.

Mr. Chairmen and Senator Cohen, I hope you share my view that we have met the challenge you laid out for us just a few months back, and we have developed a rating system that will serve all of our consumers, from parents to children to adults.

Thank you.

[Mr. Heistand submitted the following:]

PREPARED STATEMENT OF JACK HEISTAND ON BEHALF OF INTERACTIVE DIGITAL SOFTWARE ASSOCIATION

SUMMARY

(Washington, D.C.)—The Interactive Digital Software Association today unveiled its new rating system for interactive entertainment products. The rating system will include five categories designed to give purchasers a combination of information on the ages for which games are appropriate as well as the content which influenced the rating, Jack Heistand, Chairman of the IDSA Board of Directors and Senior Vice President of Electronic Arts, announced today.

"Three months ago, the IDSA came forward and committed to establishing a rating system which would put the controls in the hands of parents and other consumers," Heistand said. "Today, we are pleased to make good on that pledge."

The system was designed by Dr. Arthur Pober, formerly of the Children's Advertising Review Unit of the Council of Better Business Bureaus and now Executive Director of the new Entertainment Software Rating Board (ESRB).

"This system will give consumers the credible, reliable, understandable information they need to make informed purchasing decisions. In particular, it will help parents to more effectively oversee the video games their children play," said Heistand. "It is the most comprehensive entertainment rating system developed for American consumers."

Heistand said that Dr. Pober worked with experts, children, parents, and industry members to develop five rating categories: "Early Childhood (ages 3+)," "Kids to Adults (ages 6+)," "Teen (ages 13+)," "Mature (ages 17+)," and "Adults Only." Heistand also noted that the system is unique in that it supplements the rating icons on packages with short descriptive phrases describing the content that drove the rating. These "descriptors" fall into four broad categories: violent content, sexual themes, profanity, and other, such as gambling.

"The credibility of a rating system rests on what information it conveys, how it does so, and who assigns the rating," said Heistand. "That is why the linchpin of the ESRB's system is providing consumers with age guidance and content information—two keys to making an informed purchasing choice."

"And it is why this system requires that each title's rating be determined by three demo graphically diverse individuals with no ties to industry. These raters will assign a rating, and appropriate content descriptors, after reviewing a range of material provided by software publishers including the most extreme content of a title. When consumers see the ESRB rating symbols on interactive entertainment products, they will know they are getting rating information based on the independent judgments of people like themselves."

Heistand also noted that the system will be available to rate products for all platforms, and will be monitored by outside experts from the child advocacy community, the academic community, industry, and retailers who will offer their advice and insight to Dr. Pober. "These advisory boards will help ensure that this rating system serves the public interest first."

Dr. Parker Page, President, Children's Television Resource and Education Center, who has called for a national video game rating system in Senate testimony last



the most important thing we did discuss was the video game rating system and how we were going to implement that system.

We talked to them at quite some length about how the MPAA works. Even if it is not a hundred percent possible to control everything, by having a rating it gives the parent the opportunity to make a decision if this is a good video game for my child or not. Without any rating, you have no idea really what the content is of that video game. You just know your child is coming home and saying, I want "Mortal Kombat" because everybody on the street has it.

So we have been working with Sega since September. This is not something they just started in the past 2 weeks. They have worked with us continually for the past 2 weeks to put a coalition together, but this really was implemented back in September. We feel that the retailers, based on what we have been able to do with the MPAA system, will be very effective when we do get a good, voluntary system in place.

Mr. LINCOLN. Senator, just one comment.

Senator KOHL. Go ahead, Mr. Lincoln.

Mr. LINCOLN. I am sorry, but Ms. Wiener has failed to tell you that Nintendo does not distribute its video games to VSDA members. Sega does, so obviously Nintendo is not the VSDA's favorite customer.

Ms. WIENER. We also represent—Toys 'R Us and Wal-Mart are members of the VSDA. We are not just the video rental business. We also represent the video games sales business.

Senator KOHL. All right. Mr. Johnson, what standards does the arcade industry have to prevent children's access to the kind of material that we don't want them to see?

Mr. JOHNSON. Well, the arcades on the street, we believe, are going to have the greatest standards of anybody, and that is going to be economic.

Senator KOHL. Do you have any way of keeping the kids from—

Mr. JOHNSON. We have absolutely no way of keeping the children—if it comes out in a commercial coin op game and it goes into the arcade environment, certainly the children are going to see it. There is just no question about that. The impact that is happening today in the commercial coin op market is coming from the locations themselves.

Keep in mind that our members who own the equipment typically place it in other establishments, establishments owned by those other than themselves—movie theaters, restaurants, bowling alleys, arcade chains, things of that nature. We have noticed—and that is why we came out with our policy when we did in October because in the last 60 to 90 days we have started receiving phone calls from these locations.

I personally in my own business do one large amusement park that called me and said, we have got one particular game, we have had a couple of parental complaints, we would like it out. So we are starting to see economic pressure not to have and operate these types of equipment.

Senator KOHL. Well, in the interests of moving on, let me just give you an overall impression as a person who is sitting here and

December, said in a statement presented to the Senate Government Operations and Juvenile Justice Subcommittees, "After extensive review of the ESRB rating system, we at the Children's Television Resource and Education Center are convinced that it can fully address two of our most important concerns—comprehensive ratings and rating board independence. As the interactive entertainment industry grows in the months ahead, it will face new challenges. We believe that the ESRB's creation of an independent ratings panel and detailed rating system is an important step toward meeting those challenges."

Professor Jeffrey Goldstein, of the Department of Social and Organizational Psychology and the Department of Mass Communication at the University of Utrecht (Netherlands), a recent recipient of a major grant from the Harry Frank Guggenheim Foundation to study entertainment violence, and a member of the ESRB Academic and Consumer Advisory Board, said, "It is remarkable that, in so short a time, the Entertainment Software Rating Board has been able to develop a system that is both scientifically sound and, at the same time, provides the information most wanted by, and useful to, parents and consumers—namely a clear and readily understandable symbol system, with appropriate age guidelines, along with verbal descriptions of the contents of video games that will prove invaluable to parents and educators, as well as to retailers and those in the video game industry."

Heistand said that ratings will begin appearing on some software titles as early as mid-November, 1994, and that the IDSA will develop a public education campaign to inform consumers about the new system.

#### INTRODUCTION

Chairman Lieberman and Chairman Kohl, I am Jack Heistand, Senior Vice President of Electronic Arts and Chairman of the Interactive Digital Software Association (IDSA). The IDSA's founding members are Acclaim, Atari, Capcom, Crystal Dynamics, Electronic Arts, Konami, Nintendo of America, Philips, Sega of America, Sony Electronic Publishing, Viacom New Media, and Virgin Interactive. I appreciate the opportunity to update you on the development of a rating system for interactive entertainment software.

Last December, you told our industry that we needed to develop a self-regulatory system to rate video games. Last March, reported to you that we had decided to set up a new trade association which would, in turn, set up an independent rating board to rate video games. We were gratified that both of you expressed general satisfaction with the direction we were going at that time. At that time, we promised you a system which would put the controls back in the hands of consumers, especially parents. The system we present to you today redeems that pledge.

I hope you will not underestimate the dimensions of this accomplishment. The issues we have tackled have been complicated; the questions we addressed offered no clearly right or wrong answers; the views of people inside and outside industry on key issues were far from unanimous. Indeed, perhaps I can best describe what we've gone through as the video game industry equivalent of crafting a national health care bill. I do not believe anyone in the entertainment industry has moved as far as we have to address concerns about violence in so short a time.

Soon after our appearance here in March, the IDSA hired Dr. Arthur Pober as Executive Director of the Entertainment Software Rating Board (ESRB) to design and operate an independent rating system. Dr. Pober most recently was Vice President and Director of the Children's Advertising Review Unit of the Council of Better Business Bureaus. Before joining the BBB, Dr. Pober was Principal of the Hunter College Elementary School, the world's oldest laboratory school for gifted children. He has worked extensively in the public and private sectors to create and develop programs and learning materials for children. Dr. Pober has lectured throughout the world on topics ranging from education to child psychology and he also collaborated with European nations to develop guidelines for children's advertising there.

Our charge to Dr. Pober was to design a rating system which met a series of standards you set out last December. I believe we have met, or even exceeded, each and every one of these standards.

- You asked that the system be developed based on input from experts in a variety of fields, including education, child development, and consumers. We have done so.

Dr. Pober conducted extensive focus groups with parents to test their reactions to different rating systems in this country and abroad. In addition, the focus groups were shown a variety of games with varying levels of violence, sex, and other matter to get a sense of the content they felt was appropriate for various age levels. Beyond the qualitative research, Dr. Pober consulted with numerous nationally-known ex-

interviewed children, girls, in particular, large numbers of them, and they basically said, I don't like video games, I don't like computers. I think I would like them, but I don't like what they are about, is what they said essentially. I mean, I would have third graders say, what are some good games I can play?

Now, my argument here would be simply if it is as important as your argument, which I think is critical, that video games—and as the industry people often argue that video games are the first introduction for children into the culture of computing, then we are discriminating against girls by providing them with these consistent negative images because they get turned off to computers at a very early stage. If these are tools for the 21st century, in a certain sense, that they need to master, we are driving them away from these tools, and I think that is very objectionable.

Senator LIEBERMAN. My time is up. Thank you all.

Senator KOHL. Senator Dorgan?

Senator DORGAN. Thank you very much. Ms. Droz, we have testimony that will be submitted later, as well as some testimony which has already been submitted by Mr. Tom Zito, who is not with us—

Mr. ZITO. I am here, sir. I called, but there was no time to give a statement.

Senator DORGAN. I am sorry. Mr. Zito is here. Mr. Zito has presented testimony. Mr. Zito says that "Night Trap" was set out to create a spoof of vampire films, and then Mr. White, Vice President of Sega who will testify in the next panel, says in five mitigating points responding to the controversy over "Night Trap" that the controversial scene—apparently, the one we have just seen and the one I have seen before—is displayed only when the game player loses. Does that make you feel any better?

Ms. DROZ. Oh, it makes me feel a lot better that if you are a loser, you are dead? No, it doesn't. We are dealing with self-esteem here. There are many magazines out on the market like the several I brought in here today. These magazines are filled with game tips on how to play the game. In no time at all, children become winners and kill and their kill ratio goes up. It tells them the secret codes and exactly what to do to become successful in murder.

My statement to people who feel that there is some value to these games is if the Pentagon was to ever have suggested years ago that we put video games that teach children how to aim guns and train them at the age of 8 to be soldiers, and ever invented a game to put into homes of young boys to train them to be in the military, I can't begin to tell you—you know what kind of uproar there would be in this country if our Government was to start training early killers.

Senator DORGAN. Dr. Provenzo?

Mr. PROVENZO. Commander Sims at the beginning of "Night Trap" looks at you straight in the eye and he says, quote, "If you don't have the brains or guts for this mission, then give control to someone who does." That is what it says at the beginning of the game. The head of the SWAT team—or excuse me—it is the SCAT. It is the Sega-something-or-other SWAT team, is what it comes down to. So there is this sort of fascist military type with a police cap

perts in child development and education, including several identified by Subcommittee staff.

- You asked that the rating body be independent and insulated from marketing pressure by video game companies. You also asked that the rating body provide objective guidance to consumers and that the staff not be dependent on approval by video game makers.

We have done that. The rating board we set up is functionally independent of industry. The rulings of the Entertainment Software Rating Board are not subject to review by the IDSA Board. Dr. Pober has the sole authority to hire and fire ESRB raters and staff. The identity of all raters shall remain anonymous, except to Dr. Pober. No one from industry or the public will have contact with the raters. Most importantly, each rating will be determined by three demographically diverse individuals with no ties to industry and will be based on their review of actual game content.

In addition, several independent, highly distinguished experts have agreed to serve on an advisory board to meet regularly to evaluate ALL aspects of the system and make any recommendations it deems necessary to preserve its independence and efficacy. The outside advisors include Dr. Parker Page, President of the Children's Television Resource and Education Center, Mary Ellen Fise of the Consumer Federation of America, Freddi Greenberg, Editor-in-Chief of Child Magazine, Dr. Lewis Lipsitt, Professor of Psychology and Medical Science and the Founding Director of the Child Study Center at Brown University, and Professor Jeffrey Goldstein, recent recipient of a grant from the Harry Frank Guggenheim Foundation to study the topic of violent entertainment. The active oversight of these nationally-known experts on media and children provides enormous assurance to consumers that this system will continue to serve the public interest first.

- You asked that the rating system be capable of defining its mission broadly to cover all interactive video games. The ESRB has designed a system capable of rating interactive software published for all platforms, including cartridge-based game systems, CD game systems, PC-CD-ROM systems, and PC floppy disk systems. In fact, this versatility was a necessity since IDSA members publish software for all of these platforms and it would have been foolish to develop a system that is incompatible for platforms used or produced by IDSA members.
- You asked that the rating system recognize differences in age between very young children and other children. As I will describe in a moment, this system does so.
- You asked that the ratings body implement an effective enforcement plan and that there be strong punishment for violators of the rating system. The icons I will show you in a moment will be registered trademarks of the IDSA. As a trademark owner, the IDSA is responsible for policing the use of its marks to ensure they are being properly used. If, through spot checks or consumer complaints, the IDSA learns that a publisher may have improperly obtained a particular rating, or is improperly using the trademark, our General Counsel will take appropriate action, including, but not limited to, the revocation of the rating, the restickering of the product, or the payment of fines.
- You asked that the ratings be clearly displayed on packaging, advertising, and promotional material. We will strongly recommend that the rating icon be displayed on the front of the package and that accompanying content descriptors be displayed in a consistent location on the back of all packages so consumers will always know where to find them. And all publishers will be required, as a condition of securing a rating, to display it on all packaging, advertising, and consumer marketing material.
- You asked that the system provide sufficient information to parents in three areas: violence, sex, and language. Dr. Pober's system does that, and more. He has coupled the five rating categories with a unique set of content descriptors so consumers will know the nature of the content which influenced the rating. In doing so, he incorporated the areas you cited and created additional descriptors for alcohol and tobacco use and betting, among others.
- You asked that advertisements not target audiences for whom the game is not appropriate. Dr. Pober has created an advertising advisory committee which includes a former member of the Federal Trade Commission and the former head of the National Advertising Division of the Council of Better Business Bureaus to develop an advertising code of conduct that will be adopted by IDSA which will address this issue.
- You asked retailers not to sell or rent games rated for older purchasers. We have closely consulted with major retailers as we have developed the system.

listening and trying to observe. In the minds of all those people who are watching on TV and who will be reading accounts of what happened in the newspaper, there is really a serious problem here. I mean, this is not a dog and pony show.

Sometimes I fear, having sat through a few of these hearings, and sat through a few with the movie industry, that there is always an attempt to get by the hearing, just get by; offer them meetings, tell them we are going to be in in a week or two or in a month, and don't worry about it; we are going to take care of it, we are going to self-police. I have heard this before and it is disturbing, naturally, because you want to see progress and there is only so much we can do here because we have constitutional responsibilities and constitutional restrictions and rights of free speech and all these things that we want to observe in this country. At the same time, none of us wants to see our kids go down the tubes; none of us do.

Now, you might look at something else and say, now, that is really bad, they ought to do something about it; that is, kids and guns. That is not something that you control. That is something that we try and do something about here, but you might look at it as an American parent not involved in a business and you might say, now, they really need to do something about that, and if they can't, we have a serious problem in this country. We are trying to do something about it.

The people watching here today are saying the same thing about some of the problems that we are discussing here: they need to do something about it. How are they going to do something about it? You are saying, give us until April 10th or 11th and we will have the problem solved, or something like that.

Ms. WIENER. No, no. We said we have a video game conference.

Senator KOHL. I understand. We are going to regulate ourselves; give us until April 10th or 11th and we will satisfy, not the needs of Senators Dorgan and Lieberman and Senator Kohl, but the needs of the American people to see this industry regulated in a proper fashion. Well, maybe we will be around on April 10th and 11th and we will not have taken action by then, and maybe we will, but there is a serious problem here, a real serious problem.

The fact that you find much with which to disagree with each other on this morning, I think, is encouraging. I mean, you know, it indicates that you are not here in any lock-step way and that you really have some concerns about what each other is doing, and are worried perhaps that you are going to kill the goose that is laying the golden eggs. You can; that could happen. I wouldn't be surprised that in your corporate offices you are concerned about that because you are treading on a very sensitive area here.

We will do everything we can to protect the American interest, considering our constitutional restrictions, but we will do everything we can, and I think we can do a considerable amount. We want you to take care of your problems yourselves, but I hope you walk away with one thought today that if you don't do something about it, we will. From where I am sitting, if you walk away with that thought, then I am satisfied that this hearing has had some real positive possibilities to it.

Thank you very much, Senator Lieberman.

Based on these consultations, we are confident retailers will take a range of steps that, to the greatest extent practicable, limit the ability of under-age children to obtain products rated for older audiences.

- And you asked that there be an aggressive industry public education campaign to inform consumers about the new system. While we are still putting such a campaign together, we are committed to providing detailed information on the rating system to retailers, many of whom have already agreed to print the material and display it prominently in their stores. In addition, we have held preliminary discussions with Infotainment World, publisher of *Game Pro*, *Electronic Entertainment*, and *PlayRight* magazines, about developing consumer education materials to distribute through their extensive network and to periodically publish a book explaining our ratings. Finally, we are examining the feasibility of other options as well, such as public service announcements.

The ratings system we submit to you today:

- Is run by a distinguished expert with years of experience on children's education and advocacy;
- Will be monitored by outside experts from the child advocacy community, the academic community, industry, and retailers. If we fail to meet the needs of the public or industry, we will hear about it and we will address these concerns;
- Guarantees that ratings will be based on the independent judgment of people totally unaffiliated with industry;
- Combines rating categories and content descriptors to provide consumers with more information about these products than will be available for any other entertainment product in the United States;
- Will provide information in a simple, user-friendly way that will be instantly understood.

The idea of a rating system is to make it easier for consumers to make informed choices, not more difficult. The ESRB system will give consumers a credible, understandable, informative, and independent rating system for interactive entertainment software.

#### *The rating system*

Let me now describe the system itself.

There will be five rating categories: "Early Childhood," "Kids to Adults," "Teen," "Mature," and "Adults Only." Settling on these categories was one of our most difficult challenges. On this subject, everyone has an opinion, and there is no conclusive right or wrong approach. Dr. Pober looked at rating systems throughout the world; he consulted with numerous experts in child development; he consulted with industry experts about game content; and he consulted with consumers and parents to learn the type of system they would find most helpful and understandable.

Indeed, one of the things our research showed was that while social scientists have all sorts of notions about what to put in a rating system, consumers sometimes have a very different sense of what they want. Dr. Pober placed a priority on meeting consumers' needs, ultimately devising a system which built on some of the positive features of other rating systems while adding enhancements to address criticisms made over the years by experts of other entertainment rating systems.

Initially, Dr. Pober solicited comment on a rating system with four rating categories. But as he discussed this with outside experts, it became clear that many felt that the rating system needed to address two critical issues: first, there needed to be a category which took into account the developmental limitations of very young children and second, there needed to be a category which recognized the different cognitive abilities of 6 year olds and 13 year olds. Thus, Dr. Pober revised the rating system to accommodate these concerns.

#### *Early childhood*

The early childhood category will contain games recommended for children ages 3 and higher who have preliminary communications skills such as fine motor coordination, the ability to use computer support material, and reading. Games in this category will not contain any objectionable words or depictions whatsoever.

#### *Kids to adult*

The K-A category will include games recommended for audiences from six to adult. Prior to purchase, parents thinking of buying it for children over the age of six should review packaging and descriptors. The titles may require more advanced reading, thinking, and communication skills than in the EC category. The interactive products in the K-A category will contain a range of games from traditional sports games, to classic games like Mario and Sonic. Games in this category could

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contain mild animated violence, such as one might find in a Road Runner cartoon. Games might also include comic mischief, such as what one might see in cartoons or slapstick comedies like *The Three Stooges*.

#### *Teen*

The Teen category contains titles recommended for consumers 13 years and older. The products in this category could contain depictions of violence, suggestive sexual themes, or other content which could be inappropriate for children under the age of 13.

#### *Mature*

Titles in this category are appropriate for persons over the age of 17. The interactive products in this category could contain more intense depictions of violence, sex and other subjects than would be available in a Teen game.

#### *Adults only*

Titles in this category are for adults only. The products may contain graphic depictions of violence, strong sexual content, and the extreme depiction of profanity, alcohol and tobacco use, or drug use. It is distinguished from the Mature category in much the same way that a "R" rated movie differs from an "NC-17" or an "X" rated movie.

#### *Content descriptors*

As I have indicated, in addition to ratings icons, the system Dr. Pober has developed will also provide more detailed information on game content through application of descriptors on virtually every game. These descriptors will give purchasers critical information on the content which influenced the rating. In the EC category, three descriptors are possible at present: Reading Skills; Fine Motor Skills; or Higher Level Thinking Skills. Games in the K-A category could carry any of the following descriptors: Mild Animated Violence; Comic Mischief; and Animated Violence; games in the Teen category could contain some of the K-A descriptors, plus Realistic Violence, Suggestive Sexual Themes; Mild Profanity; and Gaming; games in the Mature category could carry any of the Teen descriptors, plus Animated Blood and Gore; Realistic Blood and Gore; Mature Sexual Themes; Profanity; and Use of Tobacco and Alcohol; finally, descriptors in the Adults Only category could include any of the Mature ones plus Strong Sexual Content and Use of Drugs.

#### *The rating process*

The rating categories and descriptors are the visible elements of the system. They give consumers the basic content and age information. But the process by which this information is determined is critical to the credibility of what appears on the packages. Thus, Dr. Pober has worked intensely to create a process which makes objectivity and independence paramount. Here's how the actual rating process itself will work:

A publisher will submit a full spectrum of material to the rating board including the most extreme portions of the game. Each submission must be accompanied by a \$500 fee (though we will soon announce a sliding scale so that even the smallest publisher can participate in this system). Ideally, this will include a video tape, or a demonstration diskette. The submission will be logged into a central computer system which contains the names of all the raters. The computer then randomly assigns three raters to the title. In doing so, it looks for a demographically diverse trio and is programmed to prevent, for example, three non-parents from rating a game, or three raters over the age of 55. These raters separately review the submission, entering their observations into a computer. When they complete the review, they enter their recommended ratings and descriptors.

These individual ratings are then reviewed by a full time staffer of the ratings board who will validate the rating, based on a consensus of the three raters, and return it to the publisher. Dr. Pober is hiring sufficient staff to ensure that this entire process takes no more than five to seven days from start to finish with submissions being handled on a first come, first served basis. (The process, cost, and handling of submissions will be the same for all publishers, regardless of whether they are members of the IDSA). Having received the rating, the publisher can accept or appeal it. If accepted, it simply proceeds with production and shipment. If it appeals, an appeals board made up of representatives from a variety of sectors, such as child development, education, retail, entertainment, and the media will convene. The decision of this board will be binding on all parties.

Developing this process was one of the hardest tasks we faced. It is not a rubber stamp system; it is labor-intensive and costly. But we believe the ultimate credibility of a rating to consumers rests mainly on who assigns it and how they do so.



Senator LIEBERMAN. Senator Dorgan?

Senator DORGAN. Mr. Chairman, thank you very much. Let me ask Mr. Johnson, in a typical video arcade—I saw one before Thanksgiving at the mall in Minneapolis—Would you find “Mortal Kombat” and “Night Trap”——

Mr. JOHNSON. You wouldn’t find “Night Trap,” no, to my knowledge. I have certainly never seen “Night Trap” out in a commercial version.

Senator DORGAN. Would you find Sega’s version of “Mortal Kombat” in that arcade?

Mr. JOHNSON. Well, in coin op, “Mortal Kombat” is not put out by either Sega or Nintendo. It is put out by an Illinois company.

Senator DORGAN. Is there any supervision in those arcades that you are aware of? The reason I ask the question is because I don’t see a bunch of college sophomores crowding that arcade. I saw a bunch of kids playing video games, and the question is if you have got video arcades where kids spend hours playing video games, is there any basis for believing that some of the more violent games are out of the reach of young children?

Mr. JOHNSON. No, absolutely not. In fact, that is why, if you look in the commercial coin op side of the industry—and that is why it is so important that you understand the differentiation between the two. “Night Trap,” as an example, is not a coin op piece; it is not out in coin op. If you look through the list of the pieces that are available for the home market, the vast majority of those are not out in coin op.

The one that we have spoken of today by name, of course, is “Mortal Kombat.” It is out in coin op, and that is one where I am telling you the market pressure has started to exert immediately. That game was released, and I already know of countless numbers of owner operators of video games that have had to pull it from location because of location pressure that says I won’t have this for my public. I am getting pressure from parent groups, from PTAs, to get it out.

Senator DORGAN. Well, that is a helpful sign to the extent that parents know what their children are playing in these arcades. All of you, and the previous panel as well, have talked about parental supervision. I think all of us would agree with that. Does anybody here have any notion of how many babies are born this year out of wedlock? Mr. White, do you?

Mr. WHITE. No, sir, I don’t.

Senator DORGAN. Over 1 million, 800,000 of whom will never learn the identity of their father during their lifetime. I agree that there ought to be parent supervision and strong parent involvement in education and in their children’s viewing habits, and so on. Now, if you take a look at what is happening in this country with respect to children who are growing up without supervision, without the parents that you so blithely say should supervise them, you could realize that there is no, or little parental supervision available.

The fact is, in many cases, there aren’t parents. What do you do about those kids? Do you just say, well, we are going to lay this on the market and let the buyer beware and if some kid can get access to it, fine? I understand that when “Night Trap” was re-

The ESRB system lodges ultimate ratings power in the hands of independent, demographically diverse raters who review actual game content. Without this independent evaluation of game content, you are left with little more than publisher-administered ratings, which will not be useful to consumers.

#### CONCLUSION

Chairman Lieberman and Chairman Kohl, when all features of this system are taken into account, from its independence, its reliance on outside academic, consumer, and industry oversight, its adoption of a rigorous rating process based on actual game play submission, its use of clear rating categories with content descriptors, and the display of easily understood icons, the result is a system which gives consumers a credible, understandable, informative, and independent rating system for interactive software.

Mr. Chairmen, I hope you share my view that we have met the challenge you set for us just six months ago to develop a rating system which serves all our consumers, from parents, to children, to adults. Thank you.

#### RESPONSES TO QUESTIONS SUBMITTED BY SENATOR LIEBERMAN

*Question.* What is the Interactive Digital Software Association?

*Answer.* The Interactive Digital Software Association (IDSA) is a trade association established in April of this year to represent interactive entertainment software publishers and game system manufacturers. It was formed in part to establish a rating system to give parents and other consumers the information they need to make informed interactive entertainment software purchasing choices. The IDSA will also represent the interactive entertainment industry in a variety of other areas traditionally undertaken by trade associations.

*Question.* What is the Entertainment Software Rating Board?

*Answer.* The Entertainment Software Rating Board (ESRB) is the rating board established by the I.D.S.A. which developed, and will implement, the new rating system.

*Question.* Who is in charge of the ESRB rating system?

*Answer.* Dr. Arthur Pober is the Executive Director of the ESRB. Prior to the ESRB, Dr. Pober was Vice President and Director of the Children's Advertising Review Unit of the Council for Better Business Bureaus. Before joining the BBB, Dr. Pober was Principal of the Hunter College Elementary School, the world's oldest laboratory school for gifted children. He has worked extensively in the public and private sectors to create and develop programs and learning materials for children, and has lectured throughout the world on topics ranging from education to child psychology. He has also collaborated with European nations to develop guidelines there for children's advertising.

*Question.* Who are the raters?

*Answer.* The raters are a demographically diverse group of people, varying in age, educational background, ethnicity, and profession.

*Question.* What are the rating categories?

*Answer.* The categories are Early Childhood (EC), recommended for children ages 3 and older; Kids to Adults (K-A), recommended for everyone aged 6 through adult; Teen (T), for ages 13 and older; Mature (M), recommended for people ages 17 and older; and Adults Only (AO), which is limited to ages 18 and older.

*Question.* Will any additional information beyond the rating symbols be provided to consumers?

*Answer.* Yes. Short descriptive phrases will appear on most rated products. These descriptors will provide more detailed information on game content and give purchasers critical information on what influenced the rating. These descriptors fall into four broad categories: Violent content; sexual themes; profanity; and other, including gambling and, in the Early Childhood category, reading skills.

*Question.* What is the process the IDSA went through to develop categories and criteria?

*Answer.* Dr. Pober worked with a wide variety of third parties to develop the categories and criteria. His outreach included conducting extensive focus groups with consumers to test their reactions to different rating systems, consulting with numerous nationally-known experts in child development and education, reviewing rating systems in other countries, and speaking with members of industry.

*Question.* Will third parties continue to have input into the rating system?

*Answer.* Yes. Dr. Pober has established two outside advisory panels which will advise him on all aspects of the rating system, including overall effectiveness, struc-

on looking at you and saying, if you are not man enough to do this, forget it, you know; you don't deserve to play this game.

Ms. DROZ. So, obviously, it is not directed to the other half of the population.

Senator DORGAN. Well, Mr. Zito in his testimony also says the only thing worse than a violent game is the even more frightening suggestion of censorship. I understand his concern about censorship, and I guess in the 13 years that I have served here in the United States Congress you will not find an attempt to censor freedom of speech in my record. I think censoring what people can say or see or do or think is a trail that is a long, tortured, dangerous trail.

On the other hand, the interest in creating with new technology interactive video games for the entertainment of adults and the difficulty in dealing with those kinds of games as well as the access to those games by children is something that we cannot ignore.

Senator Lieberman has a young daughter. I also have young children. The fact is video games are an exploding industry in this country. What I see in some of these video games is exactly what I have seen on television, an incredible sensationalist approach to glamorizing violence, going more and more toward the edge, a collapsing of values, and I worry about it.

I don't know exactly what the solution is, but I know that to those who produce "Night Trap," my personal observation is I think it is pathetic and shameful that the conclusion of a game like that is to grab a woman with a metal hook and drill into her neck. I don't view that as constructive entertainment.

Now, should we censor it? No. I don't believe we should censor. However, we can try to find ways to prevent children from having access to that sort of glorification of violence. Violence, I think, is directed all too often against women. I think the search for ways to protect children is a constructive search. This panel, I think, has presented some extraordinarily thoughtful testimony for which I am grateful.

Senator LIEBERMAN. Senator Kohl, if I may just ask one final question just to pick up on something you said so I am clear in understanding it because it goes directly to the announcement by the industry today, when we are talking about a rating system did I clearly understand you to say earlier that we ought not be content just with the MA-17 or MA-13, but that we ought to require that there be some narrative, for instance, saying that this—assuming we can't convince the companies to stop doing it, this game includes scenes of decapitation, et cetera, et cetera, and in "Night Trap" there is violence against women in this? Is that what you are suggesting?

Mr. PAGE. That is correct. I think there needs to be something more than "parental discretion advised," that variation on the theme. I actually applaud Sega's beginning the process of having a rating system. I simply would like to see a more detailed rating system that gives parents, who have the ultimate obligation in this area for younger children, more information so they can make a studied judgment.

Ms. DROZ. Senator Lieberman, the NCTV had a rating scale back in 1989 to measure video games. We are currently in the process

ture, and management. In this way, the public can be assured that the rating system continues to serve the public interest first.

These two advisory boards are the "Academic and Consumer Advisory Board" and the "Business and Industry Advisory Board." To date, the current membership of the Academic and Consumer Advisory Board are: Dr. Parker Page, President of the Children's Television Resource and Education Center; Mary Ellen Fise of the Consumer Federation of America; Freddi Greenberg, Editor-in-Chief of Child Magazine; Karen Jaffe, Executive Director of Kidsnet, a computerized clearinghouse for children's television and radio; Dr. Jeffrey Goldstein, of the Department of Social and Organizational Psychology and the Department of Mass Communication at the University of Utrecht (Netherlands) and a recent recipient of a grant from the Harry Frank Guggenheim Foundation to study the topic of violent entertainment; and Dr. Lewis Lipsitt, Professor of Psychology and Medical Science and the Founding Director of the Child Study Center at Brown University.

Members of the Business and Industry Advisory Board include representatives from the American Amusement Operators Association of America, the American Amusement Machine Association, the Video Software Dealers Association, Wal-Mart, and Blockbuster.

*Question.* What is the relationship between the Interactive Digital Software Association and the Entertainment Software Rating Board?

*Answer.* The IDSA established the ESRB as a freestanding organization. The ESRB has its own operating budget, and its funding will come from a combination of rating submission fees and IDSA contributions. The rulings of the ESRB are not subject to review by the IDSA Board. Dr. Pober has the sole authority to hire and fire raters and staff, and the identity of all raters will remain anonymous, except to Dr. Pober; no one from the industry or the public will have contact with the raters. The rating board and the association are located in separate cities.

*Question.* What types of software will the ESRB rate?

*Answer.* The ESRB will rate software for all platforms, including cartridge-based systems, compact disk game systems, PC CD-ROM systems, and PC floppy disk systems. In fact, this versatility was a necessity since some IDSA members publish software for all of these platforms themselves.

*Question.* How will ratings be assigned?

*Answer.* A publisher can submit a range of material, including videotape, storyboards, scripts, and narratives to the rating board. The publisher must submit materials that show the most extreme portions of the game. Three demographically diverse raters with no ties to industry will then be randomly assigned by computer to rate the product. These raters will separately review the submission, entering their detailed observations into a computer. When they complete the review, the raters will finalize their recommended ratings and descriptors.

These individual ratings are then reviewed by a full-time ESRB staff member, who will then return the consensus rating to the publisher. Once the publisher receives the rating, it will have an opportunity to accept or appeal it. The entire rating process will take no more than five to seven days from start to finish.

We believe this rating system lodges ultimate ratings power in the hands of independent, demographically diverse raters who review actual game content. Without the opportunity for independent persons to exercise their own judgment, you are left with little more than publisher-administered ratings, which will not be useful to consumers, nor will it win public confidence.

*Question.* Where will symbols and descriptors appear?

*Answer.* Symbols and descriptors will be displayed on all packaging, advertising, and consumer marketing material.

*Question.* How much will it cost for publishers to have their games rated?

*Answer.* Rating fees will be \$500.00 per title, regardless of whether or not the publisher submitting the software is an IDSA member. In addition, we will offer a lower fee for small publishers, based on a sliding scale relative to revenue.

*Question.* When will we see ESRB rated games on the shelves?

*Answer.* You can expect to see packages with ESRB rating symbols on them in stores starting in mid-November of this year.

*Question.* Will all video games sold this Christmas be rated?

*Answer.* No. There will be a natural transition period as publishers begin to submit their new products to the ESRB. Products already shipped or on store shelves prior to the opening of the ESRB will continue to be available.

*Question.* How many products in stores will be rated by Christmas?

*Answer.* Based on estimates provided by IDSA members, we believe that approximately forty-five percent or more of total video game sales will be in games carrying an ESRB rating.

*Question.* How will retailers be involved in the system?

leased, it was not rated, and I might be wrong, but I understand that the first time you rated it, you rated it at the 13 level. Is that not correct?

Mr. WHITE. No, you are wrong, Senator. I am sorry. The rating system went into effect in June. It was rated for the first time and it was rated MA-17, and it was produced with that label on it from that point forward.

Senator DORGAN. Do you view those over the age of 13 as mature?

Mr. WHITE. There are three designations that the independent rating council chooses to designate the product. It's MA-13, appropriate for teenagers and older, but not for young children, with parental guidance suggested.

Senator DORGAN. But doesn't it have the word "mature" attached to that?

Mr. WHITE. Yes, I believe it does.

Senator DORGAN. So the presumption is that those over 13 years of age are mature?

Mr. WHITE. Yes.

Senator DORGAN. Are you kidding me?

Mr. WHITE. With parental discretion. I am referring now to—

Senator DORGAN. What are you thinking about when you are suggesting this?

Mr. WHITE. The MA-13 titles.

Senator DORGAN. Go ahead.

Mr. WHITE. I am sorry. I am referring to the MA-13 titles, not the MA-17 titles.

Senator DORGAN. I understand, but what are you thinking about if you believe that the establishment of a classification system identifies kids 13 or over as mature?

Mr. WHITE. The guidelines that the independent council uses are similar to those established by the motion picture industry on PG-13.

Senator DORGAN. Well, as I have indicated before, I think that all of us have great trouble with this question of censorship, and yet everybody in virtually every way understands that we have some responsibility to protect children. We don't say, in this country that it is all right for everybody to drink. We decide we are going to protect our children, for example, and we are going to have certain laws that try to protect them from access to alcohol. We do that in a whole range of areas. We treat them separately in the judicial system and in the criminal justice system.

With respect to the question of the video arcade and the video games in which a woman is grabbed by the neck with a hook and drilled in the neck with a tool, or the case where someone grabs the heart out of a character, we ought to have just as much concern about protecting our children against that sort of trash as we have in dozens of other areas in protecting our children.

Mr. White, I read your statement and I honestly think that you don't understand what we are talking about here, and let me tell you why. In your final point about "Night Trap," you say this. "Finally, there is some research suggesting a short-term, momentary increase in playful, aggressive behavior after playing video games or watching violent television programs. There is no research con-

Answer. We have been in touch with retailers throughout this process. Several major retailers have agreed to carry only rated products, and many have also agreed to work with the IDSA to educate consumers about the system through in-store displays and materials.

*Question.* How will the rating system be reflected in industry advertising?

Answer. In addition, Dr. Pober has created an advertising advisory committee which includes a former Chairman of the Federal Trade Commission and the former head of the National Advertising Division of the Council of Better Business Bureaus to develop an advertising code of conduct that will be adopted by IDSA which will address this issue.

*Question.* Will this rating system replace the one currently being used by Sega?

Answer. Yes. Sega has agreed to replace its system with the ESRB system as soon as possible.

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#### INTERACTIVE DIGITAL SOFTWARE ASSOCIATION

The Interactive Digital Software Association (IDSA) was established earlier this year by Acclaim, Atari, Capcom, Crystal Dynamics, Electronic Arts, Konami, Nintendo of America, Philips, Sega of America, Sony Electronic Publishing, Viacom New Media, and Virgin Interactive, in part to develop a comprehensive rating system for interactive entertainment software. IDSA, in turn, established the Entertainment Software Rating Board (ESRB), an independent rating board headed by Dr. Arthur Pober, for the purpose of rating video games.

Dr. Pober most recently was Vice President and Director of the Children's Advertising and Review Unit of the Council of Better Business Bureaus. Before joining the BBB, Dr. Pober was Principal of the Hunter College Elementary School, the world's oldest laboratory school for gifted children. He has worked extensively in the public and private sectors to create and develop programs and learning materials for children. Dr. Pober has lectured throughout the world on topics ranging from education to child psychology, and he also collaborated with European nations to develop guidelines for children's advertising there.

The ESRB rating system is designed to work on all platforms, including cartridge-based game systems, CD game systems, PC-CD ROM systems, and PC floppy disk systems. It is open to all publishers of interactive entertainment software, regardless of whether they are members of IDSA. The first games rated under the ESRB system are expected to be on the market by mid-November, 1994.

#### RATING CATEGORIES

The ESRB system is comprised of five rating categories and several more detailed descriptors which provide more detailed information on game content.

There will be five rating categories: Early Childhood, Kids to Adults, Teen, Mature, and Adults Only.

The Early Childhood (EC) category will contain games recommended for children ages 3 and older who have preliminary communications skills such as fine motor coordination, the ability to use computer support material, and reading.

The Kids to Adult (K-A) category will include games recommended for audiences from six to adult. These titles may require more advanced reading, thinking, and communications skills than in the EC category, and will have broader types of content.

The Teen (T) category includes games recommended for audiences 13 and older.

The Mature (M) category includes games recommended for audiences over the age of 17.

The Adults Only (AO) category is for products limited to audiences over the age of 18.

#### CONTENT DESCRIPTORS

Descriptors will give purchasers critical additional information on the content which influenced the rating.

In the Early Childhood category, three descriptors are possible: Reading Skills; Fine Motor Skills; or Higher Level Thinking Skills. Games in the Kids to Adults category could carry any of the following descriptors: Mild Animated Violence; Comic Mischief; and Animated Violence. Games in the Teen category could contain some of the Kids to Adults descriptors, plus: Realistic Violence; Suggestive Sexual Themes; Mild Profanity; and Gambling. Games in the Mature category could carry any of the Teen descriptors, plus: Animated Blood and Gore; Realistic Blood and

In conclusion, Mr. Chairman, I believe that this national attention on video game violence affords us a rare opportunity. Unlike the enormous time lag between the TV violence research findings and public awareness, we now have a chance to help lower the impact of video game violence on children's lives sooner rather than later. I hope that all of us—government, parents, researchers and the video game industry—will seize the moment.

[Prepared statement of Mr. Page follows:]

PREPARED STATEMENT OF PARKER PAGE, PH.D., ON BEHALF OF THE CHILDREN'S TELEVISION RESOURCE AND EDUCATION CENTER

Thank you for the opportunity to provide testimony regarding the proposed interactive software ratings system.

As I stated in my testimony before this joint subcommittee hearing last December, my educational organization, the Children's Television Resource and Education Center (C-TREC) has long been concerned about violence in the electronic entertainment media. That concern has been supported by two comprehensive government reports and more than 1000 studies on the effects of media violence (Surgeon General's Report, 1972; NIMH Report 1982; APA Report, 1992).

After more than thirty years of research, a consensus has recently emerged among social scientists, educators, parents and elected representatives. Today the question being asked is no longer "Do violent media images affect children?" but rather "What can we as a society do to decrease the negative effects of these images on children's development?" Certainly a strong and independent rating system for all entertainment media provides a partial answer to this question.

To its credit, the interactive software industry has responded swiftly to this call for action. In my opinion, the software industry in general and the Interactive Digital Software Association (IDSA) in particular has done more in the last nine months to address public concerns regarding entertainment violence than the television industry has been able to accomplish in the past 30 years. Since the initial joint subcommittee hearings in December, IDSA has sought out and incorporated the concerns and suggestions from a diverse constituency of academicians, educators and consumers. More importantly, the Interactive Digital Software Association has been able to create a ratings board structure and develop a sophisticated ratings system.

After an extensive review of IDSA's rating system, we at C-TREC are convinced that it can fully address two of our most important concerns—comprehensive ratings and rating board independence.

In our view, for a rating system to be truly educational, it must provide parents and other adult consumers with accurate and detailed information about the software product—information that will give them a complete picture of the title and hence its appropriateness for their child.

To achieve this objective, title descriptions and ratings must look beyond a single issue such as the incidence of physical violence and take into account other child development issues such as depictions of verbal violence, sexual activities and language, substance use and abuse, etc. Such a multiple-variable rating system may make it more difficult to categorize titles neatly by age group. However in the long run, it will give parents and other adult caretakers a broader spectrum of information on which to base their purchase and rental decisions. The multiple-factor IDSA rating system gives the consumer this much needed information.

Second, since a multiple-variable rating system is more complicated, it places an even greater burden on the industry to do everything possible to promote accurate ratings. This is a difficult task. At best, the process of rating entertainment products is an interpretive art based on an inexact science.

Therefore, for an interactive media rating system—especially one designed to protect children—to have any credibility, we believe that the rating determinations must be conducted fully and completely by an independent panel of judges. Moreover, this independent panel must be allowed to establish a title's content description and rating classification prior to mass production and distribution. Again, IDSA has met this crucial requirement by creating a self-supporting ratings organization that has prior review responsibilities and control.

We look forward to the software industry continuing its proactive efforts. There is much still to be done, including the full implementation of the rating system, the training and education of retailers, and the development of marketing and advertising practices that enhance rather than denigrate the educational value of these new guidelines.

Gore; Mature Sexual Themes; and Profanity. Games in the Adults Only category could carry any of the Mature descriptors, plus: Strong Sexual Content.

#### THE RATING PROCESS

A publisher can submit a range of material, including videotape, storyboards, scripts, and narratives to the rating board. The publisher must submit materials that show the most extreme portions of the game. Three demographically diverse raters with no ties to industry will then be randomly assigned by computer to rate the product. These raters will separately review the submission, entering their detailed observations into a computer. When they complete the review, the raters will finalize their recommended ratings and descriptors.

These individual ratings are then reviewed by a full-time ESRB staff member, who will then return the consensus rating to the publisher. Once the publisher receives the rating, it will have an opportunity to accept or appeal it. The entire rating process will take no more than five to seven days from start to finish. All publishers will be required, as a condition of securing a rating, to display it on all packaging, advertising, and consumer marketing material.

This rating system lodges ultimate ratings power in the hands of independent, demographically diverse raters who review actual game content. Without the opportunity for independent persons to exercise their own judgment, you are left with little more than publisher-administered ratings, which will not be useful to consumers, nor will it win public confidence.

#### ENFORCEMENT

IDSA is registering the rating icons as trademarks and will therefore be responsible for policing the use of the trademarks to ensure they are being properly used. If, through spot checks or consumer complaints, IDSA learns that a publisher may have improperly obtained a particular rating, or is improperly using the trademark, our General Counsel will take actions including, but not limited to, pulling the rating, the restickering the product, or the payment of fines.



cluding that this has any lasting impact. In fact, quite the opposite is true."

My sense is that you really don't get what this hearing is about, and I don't mean to single you out. It is likely there are others that ought to be sitting in your place. But, you know, it seems to me we have to begin to exercise some common sense to protect our children, and when you say and when others say—and my guess is the person that marketed this particular game says this is not for kids, this is adult entertainment. The fact is you know and I know that kids in this country will have wide access to it, and we need to exercise responsibility to see that we protect those children.

Frankly, prior to this hearing I have seen very little effort on the part of people in the industry to do that. The effort has been to try to follow the money tracks and see how you can profit. Unfortunately, profiting at the expense of America's kids is not moral profit, in my judgment, and my hope is this hearing provides a direction that is much more constructive for this country and for our kids.

Thank you very much.

Senator LIEBERMAN. Thank you, Senator Dorgan. Thank you very much. I look forward to continuing to work with you.

I have some more questions. Mr. White, in the rating system that Sega has, beyond the MA-17, MA-13 and the rest, you have a category of "non-approval." So there is an indication on the guidelines themselves that Sega has established that you profess an intention to exercise some self-control here.

I read from the latest version of the guidelines, which is December 2 of 1993: "As always, Sega will not approve products which contain, one, material that encourages criminality of any kind." Isn't making a game and selling it that encourages a kid to point a gun at a television set and rewards his or her success by increasing the firepower of the gun encouraging criminality?

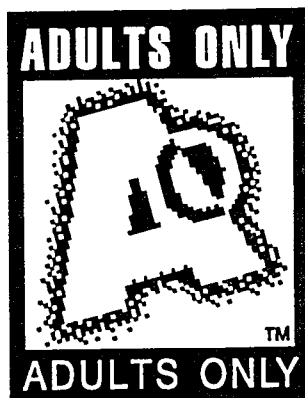
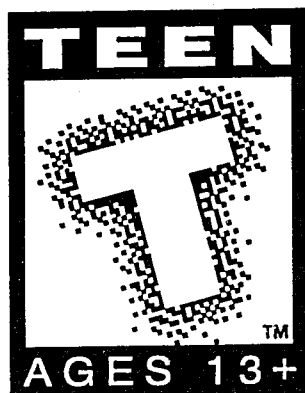
I mean, we are all aware of this incredible outbreak of gun violence in our country. Is it responsible—let me put it another way. Is it within the terms of the guidelines that you have established to make a game that puts this in the hands of a child and rewards his skill at shooting at the television screen and the characters in it, including, as Senator Kohl said, innocent bystanders who, when hit, are pumped back and bleed?

Mr. WHITE. Senator, we rely on the independent rating council to help us make those decisions because we at corporate are not psychologists, we are not sociologists. We do not understand the detail of that research that was discussed at the first panel. We rely on experts to help make those decisions, and they have rated that product MA-17, only appropriate for adults.

I might also point out that Sega produces product for a rapid-fire machine gun that uses the same technology, to our understanding, with several games available, and they have no rating on that product to suggest that that product is for adults.

Senator LIEBERMAN. You mean Nintendo produces that, you are saying?

Mr. WHITE. Yes. It is a similar device. It is a bazooka rather than a handgun.



right now of revising it where there would be a range of violence that you can play, from the very lowest, of course, always being don't put the game in the cartridge, to how many acts of violence that can be done in one minute.

You know, we have always monitored television and we do acts of violence per hour. When we monitor video games, we go down to acts of violence per minute. I would like to see the rating scale be a system where it would measure the amount of sexual references or sexual activities that can be done, and the acts of violence.

Senator Dorgan is familiar with our work and he knows that we take a strong stand against censorship. We are strong proponents of the Constitution, but everything that touches children, from the pajamas they wear to the toothbrushes that they use at night is governed by regulations, and all of our regulations are concerned with their physical safety. I think we need to at some point in our life look at the internal safety, and let us also look at the safety of the child who is sitting next to the child whose parents are unable or unwilling to keep "Night Trap" out of their home.

Senator LIEBERMAN. A final answer, yes, Dr. Provenzo?

Mr. PROVENZO. I would like to make a suggestion that I don't think is that difficult to do. I would like to see violence portrayed accurately. I would like to see, in television violence, when someone is shot in the leg what really happens to them. I would like to see in a video game that if you punch someone viciously, they don't get up and walk away immediately and take another punch. I think that kids do not understand.

I spend a lot of time out in the field interviewing kids and they don't understand what guns and hitting does, and I think they need to understand that and they don't get that communicated to them through either television or video games at all. They think that guns aren't that serious. They don't understand that guns kill people, or that when a gun goes through your leg you may not walk again or you may lose your leg because your leg may explode. They don't understand any of that.

Senator LIEBERMAN. Thank you all. Thank you, Senator Kohl.

Senator KOHL. One final question. Do you think that their announcement this morning is an attempt to defuse or to take the wind out of the sails of any potential Congressional action?

Ms. DROZ. I personally think that the parents of the United States, thanks to some of the effort of people on the panel and definitely the attention that Senator Lieberman gave last week—and the building anger of parents regarding the violence that our children are exposed to has reached such a momentum in this country that I don't think the American people will allow the video industry to put up a smoke screen.

After talking to some of the people in the industry today, I do feel that they are sincere, and I would like to feel that after 23 years of working with kids it is kind of hard to lie to me. I am really hoping that they will work together with people who have been working with children, and let us work and solve this problem. There is potential here. We have to tap into it.

Mr. CHASE. I think we should view it as a positive step, whatever the motivation, and I certainly wouldn't want to give anything as

Senator LIEBERMAN. Thank you very much, Mr. Heistand. We will begin our round of questioning. With my colleagues' indulgence, I will run the lights on a 5-minute cycle and we will keep going as long as we have questions.

I feel from what I have heard and what I have seen that you have indeed met the challenge that we set out before you. It seems to me that the rating system that you are proposing today is the most informative and comprehensive rating system for any entertainment medium in this country that I am aware of, and I appreciate that very much.

Let me begin by asking you a few questions on details. I gather that what the video game companies will submit is a tape extract of what are deemed to be the most problematic parts of the tape to be reviewed by this independent board. Is that correct?

Mr. HEISTAND. That is correct. Most tapes will range from 30 to 40 minutes in length.

Senator LIEBERMAN. Right.

Mr. HEISTAND. The rater will then review the tape and log onto a computer the actual frames where they see any content that they believe could influence the rating process. That is recorded and totaled, and eventually results in the ultimate rating.

Senator LIEBERMAN. And what is the deterrence if you find, for instance, that a producer has not submitted accurate tape information to you; in other words, that they have concealed some segments of the game?

Mr. HEISTAND. There are a couple of protective mechanisms that we have. One is 10 days before the product ships, the completed interactive computer entertainment software will be submitted to the Ratings Board. At that juncture, they will review the finalized product and reconcile it against what was submitted.

If we see any instance of someone misleading the Ratings Board, we have the option at that juncture to call it to their attention and stop the product from being shipped. If the product is shipped, because IDSA owns the trademarks, we have the right to protect those marks, and if anyone is using them fraudulently, we can cause to have the products recalled, stickered or, if needed, punishment in the form of fines.

Senator LIEBERMAN. That is great, and all those are part of the system you have set up. I wanted to say that I find your icons, as I believe you call them, the rating symbols that are on the chart here, to be, first, very easy to understand; that is, to see and understand. Second, I appreciate the number of categories. In other words, it does seem to me—and I am going to get to this in a little bit, but when it came to "Mortal Kombat I," for instance, I just felt very strongly that it was easy to draw a line at age 13, but that was inappropriate. Of course, we had examples of kids much younger than that playing the games or using them. So I think the definitions that you have created here that one cut-off point is 13 and another 17 are critically important.

I also know that the so-called descriptors—that is, the language in some detail—is going to be important. That will be apparently on the back of the package. I know you can't mention them all, but just give us an example of what some of those descriptors might

Senator LIEBERMAN. What is the game that that—is that for a video game? Mr. Lincoln, do you want to respond?

Mr. LINCOLN. This is a thing that comes with, or can be purchased with the Super NES. It obviously doesn't quite look like what you have got in your hand. It is called the Super Scope. The gun that you have in your hand is called the Justifier. I think that this device is for target shooting, and what not.

You know, I guess I would rest my case with the fact that we are not putting the name "Justifier" on it. The game that you are speaking of, "Lethal Enforcer"—let me tell you that that game was initially rejected by Nintendo. We told the licensee that we would not allow that game on the market. We told them that they would have to take off the word "Justifier," and we made a number of substantial changes to it and we also told them we wouldn't approve this kind of packaging. The end result is that that product is not yet out on the Nintendo platform.

Senator LIEBERMAN. I hope before it goes out on the market you will think again about it because it is more than the name "Justifier" on this. This is a handgun, pure and simple, and no matter what the name is on it, putting in the hands of a kid just gives him the wrong idea. I must say, to me, that looks like a weapon and not like a high-tech implement of any kind. It looks like an assault weapon of some kind.

Let me go to another part of this problem, and that is the chain of distribution, the chain of advertising. If you establish a rating system, it has got to be carried out throughout the chain. One of my staff members this morning went into a Toys 'R Us on the way to work and "Night Trap" is right there alongside the other video games that the kids can buy.

I want to show you two examples that deal with advertising. The first is this Toys 'R Us circular, and if you can see it, I think you will see, Mr. White, in that case that the ratings on "Mortal Kombat" are not visible; they have been covered over. Now, I know that is not your ad. You don't own Toys 'R Us, but I am just trying to make the point of how important it is, if you are really going to rely on your rating system, to follow that through the chain.

Second, we have got this ad for "Lethal Enforcer" that Senator Kohl has pointed to before, and the rating which is on your package is effectively—it is not visible. The carton is raised in such a way that it has covered it up. Of course, apart from that—and you would have to look for it—one other exercise of responsibility here would have been simply to have had a mark somewhere else there saying this is MA-17, this shouldn't be bought or used by anyone under the age of 17.

So my question is this. Pursuant to your commitment to have a rating system, would you commit now to do everything in your power to ensure that the ratings are not only visible on your product, but visible in advertising for your product, especially advertising, of course, which you procure directly?

Mr. WHITE. Yes, Chairman Lieberman. I referred in my written testimony that we are, in fact, suggesting consistency as to the presentation of ratings in product packaging, advertising and promotional materials. I will go beyond that and suggest that it should be prominent, and you have our commitment. I don't believe that

be beyond the symbols. What will they say? What will they tell the consumer, the parent?

Mr. HEISTAND. For example, we can take a product that would be rated Kids to Adults. So that we are all envisioning a common ground, say it is based on a Looney Tunes cartoon with Sylvester the Cat and Tweety the Bird.

Senator LIEBERMAN. As Chairman, I would certify to a general knowledge of the figures that you have mentioned.

[Laughter.]

Mr. HEISTAND. In that product, if we are seeing the Tweety Bird as terrorizing the cat and the cat falls off a wire and lands on his head, that would be described as mild animated violence, and that descriptor would be on the back of the package.

Senator LIEBERMAN. Let's take "Mortal Kombat I." What would probably be on the back—leave aside the rating for a moment. What would be the descriptor, would you guess? I am not holding you literally to it, but as an example.

Mr. HEISTAND. It would read something like "realistic violence."

Senator LIEBERMAN. Will the ratings appear on the cartridge or the CD, in addition to the package?

Mr. HEISTAND. That is our recommendation.

Senator LIEBERMAN. So that this symbol will appear on the cartridge and the CD?

Mr. HEISTAND. Yes.

Senator LIEBERMAN. One of the big questions that we raised, and it has been raised, is how independent these raters will be. This gets a little bit intricate, but you have laid out that they will be hired and fired by Dr. Pober, that nobody but the doctor will know their identities, and that they themselves will have no ties to the industry. I wonder whether the raters will have any way of knowing what the video game publisher's preferred rating is when they begin their work.

Mr. HEISTAND. I don't think that would be in the interests of a credible rating system. Clearly, the strength of this system is based on what you put in the system, how it is processed, and what comes out the other end. If at any time that system is compromised, we have set a series of checks and balances with this advisory board of many independent and nationally renowned thinkers on the subject of child development and entertainment and media. If they believe for any instance that this system has been compromised, I think it would be in the press and get called to our attention immediately. We don't for any moment believe that the independence of this system will be challenged.

Senator LIEBERMAN. Will the rater even know who the publisher of the game is?

Mr. HEISTAND. It would depend on who the rater is.

Senator LIEBERMAN. But they wouldn't know it from what was submitted to them?

Mr. HEISTAND. No.

Senator LIEBERMAN. They might know it from common knowledge, I suppose.

Mr. HEISTAND. Right. As I said, we will have three demographically diverse individuals rating a product, so by that it could mean a retired elementary principal who is an African American. There

which specify that ratings will be clearly visible in any advertising and understandable by parents and consumers. Distributors, including video rental stores or toy stores, should face some kind of incentives or, in fact, penalties from manufacturers if they sell or rent to children below the minimum ages in the ratings.

Because of these concerns, Senator Kohl and I are certainly going to proceed with our legislative proposal. Since we believe that our announcing the intention to introduce this bill has helped us get this far, going forward with the legislation is the best insurance that we get as far as we can in resolving this problem.

Now, let me stress that a rating system will only be as strong as the weakest link in the distribution system, from manufacturer to advertiser to retailer, and the industry, I think, must make sure that all those links are strong. I want to note here for the record that we contacted several of the biggest toy stores—Toys 'R Us and Kay-Bee, among others; I believe Wal-Mart, also—to invite them to join us today, but they failed to respond and I am disappointed by that decision. They, too, have a responsibility to cooperate in creating a credible system to keep adult games out of the hands of children. Without their cooperation, no rating or warning label system can work.

Even if all of these concerns with a rating system are addressed, the video game industry, in my opinion, will not have done as much as it should do to avoid creating more violence in our already too violent society. The rating system must not be a fig leaf for the industry to hide behind. They must also accept their responsibility to control themselves and simply stop producing the worst of this junk.

Now, the industry is blessed with some of the most exciting technology existing today. Millions are being spent to gain the interest of our children in that technology, but when they gain that interest, I think the industry also accepts a responsibility. As Bob Keeshan, who is Captain Kangaroo, said last week, the industry has a responsibility to nurture healthy children and a healthy society, or at least, I would add, not to undermine the attempts by parents to nurture healthy children.

The video game industry has not lived up to its responsibility to America's parents and children. I hope they will do so in the coming months, at least by developing a credible and enforceable rating system, and at best by taking the worst games, or the worst parts of those games, off the market.

Bob Keeshan made another excellent point last week when he said that children don't need violence to be entertained. His show proved that for over 30 years. As the father of a 5-year-old, I couldn't agree more, but I am not naive. I know that all the public outcry and Congressional interest may not stop the flood of violent video games. For this reason, we need to make sure that parents have the information they need to establish a healthy environment for their kids, and that parents use their power as consumers to convince the video industry to regulate itself. If the violence and sex doesn't come out of the games, parents should be able to keep the games out of their homes.

Thank you, Senator Kohl.

[Senator Lieberman submitted the following:]

could be a 35-year-old mother of two, and there could be a 22-year-old law student. The 22-year-old law student may see a game coming in and say, ah, I recognize that is from this publisher. We can't prevent that.

Senator LIEBERMAN. Sure. Let me go now to the phasing-in of the system. When can we expect to see the first games with the IDSA rating system on the shelves?

Mr. HEISTAND. We are expected the second week in November. Dr. Pober is in the process of having this system ready to accept product September 1. Given the lead times in our industry, you will see, as I said, the second, third week in November.

Senator LIEBERMAN. When I walk into Wal-Mart or Toys 'R Us this holiday shopping season, what percentage of the video games would you guess will have an IDSA rating?

Mr. HEISTAND. It is going to vary by retailer and what titles they decide to stock and what inventory they may have remaining from previous seasons, but new titles that have been launched since the rating system is in place, I think you will see the wide majority of them. I think of total video games that are selling in the marketplace, over 50 percent of the volume that is sold this Christmas season will be rated products.

Senator LIEBERMAN. That is great, and then presumably by next Christmas shopping season we should be at 100 percent, or thereabouts.

Mr. HEISTAND. That is our goal.

Senator LIEBERMAN. Or as we are discovering, since you made the health care analogy, since we have discovered that universal coverage doesn't mean 100 percent, we know that you will strive to get as close to 100 percent as you can by the Christmas shopping season of 1995.

Senator COHEN. Are you talking about soft triggers or hard triggers in this regard? [Laughter.]

Senator LIEBERMAN. Mr. Heistand, as you know, there will be another Mortal Monday coming in September when the home version of "Mortal Kombat II," which I have seen in some of the arcades, is launched. As you know, I object to the content of this game on principle, and I regret that "Mortal Kombat II" is coming out and there will be several versions of it. It seems to me that there will not be a less violent version of "Mortal Kombat II" available as there was with "Mortal Kombat I."

That being what it is, I was particularly concerned that "Mortal Kombat" should not have been rated as appropriate for 13 year olds, or less. Games with such explicit violence, it seems to me, should not be available to people under 17, and I wrote to Acclaim urging them at least to rate "Mortal Kombat II" as appropriate in your categories for M; that is, ages 17-plus.

I gather that "Mortal Kombat II" is coming out in September. Therefore, the formal IDSA system of ratings will not be in place. Although I have talked to both major companies and I have urged them to rate it themselves, I wonder if you have any knowledge of how "Mortal Kombat II" will be rated.

Mr. HEISTAND. "Mortal Kombat II" on the Sega platform will be rated MA-17, which is the existing Sega rating system. Nintendo has likewise agreed on their format to flag that the game is appro-



that same commitment has been made by Nintendo. It is in our testimony.

Senator LIEBERMAN. Mr. Lincoln?

Mr. LINCOLN. Well, I don't know what he is talking about there. As you well know, we have made a commitment to the rating system. The point that I have been making all along and the point that I made to both of you this morning individually was that we are concerned that a rating system by itself might just be an open season on more violent games.

The commitment that I will make to you is that while we will participate in formulating a rating system, we will be the first ones back here if what we see is nothing more than just business as usual. If we are going to have a rating system, let us put some meat in it, let us figure out a way to get the retailers to enforce it. Let us figure out a way that the consumer can clearly understand the content of these games, and we will certainly make that commitment. I made that to you prior to the hearing in my statement and I will repeat it now.

Senator LIEBERMAN. Thank you. Ms. Rosenthal, on behalf of the Software Publishers Association, am I correct that Konami would be a member of the association?

Ms. ROSENTHAL. I do not believe that that company is a member.

Senator LIEBERMAN. Would you consider it a software publisher, whether it is a member or not?

Ms. ROSENTHAL. I am truthfully not familiar with that company.

Senator LIEBERMAN. Notwithstanding that, let me just get to ask you whether, on behalf of your association, you would commit here as part of the implementation of a rating system to do everything within your power to prominently display the ratings in advertising your members may procure and promotional materials that you put out?

Ms. ROSENTHAL. Absolutely. Senator Lieberman, you have made some very, very cogent points here, and what I want to emphasize today is the sincerity of the industry. They have heard what you and Senator Kohl have had to say and they are sincerely interested in the well-being of children, and any rating system that does get adopted will be consistent and will be understandable and will be labeled in a similar manner and will be enforceable. That is a commitment that we can make to you.

Senator LIEBERMAN. Ms. Wiener, in terms of the video rental stores as we know them, right now it is clear that if you go into a store, certainly the big Blockbuster, for instance, if you are under 17, as you said, your age is basically checked and you can't take out an R-rated until you have got parental permission, and you can't take NC-17 under any circumstances.

On the other hand—and I know there hasn't, I guess, been a widely accepted system—one of the staff went into one of the Blockbusters around here last week and took out "Mortal Kombat" and it had no rating on it. It appeared that it would be easy for a child to take it out, as well. I just wanted to ask whether it would be the intention of your members, once a rating system is adopted by the industry, to implement it in the same way you have the movie rating system.

ropriate for age 17 and above. Speaking with the CEO and Chairman of Acclaim yesterday, he has made the pledge, likewise, to include those ratings on all advertising, consumer, and promotional materials.

Senator LIEBERMAN. That is very good news, and again I appreciate that. It shows how far we have come since "Mortal Kombat I." So there may be, and there is, a lot more violence than I would like in "Mortal Kombat II," at least it will be rated as only appropriate for those 17 and older.

Am I correct in assuming that once the IDSA system is up and running in October or November that "Mortal Kombat II" will be submitted to that system and will be rated under it?

Mr. HEISTAND. As you know, our system is a voluntary system. Senator LIEBERMAN. Right.

Mr. HEISTAND. We have asked, given the public profile of that product, that Acclaim submit that product to be rated once the system is up in place and consider running the IDSA rating on all future production runs.

Senator LIEBERMAN. Well, that is all we can ask you to do, and I think perhaps we can punctuate that by calling on the companies directly to become part of your rating system. Thanks very much.

Senator Kohl?

Senator KOHL. Thank you very much, Senator Lieberman.

Mr. Heistand, as between age 17 and over and adults, what is the difference?

Mr. HEISTAND. Adults Only—a legal definition is 18 and older.

Senator KOHL. So you are really differentiating there just a year between Mature and Adults Only?

Mr. HEISTAND. Correct.

Senator KOHL. Mr. Heistand, these raters, of course, are crucial. Who they are and the judgments they make will result in what kind of a rating system we have and how effective it is. Is there some kind of a method by which the raters are going to be trained? I mean, how are these people going to function? Will they each bring their own ideas? Will there be no way to see to it that they come out with a product in which we can have confidence that is consistent and that makes sense?

Mr. HEISTAND. Each rater that applies for a position and is hired goes through an exhaustive training session, and that training session they are not paid for. Our thinking is they have got to be committed to wanting to rate products. They have got to be educated to understand what content is going to affect what ultimate rating. We are right now going through the process of training over 50 raters.

Senator KOHL. Who selects these raters?

Mr. HEISTAND. That would be Dr. Arthur Pober.

Senator KOHL. He becomes a crucial person in this whole operation in that he both selects and trains the people who are going to be doing the job?

Mr. HEISTAND. Correct, correct. One of the most significant things that we did over the last 4 months was hiring Dr. Arthur Pober. He has extensive expertise in this area. His network of support among child development experts, many of whom are here

far as whatever that motivation may be. It is a positive step to doing what is necessary to protect our children and to do what is right.

Senator KOHL. Very good. We thank you all for coming.

Senator LIEBERMAN. Thank you.

Senator KOHL. Before we go to the second panel, I would like to simply say that Senators McCain and Gorton statements will now be submitted at this point.

[Prepared statements of Senator McCain and Senator Gorton follow:]

#### PREPARED STATEMENT OF SLADE GORTON

In a couple of weeks, thousands of small children will wake up Christmas morning hoping that Santa has delivered the number one wish on their Christmas list—a new video game cartridge. But the sparkle in their parents' eyes and the vision of sugar plums dancing in their heads may soon turn to shock and horror when they see what Santa has just brought for their youngsters—decapitation, mutilation, unimaginable violence and now, with the "advances" of CD-Rom, video games that look all too real.

Wake up Mom and Dad—this isn't Pac-man anymore. Pac-man and Pong have been replaced by Mortal Kombat and Night Trap—games that glorify violence and show our darkest nightmares on video screens.

Today's hearing is appropriate because it is time to call 'time-out' on these games. It is time to step back and recognize the changes that have taken place in the video game marketplace. It is time to look into the future and think about how these 'games' are likely to be coming into our homes: over our computer monitor on the electronic highway and over our cable lines in real 3D, life-like forms, that will be totally interactive. Kids will have more and more exposure to these games and parents will have a harder time trying to make choices and control what they see and do.

It is time to call 'time-out' and to figure out what should be done. In my mind, this debate should not center around the first amendment. Questions of what may or may not be Constitutional have little to do with this debate. This debate should be about what is right or wrong, about corporate responsibility and about what acceptable software marketing practices are when they are aimed at our most vulnerable citizens. This is not a debate for lawyers, it is a debate for parents. Some will call this a debate about censorship but I disagree. Instead, I believe it is about decency, self-respect, and just plain good taste.

Today, the committee will hear from a number of witnesses including major video game makers. It will hear about proposals for video game rating systems. While ratings may be part of the answer, it is not a substitute for good judgment and corporate responsibility. One company, Nintendo, has adopted voluntary content guidelines, not just labeling requirements. Nintendo has adopted a responsible code that rejects gratuitous excessive violence and sexually suggestive language. Nintendo will either modify software to meet its guidelines or will simply reject any game that does not meet its code. This is responsible corporate behavior—behavior which I hope will be replicated by other software and video game makers.

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#### PREPARED STATEMENT OF SENATOR JOHN MCCAIN

##### I. PURPOSE

The purpose of the Video Game Rating Act of 1994 is to establish an independent agency to work with the video game industry to create a system for providing parents and other purchasers with information about graphic violence or sexually explicit material contained in some video games.

##### II. SUMMARY

The legislation creates a five member bi-partisan Interactive Entertainment Rating Commission (the "Commission") which will act as a facilitator for meetings of the video game industry. For a year after the enactment of the legislation, the industry will have sole responsibility for creating a rating system. That system may take whatever form the industry believes is sufficient to provide parents with infor-

today and will be testifying on a panel—they have been consulted, and helped in designing this rating system.

Senator KOHL. It would be nice to have an opportunity for us to meet him just to chat with him, not to challenge your selection, of course, but just to know who he is, presumably to increase our level of confidence in what you are doing.

Mr. HEISTAND. An open invitation is extended to anyone, and the Subcommittee staff, if they would like to come to the location of the Entertainment Ratings Board and see the raters at work, see the training system, see how they actually rate a product. A demonstration was given a few days ago to many members of your staff and the response we received was very positive.

Senator KOHL. Thank you. Mr. Heinstead, you said you are covering about 60 percent of the market. As I looked at the numbers, it looked to me like you were covering more than that, about 80 percent of the market. Could you correct that if that is a misimpression that I have?

Mr. HEISTAND. Well, the video game industry represents well in excess of 80 percent of the total volume that is sold. Our member companies, the 12 companies that sit on IDSA, represent about 60 percent. The discrepancy is third-party publishers that are smaller companies that develop video games for video game platforms like Sega and Nintendo. We believe those will be among the first people that sign up and support the system.

Senator KOHL. Out in the marketplace, in the stores where these video games are sold, what is likely to happen at the checkout counter where the sales are made? If you have the wrong person buying one of these games, what will prevent the sale from happening anyhow?

Mr. HEISTAND. As a publisher, that is a difficult question for me to answer. It is an issue that is on the mind of retailers right now. I think by varying degrees different retailers will have a different opinion on the subject. The number one commitment we have been looking for from retailers is to help us educate consumers, and I think you will see today that retailers are making good on that commitment.

Senator KOHL. But isn't it true that if we are really going to have the system work, then there will have to be some effort at the store where the sale takes place to see it that the rating system is observed at the checkout counter?

Mr. HEISTAND. Obviously, that would help. I think the ultimate ownership in the issue of acquisition of any product for younger children—you know, that ownership resides with parents.

Senator KOHL. Can you tell us what the differences might be between your industry and the recording industry in terms of the ability that they would have to get the job done in a system which is not dissimilar to what you have done? I would differentiate the recording industry from the TV industry because there I think you have a whole different set of real-world dynamics that operate in terms of what you put on TV and what kids can watch.

Not that we don't have a problem that doesn't need to be dealt with, but how is the recording industry dissimilar from yours in their ability to get a similar kind of an effort going?

Ms. WIENER. Absolutely. We plan to implement the Pledge to Parents again to add the video games to the system. Back to our conference, that is where we are really going to spin off the whole educational process that now there is a rating system in effect. We want you to add that to the Pledge to Parents, we want you to explain to your membership about the new system.

Basically, what most of us do is in our computers we have the parents sign. If they do have children, what are the ages of their children and, in fact, will they allow them to rent any video games? So we have all intentions of implementing the system to the best of our ability.

Senator LIEBERMAN. Mr. Johnson, you have probably got the hardest job of all in your arcades and other facilities, but what if there is a rating system on the video games? Are your members in a position to start to try to exercise some influence on what—for instance, if a 10-year-old goes up and starts to play “Mortal Kombat” or “Night Trap,” can you do anything to stop them from doing that?

Mr. JOHNSON. Well, again, one more time, first of all, “Night Trap” isn’t out in coin op, so that is not an issue. “Mortal Kombat”—in answer to that question, absolutely no way. Coin op is spread literally to every small town in the United States. The vast majority of the locations—while you are familiar and are focusing on the major game room, that room that is housed and has an attendant, remember that there are movie theaters and grocery stores and restaurants and night clubs and virtually every type of location and retail outlet you can think of that today houses video games. In most of those cases, they are not under immediate supervision.

Under those scenarios, as an example, if you were to rate “Mortal Kombat” and say it is absolutely not to be played by anyone under the age of 17, in the commercial arena we have no way of enforcing that, short of simply not placing the game.

Senator LIEBERMAN. And in some cases your members are doing that in response to parental pressure?

Mr. JOHNSON. From the coin op side, the market pressure is causing that. Let us face it, we can sit here all day and talk about morals, but the reality of the business world out there, unfortunately, in many cases is driven by economics and economically our people being forced to pull them.

Senator LIEBERMAN. A final question for Mr. White and the panel. In your guidelines you say that you are not going to approve products which contain material that denigrates any ethnic, racial, sexual, or religious group. Obviously, I think that “Night Trap” denigrates a sexual group—namely, women—and we have talked about that.

Again, this is not your ad, but in the Konami ad there is a reference to ninjas; it talks about fighting ninjas in Chinatown. Aside from being, as I understand it, culturally inaccurate, since ninjas are in their origin Japanese and not Chinese, do you agree that that is in violation of the spirit of your own guidelines?

Mr. WHITE. Senator, those guidelines refer to the games, not to the advertising. We don’t currently extend—

Senator LIEBERMAN. I understand that, but—

Mr. HEISTAND. Well, outside of being foolish when I was younger and trying to make it in the recording business as a performer, I don't know much about the record business and how it operates. So I think it wouldn't be fair to them to have me compare or contrast the mechanisms of their business and their operations versus ours. I think, you know, taking a step back and just looking at the industries, they are largely similar. They are retail package goods businesses.

Senator KOHL. Thank you very much, Mr. Heistand, Mr. Chairman.

Senator LIEBERMAN. Was that last series of questions a warning to the recording industry, my colleague? Maybe that is the next area of interest, but your question was a very good one substantively.

Jack, I can't control myself from asking what were you planning to do in the recording industry as a performer?

Hr. Heistand. I was hoping to some day appear on the "Gong Show."

Senator LIEBERMAN. Well, you made it to the congressional hearings, anyway. Again, just a few more questions.

Let me ask about the advertising. You mentioned a few sentences in your opening testimony. As you know, we were concerned in the earlier hearings not only that there be a rating system on the games, but what happens in the advertising, and we are particularly concerned about the use of a child or a boy in one of the ads to promote a game that the manufacturer said was appropriate for older children, but this child certainly looked to most of us on the committee that he was barely 12, if not younger. So just talk a little bit more about what IDSA is proposing in terms of advertising content, both printed and electronic, to carry out the intention of the whole system.

Mr. HEISTAND. Well, there are probably two components to advertising. One is the media buy, and the second is the actual creative of the advertising. Within the Advertising Code, the media-buy recommendation will be to advertise a product through a medium that effectively targets age appropriate audience.

With respect to creative, we want a fair depiction of the content of the game of the creative, we want the trademark or the icon of the rating symbol prominently displayed in all forms of advertising, whether it is television or whether it is printed matter. In addition, much of the promotion that goes on in our business is via retailers, as Senator Kohl would know. The key retailers in our industry have signed up to say that they will display the rating's icons in their promotional materials that they mail out to their shoppers.

Senator LIEBERMAN. Generally speaking, as much as we are pleased with how far you have come, you have come an enormous way, I think, Senator Kohl and I want to stay involved, and we will continue to do so on that level with the advertising, as well, because that is probably a bit more amorphous than the fairly concrete categories in the process that you have laid out.

Let me ask you about "Doom," which I showed. You know, you learn things when you are in this line of work that you never thought you would know, but we now have access to all that is happening in this field, and we hear that "Doom" is the exciting game

We believe the completion of these tasks is critical to the software industry's educational efforts to safeguard our children. Current gaming trends indicate that more realistic interactive products containing more violent and sexually explicit material will soon be distributed over an ever-expanding number of platforms and communications networks. Consequently, the interactive entertainment industry will be facing new challenges and more intense public scrutiny in the months ahead. We believe that IDSA's creation of an independent ratings panel and detailed rating system is an important step toward meeting those challenges.

Again, thank you for the opportunity to provide testimony to this joint subcommittee hearing.

Thank you very much for the opportunity to testify today.

Senator KOHL. Thank you very much, Dr. Page.

Dr. Provenzo?

#### STATEMENT OF EUGENE F. PROVENZO, JR.

Mr. PROVENZO. Most adults pay relatively little attention to video games, since they are largely the domain of childhood. Although I have been studying toys, games and the culture of childhood for nearly 20 years, it wasn't until a neighbor came up to me about 3 years ago and asked me what I thought of video games that I began to consider the implications of the games.

What I discovered I eventually described in my book, *Video Kids: Making Sense of Nintendo*, and what I found shocked me. Video games are overwhelmingly violent, sexist and racist. Some of my more recent research which I would like to share with you today suggests that video games are evolving into a new type of interactive medium. Participatory or interactive television is what I am calling it, possibly something very close to what Aldous Huxley described in *Brave New World* as the "Feelies."

This new CD-ROM-based video game technology represents a major evolutionary step beyond the simple graphics of the classic "Space Invader" arcade game so popular 20 years ago or even the tiny animated cartoon figures that we see in the Nintendo system. When you combine this technology, the CD-ROM-based technology, which allows you to have these digitized films in the computer—when you combine those with virtual reality technologies, like Sega's "Activator" which literally allows you to have your movements sensed—punching, hitting, kicking, all translated into the computer—we have something which is a remarkably different and new type of thing.

What I want to do in the next few minutes is just make it very clear that we are dealing with something different, a new type of television. I have references in my statement to the extensive studies that have been done on television violence and you can refer to those. As a researcher, I am absolutely convinced by what is coming out that the long-term effects of television on increasing aggressiveness in children, and its carryover into adult life, is very, very clearly there.

I can cite studies by Joy, et al, Huesmann, where television has been introduced for the first time into communities that did not have television. For example, in Canada where this was done, a small, isolated community that didn't get a television signal in, what they found—and I won't go into the technical parts of it, but essentially aggressiveness in children increased by 160 percent after they were exposed to television. There are similar types of studies by Huesmann.

on the personal computers at this point, and it is the one that people are looking forward to coming out this fall on the platforms of the larger manufacturers, members of your association.

First, I assume that if the maker of "Doom" submitted the PC version of this game to you, that you would rate it or that the system would rate it.

Mr. HEISTAND. Any publisher that submits any product on any platform, we are capable of rating.

Senator LIEBERMAN. Right. I do not know whether you know enough about this particular game to answer the question, but based on what you have seen or what you know, where do you think "Doom" could come out on the rating system?

Mr. HEISTAND. I am not sure that is fair to speculate. I think by me rendering a judgment as to what something could be potentially rated in itself is kind of denigrating the independence and the raters performing that job.

On this title specifically, I can tell you that the people at Sega have said that this product will be rated and will fit within the time line that we have established. I think we have got a very good shot for that happening with Nintendo, given that their lead times are even longer. I think most people in the industry believe that "Doom" will be a hit on the PC, PC-CD.

I met with the gentleman who acquired the distribution rights to "Doom" for the PC-CD 2 weeks ago, and very strongly urged him to insure that this product is rated. His number one customer happens to be Wal-Mart, and in visiting with Chuck Kerby from Wal-Mart today, Chuck said that he is going to do everything within his power to insure that the product is rated.

Senator LIEBERMAN. I appreciate that. Again, we will get to this with Mr. Kerby, but I cannot stress enough how much has to be comprehensive cooperation and how important Wal-Mart's statement was at the last hearing, as was the statement of the people representing the video rental industry, that they would do whatever they could to enforce this.

I apologize for having my vocabulary so affected by the health care debate, but they are the gatekeepers here, and they really have given us great encouragement that the system that you have put together can work.

One final question. The other game that attracted our interest negatively at the outset of this was "Night Trap." I know that at least one of the companies withdrew it from the market in the form it was in. Do you know whether it is on the market now in any form?

Mr. HEISTAND. I could not answer that question. You are right, a few of the retailers stopped selling the product.

Senator LIEBERMAN. Right.

Mr. HEISTAND. As we mentioned the last time we got together, in our industry, the vast lion's share of any volume that is sold sells within 8, 10, 12 weeks of when a product is shipped, so there probably are some packages out there of "Night Trap." But if you looked at the top 100 list of titles that are selling, it is not showing up.

Senator LIEBERMAN. This leads me to the more general question, which is to what extent can we assume that games that are al-



Mr. WHITE. That is not our advertisement.

Senator LIEBERMAN. So would you say that if your advertisers at Sega asked you about including that kind of phrase in a Sega ad that you would tell them not to do it?

Mr. WHITE. I am sorry. I don't know which phrase you are referring to, Senator.

Senator LIEBERMAN. Well, there is a reference there to fighting ninjas in Chinatown. To me, it seems like, at minimum, ethnically insensitive, and maybe a—

Mr. WHITE. We would strongly discourage that kind of language, absolutely.

Senator LIEBERMAN. OK. Senator Kohl and I are very serious about this and intend to stay with it. I must say that I think we are going to pursue our legislation. I hope that you are able within the industry to come up with a rating system that meets everyone's concerns, but I think the best guarantee of that is for us to stick with the course we have set.

As part of that, we are going to convene again here, preferably in February, to meet again with you and see what progress you have made up until that time in your rating system. We can decide where to go from there. You know, there is a tremendous market incentive here. The money has got to be very attractive, but the best thing you can do not only for this country but for yourselves is to self-regulate. Believe me, it is not only going to be important to our kids, it is going to be important to the ultimate credibility and success of your business.

Frankly, in some measure, it is going to be important to the maintenance of constitutional freedoms in our country because unless people self-regulate, unless people draw some lines, the sense that too many people in our country have that we are out of control is going to lead to genuine threats to our freedom which nobody wants to see.

We have come some ways. I appreciate the ways we have, but we have got a ways to go yet, and I hope that you will become the leaders in this. Senator Kohl and I have a lot of other things we can work on here in the Senate, and I hope that you will take it from here and work it in a way that we don't have to worry about it anymore.

Senator Kohl?

Senator KOHL. Yes, thank you, just a final word. Consistent with what Senator Lieberman just said, you know, there is in America an awful lot of freedom, and we cherish it, we want it, we deserve it and we are not going to let it go, and neither is the commercial world, nor should you. But there is that tendency—at least I see it here this morning, but it is not unique, I think, to this particular industry. As you know, there is always that tendency to use the system down to the last inch to maximize profit and stock price, and so on. It is human. I mean, I am not suggesting these are bad people.

That is what happens in our country because it is so free and, you know, everybody has an opportunity to do almost whatever they want within certain limitations. I think this is an example of how we can push it too far and really do great damage to our country. You see it in other things not related to your own business, but

ready out on the market will come under the new rating system, if they continue to sell, if they have a longer life span than the typical game?

Mr. HEISTAND. There is not much we can do right now to come to you and say we can handle that. By going backwards and trying to rate products that are in the marketplace today would put such an incredible burden on the Ratings Board and rating the products going forward.

I think if we find that in the rare instance there is a product that is what we call an evergreen product that would continue to sell year to year and should be rated, I think if the market forces, i.e., consumers and retailers, said we want this product rated, that is the best assurance that it will happen.

Senator LIEBERMAN. Again, just to pick out Wal-Mart or Toys 'R Us, if these large retailers say that they are not going to carry unrated games, that is obviously the most powerful incentive for the manufacturer to bring in all the games to be rated, including those that are already on the market.

Mr. HEISTAND. I agree with you, that is the most powerful thing that can be said. I think it is important to recognize that we do not want to throw the baby out with the bath water from day one. You know, there are many publishers that need to be educated on how the system works. There are many small publishers that I would hate to see their existence, their livelihood threatened by not being able to market products while they are learning and eventually supporting the rating system.

Senator LIEBERMAN. Senator Kohl, do you have any more questions?

Senator KOHL. No.

Senator LIEBERMAN. Mr. Heistand, thanks very much. This has been a really great response and we look forward to seeing it implemented and broadened throughout the industry. I just feel that it is going to set some standards. It is going to create some limits here that will rely on not only retailers, but obviously parents and perhaps even the kids themselves to exercise some discipline and self-control. This has been a substantial step forward, and I appreciate it.

Thanks very much.

Mr. HEISTAND. Thank you, and we look forward to delivering on our pledge and look forward to—while this has been a very rich experience, not having to come back, because I think you will not need to see us again.

Senator LIEBERMAN. That is mutual. [Laughter.]

Panel two now, Mary Ellen Fise, Chuck Kerby and Robert Chase. Mary Ellen is the Product Safety Director at the Consumer Federation of America. Chuck Kerby is the now legendary Divisional Merchandise Manager at Wal-Mart Stores. And Bob Chase who happens to be from Connecticut, is Vice President of the National Education Association.

Thanks to all of you for being here and for your cooperation. We welcome now your response to what we have heard and what we have not heard yet, which is panel three, the Software Publishers and the Amusement Machine Association, although I believe that

mation about the graphic violence or sexually explicit content of specific video games. At the end of the one year period, the Commission will review the proposed rating system and determine whether the system will provide purchasers with the appropriate information. If the Commission determines that the system is sufficient, the Commission will issue a report to President and will then disband. If the Commission determines that the system is not sufficient, the Commission will begin a rule-making process to establish the appropriate rating system.

### III. SECTION-BY-SECTION

#### *Section 1*

Section 1 provides that the short title of the Act will be the "Video Game Rating Act of 1994" and states that the purpose of the Act is to provide parents and other members of the public with information about the graphic violence or sexually explicit nature of a video game. This system will enable parents to make informed decisions about which video games they will purchase for their children. The system will also cover video games played in arcades and other public areas.

#### *Section 2*

Section 2 defines the terms "video games" and "video game industry" for the purposes of the Act. The term "video games" is defined broadly to include any interactive computer game, including all software, framework and hardware. The broad definition is intended to cover future developments in video game technology, such as games played on personal computers and games available through cable television channels, as well as the array of video games currently available for use in the home or in arcades or other public areas. The term "video game industry" means all manufacturers of video games and related products.

#### *Section 3*

Section 3(a) establishes the Interactive Entertainment Rating Commission as an independent establishment in the executive branch.

Section 3(b) specifies that the Commission shall be composed of five members. No more than three members shall be affiliated with any one political party. The members shall be appointed by the President.

Section 3(c) states that each member of the Commission shall serve until termination of the Commission.

Section 3(d) establishes that a vacancy on the Commission shall be filled in the same manner as the original appointment.

Section 3(e) sets the compensation of Commission members.

Section 3(f) states that the Chairman of the Commission can appoint an Executive Director and additional personnel.

Section 3(g) allows the Commission to hire contractors.

Section 3(h) authorizes necessary funding for the Commission as necessary until December 31, 1996.

Section 3(i) mandates that the Commission shall terminate on the earlier of December 31, 1996 or 90 days after the Commission submits a report to the President stating that the voluntary industry rating system is sufficient.

#### *Section 4*

Section 4(a) specifies that, for one year after the date of the enactment of this legislation, the Commission shall work with the video game industry as the industry establishes its proposed rating system. At the end of the one year period, the Commission shall determine whether the voluntary rating system is sufficient to warn parents and users of the violent or sex content of video games. If the Commission decides that the voluntary rating system is sufficient, it shall issue a report to the President and then disband.

Section 4(b) states that, if the Commission determines that the industry rating system is insufficient, it may establish a rating system which will be credible and comprehensive.

#### *Section 5*

Section 5 grants the video game industry a narrow exemption from antitrust laws while the industry works to establish a voluntary rating system.

Senator Lieberman?

Senator LIEBERMAN. Thank you, Senator Kohl. Let me now call the second panel to the table: Howard Lincoln, Senior Vice President of Nintendo of America; Bill White, Vice President of Sega of

you may be familiar with the rating system and the work that they are doing.

As I said at the outset, you really represent the people we are trying to represent, and we appreciate very much your support and cooperation all along here.

Ms. Fise, we welcome you.

**STATEMENT OF MARY ELLEN FISE, PRODUCT SAFETY  
DIRECTOR, CONSUMER FEDERATION OF AMERICA**

Ms. FISE. Good morning.

Thank you for allowing me to testify here today on the rating of video games. I commend both of your leadership on this issue to examine strategies to assure that consumers really know what they are purchasing, when they spend money for a video game.

CFA believes very strongly that any rating system that is developed must not contain any hint of censorship. The right of consumers to choose freely among video games, regardless of content, should be preserved.

Senator LIEBERMAN. Let me just interrupt and say I appreciate you making the comment. I suppose it has been implicit here. Based on my druthers, I wish that I could tell the companies to leave a lot of this junk out of the video games. But in this country, once you go down that road, it takes you to places you do not want to go, so that is why the best response is occasional jawboning, maybe some consumer pressure at the marketplace from the retailers, but ultimately the best that we can hope to do is the rating system.

I apologize for that intervention, but I think that is an important point you make.

Ms. FISE. Our involvement in this issue arose out of our past work on toy labeling and also our concern that rating systems already under development may be inadequate. A rating system that misleads or fails to have adequate safeguards for reliability may be as bad as having no system at all. The selection of a video game may not be as simple as one might think. While a video game is intended for amusement and entertainment, it is certainly not the "Monopoly" or "Parchesi" type board game that we grew up with.

On a recent trip to a store that sells video games, I asked a sales clerk standing in front of a huge display of video games, "Well, how do you know what age kids these games are for?" He smiled at me and he said, "You guess," and then walked off. This was a particularly apt response, because "guess" is just what a lot of consumers have to do nowadays.

The descriptions on the packages are not much help in aiding in this guessing game. Even testing the game out in the store prior to purchase does not provide consumers with this information.

For example, parents have complained to us that what they witness or view in the store is often the lowest level of challenge and sophistication. Having only seen the game at its beginning level, it may raise for them at the time of purchase only benign concerns, if any at all. It is not until later when their child has been playing with this game repeatedly and reaches a higher level that more objectionable aspects of the game occur.

I think those of us who are here today see it in this business and we hope very much that you step back and take into account our common responsibilities as citizens here and not only as people who are employed to maximize profits.

Senator LIEBERMAN. The hearing is adjourned. Thank you all.  
[Whereupon, at 1:52 p.m., the subcommittees were adjourned.]

CFA believes that the development of any video game rating system should include age-based categories. Because age-labeling of children's toys is widespread, consumers are very accustomed to age-labeling on children's products. These distinctions will not only assist consumers in purchasing games that may contain violence, nudity or obscene language, they will also greatly assist those purchasing video games for preschool children. Because these younger children lack reading skills, for example, consumers shopping for preschoolers need to find games that do not rely on the user being able to read. We are pleased that the system developed by IDSA plans to incorporate different age groups in its rating categories.

In addition to listing an age, the packaging should also indicate why that age was selected or, in other words, incorporate the whole concept of informative age labeling. If the game is appropriate for children age 3 to 5, as it does not require reading, it should say so on the package. If the game is appropriate for persons age 13 and up, because it contains mild profanity, it should state that on the package. This type labeling will also benefit adult purchasers who wish to avoid certain types of content.

The rating and the descriptive information should be of conspicuous type size and be placed on the front principal display panel of the video game package. The descriptive information should be placed in close proximity to the rating and age information. We do not believe consumers should have to look all over the package and try to read the fine print to find out why a particular game got the rating that it did.

Furthermore, in retail outlets where the consumers might not view the video game until often after he or she has purchased it, it is crucial that the rating, including the age information, as well as the descriptive information, also be contained in conspicuous and contrasting type on the shelf literature. Providing the rating and descriptive information after purchase entirely defeats the purpose of having a rating system.

In order to ensure that video games are properly rated, CFA supports a system that includes a comprehensive premarket review of each video game. This review should include visual examination of video footage, including the most extreme content and the opportunity to play the game, as well. In contrast, a paper review or one that describes the game in written documents cannot, in our estimation, substitute for a more comprehensive review that includes the actual screening of the game.

Protections against conflicts of interest among the raters must also be a part of the video game rating system. The right of both consumers and manufacturers or publishers to appeal a rating to an impartial body should also be included. Finally, strong penalties or sanctions for noncompliance with rating system procedures should be an integral part of any rating system under consideration.

As we have discussed here today, video games can be played a variety of different ways on different platforms. Of paramount concern to CFA is the possible development of several different rating systems to address the different video game delivery mediums. Multiple rating systems will only serve to confuse and frustrate

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consumers and may render each of the systems meaningless in the eyes of the public.

In our opinion, Mr. Chairman, one of the most important roles you can play in the continuing examination of this issue is to help bring about a single uniform system. We recognize that this is the ultimate and very difficult challenge, but one which will mean the eventual success of all of these endeavors.

Finally, CFA believes that the rollout or introduction of any new video rating system must be accompanied by an adequate consumer education program to familiarize consumers with the terminology of the ratings, the graphics that convey the ratings, the types of descriptive information, the means to obtain more information, and the procedure for appealing a rating. The cooperation and active participation by retailers, in our estimation, will be key to the success of this consumer education initiative.

That concludes my statement, and I would be happy to answer questions later.

[Ms. Fise submitted the following:]

CONSUMER FEDERATION OF AMERICA,  
WASHINGTON, DC, AUGUST 11, 1994.

Hon. JOSEPH I. LIEBERMAN,  
*Subcommittee on Regulation and Government Information,  
Committee on Governmental Affairs,  
U.S. Senate, Washington, DC.*

Hon. HERBERT KOHL,  
*Subcommittee on Juvenile Justice,  
Committee on Juvenile Justice,  
U.S. Senate, Washington, DC.*

DEAR SENATORS LIEBERMAN AND KOHL: I am writing in response to your request, made at your recent joint Subcommittee hearing on "Rating Video Games," that I supply for the record my impressions of the Software Publishers Association (SPA) proposed rating system for computer games.

I have had the opportunity to meet with Mark Traphagen and several other SPA staff members to discuss in detail the proposed Recreational Software Advisory Council (RSAC) rating system. The following are my thoughts and impressions.

#### PRIOR REVIEW OF GAMES

As I previously indicated at your hearing, CFA believes any rating system that is developed must include the opportunity to review the actual game receiving the rating.

Under the RSAC proposal, applicants will answer a series of questions, posed on a computer software diskette, about the content of the game. These questions fall into 3 categories: violence, nudity and profanity. A "yes" answer to any question will trigger more questions of the applicant. A "no" answer will cut off the inquiry on that particular category. The applicant will be supplied with definitions and examples that will help her/him answer the questions.

As I understand it, the actual game can be reviewed only if the publisher asks for a ruling or there is an appeal of the rating. However, there is no requirement that the game must be reviewed as a part of the ruling or appeal process. In other words, these rulings or appeals could be determined based on paper information supplied to clarify the issue under review.

In our discussions of this matter, SPA pointed out that IDSA's review of content is based on that submitted by the applicant and that IDSA would not be able to review the actual game itself until 10 days prior to release, an amount of time SPA finds inadequate. But in either system there is room for abuse. An RSAC applicant could lie when answering the questions. An IDSA applicant could fail to submit the objectionable content and hope it is not discovered by the rating board in the final 10 days before release. But, assuming both systems have only truthful, honest applicants—or that there is a level playing field—a system that allows actual review of the game is superior to "yes" and "no" answers to questions about content.



# VIDEO GAME VIOLENCE AND ESTABLISHING A VIDEO GAME RATING SYSTEM

FRIDAY, MARCH 4, 1994

U.S. SENATE, COMMITTEE ON GOVERNMENTAL AFFAIRS,  
SUBCOMMITTEE ON REGULATION AND GOVERNMENT IN-  
FORMATION, AND COMMITTEE ON THE JUDICIARY, SUB-  
COMMITTEE JUVENILE JUSTICE,

*Washington, DC.*

The Subcommittees met, pursuant to notice, at 9:34 a.m., in room 216, Hart Senate Office Building, Hon. Joseph I. Lieberman presiding.

Also present: Senator Kohl.

Senator LIEBERMAN. The hearing will come to order.

Good morning. I am, once again, honored to co-chair this hearing with my friend and colleague from Wisconsin, Senator Herb Kohl, and I yield to him at this time for an opening statement.

## **OPENING STATEMENT OF SENATOR HERBERT KOHL, A U.S. SENATOR FROM THE STATE OF WISCONSIN**

Senator KOHL. Thank you very much, Senator Lieberman, ladies and gentleman.

First of all, I would like to thank Senator Lieberman and commend him and his staff for their commitment to our nation's young people. Whether by keeping handguns away from children or by ensuring that parents can continue to shape their children's values, Senator Lieberman's efforts deserve great applause.

Today, we are here to receive a progress report from members of the video game and the video arcade industry. We will also hear from retailers, who are a critical link in the system that we hope will protect our children.

Let me give you my honest perspective on this issue. Violent video games are harmful to our children, and at a time when we need to cultivate morality in our society, these games, like too much of what we see on television and at the movies, teach our children all the wrong values. In my opinion, they should not be on the market.

But we live by and we cherish a constitution that prevents Government from censoring material, so we will try to live with a rating system, either one authored by the industry or, if need be, mandated under the Lieberman-Kohl proposal.

At our December hearing, we said that if the men and women of the video game industry made developing a rating system a top priority, then it would happen this year. In January of this year,

As I stated at your hearing, consumers need to have confidence in the rating system or systems developed. It is counter-intuitive to operate a system that rates a product without ever looking at the product. CFA believes that consumers would be very skeptical of ratings based on that type system and therefore, would have less confidence in that system.

#### RSAC RATINGS

The RSAC rating system provides for several different ratings or combinations of ratings:

- A rating of "ALL" suitable for all audiences; or
- Some combination of ratings for violence, nudity/sex, and language. If one of these categories received a zero score the category would not be included in the rating. Within each of the three categories, the game could receive a score of 1-4.

The ratings will be graphically illustrated using a thermometer-type picture with hatch mark-type gradations of 1, 2, 3, and 4. In addition, descriptive phrases will accompany the ratings. For example, a rating of Violence-2 might have "Destruction of living things" as the descriptive phrase. CFA believes that this system is very confusing. Consumers will have to guess what the descriptive phrases mean—for example, they may be unsure about terms such as "revealing attire" (is this a bathing suit?) or "mild expletives" (what is mild?). Until a consumer has purchased many games and has some basis for comparison, it will be very difficult to use this combination rating system and to know what ratings are appropriate for what age child. We are concerned that this system has not been focus group tested on consumers and we have recommended that SPA do so.

SPA indicated that the descriptive phrases will always be placed right next to the rating and that both will be placed on the front panel of the software package. CFA agrees with SPA in this regard. Including the descriptive phrases in close proximity to the rating and placing both on the front display panel of the package is the best approach to enhance consumer awareness and comprehension.

CFA is concerned, however, about the size of the ratings box as proposed by SPA. The association said that they plan to have boxes that are one and one-quarter inches by one and one-quarter inches. This size was chosen to accommodate smaller size software boxes that are close in size to a music CD box. With all the text that is in the box, CFA believes it will be very difficult for consumers to read.

On the question of why the RSAC system does not include age ratings, SPA indicated that in effect the levels within a category are akin to age grading. In fact, they said that they believe that Dr. Donald F. Roberts, their consultant on their rating categories, could assign ages to the different levels of violence that are part of the RSAC system. If in fact these ratings are correlative to ages, consumers should be informed of such. Consumers are used to age guidelines for children's toys and other products and appreciate this buying information. CFA believes that rating systems for computer games should have age information.

Finally, SPA indicated that educational software will not be rated but that they are exploring another program with the educational software publishers. SPA acknowledged that it is often a fine line between education and entertainment and that the inclusion of entertainment features has become almost standard in the preparation of educational games. CFA believes that consumers need buying information for this type software also. While not as bad as purchasing a game that later is found to be objectionably violent, purchasing an educational game for the wrong age child is still a wasteful, costly experience for the consumer. We are pleased that SPA is looking into the educational standards area, however, we are concerned that this might result in yet another rating system, leaving consumers more confused or forced to learn and retain another system.

#### INDEPENDENCE OF RATINGS ORGANIZATION

The rating organization established by SPA, the Recreational Software Advisory Council, will be established as an independent organization. RSAC's Governing Board will be comprised of four members of the industry and five persons outside the industry. This independence is an excellent feature and may provide some credibility for the system. However, I believe that this independence is not enough to overcome the shortcoming imposed by the failure to require review of each computer game. The computer-generated ratings are established without any input other than the applicant's. Some might question the value of having an independent board when the ratings are established by those with a business interest in the rating received. It might be something akin to having each car manufacturer rate its own

America; Ilene Rosenthal, who is the General Counsel of the Software Publishers Association; Dawn Wiener, President of the Video Software Dealers Association; and Craig Johnson, who is the past President and Amusement and Music Operators Association. We thank all of you for coming here and we look forward to your testimony.

We are having technical difficulties with the lighting system. The green light is not working. There will be, I guess, a yellow light flashing when you are heading to the end of your 5 minutes. We are actually going to try to change the bulbs here. There is a joke here somewhere, but we will decide on it later.

Mr. Lincoln, why don't you begin?

**PANEL CONSISTING OF HOWARD C. LINCOLN, SENIOR VICE PRESIDENT, NINTENDO OF AMERICA, INC., REDMOND, WA; WILLIAM WHITE, JR., VICE PRESIDENT, SEGA OF AMERICA, INC., REDWOOD CITY, CA; ILENE ROSENTHAL, GENERAL COUNSEL, SOFTWARE PUBLISHERS ASSOCIATION, WASHINGTON, DC; DAWN WIENER, PRESIDENT, VIDEO SOFTWARE DEALERS ASSOCIATION, WEST LAKE VILLAGE, CA; AND CRAIG JOHNSON, AMUSEMENT AND MUSIC OPERATORS ASSOCIATION, WASHINGTON, DC**

#### **STATEMENT OF HOWARD C. LINCOLN**

Mr. LINCOLN. Thank you, Senator. Senator Kohl, Senator Lieberman, Senator Dorgan, I appreciate the opportunity to appear before you to discuss this issue of violence in video games.

Nintendo is just as concerned about the issue of violence, whether in movies, television or video games, as anyone in this room. Of course, every entertainment executive tells Congress that, but Nintendo can back it up. In the mid-1980's when Nintendo entered the video game business in this country, the issue of violence in video games was not in the public's eye. But just like today, there was a computer software industry selling video games and some of these games contained excessive violence and pornographic material.

We didn't want Nintendo's name associated with this kind of product. Even then, we were concerned about game content, so in 1985 when we launched our first Nintendo home video game system, we made a conscious business decision not to allow excessively violent, sexually-explicit, or other offensive games in our system. We incorporated a patented security chip in all Nintendo hardware and software, and this enabled us to review and approve the content of all video games played on Nintendo's hardware, either video games sold directly by Nintendo or games marketed by our approximately 70 independent third-party licensee companies.

Nintendo has video game guidelines which control game content, and we have applied these to every one of the more than 1,200 games released into the marketplace by Nintendo and its licensees. Using these guidelines, we prohibit a number of things, including sexually suggestive or explicit content; random, gratuitous or excessive violence; graphic illustration of death; excessive force in sports games; ethnic, racial, religious, nationalistic or sexual stereotypes; profanity or obscenity; or the use of illegal drugs.

car, use that rating in marketing and advertising, and then having an independent organization hear appeals of that rating.

#### CONSUMER EDUCATION

SPA intends to educate consumers about their rating system through in-store displays, brochures, magazine articles, and on-line bulletin boards. None of these will be mandatory but SPA will work to get the cooperation of retailers, magazines and others in carrying out this campaign. These are all good ways to reach consumers, but CFA is concerned that this consumer education program may fall short of its goals without real commitment from the software publishers to pay for the production of materials and for retailers to commit to having the documents available for consumers. With regard to on-line games, it is very encouraging that Internet, America On-Line, and other such service providers, have agreed to use the rating during the boot-up screen. Finally, the provision of a toll-free consumer telephone line where consumers can call for more information or to contest a rating is another very worthwhile feature of this proposed system.

All in all CFA believes that SPA's rating system could be improved upon. It currently contains some very worthwhile components, such as: its independence, the inclusion of the descriptive phrases with the rating on the front package of the product, an appeal system that allows consumers to contest ratings, and a toll-free telephone line for consumers. CFA's gravest concerns, however, center on the lack of actual review of the game and the use of ratings and graphics that may be very confusing to consumers.

From my discussions with this industry, it is clear that they have spend a large amount of time discussing this current proposal and they have tried to work quickly to be prepared for the holiday buying season. I think this system could vastly benefit from consumer market testing. I hope that whatever is adopted for this year will be treated as an evolving process and that the industry will spend the money to make the corrections needed.

Senators, thank you again for the opportunity to present CFA's views on this matter. Naturally, I'd be happy to answer any questions you or your staff may have.

Sincerely,

MARY ELLEN R. FISE,  
*Product Safety Director.*

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#### PREPARED STATEMENT OF MARY ELLEN R. FISE ON BEHALF OF THE CONSUMER FEDERATION OF AMERICA

Mr. Chairmen and members of the Subcommittees, I am Mary Ellen Fise, Product Safety Director of Consumer Federation of America (CFA). CFA is a non-profit association of some 240 pro-consumer groups, with a combined membership of 50 million, that was founded in 1968 to advance the consumer interest through advocacy and education.

CFA appreciates the opportunity to testify today on Rating Video Games. We also commend your steadfast leadership, Senators Lieberman and Kohl, in examining strategies to assure that consumers really know what they are purchasing when they spend money for a video game.

Let me begin by stating that CFA believes very strongly that any rating system that is developed must not contain any hint of censorship. The right of consumers to choose freely among video games, regardless of their content, should be preserved. Let me also point out that our involvement in this issue arose out of our past work on toy labeling and also our concern that ratings systems already under development may be inadequate. A rating system that misleads or fails to have adequate safeguards for reliability may be as bad as having no system at all.

#### SHOPPING FOR A VIDEO GAME

The selection of a video game may not be as simple as one might think. While a video game is intended for amusement and entertainment, it is not the "Monopoly" or "Parchesi-type" board game we grew up with. It may be impossible to determine prior to purchase all of the actions, scenes, language, and other characteristics that will occur in the course of playing a sophisticated video game. On a recent trip to a store that sells video games, I asked a sales clerk standing in front of a display of video games, "How do you know what age kids these games are for?" The clerk smiled at me and said "You guess!" and then sauntered off down the aisle. This was a particularly apt response because "guess" is just what the consumer must do.

industry leaders met to begin this process. Based on preliminary reports, it seems that a video game rating system may well be in place during the balance of this year. Indeed, we certainly hope that this happens.

In the interim, the video game industry has also made some headway on other fronts. It has removed one of the worst offenders, "Night Trap," which we highlighted at the last hearing, from the shelves. It appears that Acclaim, Inc., may not release an updated, more violent version of "Mortal Kombat," another game that was featured at our December hearing, at least until the rating system is in place.

So we want to thank Mr. Heistand, Sega, Nintendo, the AMOA, the AAMA, and others for their cooperation to date.

Still, we need more than just a good beginning. We need results. As the public's outrage over games like "Night Trap" and "Mortal Kombat" demonstrated, consumers want to make sure that a real rating system is in place, at the very least, a rating system that will let parents know precisely what their children are playing.

We need to give the video game industry a fair opportunity to address this issue itself, and we are giving them that time. But, and we need to emphasize this point, we are prepared to take action if our goals and our timetables are not met.

That is why Senator Lieberman, Senator Dorgan, and I have introduced the Video Game Rating Act of 1994. That is why we are prepared to press for legislative action if the industry's voluntary efforts fail, because video games, more than almost any other form of entertainment, are aimed at our children. With interactive technology and virtual reality on the horizon, video games are going to become even more sophisticated and more persuasive. Indeed, anyone who does not believe that children need protection from many of the items that will pass along the information superhighway is simply not living in the real world.

So again, we thank the video game industry for its participation in this process. Let me tell you this: We want you, and not us, to develop a voluntary rating system. We want you, and not us, to let parents know what they are buying for their children. We prefer self-regulation to Government regulation, but make no mistake about it, we will move ahead if you do not.

Thank you very much, Senator Lieberman.

[Press release of Senator Kohl follows:]

PRESS RELEASE OF SENATOR HERBERT KOHL

WASHINGTON—Calling the video game industry's rating system efforts a "good beginning," U.S. Senator Herbert Kohl today co-chaired a progress report hearing on video game violence. Kohl is chairman of the Juvenile Justice Subcommittee. The hearing was held jointly with the Subcommittee on Regulation and Government Information, chaired by Senator Joseph I. Lieberman of Connecticut. Kohl and Lieberman held an initial hearing on video game violence on December 9th, at which time industry representatives were put on notice to develop a rating system to warn parents about the graphic content of some videos.

"During our last hearing, we said that if the men and women of the video game industry made developing a rating system a top priority, it could happen within a year," Kohl said, "Based on preliminary reports, it seems that a video game rating system may well be in place by next Christmas. We hope so."

In addition to hearing from SEGA and Nintendo executives, representatives from retail stores, including Toys 'R Us and Wal-Mart, testified about enforcing the video game industry's rating system.

The descriptions on the packages are not much help in aiding in this guessing game. Statements such as:

"They're not risking their lives out of the goodness of their hearts—they're out to impress the cave babes too!"

"Seven power packed punches and three pulverizing special punches. Throw uppercuts, right or left crosses and devastating body blows."

"Pixilate lovers kissing in the rain."

"Build your elite fighting team from six heavy hitters with custom arsenals."

"Pout. Throw tantrums. Scream your lungs out. If all else fails, hold your breath until you turn blue."

May make a consumer a bit curious, but they don't really foster informed purchase decisions. These statements are all fine in attempting to market the product. But much more is needed to give consumers useful buying information.

Even testing the game out in the store prior to purchase does not provide consumers with this information. For example, parents have complained to us that what they witness or view in the store is often the lowest level of challenge and sophistication. Having only seen the game at its beginning level, it may raise for them, at the time of purchase, only benign concerns, if any at all. It is not until later when their child has been playing the game and perfecting game skills, thereby allowing her/him to get to a higher level, that the more objectionable aspects (to the parents) of the game occur. Further frustrating the consumer is the fact that a refund is often not given for an opened video game and an exchange is allowed only for an identical title. Because of the nature of video games, pre-purchase information that includes accurate, reliable guidance about the game is extremely important.

#### AGE RECOMMENDATIONS AND RATIONALE

One of the most helpful pieces of information for consumers purchasing video games for children is an indication of the age range of appropriateness. Because age labeling of children's toys is widespread, consumers are accustomed to looking for age labeling on children's products.

CFA believes that development of any video game rating system should include age-based categories. These distinctions will not only assist consumers in purchasing games that may contain violence, nudity or obscene language, they will also greatly assist those purchasing video games for preschool children. Because these younger children lack reading skills, for example, consumers shopping for preschoolers need to find games that do not rely on the user being able to read. We are pleased that the system developed by the Interactive Digital Software Association (IDSA) plans to incorporate different age groups in its rating categories.

In our work on toy labeling, CFA has always supported and preferred the practice of informative age labeling. We believe this principle should apply to video games as well. This principle essentially says that in addition to listing an age, the packaging should also indicate why that age was selected. Therefore, if a game is appropriate for children ages 3-5 because it does not require reading, it should say so on the package. If a game is appropriate for persons age 13-up because it contains mild profanity, it should state that on the package. This descriptive information will benefit not only parents shopping for children but also adult purchasers who wish to avoid certain types of content.

CFA believes that both the rating and the descriptive information should be of a conspicuous type size and be placed on the front principal display panel of the video game package. In addition, the descriptive information should be placed in close proximity (below or beside) the rating and age information. One should not have to search the box over to learn why the game received the rating it did.

Furthermore, in retail outlets where the consumer is not given the video game until he/she has purchased it, it is crucial that the rating (including age information), as well as the descriptive information, also be contained in conspicuous and contrasting type on the shelf literature. Providing the rating and descriptive information after-purchase entirely defeats the purpose of having a rating system.

The placement of video games that have adult or late teen ratings on higher store shelves, rather than on shelves that are at the eye level of younger children, should also be considered.

#### RATING THE GAMES

In order to assure that video games are properly rated, CFA supports a system, such as that described by the IDSA, that includes a comprehensive pre-market re-

I will just give you the summary statement from some research done by Brandon Centrewall of the University of Washington. He is in the Department of Epidemiology and Psychiatry, and he took an epidemiological look at television and video violence and looked at comparative studies between Canada, the United States, and South Africa, which did not have television until 1975.

Centrewall concludes from his research that in the United States and Canada the introduction of television in the 1950's caused a subsequent doubling of the homicide rate; i.e., long-term childhood exposure to television is a causal factor behind approximately ½ of the homicides committed in the United States, or approximately 10,000 homicides annually.

He goes on to conclude that while other factors such as poverty, crime, alcohol, drug abuse and stress certainly contribute to violence, the epidemiological evidence suggests that:

If, hypothetically, television technology had never been developed, there would be 10,000 fewer homicides each year in the United States, 70,000 fewer rapes, and 700,000 fewer injury assaults.

Now, what I am positing here is that there is a relationship between television violence and the studies there that should be understood in terms of the new emerging interactive television that these video games represent. Don't think of these strictly as video games anymore; think of this as a new type of television that is going to emerge into the 1990's.

The likely relationship between violence and television is very important in the context of interactive video games for children. You see, the real significance of video game technology for contemporary childhood is that it represents the first stages in the creation of a new type of television, an interactive medium as different from traditional television as television is from radio. I believe that the remaining years of this decade will see the emergence and definition of this new media form in the same way that the late 1940's and early 1950's saw television emerge as a powerful social and cultural force.

Now, if the video game industry is going to provide the foundation for the development of interactive television, then concerned citizens, parents, educators and legislators have cause for considerable concern and alarm. During the past decade, the video game industry has developed games whose social content has been overwhelmingly violent, sexist and racist—issues that I have addressed extensively in my research.

For example, in *Video Kids* I explored the 47 most popular video games in America. What I found out was that violence was the main theme. Of the 47 most popular video games—this is based on Nintendo power polls, industry polls—40 had violence as their main theme. Of these 47 games, 13 included scenarios in which women were kidnapped and had to be rescued; i.e., the idea of women as victims. This represents a total of 30 percent of the games, a number which is even more revealing when we take into account that 11 of the 47 games were based on sports themes such as car racing or basketball.

Women were consistently rescued by men in these scenarios, and there is a gender issue operating obviously there, a gender bias. Although men were often rescued in the games, too, they were never

view of each video game. This review should include visual examination of video footage of all aspects of the game, including the most extreme content, and the opportunity to play the game as well. In contrast, a paper review, or one that describes the game in written documents, can not, in our estimation, substitute for a more comprehensive review that includes actual screening of the game.

Protections against conflicts of interest of the raters must also be a part of a video game rating system. The right of both consumers and manufacturers/publishers to appeal a rating to an impartial body also should be included. Finally, strong penalties or sanctions for non-compliance with rating system procedures should be an integral part of any rating system under consideration.

#### A UNIFORM RATING SYSTEM ACROSS MEDIUMS

Video games can be played a variety of ways—on closed platform systems (such as Nintendo, Sega and others), on personal computers (including those with CD-ROM), through on-line computer services (such as Prodigy, Compu-Serve and others), at video arcades, and on hand-held games (including those with or without interchangeable software). Irrespective of the medium used, a rating of the game and descriptive information explaining that rating is valuable to consumers.

Of paramount concern to CFA is the possible development of several different rating systems to address the different video game delivery mediums. Multiple rating systems will only serve to confuse and frustrate consumers and may render each of the systems meaningless in the eyes of the public. In our opinion Mr. Chairmen, one of the most important roles you can play in the continuing examination of this issue is to help bring about a single uniform system. We recognize that this is the ultimate and very difficult challenge, but one which will mean the eventual success of all of these endeavors.

#### CONSUMER EDUCATION

Finally, CFA believes that the rollout or introduction of any new video rating system must be accompanied by an adequate consumer education program to familiarize consumers with the terminology of the ratings, the graphics that conveys the ratings, the types of descriptive information, the means to obtain more information, and the procedure for appealing a rating. The cooperation and active participation by retailers will be key to the success of this consumer education initiative.

Senator LIEBERMAN. Thank you very much.

We will go now to Mr. Kerby. Thanks for being with us again. Good morning.

#### **STATEMENT OF CHUCK KERBY, DIVISIONAL MERCHANDISE MANAGER, WAL-MART STORES, INC.**

Mr. KERBY. Thank you, Chairman Lieberman and Chairman Kohl.

My name is Chuck Kerby. I am Divisional Merchandise Manager of Electronics for Wal-Mart Stores. Wal-Mart currently sells video games in over 2,000 stores, and we strongly support the establishment of a credible industry-wide rating system.

Wal-Mart has received numerous letters from parents across the United States urging us to help establish an advisory rating system so that they, the parents, can make an educated choice as to whether a video game is appropriate for their child. I personally have been actively involved with the members of the Interactive Digital Software Association in establishing the Entertainment Software Rating Board to provide these parents, our customers, with their wish.

I have also accepted an invitation from Dr. Arthur Prober to be a member of the ESRB's Business and Industry Advisory Panel working on behalf of Wal-Mart and our customers. I plan to be an active member and work to ensure the details are finalized and the rating system is successfully implemented.



"My concerns lie with enforcing whatever system is developed. We must make sure that retailers are on board: that the videos marked unsuitable for kids aren't sold to them," Kohl said.

Senators Kohl and Lieberman have introduced legislation that would require the video game industry to establish a ratings system. The bill would create an independent panel of volunteer experts. The video game industry would have one year in which to devise its own rating or warning label system for games, which would go into effect if approved by the panel. If the industry came up with no system, or an inadequate one, the panel would have the power to establish its own rating system.

#### **STATEMENT OF HON. JOSEPH I. LIEBERMAN, A U.S. SENATOR FROM THE STATE OF CONNECTICUT**

Senator LIEBERMAN. Thank you, Senator Kohl. It has been a great pleasure to work with you in this matter that is important to our society and our children.

I must say it is particularly satisfying that today I think we are going to begin to see a significant reaction to the concerns that we expressed at our earlier hearings. That is not always a common occurrence here in Washington, so I am grateful for that.

At our previous hearing on December 9 of last year, the leaders of the video game industry committed to building a credible rating system and to having it in place by the holiday shopping season at the end of 1994. For a very competitive industry, that commitment was significant.

Today, I am pleased to see that the effort of the industry is beginning to show results. But, of course, the proof is in the pudding, and it is our goal to review today and in the coming months whether the ingredients the industry is using will result in a rating system people can trust to give them the information they need about video games.

Make no mistake about it. The people want this information. Video Game Magazine has just conducted a poll in which the American people were asked whether they wanted a rating system for video games. The support was overwhelming. Seventy-three percent of the American people said they wanted a rating system. Only 18 percent said they did not. That support cuts across all age groups, income levels, races, and regions.

Two weeks after our December 9 hearing, Senator Kohl and I sent a letter to the industry, which I will insert in the record of this hearing. In it, we set forth what we considered to be the adequate and required contents of a strong video game rating system. Senator Kohl and I are going to continue to use that letter as a benchmark to react to and measure the industry's efforts. At this point, I would like to submit Senator Dorgan's prepared statement.

[Senator Lieberman submitted the following:]

Recently, I received a preliminary overview of the IDSA rating system and feel that a tremendous amount of progress in establishing a credible advisory rating system has been made. I believe this rating system, though not yet finalized, would provide sufficient information to parents to make an informed decision and still be user-friendly to both the consumer and the retailer.

What makes the IDSA system so important is the fact that the ratings will be based on judgments made by a demographically diverse group of people who will have reviewed tapes and other material showing actual game play. To Wal-Mart, this independent review of actual games is an important element in determining whether the ultimate rating is credible and passes the test of independence. Wal-Mart also believes that the information conveyed to consumers must be readily understandable. In this regard, the combination of the distinctive IDSA icons and content descriptors will make it easy for consumers to understand what they are seeing, and, therefore, what they are buying.

Once a system is implemented, Wal-Mart will only purchase video games that have received a rating, as well as computer software that has received a rating. Wal-Mart will prominently display signs defining the rating system to our customers in every Wal-Mart electronics department. We will also include each individual game's rating in any advertising that is done.

I also understand the Software Publishers Association is developing a separate rating system. I have not had a chance to review the SPA proposal, but would welcome the opportunity to do so. I have a concern, however, that with multiple rating systems, we run the risk of confusing the consumer. With two systems, it would be possible for a video game and a computer software game with the same title and virtually the same game play to have different ratings. But, regardless of the system implemented, Wal-Mart will provide its customers with rated video games.

Finally, with regard to coin-operated arcade-type games that Wal-Mart displays in the vestibule of our stores, we will now only be displaying games that appeal to a more general audience. Even as we speak, Wal-Mart is in the process of removing certain coin-operated games from our stores. This action was taken with our customer in mind.

In conclusion, we feel this is an important issue and applaud the video game manufacturers for putting their differences aside and proceeding with the establishment of a rating system. I will continue to be involved in the process and appreciate the opportunity to represent Wal-Mart and our customers.

Thank you.

Senator LIEBERMAN. Mr. Kerby, thanks again, again a very powerful statement and I appreciate it. Basically, you have slammed the gate shut on unrated games at Wal-Mart. Am I correct that Wal-Mart is the largest retailer of video games in America?

Mr. KERBY. Us and Toys 'R Us are very close.

Senator LIEBERMAN. Toys 'R Us has essentially made the same promise, although we should revisit that. But I appreciate very much what you have done. As I understand it, you said that you are now removing any but family oriented arcade-type games from the vestibules of the stores.

Mr. KERBY. Yes, sir.

Senator LIEBERMAN. That is great. Thanks.

Bob Chase, welcome back. Thanks for being with us.

#### STATEMENT OF ROBERT CHASE, VICE PRESIDENT, NATIONAL EDUCATION ASSOCIATION

Mr. CHASE. It is my pleasure.

I am Bob Chase, Vice President of the National Education Association. Like the previous witnesses, I would like to commend you and Senator Kohl for your leadership in bringing to national attention the issue of violence and other antisocial content in electronic games. We are proud to have been an early supporter of your work in this area. Clearly, your efforts prompted quick response, and I appreciate this opportunity to review and discuss proposals for rating of electronic games.

This issue is one of keen concern to our members. At our annual meeting earlier this month, our members voted to send a message to toy and game manufacturers, encouraging them to refrain from producing items that have violence as an integral part of the play. Purveyors of such entertainment frequently argue that they are simply satisfying a market demand, but market demand is also shaped in large part by what is available and what is promoted.

The creativity that goes into today's video and computer games is truly remarkable. We call on individuals involved in the design and the production of such games to use their talents to challenge the mind, instead of appealing to the most base instincts. We do not suggest that every game be sweetness and light, but neither do we believe that the only way to generate excitement in a game is through inciting aggression. NEA recognizes that there will always be a wide diversity of interests in video games, as in any other form of entertainment. It is, therefore, fitting that there be some consistent measure for parents and others who purchase such games.

The responsibility for monitoring electronic games or any other media is truly a shared one. Parents and other responsible adults, including educators, must constantly make themselves aware of influences on children, including the full range of media they may see or hear. Those in the media also have a responsibility to share adequate, consistent information that gives adults guidance to make choices and participate in their children's growth and development.

A rating system for electronic games or other media should be clear, it should be thorough, and it should rely on independent judgment. It must be clear so that it provides consistent and reliable information adults can use to select games for their children. It must be thorough enough to identify an array of material, including violence, sexual content or other behaviors, that some may objectionable, and it must be based on a system of standards by which a cross-section of reviewers, independent from producers or distributors, make judgments.

Prior to this hearing, we have had an opportunity to review the rating system proposed by the Interactive Digital Software Rating Board. Although the software producers of America have begun

their efforts to develop a rating system, we have not had an opportunity to review that system as a whole.

In reviewing the standards proposed by the Interactive Digital Software Rating Board, the content descriptions seem comprehensive and the recommendations appropriate. Moreover, the procedure for prior rating by an independent board seems to help assure our objective judgments in a highly subjective process.

An important element of the restrictions is compliance. Games determined to be for adults only should be restricted by distributors in the same way they are for films and videos.

In summary, the rating system proposed by the IDSA includes the elements of clarity, thoroughness, and independent judgment necessary to provide consistent information. We will continue to monitor the implementation of this system to assure it meets the needs of parents and other purchasers of games.

Once again, we appreciate your leadership, the industry's prompt response, and the opportunity to provide input to you again today.

Thank you.

Senator LIEBERMAN. Thank you, Mr. Chase.

Let me just ask you a question, what we spoke about extensively, particularly in our first hearing last winter. From your perspective as a teacher, I take it you do not have any doubts about the power of the media, in this case video games, to influence children's behavior, as you as a teacher see that behavior?

Mr. CHASE. The NEA does not have any doubts on that. I know that if we go back 5, 8, 10 years or so ago and look at research that was available at that time, we perhaps would have had some mixed messages. I believe more recent research has clearly shown that the influence is great.

Senator LIEBERMAN. Mr. Kerby, let me ask you some questions first. Again, I appreciate what you said, that Wal-Mart will not carry unrated games. I want to ask you what other steps you can take in implementing the system at the retail level.

I know this may be burdensome at the retail level, or maybe it is not. But the Video Game Rental Association was in at the last hearing and testified, much to our pleasure, that once a rating system was in place, they would actually enforce it the way they do now of the movie rating system. That is, if somebody came to the counter with a game rated MA for 17 and older or adults only, and the person did not look 17, they would literally ask for proof of age. Is that feasible at the retail level?

Mr. KERBY. We are looking at that. Really, that is cumbersome and it would be difficult. When we started this, we were looking not to prevent the sale of product, but really to provide the information with the customer and to the parent mainly, so that they knew what the content was and they could make the right decision for the purchase.

The one thing we at the store level—I brought a sign today, if you would like to see it, that would actually display in the front of each of our electronics departments, and it is a prototype sign and the symbols are not exactly right yet. But this would be displayed in the front of each area where the product actually was.

Also, the thing we were saying before, as with video tapes, Wal-Mart does not carry X or XX video tapes. They could be a product category that we do not carry and would not have to police.

Senator LIEBERMAN. So you are unlikely to carry adults only?

Mr. KERBY. Anything with strong sexual content will not be carried. If a product receives an adults only, it will be a flag to the buyer, the buyer then will review that product automatically and will make a decision of whether or not to carry the product.

Senator LIEBERMAN. Product-by-product. I presume that the existence of the rating system will obviously make it easier, in the case that somebody cited, for the sales person to advise a parent who might ask is this game appropriate for my 12-year-old.

Mr. KERBY. Yes. Most of the letters that I have received are when a child gets a game home that the parents purchased for them and they start watching them play it, and you see the game play like we saw today, with the warning that will be on the front-end or the back of a package with I think very descriptive icons that they have come up with, I think the parents can look at that in the first place and be able to make that decision up-front.

Senator LIEBERMAN. You stated that you think that the proposed IDSA rating system will be user-friendly for a retailer. What did you have in mind when you said that?

Mr. KERBY. I think you made the point earlier. I like the fact that there are five categories. I think the five categories are relatively well broken out. I think the descriptors that are going to be used are important, because of the fact that the title is K through A or a general—it does not really mean anything until you get into the descriptors that Jack was talking about to go along with that. The fact that we can put up the signage in stores and that each product will have a rating on it, I think it is real simple for the customer to see what it is and then be able to go into more detail on exactly what caused that rating.

Senator LIEBERMAN. Thanks.

Ms. Fise, say a little bit more about what you hope to see in the way of a consumer education program leading up to or as part of the implementation of the rating system.

Ms. FISE. Well, I think that, in terms of advertising, in terms of in-store display, or in terms of consumer information materials, we need to educate consumers about what the ratings mean. They also need to be educated that there is descriptive information, descriptors, or those terms that explain why the game got the rating. I think those are as important for consumers to understand and consumers need to know where to look for them on the product. If they have an objection, they need information on how to raise that objection.

Senator LIEBERMAN. Each of you in one way or another has commented favorably on the IDSA proposal. As you know, on the next panel we have representatives of SPA, which unfortunately—and I say unfortunately more in terms of process than reaching final judgment on their proposal—has gone their separate way with a proposal for rating. I say that for the reason that I think Mr. Kerby made, and I think maybe all of you have made, which is that, obviously, it is going to be easier and more comprehensible for the consumer and the retailer and the parent and the child, if there is

one system here. I regret it in that way, but I hope there can be a coming together as this goes along to make the system easier to understand and more effective in that way.

What about the content of the system as you understand it thus far? You indicated in your statement how important it was to have age categories, Ms. Fise. The SPA system, as we will hear, does not have age categories. It does rate according to the three areas of violence, nudity, sex and language, but without age categories. Why do you think that is not enough?

Mr. FISE. Well, I think, as we all know, all of those criteria are very subjective. What is OK for one family may not be OK for another family. At least having some very general guidelines about age gives the consumer some direction.

A consumer would have to stand there and figure out, if it has a little bit of violence, but a medium amount of obscene language, how do I calculate that? How do you do the computation, if you will, in your mind determine if you have an 8-year-old, or a 14-year-old, what is appropriate? I think that the age information really helps guide consumers. We fully acknowledge that there will be people that might buy something that is for teens for their 12-year-old or 10-year-old. That is fine. That is their decision.

But at least with age ratings we are steering people into some types of general categories. I think that just using things like violence or some of the other criteria will be confusing to parents, because oftentimes it is the kids that play these games. Parents may not be as familiar with the games and therefore are unable to compare games with a different level rating within those different criteria.

Senator LIEBERMAN. Mr. Kerby, do you agree that a rating system that does not have age breaks is harder to administer at the retail level?

Mr. KERBY. I do not know that I would say that. I think the key is the guidelines, being able to see what the game play and the content is. If there is age-specific in there, I guess, as a parent, it helps you establish a guideline. But my guidelines for my 7-year-old daughter may be different than someone else's. I think the most important thing, though, is giving the consumer as much information as possible to make that decision. I do not know if age-specific is crucial, as long as the information is out there.

Senator LIEBERMAN. How about the other distinguishing characteristic of the two systems, which the proposed IDSA system does involve, as Mr. Heistand testified, the submission of extracts of the actual tape and review by an independent review panel. Whereas, as I understand it—and obviously we will hear from the SPA in a short while—the SPA system requires the filling out of a questionnaire by the producer about the video game, which is then responded to by a panel which actually affixes the ratings to the system. What kind of reaction do any of you have? Mr. Chase?

Mr. CHASE. Two points. First of all, on the previous question, I think whatever system is eventually developed by whomever, simplicity is a very, very important component of that. It needs to be a—

Senator LIEBERMAN. Simplicity?

Mr. CHASE. There needs to be simplicity. There needs to be a system that people can look at and react to quickly, without having to go through and figure out what one, two, three, four different ratings may in fact mean. Therefore, the age appropriateness model is one that does allow for that kind of an easier way of rating, I think.

The second issue, as far as whether or not someone should be required to submit for viewing, rather than answer a question, I think the former is certainly preferable. It is much easier to make a decision on that type of activity, if in fact you see what you are rating, rather than responding to questions.

I am sure that Mr. Traphagen will speak to his recommendations and the recommendations of the Software Association and the reasons for that, and he would certainly be the best one to respond to why they are looking in that direction as far as their ratings are concerned.

Senator LIEBERMAN. Ms. Fise?

Ms. FISE. I do not really want to comment specifically on SPA's program, because I have not had an opportunity to review that. I have been invited to and do plan to do so next week.

Senator LIEBERMAN. When you do that, I would like to ask you to submit your response for the record to the committee.

Ms. FISE. OK.

Ms. FISE. I think what is essential here is that whatever system is developed, that consumers have confidence in that system.

Senator LIEBERMAN. Right.

Ms. FISE. To say to a consumer, well, we rated it this game, but we never looked at it and we never played it is illogical. It would be like rating any other kind of consumer product, a movie or a car or whatever, and just saying we got some brochures and we looked at them, or we got some information from that manufacturer who told us about the product, and then we gave it a rating without ever test-driving the car or looking at the movie or performing any of the other types of judgments that should be made to arrive at rating.

I think consumers would scratch their heads and say, "wait a minute, you didn't really look at it?" I think that we need to make sure that consumers feel very confident with these ratings, or the system is not going to be used and it will all be for naught.

Senator LIEBERMAN. That is a very important common sense point, I agree, the confidence of the consumer. We will hear from Mr. Traphagen in a moment.

I do not have any further questions. Do any of you have anything to add that I have not asked of you?

Again, I thank you all. We have come some distance in a relatively short period of time. We will probably want to come back to this early next year, just to see how the first holiday shopping season has gone and to see if there is any fine-tuning we want to urge on participants here.

Again, I thank all of you for what you have done. Mr. Kerby, you really played a very critical leadership role, along with others. We have not calculated, but when you put together Toys 'R Us and Babbages and Sears, et cetera, et cetera, you have got a good part of the market here. I think anybody who wants to be successful in

the video game business is really going to have to play by the rules not only that the business puts on themselves, but the rules that you who are the retailers put on them. You, therefore, have been very important to us in making this set of standards and an attempt to reestablish some ability in parents to have values. You made it much more feasible, and I thank you for that again.

Mr. KERBY. Thank you.

Senator LIEBERMAN. I thank you all.

Let us go to the last panel, which is Mark Traphagen, who is Counsel to the Software Publishers Association, and Steve Koenigsberg, who is President of the American Amusement Machine Association.

Again, I thank you both. You are becoming as familiar here as Jack Heistand and the rest of this traveling company.

Mr. Traphagen, we appreciate you being here. As you have heard, let me say from the outset that I think your rating system is certainly better than no rating system. So I appreciate the effort you have made. As you know, we are disappointed that there could not have been an industry-wide agreement, and we still hope that that is feasible.

You have heard some of the concerns expressed by both Senator Kohl and me and by the last panel, and we look forward now to your statement and responses to some of those concerns.

#### STATEMENT OF MARK TRAPHAGEN, COUNSEL, SOFTWARE PUBLISHERS ASSOCIATION

Mr. TRAPHAGEN. Thank you, Mr. Chairman.

Thank you for the opportunity to speak at this hearing. I am Mark Traphagen. I am Counsel for the Software Publishers Association, and I am here to report on the personal computer software industry's development of an independent rating system for interactive computer games.

As you know, SPA is the principal trade association of the personal computer software industry. SPA represents 1,100 developers, publishers, and on-line distributors of business, consumer and educational software.

Senator LIEBERMAN. We have fallen into the trap of percentages, and Mr. Heistand said that his members represent 60 percent of what we know of as the video game business. What would you say your folks represent?

Mr. TRAPHAGEN. I can give you estimates of retail sales.

Senator LIEBERMAN. Sure.

Mr. TRAPHAGEN. The estimated retail sales last year for recreational software for personal computers was approximately \$410 million, as compared with approximately \$8 billion for software on the video game platforms.

Senator LIEBERMAN. Mr. Heistand has only acknowledged \$6 billion of that, so he may be doing better than he thinks he is. I have heard both of those numbers. The SPA represents in that sense a real, but minority percentage of the overall market for recreational video games?

Mr. TRAPHAGEN. In terms of retail sales at the present time, that is correct, Senator. In terms of the number of companies that are engaged in this industry and producing recreational software, there



are a great many companies. For example, just in my association alone, there are approximately 500 members who are developing recreational software.

In addition, there are several other associations that we are working with that have thousands of members who are producing software, and many of those are producing specifically recreational software.

Senator LIEBERMAN. As one would view the future of the industry, is it fair to say that the potential here is for this particular component that you represent to grow significantly?

Mr. TRAPHAGEN. It is, Senator.

Senator LIEBERMAN. I am being simplistic, but recreational use of a personal computer.

Mr. TRAPHAGEN. That is right. Last year, recreational software on personal computers accounted for about 6 percent of the total retail sales of all types of PC software, but that represented a significant increase over the previous year. And with the number of computers that have been sold to families in the last year, the prospect is that the market will increase in size.

Senator LIEBERMAN. OK. Go right ahead.

Mr. TRAPHAGEN. SPA, in addition to its associational activities, also gives awards to the best educational and recreational software titles and puts computer technology in the hands of nonprofit organizations and underprivileged children.

Now, as I explained to the Senator, the vast majority of our recreational software is suitable for children and adults of all ages. Nonetheless, SPA and its members wholeheartedly support development of a ratings program.

As responsible business persons, many of whom are parents, we remain committed to giving parents and other consumers information they need to make wise decisions about the software they bring home. We look forward to meeting with the consumers, retailers and educators that appeared on the previous panel in making that a reality. We have already had discussions with others.

A ratings program for the markedly different segments of the software industry is too important to be left to any single organization. That is why we have been actively involved in bringing together a number of companies and a number of associations representing the personal computer software industry, and now we are glad to say that we have brought them together in the Computer Game Ratings Working Group. Together, they represent over 3,000 companies that are engaged in developing and distributing software for personal computers. That represents virtually the entire personal computer software industry.

We would like to present a plan to create an independent ratings organization, the Recreational Software Advisory Council. Last January, we began this process, after we appeared at the first hearing on this issue, and pledged to make a rating system a reality. Since then, our time has been diligently spent building a plan using an open, collaborative process that now represents virtually the entire industry.

The working group encompasses five associations, including the Association of Shareware Professionals, the Shareware Trade Association and Resources, the Computer Game Developers Association,

the Software Entrepreneurs Forum, and the Educational Software Cooperative. In fact, ESC's president, Rosemary West, has come here from California for these hearings and she is available to speak with either you or your staff about the educational software distributed through alternative channels.

SPA has also reached out to the Interactive Digital Software Association, an association of 11 video game companies who testified at length this morning. We share the concerns of consumers and retailers about multiple-rating systems. And most recently, at your request, Senator, SPA invited IDSA officials to meet with the working group in an effort to create a single rating system.

Despite a good-faith effort by all in a series of meetings, the effort to reach common ground has thus far been unsuccessful. In the hope that our differences can be resolved, SPA will invite IDSA representatives to meetings of the Rating Council's Advisory Committee. In the meantime, both organizations will move forward to have their rating programs in operation for the holiday season.

The personal computer software industry represented by SPA and the working group is primarily U.S.-based, small to medium in size, entrepreneurial, and highly innovative. Like our plan to rate software, it is based on openness. Its products run on open platform computers and can be produced by any of thousands of companies of different sizes, without restrictive licensing agreements. There is intense competition between our industry and the video game industry, and that is marked by the great uncertainty about whether personal computers or some closed platform will prevail in the forthcoming "information superhighway."

Senator LIEBERMAN. Maybe you should define what a closed platform is in this regard.

Mr. TRAPHAGEN. A closed platform, Senator, is one in which the ability to create software that will run on that particular equipment is controlled by licensing agreements. In effect in order to write software that will run on those platforms, one has to have the permission and consent of the equipment manufacturer. That is typified as a closed platform.

Senator LIEBERMAN. And give us an example of that.

Mr. TRAPHAGEN. A closed platform would be a video game player, such as the ones that most people are familiar with.

Senator LIEBERMAN. Such a Sega and Nintendo?

Mr. TRAPHAGEN. That is right.

In contrast, personal computers are an open platform in which any number of different companies can simply buy a development package at a retailer or a specialty store and then create software that will operate on the computer.

Senator LIEBERMAN. All right.

Mr. TRAPHAGEN. Given these serious differences, it is essential that the ratings program be controlled and administered by a truly independent organization. At least one survey shows the consumers prefer by a 3-1 margin that an independent council, rather than industry, rate software titles. Such systems in which a trade association actually has the rating system within it can undermine objectivity and create at least the appearance of favoritism. On the other hand, a truly independent organization can avoid that kind of distrust and build broad participation among markedly different

industries. The result, more titles are rated and consumers have information for a wider variety of software.

Therefore, SPA and the Working Group will found an independent nonprofit organization, the Recreational Software Council, whose principal activity will be to implement, administer and oversee the independent ratings program. We are interested in creating real, not merely functional independence, and by independence, we mean the following:

First, that the council will be incorporated as an organization outside of SPA or any other trade association. Second, the council will reserve a majority of policy-making positions at every level, to parents, teachers and experts in media research, public health, criminal justice and other concerned groups. Third, the council will strive to be financially self-sufficient by funding its activities from ratings fees paid by publishers. Fourth, the council will own the most important assets of the rating system, the trademarks for the trading icons. They will not be controlled or owned by any industry trade association.

The program that we have prepared and that we have presented to your staff will meet the criteria set by Media Scope, a respected media research organization, for a quality rating system. The council's ratings will give consumers specific information about different types of content, in particular, violence, sex or nudity and profanity, using clear, consistent criteria developed with the assistance of parents, educators and other experts.

Our five rating categories and the council's procedures, which we have discussed with your staff, are now being reviewed by experts, including Media Scope, the American Academy of Pediatrics, and Dr. Donald Roberts of Stanford University, who has studied the effects of media on children for nearly 20 years.

The standards the council will create will provide the basis for training raters to ensure consistency over the many hundreds, if not thousands of titles that will be rated, and these rating categories are designed with differences between younger and older children in mind.

The council will assign ratings to software titles before they are shipped to retailers. Corporate officers will be required to disclose potentially objectionable content, using legally binding sworn responses to a comprehensive detailed rater rating application.

Senator LIEBERMAN. Do you have a sanctions or punishment section built into your program, if there is misrepresentation to the raters?

Mr. TRAPHAGEN. Yes, we do. In fact, we have prepared a statement of principles that the Working Group has used in developing the program, and one of the principles is that the ratings must be enforced by penalties, to ensure that there is not deception of the public or the council. Those penalties are undergoing final review, and would include sanctions such as compulsory restickering (that is product recalls), as well as monetary fines.

To enforce those penalties, corporate officers will be required to disclose the potentially objectionable content, using legally binding, sworn responses to a comprehensive detailed rating questionnaire or rating application. In cases of doubt, the application will recommend a more restrictive rating. Final ratings will be suggested

by publishers' responses, but ratings will be assigned by the Council, and not by publishers.

Because games can last for over 50 hours, both the Council and the proposal by IDSA recognize that complete premarket review would be impractical, if not impossible. As a result, neither program will conduct prior review of interactive content. Because both programs rely on the integrity and judgment of the publishers to decide what to disclose, any notion that IDSA provides more assurance to parents and other consumers is mistaken. Indeed, while the Council's application will enable it to assign ratings based on the entire content of the game, it is my understanding that IDSA will review excerpts, such as story boards and video tapes that have been selected by publishers.

Because small publishers do not produce video tapes or story boards, the IDSA proposal for submitting such materials cannot work for them and may prevent them from obtaining access to retail shelves. To safeguard the integrity of the ratings program as we discussed, an independent Council panel will investigate consumer complaints, and, to protect consumers from deception, tough penalties, including fines and product recalls will be imposed on companies that knowingly mislead the council.

Senator you and your colleagues have continuously kept SPA and the Working Group informed about your concerns for consumers, and we have responded by addressing these in our statement of principles and in our proposed plan. You told us that the rating body must be independent and insulated from marketing pressure. The council will be. You told us you "strongly believe that independent review and assignment of a games rating prior to shipment of the program is central to the credibility of the rating system." SPA heard you, and we worked long and hard to win the support of its members and the partners on the working group on this crucial point.

You told us to solve the potential problem of honest disagreement over subjective judgment. We responded by creating a rating application that will eliminate most, if not all subjectivity. Where subjectivity remains, it will default to a higher rating or more restrictive rating for the product.

Finally, your staff recently told us that the ratings' icons should tell consumers what specific content is responsible for the rating. The working group agreed, and the Council's ratings will include specific descriptions of content on the rating itself, not on the back of the product.

The personal computer software industry stands by its commitment to Congress to have the ratings program in place for the holiday season. We are delivering on our promise to create a truly credible, independent rating program that will serve the needs of consumers and earn their confidence, and also enlist the broad participation of thousands of software companies.

The Council will be open for business in time to rate software titles being shipped on October 1st. We look forward to working with you and others to make the council and its ratings program a success.

Thank you.

[Mr. Traphagen submitted the following:]

PREPARED STATEMENT OF MARK TRAPHAGEN ON BEHALF OF THE SOFTWARE PUBLISHERS ASSOCIATION

INTRODUCTION

Good morning, Mr. Chairman, and thank you for the opportunity to speak at this hearing on the Video Game Ratings Act of 1994. My name is Mark Traphagen, and I am counsel for the Software Publishers Association. I am here to report on efforts by the personal computer software industry to develop an independent ratings system for interactive computer games.

The Software Publishers Association (SPA) is the principal trade association of the personal computer software industry. SPA represents 1100 developers, publishers, and on-line distributors of award-winning business, consumer, and educational software for personal computers. SPA members range from well-known firms to hundreds of smaller companies, and reflect the characteristics of the personal computer software industry—primarily U.S.-based, entrepreneurial, and highly creative.

SPA has been a leader in advancing the interests of this diverse industry. SPA conducts research on the use of computers in homes and schools, gives awards to the best home-learning, curriculum-based and recreational software titles, and coordinates philanthropic campaigns to put personal computer technology in the hands of underprivileged children and not-for-profit organizations.

SPA IS COMMITTED TO AN INDEPENDENT SOFTWARE RATINGS PROGRAM

Senators, SPA acknowledges the efforts by you and congressional sponsors of this legislation, as well as other concerned groups here today, to address the problem of youth violence. You may recall that, when you first held hearings on this issue in December 1993, SPA was among the first organizations to support the development of an independent ratings program. While the vast majority of recreational software is suitable for children and adults of all ages,<sup>1</sup> SPA and its members wholeheartedly support development of a ratings program.

As responsible business persons, many of whom are parents, SPA and its members remain committed to our goal—giving parents and other consumers the information they need to make wise decisions about the entertainment software they bring home. We wish to take this opportunity to report to Congress on the progress we have made in bringing together the entire personal computer software industry, and to present our plan to create an independent ratings organization—the Recreational Software Advisory Council.

SPA IS WORKING WITH THE ENTIRE PERSONAL COMPUTER SOFTWARE INDUSTRY

Developing a ratings program for the diverse and markedly different segments of the software industry is too important an effort to be left to only one organization. At the Winter Consumer Electronics Show last January, SPA promised to reach out to other segments of the software industry in an open, collaborative effort, and formed the Computer Game Ratings Working Group. Today, the companies and organizations participating in the Working Group represent nearly 3000 software developers, publishers, and distributors—virtually the entire personal computer software industry.

The Working Group is the first joint effort of the personal computer software industry, and includes over 25 SPA member companies publishing recreational and educational software, including Interplay Productions, Maxis, Sir-Tech Software, Id Software, and LucasArts Entertainment Company. The Working Group also has as members consumer publications such as *Computer Gaming World*, and child development experts such as Dr. Debra Lieberman of Raya Systems, who testified at Congressman Tom Lantos' hearing on the House companion bill last May. Moreover, the Working Group encompasses the following trade and professional organizations.

- Association of Shareware Professionals. ASP is the largest and oldest shareware association, representing over 1600 software authors, publishers, vendors, user groups, and bulletin board services. ASP members work to promote personal computer software distributed through the shareware channel, which is typically available for consumers to use and evaluate before purchasing. ASP edu-

<sup>1</sup>Last year, over \$6 billion in personal computer application software was estimated to have been sold in North America, but over 90 percent was for applications such as word processing, databases, spreadsheets, graphic design, and curriculum-based and home education. In fact, SPA estimates that recreational software accounted for only six percent of all retail sales last year. Of this, a still-smaller fraction was spent on the category of software that has attracted so much concern, and on which this legislation focuses—interactive computer games.

cates consumers about certified shareware vendors and bulletin board services that provide high quality personal computer software.

- Shareware Trade Association and Resources. STAR has over 160 members developing and publishing personal computer software through the shareware channel. By providing open information and resources on development and distribution, STAR serves as an incubator for new software talent. STAR members range from mothers working at home to smaller companies marketing software through shareware and retail channels.
- Computer Game Developers Association. CGDA is the progeny of the well-known Computer Game Developers Conference, which last year attracted over 1400 software authors and developers from all segments of the personal computer software and video game industries.
- Educational Software Cooperative. ESC is a nonprofit organization dedicated to promoting the benefits and availability of educational software. ESC includes parents and teachers running over 75 companies in educational software development and distribution in the low-cost retail (LCR) channel. ESC members are also involved in local efforts to reform education by bringing technology to the classroom.
- Software Entrepreneurs Forum. SEF is a nonprofit association serving the needs of personal computer software developers in the Silicon Valley area. Now eleven years old, SEF has over 1000 members, and works intensively in California and federal legislative issues.

SPA has also reached beyond the personal computer software industry to the Interactive Digital Software Association (IDSA), a coalition of eleven video game companies, including Sega and Nintendo, which has proposed to run a ratings system for both the video game industry and the personal computer software industry. Despite a good faith effort by all in a series of meetings, the effort to reach common ground has thus far been unsuccessful.

We regret that, for the moment, IDSA and the video game industry will not join the Working Group in an effort to create a single ratings system for the benefit of consumers. Nonetheless, in the hope that these differences can someday be resolved, SPA will invite IDSA representative to meetings of the ratings advisory committee that will be created under the Working Group's plan.

#### DIFFERENCES IN THE VIDEO GAME AND PERSONAL COMPUTER SOFTWARE INDUSTRIES

There are significant differences between the personal computer software and video game industries they represent. SPA and the Working Group believe it is essential that the ratings program be administered by a truly independent organization, such as RSAC, with parents and educators making policy. But the video game industry proposes to maintain control over their ratings system by "insulating" it within their trade association, IDSA. Because a trade association exists to represent members of the industry, such "insulated" ratings systems can undermine objectivity and create the appearance of favoritism.

These differences stem, in part, from deep-seated differences in the business models and cultures of these two industries. Despite popular misconceptions, and the admitted similarities to consumers, there are major differences between the personal computer software industry and the video game industry. Few would argue that the personal computer software industry is the same as the motion picture industry. The personal computer software industry is likewise dramatically different from the video game industry. While personal computer software and video game software may be converging toward compact disc (CD) as the preferred storage medium, those of us who develop and publish entertainment software see no signs of a convergence in either product development or marketing.

The personal computer software industry represented by SPA and the Working Group is primarily U.S.-based, small to medium in size, entrepreneurial, and highly creative. In large part, this is because personal computer software is designed for an "open platform," which can run software developed and published by thousands of different companies without the need for restrictive license agreements. Using readily available tools, literally anybody can develop and publish a software title without paying a license fee to anyone. The best non-computer example of an open platform is the videocassette recorder.

There is intense competition between these two industries, marked by great uncertainty about whether personal computers or some type of dosed platform, such as game consoles or television set-top boxes, will dominate the "information super-highway" foreseen by Vice President Gore. Moreover, a shortage of retail shelf space has limited software marketing opportunities, and could discourage innovation by

smaller developers and publishers.<sup>2</sup> Persuading Congress to allow another industry to control a single ratings system covering personal computer software industry would be a shrewd competitive move, one that could impair competitiveness and reduce the availability of low-cost software to parents and other consumers.

#### THE RECREATIONAL SOFTWARE ADVISORY COUNCIL

The Working Group has been developing an independent ratings program that will provide credible, reliable information about consumer entertainment (i.e. recreational) software to parents and other consumers. The Working Group's proposal is the result of the open, collaborative process that SPA promised last January at the Winter Consumer Electronics Show.

Based on the recommendations of members of Congress and experts in pertinent fields, the Working Group has developed a detailed plan for an independent ratings program. Entitled "The Recreational Software Advisory Council—A Plan for an Independent Game Ratings Program," the plan was provided to staff for Senator Lieberman, Senator Kohl, and other members of Congress last week. A copy is attached to this testimony, and I would appreciate having it incorporated into the record.

SPA and the Working Group partners are establishing an independent nonprofit organization, the Recreational Software Advisory Council (RSAC), with the mission of providing parents and other consumers with the information they need to make wise decisions about the recreational software they bring home. The principal activity of RSAC will be to implement and to administer the Independent Ratings Program.

The RSAC game ratings program will assign ratings to software titles *before* they are shipped to retailers. Corporate officers of software development and publishing firms will disclose potentially objectionable content in individual software titles by providing RSAC with sworn responses to a detailed questionnaire. The questionnaires will be highly objective to provide a consistent basis for assessing content and assigning ratings, but RSAC will have authority to consider context as well. Final ratings will be *suggested* by these responses, but they will be *assigned* by RSAC before the software titles go to market.

The RSAC ratings categories will give consumers precise information by specifically identifying the type of content, in particular violence, sex/nudity, and profanity, that may be objectionable. To ensure that the ratings meet the needs of parents and other consumers, RSAC will establish ratings categories using clear criteria developed with the assistance of parents and educators. The proposed ratings categories and procedures are now being developed and reviewed by interested experts, including the American Academy of Pediatrics and Dr. Donald F. Roberts of Stanford University, who has studied the effects of media on children for nearly 20 years.

To safeguard the integrity of the ratings program, an independent RSAC panel of parents and educators will investigate consumer complaints about misrated software titles. Tough penalties, including fines and product recalls, will be imposed on companies that knowingly mislead RSAC and the ratings program.

Because independence from industry is essential for the credibility of a ratings program, RSAC will be incorporated as an organization outside of any industry trade association. While the software industry will be represented, RSAC will be carefully organized to give a majority of policy-making positions at every level to parents, teachers, and other-concerned groups.

#### RSAC RATINGS PROGRAM PROVIDES FOUNDATION TO ADDRESS CONGRESSIONAL CONCERNS

Senators you have conscientiously kept SPA informed regarding your concerns regarding the interests of consumers in any ratings program. In fact, you have not hesitated to write letters to prominent SPA members, and to personal computer software publishers and retailers in general, comparing our approach to that proposed by IDSA. The RSAC ratings program addresses virtually all the concerns you have identified.

Independence. Your December 21, 1993 letter to SPA's general counsel stated that "the rating body must be independent and insulated from marketing pressure." You observed that independence would depend on the membership of the rating body, "which should include an array of experts in child development." As explained above

<sup>2</sup> Carlton, "Quick Growth of CD-ROMs Causes Squeeze," *Wall Street Journal* (June 1, 1994), at 5.

and in the Working Group's plan, the RSAC program meets these important concerns.

**Ratings Assigned Before Shipment.** Your April 1, 1994 letter to SPA's executive director stated that you "strongly believe that independent review and assignment of a game's rating prior to shipment of the game is central to the credibility of the rating system." Senators, SPA heard your message, and has acted diligently to resolve this issue. On May 21, 1994, SPA testified at a hearing before Congressman Tom Lantos that it supported a program in which ratings are assigned before products are shipped to retailers by an independent ratings organization. SPA worked hard to gain the support of its members and partner organizations on this important point. Through SPA's efforts, the Working Group now endorses this as a basic principle of the RSAC ratings program.

**Subjectivity.** Your April 1 letter also suggests that the Working Group try to resolve the potential problem of honest disagreement over subjective judgments in assigning ratings. The Working Group has worked very hard to address this concern by creating a ratings application that will eliminate most, if not all, subjectivity. We sent the proposed methodology to your staff on July 20, and on July 21 demonstrated to them the prototype application, which requires meticulous identification of specific instances of potentially objectionable content. Moreover, the ratings application is conservatively designed to recommend a more restrictive, i.e. "higher," rating in cases of doubt.

**Ratings Icons.** In meetings on July 21, members of your staff suggested that the Working Group revise its proposed ratings icons to provide consumers with supplemental information about the specific content that accounted for the rating. The Working Group has adopted this recommendation, and now RSAC ratings will be accompanied by short, standard descriptions of potentially objectionable content.

#### RSAC ADDRESSES CONCERNS OF EXPERTS AND CONSUMERS

The RSAC ratings program has been developed in consultation with media research experts, and reflects many of the recommendations of interested groups in the fields of medicine and media research.<sup>3</sup>

**Independence.** Because industry self-regulation has serious drawbacks, RSAC will be organized as an independent nonprofit agency, outside of any industry trade association, that will administer the ratings program.<sup>4</sup> This is in contrast to proposals that purport to "insulate" the ratings board within an industry trade association. Such approaches undermine objectivity, and have been criticized by media researchers, because a trade association exists to represent members of the industry, and because members of such ratings boards are employees of the industry trade association.<sup>5</sup> Moreover, at least one survey shows that consumers prefer that an independent council, rather than industry, rate software titles by a three-to-one margin.<sup>6</sup>

**Participation by Parents and Experts.** The RSAC plan is now being reviewed by interested experts, and will soon be available for comment by parents and other consumers, as well as retailers. The RSAC Governing Board and Advisory Committee will include not only parents and industry representatives, but also other experts in media research public health, and criminal justice.<sup>7</sup> Moreover, parents, educators, and other experts will be in a position to control the policy and administration of RSAC because they will enjoy a majority of votes on the Governing Board and Advisory Committee.

**Ratings Categories and Icons.** The RSAC ratings categories will give consumers precise information by specifically identifying the type of content, in particular violence, sex/nudity, and language, that may be objectionable.<sup>8</sup> RSAC uses a numerical measure to identify the level of violence, sexual content, or profanity. To insure that the ratings program does not defeat its own purpose by restricting titles that advance anti-violence themes, RSAC will have authority to consider the context in which the content is presented. This approach gives parents and consumers better product information, enabling them to better make choices based on their own judg-

<sup>3</sup> See American Medical Association, "Mass Media Violence and Film Ratings: Redressing Shortcomings in the Current System," Report 18 of the Board of Trustees (A-94), at 12; Federman, "Film and Television Ratings: An International Assessment," *Media Scope* (July 1993), at 22.

<sup>4</sup> *Media Scope*, at 22.

<sup>5</sup> *Id.*

<sup>6</sup> Rating Video Games \* \* \* Should They Be Rated, and By Whom," *Tele-Nation Reports* (Spring 1994), at 3.

<sup>7</sup> AMA, *supra*, at 13.

<sup>8</sup> AMA, *supra*, at 13; *Media Scope*, *supra*, at 18, 22.



ment. To avoid the danger of imposing any one set of moral criteria upon consumers, the RSAC ratings system will be informational, but not judgmental.

#### RSAC ACCOMMODATES THE LEGITIMATE NEEDS OF SOFTWARE PUBLISHERS

**Independence.** SPA and the Working Group believe it is absolutely essential that any ratings program be administered by a truly independent organization with parents and educators making policy. SPA and the Working Group consider the independence of any ratings program administered by a trade association to be questionable, and inconsistent with the needs of consumers and the personal computer software industry. Moreover, SPA and the Working Group will object to any ratings system in which personal computer software companies have their access to any retail channel controlled, and potentially obstructed, by another industry.

Industry trade associations that administer their own ratings system invariably invite accusations that they show favoritism to association members, and thus discriminating against nonmembers. For example, independent filmmakers and distributors reportedly criticize the Motion Picture Association of America for allegedly showing favoritism to association members in ratings appeals.<sup>9</sup> Whether or not these allegations are true, they reflect the skepticism and mistrust that arise when a ratings system is administered by a different industry or industry segment. A truly independent ratings organization can avoid this natural distrust and build broader industry participation. The desirable result more titles are rated, and parents have information for a wider variety of products.

**Striking the Proper Balance.** While we talk about a voluntary ratings system, the reality is that retailers will require products to be rated. Some have already done so. Any ratings system must strike the proper balance between the needs of parents and other consumers with the legitimate concerns of software developers and publishers. To achieve this balance, a ratings system must keep to a minimum any disruption of product development and marketing that does not provide any real benefit to consumers. If the ratings system does not do so, then developers and publishers will experience serious marketing problems and financial loss, leading eventually to a smaller number of publishers and fewer choices in software for consumers.

Because personal computer games and video games can last for over 50 hours, both the IDSA and RSAC proposals recognize that complete premarket review of software titles would be impractical, if not impossible. As a result, neither RSAC nor IDSA plan to conduct prior review of interactive content. While RSAC would primarily rely on a comprehensive, in-depth disclosure statement to identify potentially objectionable content, IDSA would rely on supplementary materials, such as story boards and videotapes that are selected by publishers.

The only difference that should matter is whether the consumer receives more reliable information about the content of software titles. Because both programs rely on the integrity and judgment of publishers to decide what content to disclose, any notion that IDSA provides more assurances to parents and other consumers is mistaken.

At hearings held by Congressman Tom Lantos on May 21, the president of LucasArts Entertainment Company, Randy Komisar, explained why the likely time required to assign a rating to a personal computer software title is such a vital concern. Mr. Komisar's testimony was sent to you on June 19, and was provided to your staff last week. We ask that a copy be admitted for the record.

As Mr. Komisar explained, when the development of personal computer game software is completed, a point called "code release," the software must be duplicated from the master as soon as possible to be packaged and shipped. Any delay in assigning a rating could force personal computer software publishers to sacrifice key product features or miss a crucial shipping date, thus significantly diminishing sales during the peak buying season.

Moreover, the shareware and low-cost retail segments of the industry have serious concerns about the cost of obtaining ratings for each of the hundreds of titles they market each year. The Working Group is confident that the ratings application being developed for RSAC, on the other hand, will result in a streamlined and flexibly-priced ratings system that provides parents and other consumers with reliable information about the content of software titles.

#### SPA HAS REACHED OUT TO THE VIDEO GAME INDUSTRY

Some observers have questioned why, for the moment, there cannot be a single ratings system for both personal computer software and video games. Senators, be-

<sup>9</sup> Media Scope, supra, at 5.

cause the benefits of a single system for consumers are obvious, SPA has followed the recommendation in your April 1 letter and pursued this laudable goal. Despite the significant differences with IDSA, SPA and the Working Group have reached out to the video game industry in an effort to create a single ratings program.

When this issue first arose last December, SPA responded to an appeal from video game manufacturer Sega of America asking SPA to lend cooperation and support. Last February, SPA agreed to a request by the fledgling IDSA to delay work on developing a ratings program until consensus could be reached among major video game manufacturers. Last March, the SPA Board of Directors directed SPA to engage IDSA in discussions to develop a common set of ratings icons and standards for software in all software formats.

More recently, at the request of Senator Joseph Lieberman, SPA invited IDSA officials to meet with the Working Group in an effort to create a single ratings program for both personal computer software and video games. As stated earlier, a combinations of differences over the ratings categories, the rating structure, and the ratings process itself made it virtually impossible to reach an agreement and still have a rating system in place this Christmas. Our meetings with IDSA have not yet resulted in an accord. Therefore, both organizations will move forward with their respective rating system.

#### CONCLUSION

SPA and the Computer Game Ratings Working Group stand by their commitment to Congress to have the RSAC ratings program in place for the holiday season. SPA has delivered on its promise to reach out to virtually the entire personal computer software industry. SPA has also delivered on its promise to reach out to media experts and other groups concerned about violence in our society.

And most of all, SPA has delivered on its promise to create a truly independent ratings program that can serve the needs of software publishers in all formats. To meet the needs of parents and other consumers, SPA and the Working Group believe it is essential that RSAC be independent of any industry trade association. By being independent, RSAC can gain the confidence of consumers and the broad participation of thousands of personal computer software companies.

The Working Group will also deliver on its pledge to implement a ratings program for the holiday season. First, it will use expert comments to complete the RSAC ratings application, and ask retailers and consumers for their opinions. Second, it will organize the RSAC Governing Board, and empower it to select an Advisory Committee and Ratings Review Panels. Third, RSAC will inform software publishers about the ratings program, and furnish them with ratings applications and packaging specifications. Fourth, RSAC will ask SPA and Working Group members to include brochures explaining the ratings program in their holiday packaging.

Most importantly, RSAC will be open for business in time to rate software titles being shipped on October 1. SPA and the Working Group look forward to working with members of Congress, interested experts, retailers, parents, and other consumers make the RSAC ratings program a success. We hope to draw upon your insights, participation, and support in keeping our commitment to Congress and the American public.

Senator LIEBERMAN. Thank you, Mr. Traphagen.

I was thinking, as I listened to you, as you know, I am troubled about the fact that you and IDSA could not come together on one rating system, and I do have some concerns about some of the components of your rating system and the icons. But I must say, in response to the end of what you just said, that we have come from arguing about whether there should be a rating system to arguing about which rating system we should go with, and that, as my mother would say, is a much better problem to have.

So I appreciate the way we have come, and I hope we can just keep going together until we get to one common rating system.

Mr. TRAPHAGEN. Thank you, Senator.

Senator LIEBERMAN. Mr. Koenigsberg, thanks for being here. We look forward to hearing from you now.

**STATEMENT OF STEVE KOENIGSBERG, PRESIDENT,  
AMERICAN AMUSEMENT MACHINE COMPANY**

Mr. KOENIGSBERG. Thank you, Senator Lieberman.

My name is Steve Koenigsberg, and I am President of AAMA, the American Amusement Machine Association, a nonprofit organization based outside of Chicago, IL, which represents approximately 120 manufacturers, distributors and parts suppliers of coin-operated amusement equipment.

AAMA appreciates this opportunity to update members of the Subcommittee on Government Regulation and the Subcommittee on Juvenile Justice on the progress that we have made since your last hearing in March.

For much of the past few months, AAMA has had its video game disclosure system put on hold, in order to concentrate our efforts on working with representatives of the Interactive Digital Software Association (IDSA) on the development of its rating system. As part of our ongoing consultations with IDSA, AAMA members have provided feedback to them on the categories, descriptors and icons developed by their rating board and on the process by which games are to be rated by that rating board.

Incidentally, we would like to commend IDSA and the rating board and its staff for soliciting our views and for the sensitivity they have shown towards our concerns.

In addition to our efforts to help shape the IDSA system and our regular conversations with members of your staffs, AAMA has had its own staff and two standing committees involved in educating our members about a number of relevant developments, including the proposed workings of the IDSA system, the alternative system emerging from the Software Publishers Association, and the views of the Amusement and Music Operators Association, the trade association of amusement machine operators, our customers.

This hearing represents the first real opportunity for AAMA and our members to view the IDSA system in its most complete and perhaps final form. It is also our first opportunity to formally hear from SPA. The information we obtain from this hearing, as well as from an upcoming meeting with IDSA and AMOA will provide us with the necessary information and tangible basis upon which the further process of this issue through our association.

Again, thank you for this opportunity to update Congress on our efforts to address the issue of video game violence. AAMA and the coin-operated amusement machine industry takes seriously our responsibility on these matters.

Senator LIEBERMAN. Thanks, Mr. Koenigsberg.

Let me ask you a few questions first, just to refresh my memory. Is there any rating system at work now in the classic arcade or coin-operated setting for video games?

Mr. KOENIGSBERG. No, sir.

Senator LIEBERMAN. As you said, you were beginning as an association to look to a rating system, and you put it on hold pending these developments. I know you have been in consultation with IDSA to convey your own priorities with respect to a rating system. Would you indicate what those priorities are?

Mr. KOENIGSBERG. We have what amounts to three different industries, three different marketplaces, and the common perception

is we are all similar. From our perspective, the concerns that we have voiced to IDSA has to do with the reality of how do you enforce a system, how does it take effect in the practical world.

It was mentioned by Mr. Kerby, for example, the difficulty of dealing with age-based systems at the cash register. Twelve year olds do not carry ID cards.

Senator LIEBERMAN. Maybe that is conclusive proof that they are not 17.

Mr. KOENIGSBERG. Our consumers are no less difficult to differentiate at the locations where they are. So it had some practical problems in that respect.

Senator LIEBERMAN. Mention what the three settings are that you referred to earlier. You said there were three separate settings.

Mr. KOENIGSBERG. We refer to three separate industries in that sense, and I think you have them represented by IDSA, SPA and ourselves.

Senator LIEBERMAN. Understood. All right.

Mr. KOENIGSBERG. We have some other concerns that frankly make the job of implementation more difficult. For instance, to use a label "teen" is a magnet to younger children, and from a marketing perspective, it could be an inhibitor for older young adults to go into that category of equipment. So you have some practical concerns that we are trying to convey, we are trying to understand ourselves in terms of what implications it has to our industry.

Those are the kinds of issues. It is recognizing that we have a different pathway to the market. We have a different level of on-site interaction with our consumers, and the fact that our consumers generally are older kids to begin with.

Senator LIEBERMAN. I gather, as a baseline, that the association is committed to adopting some kind of rating system. Is that correct?

Mr. KOENIGSBERG. Absolutely. And we not only as an association, Senator, in our individual discussions with the manufacturers, we have gotten unanimous support in the notion of disclosing information to help the consuming public make smart decisions about what these kids are going to play.

Senator LIEBERMAN. You have told us here today about some of the practical concerns you have got about enforcing in terms of age differences. What might we expect?

For instance, I ran into a woman who was complaining to me in Connecticut about this issue and said couldn't the arcade operators at least take the games that are rated for kids who are 17 and older, and obviously adults only, and put them in a separate area. I thought she was being very practical about this. Maybe it is hard for your personnel to go around to every game every time somebody walks up to play to check what their age is. But if you separated on some basis physically in the location, when you saw somebody was obviously a 13-year-old where somebody 17 or older should go, you could act to take them out of there.

Mr. KOENIGSBERG. Senator, our pathway to the marketplace that I referred to earlier has some really significant differences that affect the answer to that question. Mr. Kerby represents a large retailer. In fact, the consumer industry, if you look at the pathway

that their products take, several retailers control the vast number of products entering the market.

In contrast, our products are probably in locations that have a quarter of a million individual owners. So we do not have the kind of consistency. We do not even have the consistency in physical layout. So the question that is being posed in that sense means that we have to deal with more people in doing exactly what that lady suggests. The problem then gets further compounded, again practicality. The games that are sold to the consumer come in a package that has one type of game. The user has no option on how to change that game.

Whereas, in coin-op, we have operator-selectable options that, among other things, give the operator an opportunity to vary the degree of difficulty, as well as to turn on or off certain options, and some of those options concern the level of graphic violence, as an example. So now we take that, the fact that we have multiple products with the same title, and we are funneling through a quarter of a million locations. It makes the notion of control much more complicated.

Now that is not to say that we cannot evolve mechanisms to deal with it, and certainly our members feel that, at the very outset, we are providing content-based information that would be very useful when the child is attended by an adult or if unattended by adult, to let that proprietor of that location use his judgment to try to influence the play of that child.

Senator LIEBERMAN. Absolutely, that is what we are looking for. I understand your problems and I appreciate the commitment of your section of the industry to a rating system. I hear the problems. I guess what I do not hear yet, and I appreciated your last sentence, is how you are going to bridge the gap here. Because what we are looking for, and again it is an unusual setting, but this is the classic place where our children can go without the parents. But I think you are right, we are looking for a situation where a parent coming into one of your places will have some judgment as to what to have the child play, and the child unattended would be in a situation where the proprietor, with some reasonable exercise of authority, will be able to affect what the child plays. I know that is not easy.

I hope that we have seen these two rating system, that your members will focus on and maybe in a few months we can come back and talk to you about what they have decided on.

Mr. KOENIGSBERG. Senator, I think we have been extremely active. Again, I compliment IDSA for their inviting us to participate. I would only mention, just to perhaps take some pressure off of that time line for this committee, our products are not based on a buying season. We do not gear our market to a Christmas buying season and, as a result, our products enter the marketplace all year long, without regard to a Christmas season. It is just a different market.

So while we understands the concern about getting products labeled, I just want to assure the committee that that same implication does not exist for our business, that we are committed to move forward with this, we are committed to work towards a single sys-

tem, and we are doing everything constructive in that regard that we can.

Senator LIEBERMAN. I understand that. Of course, what puts a certain immediacy on it is that, as I understand it and as I have seen it, your folks tend to get the games before they are purchasable in the retail sector to take into the homes. I was just in a diner in Connecticut about a month ago, and there is a vestibule or foyer out front, and there were two staring me in the eye. Although I know you are not on the same retail shopping season calendar, I do hope that you will move as quickly as possible, and we will stay in touch with you.

Mr. Traphagen, as I listened to you, and I appreciate what you said about making a good-faith effort, and I see the direction in which you have gone, frankly, it puzzles me even more that all of you have not been able to get together. You have headed down some of the same roads. You have ended up taking turns off in different directions. I frankly do not understand why those differences are that critical to you. I do not know whether this is a kind of jurisdictional conflict, or whether it is just part of the competition that exists between the folks that Mr. Heistand represents and the folks that you represent, so it is hard to get together.

I think the public suffers from this, and that is why I am going to continue to do everything I can to urge you to work toward a common system. Why do you think you did not work it out together?

Mr. TRAPHAGEN. Senator, I think that is an excellent question. I think it is very largely due to the fact that this issue is actually anticipating a very large challenge that is going to be facing all of us in providing information about content.

A month ago, there were hearings in the House in Representative Markey's Subcommittee on Communications that discussed an issue very similar, and that is recommendations from media researchers and the AMA that there be a uniform rating system for all forms of entertainment, whether digital or personal computer software or television or movies. That has not come about yet, because of the very real differences between all of those industries.

There were very real differences between the industries that we have discussed today, for example, between the arcade industry, the video game industry and the personal computer software industry. Now, admittedly, many of those differences are transparent to some end-users, meaning consumers. They see a game and they just see a game. But for those of us who are working in the industry, actually, the business models are still different and it is not entirely clear that they are going to converge, either technologically or economically.

So it is a very real challenge. I think specifically in our case there is another large challenge, and that is because we are being faced with the prospect of addressing all these different industries, we have to be very concerned about the process. If for the first time we are going to be bringing different industries under a single rating system, then we need to be concerned that that process be open and that the administration of the process for the rating system be open and neutral for all the industries concerned. That has been a very important point, both from the point of view of making sure

the consumers have impartial ratings, and also for members of the industry to know that their submissions will be impartially treated.

Senator LIEBERMAN. Let me just stop you there. I appreciate your concern. Are you saying that your members were concerned perhaps because you are a smaller part of the industry, that your materials would not get a fair shake under the IDSA system?

Mr. TRAPHAGEN. There are feelings first of all that the actual procedure for evaluating materials is one that has not taken into account differences in both the financial capabilities and in the production cycle for personal computer software games. They tend to be much shorter production cycles. Also, the producers tend to be smaller companies.

The second issue is one of just general apprehension, and that is because, if we can take a comparison with the motion picture industry, media researchers like Media Scope have observed that independent film-makers, for whatever reason, are apprehensive about having their products reviewed by the Motion Picture Association's rating system. I think that the reason for their apprehension—

Senator LIEBERMAN. But they do it, do they not?

Mr. TRAPHAGEN. Well, I really cannot speak to the numbers involved. I know that the Motion Picture Association rates about 700 movies a year, and I do not know what percentage of those come from major studios and what percentage of those come from independent film-makers, who would be more akin to many of the companies on our working group.

Senator LIEBERMAN. With your indulgence, unrehearsed, I am going to ask Mr. Heistand to come up and respond. I do not want to extend any negotiations here too much in public, but here is a concern, what I guess I would state about the impartiality of what at this point are the big guys in the business. How would you alleviate or can you alleviate those concerns?

Mr. HEISTAND. I think there are two things going on. One is perception and the other is some of the real facts that Mr. Traphagen has alluded to. I am not sure from the perception front how we are going to deal with that. We are viewed as the big companies, and the SPA members, there are thousands of them. The PC system industry is a very fragmented American industry. Any time you have large corporations, they are viewed by smaller companies with some fear. So we see that going into it.

With respect to the more pragmatic issues in terms of applying across platforms and time and cost, we stated publicly we are going to charge \$500 to have a product rated. We are pledging to reduce that for smaller publishers. We cannot come in with that fee today, but it will be a fraction of the \$500.

In terms of different platforms and the timing cycle of getting products to the marketplace, we do not believe there is any problem with the system as we have designed it. Our company, Electronic Arts, has a history of supporting more platforms probably than anybody that is in the business today. Our revenue probably mirrors the revenue of the industry. We would not design or support any rating system that does not allow us to have all of our products go through it and treated equally. So, pragmatically, I think those issues can be put behind us.

Senator LIEBERMAN. I do not want to extend it too much. I appreciate you coming back to the table. I hope that, on the basis of that, you can find a way to get together, although I understand for this shopping season it sounds like you are not.

Let me just ask you to respond to a few of the specific questions, Mr. Traphagen, that have been raised about the two systems. Mr. Heistand stated it very well in terms of we want a system that consumers can have confidence in, and there is a basic problem that I am concerned about with your system, which is that the rater does not actually view the game, but the rater goes over the questionnaire that is filled out by the producer, so that the consumer cannot have the confidence that the rating is based on an actual viewing of the most potentially objectionable parts of the game.

Why not? It does not seem to be a complicated matter to have the game reviewed, to set up a system here where they are going to review it and they are going to charge the maximum of \$500 to the producer, and they are going to do it within a week. That does not seem very burdensome. Why not have it reviewed?

Mr. TRAPHAGEN. Senator, I think that some of those practical problems are best summarized in testimony that the President of LucasArts Entertainment, Randy Kominsar, gave at a hearing on the House companion bill last May in San Francisco, and I have asked for those materials to be submitted into the record. They largely involved differences in timing for production, because in the PC software industry, there is so little time between the point at which a product is finished and the time when it hits the store shelves.

There are similar pressures when producing for a video game format, and certainly LucasArts and other companies who are working with us have produced for both platforms and they are well acquainted with both the practical exigencies of both the personal computer software format, as well as the video game format.

Senator LIEBERMAN. Isn't it going to take almost as much time, if not more time, to fill out a questionnaire than to send it and have it reviewed, than to extract 30 or 45 minutes from the game and send it to be viewed within a week?

Mr. TRAPHAGEN. Well, it may, but the difference is, that the time will be spent by the publisher. At any time during the production process, they would be able to complete the ratings application and answer these questions, even at the outset of the project or at the end of the project. No matter when they do it, they would be under an obligation to continue to inform the Council about any changes that have been made in the content.

First of all, the cost of time is imposed on the publishers at a point where they can best accommodate it before the product is finished and has to be packaged to go out to the stores.

The second point is that many of the companies who work with the Working Group, and certainly almost all of the producers and distributors in the alternative distribution channels, like shareware and low-price retail, do not have video taping equipment that is compatible with the personal computers. They also do not use story boards, because they compose their games not using artists who draw them first, but by composing directly upon the keypad. So the



only alternative would be review of full interactive content, which both organizations have viewed as impractical.

Senator LIEBERMAN. I am concerned about it and I hope you will review that particular decision. Let me just ask you to respond to the other major area of concern, and that is the lack of age categories. In the first place, we are accustomed to that from the movies.

Second, I find though the icons that you have developed are informative, I find them a bit confusing. And when reduced to the size that you are actually going to put on, they are fairly small on the box. I want you to respond on those two levels. You are conveying information, but it is a lot in a small space. Most important—and this is probably the part that does trouble me most about it all—why not have the age categories? It seems to me that, based on even setting aside the disagreement we have about your questionnaire, even on the basis of the questionnaire, your rating council could rate according to age. It just makes it so much easier. With your system, frankly, it is impossible for the video rental people who were at the last hearing to enforce, because they cannot judge it by age. There is some basis for a parent, and it is also more difficult for the retailer to counsel, although I think some parents may be ultimately confused. So why not rate by age? What advantage is there for you not to?

Mr. TRAPHAGEN. I do not believe there is an advantage, Senator. There is simply a decision that was taken that the ratings would be as informative as possible, without being judgmental. Now, we made that decision based upon recommendations in the media research literature that consumers and media researchers would like to have as much information as possible about what may be objectionable in software.

As I think we have heard on the other panel, even retailers may have mixed feelings about age categories. Nonetheless, the work that we have been doing and the levels that we have prepared have been determined using as a basis age criteria. The five levels in many respects reflect developmental differences among children and adolescents. So that concern is addressed. What we need to do is test this program on retailers and consumers.

Senator LIEBERMAN. I agree, we do need to test it. Did you do any focus groups on the question of whether the age ratings are favored by consumers or are clear?

Mr. TRAPHAGEN. We have not done any focus groups. There has just been informal discussions with both consumers, as well as retailers about what they would find useful.

Senator LIEBERMAN. Am I correct—I think one of the earlier witnesses said it, perhaps it was you or Mr. Heistand, although I think it was someone on the second panel—I do not know whether Dr. Pober's work tested this, but my impression is that in focus groups, consumers have indicated by a fairly substantial margin that they prefer an age-break rating system. Am I right, or do you know?

Mr. HEISTAND. Dr. Pober did get that results from his research, and I think it was also in the testimony of Mr. Case from NEA.

Senator LIEBERMAN. That is what I thought.

Just a couple of final quick questions. Mr. Traphagen, you indicated that your system is going to be up and running October 1st. Just as I asked Mr. Heistand earlier, do you have any sense of what percentage of product will be rated by the Christmas shopping season?

Mr. TRAPHAGEN. We have conservative estimates that approximately 400 to 500 titles will be rated for the Christmas season, and that represents 25 percent of estimates regarding titles in all formats—cartridge, floppy disk and CD-ROM. So as far as the floppy disk market is concerned, that represents a very significant percentage.

Senator LIEBERMAN. I presume that the fact that our friends from Wal-Mart and other major retailers, including those that deal more in PC software like Babbages and some of the others, will not carry unrated material, will be a great inducement for you to rate the material.

Mr. TRAPHAGEN. That is absolutely right. It is the inducement that has really forged the unprecedented joint efforts between SPA and other organizations who need to have access to the retail market and who also stand behind the commitment to give parents information about their products.

Senator LIEBERMAN. You saw the excerpt from "Doom," which started out as a PC product. Do you have any idea what the appropriate rating for "Doom" would be on your system?

Mr. TRAPHAGEN. Senator, I am not a child psychologist and I really do not know what the rating would be. I think even if I ventured an opinion, it would affect the independence of the Council and its rating panels.

Senator LIEBERMAN. Is it your expectation that a product like "Doom," which is already out in the PC market, will come through the system and be rated?

Mr. TRAPHAGEN. Absolutely. In fact—

Senator LIEBERMAN. I think that would be very important, since I gather it is a substantial seller.

Mr. TRAPHAGEN. We have a commitment from the PC publishers of "Doom" to work with the Council and to have the product rated.

Senator LIEBERMAN. Again, I thank everybody. While we have this dispute, it is significant I do not want it to take on a larger significance than it should. The fact is that, while we prefer the IDSA rating system as it has been presented to us, because I think it does meet every one of the standards we set out, and I appreciate that, I strongly urge you, Mr. Traphagen, to see if you can convince your members to become part of that system as we go on.

Nonetheless, I think this is a very encouraging day for parents, particularly, and all of us who are troubled about the extent of violence in our society, who are convinced, as Mr. Chase, who said that the electronic media have some responsibility for that violence. We do not want to overstate it. Violence is part of human nature, unfortunately, for as long as we have recorded our history. But such outrageous acts of violence are being committed now, and the studies show that involvement in these games and television shows and movies and music stimulates kids to be more violent than they would otherwise be.

We really have to start to draw some lines to return to some values, to try to create more civility, if not order, in our society. And I think one way to do it is to try to—obviously, the best way is to self-control, for the industry to self-control on the content. But if that is not going to happen, at least to put the ratings on so others can exercise that control. I think we have come a very long way in a relatively short time in doing that in an industry that is growing, not just in dollar terms, but in significance to our kids and the way they spend their recreational time.

I have appreciation for what has been done by all of you. Senator Kohl and I are going to stay with this and continue to work with you. We have an expression here in Washington that the perfect is the enemy of the good. I think we are at the good stage. We may never achieve perfection, but I would like to work with you to see if we can get as close to it as possible.

Mr. TRAPHAGEN. We look forward to that.

Senator LIEBERMAN. I thank you for that.

The hearing record will remain open for 3 weeks for the submission of additional testimony or responses to questions that we may have after the hearing. I thank you all.

The hearing is formally adjourned.

[Whereupon, at 11:50 a.m., the joint hearing was adjourned.]

## APPENDIX

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### ADDITIONAL SUBMISSIONS FOR THE RECORD—DECEMBER 9, 1993, HEARING

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JUDITH T. HUTCHINSON, M.D.,  
*Timonium, MD, January 4, 1993.*

Hon. JOSEPH I. LIEBERMAN,  
*Subcommittee on Regulation Government Information,  
Committee on Governmental Affairs,  
U.S. Senate, Washington, DC.*

DEAR SUBCOMMITTEE MEMBERS: I have been watching C-SPAN's coverage of the proceedings of the Senate subcommittee on video game violence with great interest. I am the mother of three children (one of whom is an 8 year old video game whiz), the wife of an independent video game software developer, and occasional video game player. Our house is full of video games—Nintendo, SNES, Sega Master System, Genesis and Game Gear varieties, plus PC and Amiga computers, which also provide a vehicle for game playing. In addition to my own views on the subject of games, I am subjected to the viewpoints of the game developer and the young game player.

I am glad that our children's best interests are becoming a concern (at last!). I think it is important, however, not to limit this activity to video games—there must be consistency throughout the entertainment industry, including movies, videotapes, music and, especially, television. Television differs from video games and the other forms of entertainment listed above in one important way—it is broadcast into our homes, and we have no control over what is available to our children at any given time. Parental control is therefore *much* more difficult. Please look at the page from our local television guide that I am enclosing, and see what is available to my children on a Saturday afternoon. Not just garbage, but a smorgasbord of R-rated horror. I'm sure the expletives have been deleted and the nudity cut, but the violent themes upon which these movies are based remain. My children have been almost exclusively limited to viewing public television programs (with penalties for unauthorized channel changing!) But back to the subject of video games, and some points to consider:

1. Video games are not just for children.

Video games are a form of entertainment enjoyed by all ages, just as television, videotapes, movies and music are. My year and a half old daughter *loves* her Barney game (it pretty much plays itself). My son enjoys a wide variety of games, which are approved by his parents (Mortal Kombat is *not* permitted). A few minutes spent watching your child play the game (he/she will get a lot farther than any parent!) will give you a good idea of the content of the game. My husband and his friends (grown, well-educated men, not all of whom are in the computer business) tend to play the more technically advanced games. Personally, I prefer puzzle-solving types of games on the PC, but occasionally, nothing beats an hour with Toejam & Earl. I stay away from all fighting games because I find them boring.

The point is, adult men have no interest in Barney the Dinosaur, but they may very well enjoy ripping out enemies' hearts. You and I may not choose this as entertainment, but then, I might not choose to watch the same movies you do. Does this

give me the right to prohibit you from seeing Jurassic Park because you might not have the sense to keep your kids away from it? Of course not.

A wide variety of games should be available for the wide variety of game players' tastes.

2. Parents must be responsible for their children.

This concept extends far beyond video games. If parents want the freedom to raise their children as they think best, then *they* (not video game manufacturers, movie producers or musicians) must be responsible for what their children are watching/playing. I think manufacturers of toys, video games, television programs, etc. should provide a choice of safe, entertaining, non-violent fare, from which parents can choose appropriate things for their kids. With regard to video games, if a selection of less violent, yet fun and challenging, games are available for various age groups, and a rating system is in place to let parents know which games these are, then it is up to the parents to limit their children to those games. Parents also need to monitor the amount of time children spend in front of the television (watching programs or playing games) and have the common sense to turn the set off when viewing becomes excessive.

3. Most children do not have the financial resources to purchase video games.

Video games are expensive, running from a low of about \$20.00 (old games on sale) to \$50.00 or more. The dreaded "Night Trap" CD costs \$60.00, far in excess of most children's budgets. Those who do have the resources to purchase games without parental assistance are probably old enough to handle the more violent games.

As for rentals, if a rating system, such as the one initiated by Sega, is implemented throughout the industry, younger children can be prohibited from renting games judged to be too mature for them. Such a rating system will also alert parents (who usually purchase the games) as to the appropriateness of their, or their child's choice.

4. Violent games are extremely popular.

If not available on console units, violent games in bulletin board systems, known as "shareware," may become more attractive to young game players. Completely without regulation, these games tend to be excessively violent and are far easier to hide from parents.

While watching the proceedings of the subcommittee, it was clear to me that the Senators involved know very little about the video game industry. It appears that they have been given limited information, and are responding fervently to what they have been fed. Certainly, something needs to be done, but to watch the Senators in action, one would think that there is no alternative to Mortal Kombat and Night Trap, and that these games are being foisted upon young children without parental knowledge. If parents are as dumb or uninvolved as the Senators suggest, our children have a much bigger problem than violent video games.

From the viewpoint of a spectator who is completely uninvolved in politics, it looks very much like Senator Lieberman has been influenced in some way by the folks at Nintendo. His attacks were aimed exclusively at Sega (even for advertising by Toys R' Us, or a game by Konami), when Sega (NOT Nintendo) voluntarily initiated an independently assessed rating system for their games before Congressional attention was focused on this issue. I know people who have produced games for both Sega and Nintendo, and I can tell you that the people at Nintendo are not the angelic bunch Senator Lieberman seems to think they are.

For the Senators' information, the only person who really knows what a video game contains is the person who programmed it. In the case of Mortal Kombat, the rumors I've heard is that Konami didn't fully disclose all of Mortal Kombat's gore to those at Sega who approve the games. Whether that's true or not, I don't know. However, one does need special codes to activate the "lethal moves." Also, the Nintendo version is as bloody with the proper Game Genie codes.

Nintendo seems to have presented themselves to you as a child-oriented bunch of innocents. If you peruse the video game selection of your local stores, you'll notice titles for NES and SNES that would make you cringe. They don't have Night Trap because it is a CD-ROM title, and Nintendo doesn't have anything nearly that technologically advanced.

What is the solution to the problem of video game violence? I believe that the following would be adequate, providing both protection for children and freedom for adults.

1. Mandatory rating system by an independent agency, similar to the rating system for movies (as Sega has already done)
2. Sales of MA-17 games restricted to purchasers 17 years of age or older.
3. Rentals of video games rated MA-17 limited to those 17 years or older.

4. Enforcement of above to be carried out at least better than the enforcement of cigarette sales to minors is.

This Congressional attack reminds me of an issue that hit the Baltimore City legislature a few years ago. Stun guns (which render a victim unconscious and incontinent) were thought to be a potential threat, as criminals might use them. They were immediately banned, preventing the non-criminal element from a relatively safe form of personal protection. Real guns, however, continue to be freely available. As a result, Baltimore City had very few incidences of brief unconsciousness and wet pants, but 350 people were killed, most by guns. Please don't go off the deep end with video game limitation, when graphic violence continues to be broadcast into our homes on television, for rent in video stores, and drummed into teenagers' heads in the music they listen to.

I hope the Senators involved become a little better educated on this issue, and institute some reasonable restrictions to protect our children.

Sincerely,

JUDITH T. HUTCHINSON M.D.

BARBARA M. TOMAN,  
PARENT-TEACHER ASSOCIATION OF CONNECTICUT,  
Hamden, CT, November 19, 1993.

Hon. JOSEPH I. LIEBERMAN,  
*Subcommittee on Regulation and Government Information,*  
*Committee on Governmental Affairs,*  
*U.S. Senate, Washington, DC.*

DEAR SENATOR LIEBERMAN: The Board of Directors of the Parent-Teacher Association of Connecticut in response to a growing concern over the increasing violence depicted in video games adopted the following position statement:

That the CT PTA Board of Directors inform its constituent bodies and the general community about concerns associated with violent behavior in many video games.

That the CT PTA Board of Directors encourage its constituent bodies to communicate concerns to manufacturers of video games that promote violence.

That the CT PTA Board of Directors encourage legislators to initiate and/or support legislation to reduce video game violence.

At the November 13, 1993 meeting of the statewide leadership of the 56,000 member association, discussion was quite similar to that surrounding violence in the television, movie and recording industries. As a child advocacy group, CT PTA urges its membership to become more informed and aware of the growing violence in the interactive world of children's and youth video games.

CT PTA would like to continue our dialogue with your office concerning this topic. We appreciate any information which you would like to share with our office so that we may keep our parents, teachers and community members well informed.

Yours sincerely,

BARBARA M. TOMAN,  
*President.*

PARENT-TEACHER ASSOCIATION OF CONNECTICUT

MEMORANDUM

TO: Senator Joseph Lieberman  
FROM: Barbara M. Toman-President  
RE: IDS Ratings Proposal

Representing 58,000 members of the Parent-Teacher Association of Connecticut I am pleased to have had the opportunity to review the Interactive Digital Software proposals for a video game rating system. In partnership with the National PTA, a major concern for CT PTA has been the emergence of violence in all forms of media which touch the lives of our children and youth.

With the advent of creative and educational software products through video game format, CT PTA applauds the efforts of Senator Lieberman to act on behalf of our nation's children to limit the potentially harmful effects associated with depictions previously available without regard to age appropriateness.

Upon review of the proposed IDS rating categories (I-V) the following are continuing areas of concern.

1. Some of the terminology in the category descriptions such as "mild" and "commonly" are vague and open to a variety of interpretations. Who will determine these definitions?
2. The ratings system once adopted must be "user friendly" for parents. Any such system should be correlated with ratings systems for other media such as movies and television.
3. Will the ratings system include an easily identifiable logo?
4. Depiction of illegal use of drugs is inappropriate at any age.
5. Will the ratings board be an agency independent of the video game industry? What will be the composition of this review board? Will parents be represented as voting members? Will the identity of review board members remain secure so as to guarantee impartiality?
6. What amount of resources are being dedicated to the test marketing of the ratings? What type of parent/purchaser education system will be in place? Will it be multi-media? We need to insure that all parents can employ the system. How will the issues of cultural and socioeconomic diversity among parents be addressed?

Connecticut PTA is encouraged by the direction in which the video game industry is moving. Our primary concern continues to be the availability of information to the parents and guardians of the children and youth who use interactive video software. We will continue to advocate for industry self-regulation as the first line of resource for parents.

## GAMES

# The Return of Doom

**P**REPARE TO MEET YOUR DOOM. AGAIN. THE FOLKS AT ID Software, makers of the hyperviolent videogame Doom, plan to release Doom II in October (test copies begin circulating next week). In the sequel, Our Hero blasts through more of the same demon horde. The rules haven't changed: if it moves, kill it.

The first Doom succeeded because of its lurid 3-D graphics and its marketing scheme. Levels one through three were shareware—free. To go on, players had to pay id. The new version will be sold at retail only. Query: does id have a superego?

*Death by joystick: 'Doom II'*



# VIDEO GAME RATING SYSTEM

WAL-MART PRESENTS A NEW INDUSTRY WIDE  
RATING SYSTEM to provide customers with  
pertinent information about specific game play  
in order to make an educated decision on video  
game purchases.

## EC - EARLY CHILDHOOD

This mark certifies that the interactive product / software is appropriate for children 3 years and older who have preliminary communication skills such as fine motor coordination, the ability to use computer support materials and reading. Material in this category contains nothing in theme, language, nudity, sex or violence which parents of even the youngest children would find unsuitable.

## K-A

This mark certifies that the interactive product / software should be reviewed by parents thinking of buying this product for their children ages six and older and may contain more advanced reading, thinking and communication skills. The interactive product in the E6 category may contain both mild and animated violence or comic mischief.

## T - TEEN

This rating certifies that the interactive product / software should be reviewed by parents thinking of buying these materials for their children 13 and older. The interactive product in this category may contain depictions of realistic violence, suggestive sexual themes, mild profanity and betting behavior.

## M - MATURE

This rating certifies that the interactive product / software should be limited for children / persons over the age of seventeen. The interactive product in this category may contain material depicting mature sexual themes, animated or realistic blood and more intense depictions of violence and blood and gore as well as profanity.

## AO/OA

This rating certifies that the interactive product / software should be limited only to those over 18 years of age. The interactive product in this category contains graphic depictions of violence and sexuality, profanity and drug use.



KARL HIGGINS,  
CHILD'S PLAY DEVELOPMENT COMPANY,  
San Diego, CA, December 2, 1993.

Hon. Joseph I. Lieberman,  
*Subcommittee on Regulation and Government Information,*  
*Committee on Governmental Affairs,*  
*U.S. Senate, Washington, DC.*

DEAR SENATOR LIEBERMAN: I saw your press conference on the NBC last night regarding the restriction of violence in video games. You're doing the right thing and I applaud your efforts.

Would you please ask that your staff send me a copy of your press release and any additional material or information sources about this topic. Thank you.

Sincerely,

KARL HIGGINS,  
*President.*

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JOY STOCKWELL,  
DEAN STOCKWELL,  
December 8, 1993.

Hon. JOSEPH I. LIEBERMAN,  
*Subcommittee on Regulation and Government Information,*  
*Committee on Governmental Affairs,*

Hon. HERBERT KOHL,  
*Subcommittee on Juvenile Justice,*  
*Committee on the Judiciary,*  
*U.S. Senate, Washington, DC.*

DEAR SENATORS: Anyone who has raised a child and/or studied the psychology of human development will agree that children take in their information differently than adults. And all of it has the potential of leaving an impression on them. It is the repetition of actions, words, ceremonies, etc. which form the cultural values of all people. Children mirror what they see the adults doing and what they learn through the repetition games. Together we must take the time to reexamine the kinds of "games" which we are giving to America's children. Games are a common means by which cultural mores and values are passed on from one generation to the next. What are we passing on to those following us? What kind of message are we sending the kids when the games we give them require sociopathic behavior in order to "win." American boys and girls deserve better than an array of games which involve violence or killing. Boys have played with guns for years but the "interaction" possible with video games creates a simulated experience of crimes punishable in society. Surely the professional game manufacturers can come up with something better than this to sell to American children. How about games that model human compassion, cooperation, kindness, respect, productivity, and give them self esteem? How about mountain climbing in a group or, perhaps a team of doctors in the rainforest searching for a medicinal plant? The possibilities are endless. With the freedom we enjoy, comes the responsibility to do what is right. If it is not right to kill why must our children be exposed continually to "games" in which killing is "winning"? It makes no sense. Let us begin to heal a violent America. Let's see a reduction in these violent video games.

You, honorable representatives of us all, give us hope with this hearing, that there will be many which will continue to explore the urgent issues facing us.

We will continue to support any legislation which will ensure that violence in our society is not encouraged, whether it be video games or television violence.

Millions of Americans who share these views appreciate the job you are doing on our behalf. Thank you.

JOY STOCKWELL,  
DEAN STOCKWELL.

JOY STOCKWELL,  
December 8, 1993.

Hon. JOSEPH I. LIEBERMAN,  
*Subcommittee on Regulation and Government Information,*  
*Committee on Governmental Affairs,*  
*U.S. Senate, Washington, DC.*

DEAR SENATOR LIEBERMAN: Thank you for your commitment on this issue. Please enter our testimony into the record of your hearing today. Let's hope that all of our efforts make the difference we are hoping for.

Sincerely

JOY STOCKWELL.

RICK L. COCHRAN,  
*Springdale, AR, December 9, 1993.*

Hon. JOSEPH I. LIEBERMAN,  
*Subcommittee on Regulation and Government Information,*  
*Committee on Governmental Affairs,*  
*U.S. Senate, Washington, DC.*

I watched with great interest the hearing aired today on C-SPAN today where Sega, Nintendo, video rental, and software publishers associations were discussing the need for self regulation of the content of their products.

I had my 14 year old son come in to the room and we watched together and discussed this issue. My son told me that the SEGA advertisement you showed of the "nerd" who becomes a hero has been frequently aired in the early afternoon (3:30 p.m.-5:00 p.m. time period on weekdays) although the SEGA representative (Mr. White) denied this.

My feelings are very much like those you and your colleagues shared today regarding the importance that our youth not be exposed to such violently explicit materials. I applaud your efforts to bring self regulation (if practical and possible) as a first choice. But, I cannot deny my overwhelming gut instinct that these companies either cannot or will not ever be able to do so. Take a hard look at them in February when you review their efforts, and *if they are not both substantial and sincere I would strongly favor legislation be enacted to protect our nations children.*

Sincerely,

RICK L. COCHRAN.

WILLIAM YOSHINO,  
JAPANESE AMERICAN CITIZENS LEAGUE,  
*Midwest Office, December 10, 1993.*

Mr. KENJI HIRAOKA,  
*Konami (America) Inc.,*  
*Buffalo Grove, IL.*

DEAR MR. HIRAOKA: The Japanese American Citizens League (JACL), the oldest and largest Japanese American civil rights organization in the United States is concerned over your recently released video game, *Lethal Enforcers*. Even though we have not had an opportunity to preview the game content, your promotional material describing the contents of the game raises troubling concerns regarding stereotypic depictions and the negative portrayal of Asians.

The material indicates that the object of *Lethal Enforcers* is "to clean up the streets in the baddest parts of Chicago [of] human terrorists." The material goes on to describe the so-called street cleaning as occurring "where the dirtiest deeds go down" and for the need to be on the lookout for "ninjas in Chinatown \* \* \*"

We are concerned because "ninjas" are often seen as sinister Asian assassins which has an effect on the manner in which Asians are perceived in our society. We find it especially troubling because children, adolescents and young adults—the market for these games—can be left with negative impressions which can cause an association between Asian Americans and the actions these so-called "ninjas." Much of this plays into the attitude and stereotype that Asians are invaders in America who are to be viewed with fear and suspicion.

The material also implies that Chinatown is an unsavory place. This reinforces attitudes that Chinatown is mysterious, dangerous impenetrable. This too, nurtures fear and alienation and plays into our fears of "us" and "them" thereby contributing to xenophobia and racial intolerance.

It's unfortunate that Asian Americans and the places where we reside, are often perceived in a distorted and superficial manner based on stereotypes, ignorance and even racist images. And, it is unfortunate that stereotyping has contributed to a rising trend in hate crimes toward many groups of Americans including significant increases in incidents of anti-Asian sentiment and cases of violence directed at Asian Americans.

We would have hoped that Konami (America) Inc. could have been more sensitive and thorough in screening the contents of this game. We would request that you remove the offensive portions of the game and the promotional descriptions that hold the potential for denigrating a racial group thereby contributing to bigotry. I look forward to your response and to providing any assistance possible.

Sincerely,

WILLIAM YOSHINO,  
*Midwest Director.*

HON. HERBERT KOHL,  
HON. JOSEPH I. LIEBERMAN,  
*Washington, DC, December 15, 1993.*

Hon. JANET STEIGER,  
*Federal Trade Commission,  
Washington, DC.*

DEAR CHAIRMAN STEIGER: Last Thursday, December 9, 1993, the Senate Committee on Governmental Affairs Subcommittee on Regulation and Government Information and the Senate Judiciary Committee Subcommittee on Juvenile Justice held a joint hearing to examine violence and sex in video games. At our hearing, a broad cross-section of the video game industry, including the two largest manufacturers, committed to develop a voluntary rating system to inform parents which games may be appropriate for different age groups. One manufacturer, SEGA of America, Inc., has developed its own rating system, and it currently places a rating label on its products indicating whether the product is appropriate for general audiences, appropriate only for persons thirteen and older, or appropriate only for adults.

Both in our pre-hearing investigation and in materials that have come to our attention in the last few days, we discovered substantial evidence that the video game industry, including retail outlets, may not be advertising its products in a manner consistent with the representations contained in the rating labels. While we have raised these cases with the industry as examples of marketing practices that the industry must prevent if it is going to develop a credible rating system, we are also writing to you because we believe that marketing a video game which is labeled as appropriate only for teenagers or adults in a manner which would suggest it is appropriate for younger children is an unfair method of competition and an unfair or deceptive trade practice prohibited by 15 U.S.C. 45. With the holiday shopping season in progress, we urge the Commission to take immediate action to halt this false and misleading advertising before more consumers are induced into purchasing violent and inappropriate games for young children.

The most egregious example of this kind of misleading advertising came to our attention following the hearing. A company called "Just for Kids," based in Shawnee, Kansas, publishes a catalog that appears to target pre-teen children. All the pictures in the catalog depict pre-teens, and the catalog contains toys, costumes and other products clearly aimed at that market. Page 29 of this catalog (Exhibit A, attached), covers video games. Next to games such as "Alladin," "Ken and Stimpy," "Spiderman and X-Men," "WWF Royal Rumble," "T2 Judgment Day" and "Sports Illustrated Football/Baseball"—all of which SEGA has rated as appropriate for general audiences—is "Mortal Kombat," which SEGA has rated as only appropriate for older teenagers and adults. Other than showing, with no explanation, the "MA-13" label which appears on the front of the "Mortal Kombat" package, there is no indication to parents that this product might not be appropriate for a pre-teen. Indeed, quite the opposite impression is left by the depiction of the clearly pre-teen child playing a game and the "Just for Kids" logo at the bottom of the page. This page of this catalog, especially when compared with the rest of the products depicted in this catalog, clearly implies that the games depicted on this page are appropriate for use by children, which is false and misleading in the case of "Mortal Kombat."

At our hearing, we showed a tape of an advertisement run by SEGA featuring "Mortal Kombat" and two other games. A copy of this tape is attached as Exhibit B. This advertisement depicts a boy who appears to be under age thirteen gaining self-confidence and popularity as a result of playing "Mortal Kombat." This advertisement, which appears to target children under thirteen as well as teenage audi-

ences, clearly gives the impression that "Mortal Kombat" is appropriate for pre-teen children, as the protagonist is at best ambiguous in age. SEGA's failure to explicitly state that "Mortal Kombat" is not appropriate for children under thirteen renders this advertisement false and misleading.

Exhibits C and D are copies of advertising circulars that were distributed in the Washington Post within the past 2 weeks. The first (Exhibit C) is one that was displayed at our hearing. This is the first page of a Toys R' Us circular, showing, among other products, six video games. One of the products is the SEGA version of "Mortal Kombat." The second (Exhibit D) is the first page of a Kay-Bee circular. In this advertisement, "Mortal Kombat" is depicted alongside "Alladin," three sports games and one comic book game. Again, neither circular warns parents that the product might not be appropriate for pre-teens. In addition, both advertisements were designed so as to obscure all ratings placed on the products by the manufacturer. Obliterating the rating label in these advertisements is not just "clever," it is also false and misleading.

We urge the Commission to take action against these types of advertisements as quickly as possible. These advertisers should not be permitted to mislead the public into believing that products such as "Mortal Kombat" are appropriate for pre-teens. Moreover, as the video game industry develops a rating system, it should be aware that there are legal limits on how they can depict such games and that the Commission will not be reticent in enforcing those limits.

Thank you for your prompt attention to this matter. If you or your staff should have further questions, please contact John Nakahata or Sloan Walker at the Subcommittee on Regulation and Government Information ((202) 224-9000), or Jon Leibowitz or Jamie Schwing at the Subcommittee on Juvenile Justice ((202) 224-4933).

Sincerely,

HERBERT KOHL,  
JOSEPH I. LIEBERMAN.

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PREPARED STATEMENT OF BOB KEESHAN, CHILD ADVOCATE AND CAPTAIN KANGAROO

Video games, like their electronic cousin, television, provide the potential for, here-to-fore unknown, opportunities for information, education and delightful entertainment. As with television, video games are a technological tool which, when used appropriately, bring benefits to the user, not the least of which, is superior entertainment. The technology is to be encouraged because, used appropriately, such games can be a tool for education as well as entertainment. Video games have a tremendous intellectual impact and emotional effect upon the user principally because of one aspect of the technology which differentiates it from television, the need for the user to be an "active participant," not merely a spectator, as with television.

It is this interactive aspect of video games which carries the potential for harm to the user. Virtually every study of the viewing of television by children, a spectator function, shows a causal link between the viewing of violence on television and aggressive behavior. The user of video games is not a participant in a vicarious experience but rather is an active decision-maker. Many manufacturers of the software for video games proudly point to the development of the players intellectual skills as a result of playing the game. These manufacturers should be proud because it would seem that the active player does develop certain skills in playing the various games.

The danger arises when the subject of the software is of a violent nature and the active participant is required to make decisions which incite violence in order to win. This is not a vicarious experience but an active participation in violent acts. If television violence has desensitized us, adults and children, to violence, video games built on violence-oriented software, may carry that process several steps further. As television sometimes teaches young children that violence is an appropriate solution to problem solving in real life, violence-based video games carry that lesson a step further, violence is the option that makes points and wins the game.

A reasonable person will be concerned about the potential for harm in this process. What to do? This is not about censorship or the curtailing of commercial free speech, though, I am often impressed when commercial free speech is insisted upon as a constitutional right, when almost never is the accompanying responsibility to that free speech cited. It would be hoped that software manufacturers would understand their role in a nurturing society and exercise that accompanying responsibility to commercial free speech.