

e-Sports Biz in Korea

2007. 8. 13

Korea e-Sports Association
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KOREA e-SPORTS ASSOCIATION

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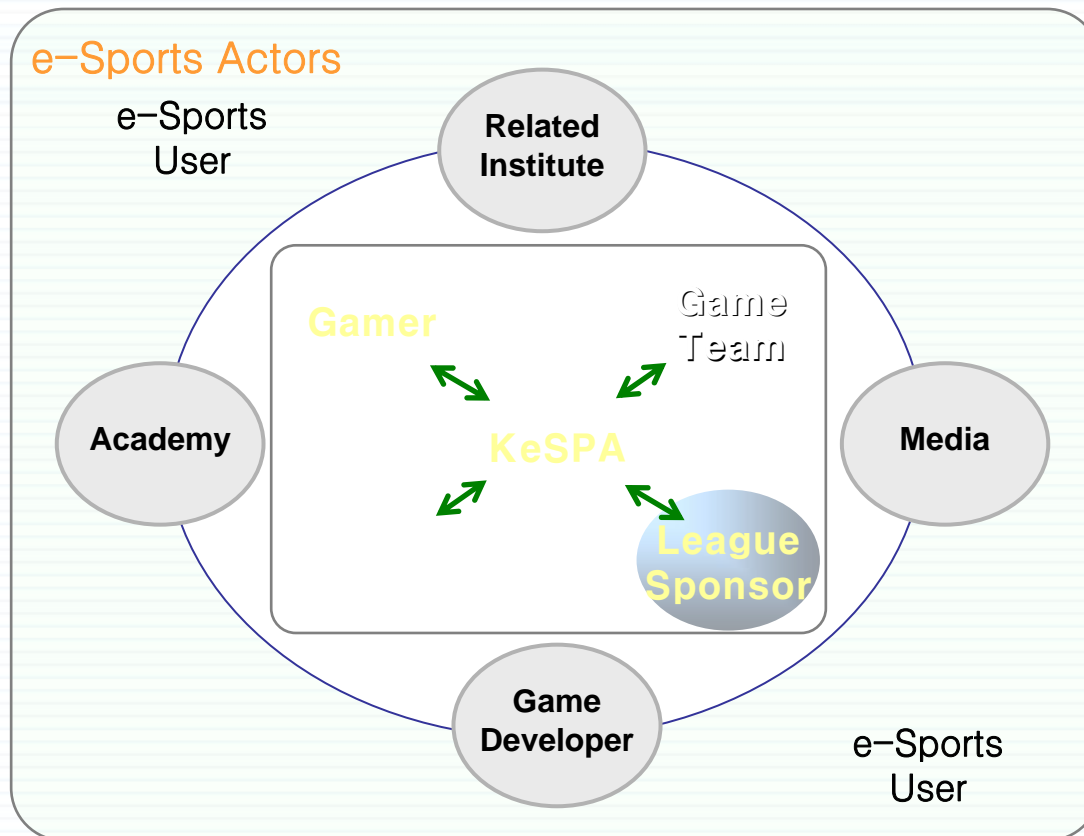
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Current structure of KeSPA

- KeSPA established in 2002 with the approval of Ministry of Culture & Tourism.
- Leading Korean e-Sports as a sound leisure culture for youth life.
- Cooperating among e-Sports actors in Korea.
: gamer, game team, government, league sponsor, academy, media, game developer, related institute, etc.





KeSPA History

First KeSPA inauguration

- ✓ 21C Progamer Association established (Pre KeSPA)
- ✓ Hanbit Soft Co.,Ltd. took the Chief of KeSPA
- ✓ Ministry of Culture & Truism Korea approved 'progamer registration system'
- ✓ Selected 9 official e-Sports games

1999 ~ 2001



2002 ~ 2004



e-Sports restoration period

- ✓ "Korea e-Sports association" ('02, KeSPA) established
: 21C Progamer Association (Pre KeSPA) changed
- ✓ Hosted "KPGA TOUR" with MBCgame
- ✓ 4 company pro game teams established
: KTF MagicNsS, AMSUNG KHAN, Hanbit STARS
SK Telecom T1('04)

Second KeSPA inauguration

- ✓ SK Telecom took the new Chief of KeSPA
- ✓ United 'Pro-league'
- ✓ Launched Official referee system
- ✓ First KeSPA CUP 'KTF-Bigi Korea e-Sports 2006'
- ✓ Opened the first e-Sports Arena, 'Yong-San e-Sports Stadium' in the world

2005



2006 ~ now



Establish foundation & globalization

- ✓ Hosted Korea e-Sports Award
- ✓ Hosted International e-Sports Symposium
- ✓ 11 company and 1 military pro-game teams established
- ✓ Hosted 'Ministry of Culture & Tourism Korea Cup 1st National Amateur e-Sports Games.'



e-Sports biz. model

1. 'Pro League' history

- KeSPA launched the integrated 'Pro League' in 2005 by combining 'Ongamenet Pro League' and 'MBC Game Team League'.
- SHIHAN Bank sponsored 6 mil \$ on Pro League for 3 years ('07 ~ '10).
- Media coverage enlarged from 1 CATV to 2 CATV and 6 new media channels.
: CATV (Ongamenet, MBCgame), internet TV (GOM TV, Pandora TV), internet portal (Naver, Daum), IPTV(HANA TV), Satellite DMB(TU media)
- Now, 'Pro League' became the largest and most popular e-Sports league in Korea.

	2003	2004	2005	2006	2007 ~
Teams	✓ 11 Pro teams joined – 3 company teams and 8 club teams	✓ 11 Pro teams joined – 5 company teams and 6 club teams		✓ 11 Pro teams joined – 10 company teams and 1 club team	✓ 12 Pro teams joined – 11 company teams and 1 military team
Sponsor	✓ KTF EVER, ✓ NEOWIZ PIMANG Mobile, internet Co.	✓ SKY : mobile phone terminal		✓ SKY : mobile phone terminal	✓ SHIHAN Bank '07 ~ '10
Host	✓ Ongamenet	Ongamenet	KeSPA	✓ KeSPA	✓ KeSPA
Media	✓ Ongamenet	✓ '04 Ongamenet ✓ '05 Ongamenet & MBCgame		✓ Ongamenet & MBCgame	✓ 2 CATV ✓ 2 internet TV ✓ 2 internet portal ✓ 1 IPTV & ✓ 1 Satellite DMB



SHIHAN BANK Pro League 2007










- In 2007 season, 'SHIHAN Bank Pro League 2007' was newly launched. ('07. 4.14)
(cf. SKY Pro League '04 ~'06)
- 'SHIHAN Bank Pro League 2007' changed the way of Pro League in contrast to before .
 - Teams increased (12 teams entered), match-up number doubled (2 round full league), cash prize upgraded, new rules adopted, new 6 media channels entered.

Period	Apr. 14 in 2007 ~ Jan. 26 for 10 months
Composition	<ul style="list-style-type: none">✓ 1 Round (Apr. ~Aug.), 1 round Final (Aug. 4 in 2007)✓ All-Star Matches (Sep. 25 in 2007),✓ 2 Round (Sep. ~Jan. '08), 2 Round Final (Jan. in 2008)✓ Grand Final (Jan.)
Wrap-up	<ul style="list-style-type: none">✓ 12 Teams entered (11 company teams and 1 Korea Air Force team)✓ Live broadcast relayed on 5 weekdays (Sat. Sun. Mon. Tue. Wed.)✓ Total 300,000 \$ cash prize✓ Total 264 match-up (22 match per team, 2 round) during 2007 season (doubled than '06)✓ Introduced official e-Sports PC on all match-up (SAMSUNG e-Sports PC)✓ Introduced new rules (5 minute PC setting time limitation, match-up entry open before 48 hours)✓ 2 CATV (Ongemenet, MBCgame), 2 internet TV (GOM TV, Pandora TV), 1 IPTV(HANA TV)2 internet portal (NAVER, Daum) and 1 satellite DMB (TU media) channel broadcasting

Professional Game Teams

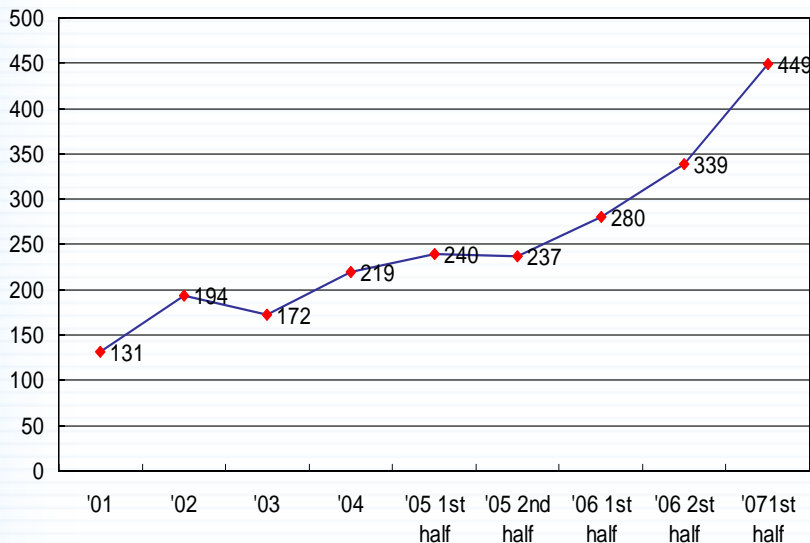
- 12 Pro-game teams are participating in "SHINHAN Bank Pro League 2007" now.
(11 Company teams and 1 Military team)
- Most pro-game teams are investing on average 1.5 mil \$ to operate their team per year.
 - 'company brand PR effect' is 7 times higher to the cost.

Professional Game Teams ('07)

 <p>1999. 12. KTF MagicN's Telecommunications</p>	 <p>2000. 6. Samsung KHAN Digital Media</p>	 <p>2001. 5. Hanbit Stars Game Development</p>	 <p>2004. 4. SK Telecom T1 Telecommunications</p>
 <p>2004. 8. PANTECH EX Mobile phone terminal</p>	 <p>2006. 3. LECAF OZ Sports Fashion</p>	 <p>2006. 3. MBCgame HERO e-Sports CATV</p>	 <p>2006. 4. CJ ENTUS Entertainment & Glossary</p>
 <p>2006. 6. Ongamenet SPARKYZ e-Sports CATV</p>	 <p>2006. 10. eSTRO International e-Sport organizer</p>	 <p>2007. 4. Airforce ACE Korea Air Force</p>	 <p>2007. 5. STX Soul Ship Build & Trade</p>

Systematic pro-gamer management

- KeSPA runs 'progamer registration system', 'official pro-gamer draft system' and 'courage match' to pick up pro-gamers systematically.
- KeSPA open 'courage match' 10 times per year.
- Each pro-game teams have 15~20 pro-gamers and choose their team members through 'official draft system'
 - Started 'official pro-gamer draft system' in 2005 and do it 2 times per year.



Change in number of registered Pro Gamers

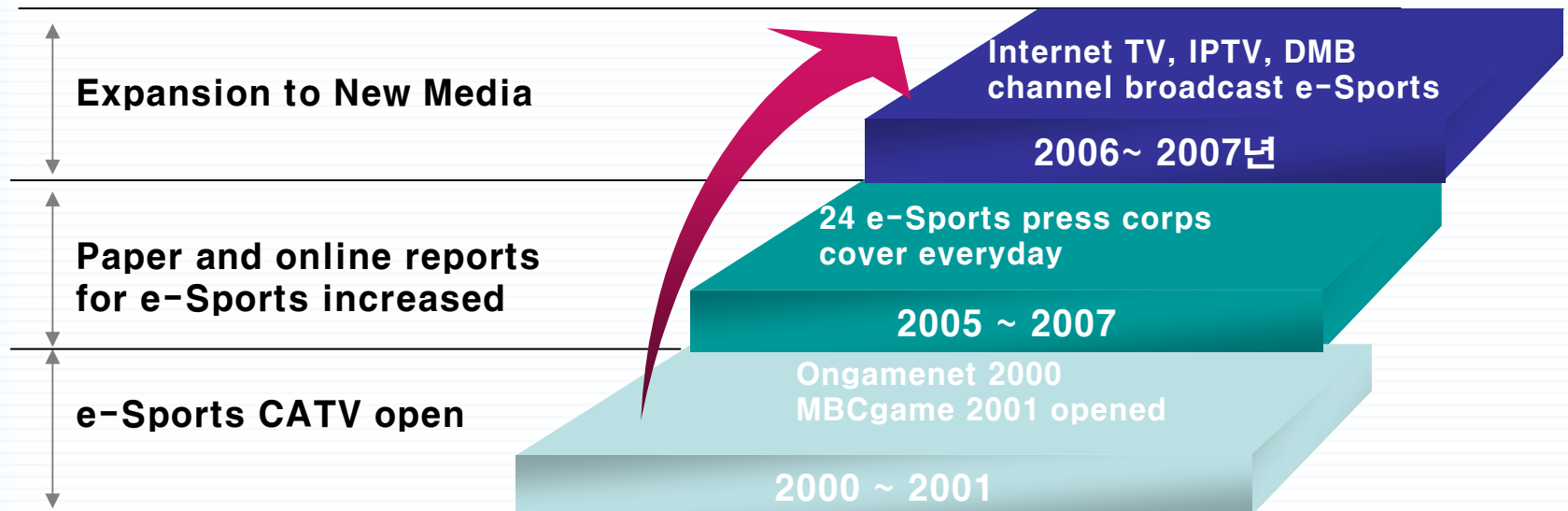


Courage Match Spot at PC room



Media coverage

- 2 CATV (Ongamenet, MBCgame) cover 24 hours everyday.
- 24 'e-Sports press corps' cover everyday.
 - 6 major daily sports papers, 2 digital papers, 2 game magazine, 14 web magazine
- New media competitively joined to cover e-Sports
 - Internet TV (GOM TV '06.10, Pandora TV '07.6), Satellite DMB (TU media '07.4), IPTV (HANA TV, '07.4), online portal (DAUM '07.6, NAVER '07.6).
 - 28 mil people (live 17 mil, VOD 11mil) watched Pro-league during 3 months('07.4~7) with GOM TV.



e-Sports media coverage in the world

- Many major world media introduce and cover Korea e-Sports & Pro League.
- **LA Times** "Gamer is royalty in South Korea" (07.3)
- **NY Times** "The Glee of South Korea Game's Sequel is Announced"(07.4)
- Satellite broadcasting '**Deutsche Welle**', Deutsche public radio '**Multikulti**', **Frankfurt Allgemeine Zeitung**, **San Francisco Chronicle**, **The Reuters** covered Korea e-Sports and Pro League on the spot(07.5)
- Japan **Yomiuri** Newspaper and **NHK BS1** reported Pro League(07.7)
- Online media
- gotfrag.com, ggl.com, amped.com etc.

San Francisco Chronicle

Video game players score big money in South Korea

Vanessa Hua, Chronicle Staff Writer
Monday, December 18, 2006

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(12-18) 04:00 PDT Seoul -- Choi Yeon-sung avoids going out most days, and when he's on the street, he puts his head down -- to dodge the whispers, the stares and the pleas for autographs.

[Podcast: Video gamers gain fame and fortune in South Korea.]

Such are the hardships of a celebrity video game player in South Korea.



HOME FERNSEHEN RADIO NACHRICHTEN UNTERNEHMEN

world wide music

radiomultikulti rbb

Suche Wir über uns Frequenzen Presse Partner Kontakt Impressum Hilfe



POST AUS FERNDST

RÜPEL AUF DEM RÜCKZUG

Von Rebecca Roth
Seoul ist eine saubere Stadt: Überall sind Putzfrauen und -männer am Kehren und Polieren. Es gibt keine Hundehäufchen, keinen Müll oder sonstigen Unrat auf der Strasse. Vor zehn Jahren, als ich das letzte Mal da war, spuckten manche Männer noch auf die Strasse, daran kann ich mich noch lebhaft erinnern. Doch in den letzten drei Wochen hier in Seoul habe ich das charakteristische Räuspern, das unmittelbar davor kommt, noch immer nicht gehört. Und ich muss sagen, dass ich die spucke- und hundehäufchenfreie Zeit hier in Korea wirklich genieße!

Jetzt im Radio
FRÜHSTÜCK
Zum Auftakt: Neues aus aller Welt, Service, Wetter, Verkehr und world wide music
...mehr

Anschauen
RÜPEL AUF DEM RÜCKZUG
[Bilder]

e-Sports stadium

- In Dec, '05, the first e-Sports dedicated arena 'Yong-san e-Sports Stadium' opened in the world.
- Pro League matches held five days per week at main stadium, and many other e-Sports leagues, amateur e-Sports tournaments held at second arena.
- Average 3,000 spectators every week.

Outline

Size

1117.4m² Main arena – about 500 seats, 2nd arena – 64 seats

Use

SHINHAN Bank Pro League Matches and Armature Match



SHIHAN Bank pro-league 2007 (Main Arena)



2nd Arena



e-Sports channel diversification

- I.E.G (International e-Sports Group) bought right to broadcast Pro League from KeSPA for 3 years.
- Now, 2 e-Sports CATV and 6 new media channels are broadcasting Pro League everyday.

CATV

- ✓ 2 CATV Ongamenet and MBCgame boardcast Pro League 5 days every week. and many other e-Sports games relay for 24 hours.

Internet TV

- ✓ GOM TV relayed e-Sports leagues from Sep, 2006
 - Stated to relay SHINHAN Bank Pro League 2007 from Apr. 2007.
 - Covering many kind of e-sports leagues in 2007.
- ✓ Pandora TV relayed Pro League from June, 2007.

Internet Portal

- ✓ The best Korea internet portal NAVER and Daum participated as e-Sports channel in June, 2007.

IPTV

- ✓ IPTV(HANA TV) serviced SHINHAN Bank Pro League 2007 in April, 2007.

DMB

- ✓ Satellite DMB (TU media) serviced SHINHAN Bank Pro League 2007 in Apr, 2007.

New media channel success case

SHINHAN Bank Pro League in internet TV, GOM TV

- ✓ In 2007, GOM TV began to broadcast SHIHAN Bank Pro League.
- ✓ During 14 weeks (April ~ July), about 28 mil people watched Pro League.
 - live 17 mil, VOD down 11 mil
 - On average 2 mil people watched SHIHAN Bank Pro League with GOM TV every week.
 - Instant web connection number sometimes more than 0.1 mil.
 - ‘Sponsor’s Brand PR effect’ is more than 4 mil \$ estimate.



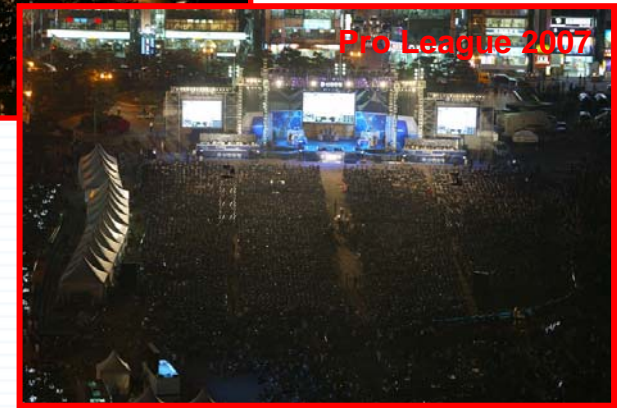
- The best 2007 Pro League VOD record
 - Boxer (Air force) vs sAvior (CJ)
 - 0.4 mil for 3 days at VOD downloading record

Big event gather big crowd

■ Pro League 1st Round Final matches gathered big crowd in 2004 ~ 2007.

- 2004 : 100,000 spectator record
- 2005 : 120,000 spectator record
- 2006 : 40,000 spectator record
- 2007 : 70,000 spectator record

■ Every summer, Pro League 1st Round Final match held on the beach. (Gwang-an-li, Busan)



e-Sports fan culture

- e-Sports became the most popular typical culture of youth in Korea.
 - Many 10 ~ 20 youth generations come to e-Sports stadium with friends, sweetheart or alone.
 - 30~40 light old generations come to e-Sports stadium with children.
- After Pro League launch, cheering type is changing.
 - Team supporters enlarged and cheer their teams.



e-Sports fans for generations

- SK Telecom T1 – 1,000,000
- KTF magicNS – 750,000
- Pantech EX- 700,000
- CJ ENTUS – 600,000
- Hanbit Stars – 600,000

Pro game Team Fan Clubs ('06)

Business field expansion

- Official e-Sports equipments : e-Sports PC, e-Sports mouse pad, e-Sports mouse, etc.
 - SAMSUNG DIGITAL MEDIA provided official e-Sports PC to KeSPA ('06)
- KeSPA trying to make new business field to use 'pro gamer & pro game team's characterizing right'.
 - 'Teddy Bear' made 'e-Sports pro gamer character bears' in July, 2007.
- Many sports wear, drink companies are joining e-Sports biz. field
and sponsoring Pro Game teams. (sponsoring scale about 0.1 mi \$ ~ 0.2 mil \$ per year.)

Official e-Sports supplies



Character product
'Teddy Bear'



equipment sponsoring



Anytime, anywhere with e-Sports

- e-Sports infra, e-Sports channel diversification and new biz field are creating new 'sports marketing filed' in Korea.
- In Korea, e-Sports became 'wannasee, wannado, wannabe' sports.
- 18 mil youth & light old people watch and play e-Sports anytime, anywhere for 24 hours.
- Many companies pay attention to e-Sports.

