

Virtual Worlds Conference 2007

“The Future of Media and Communication”

by SurfDaddy Orca



SurfDaddy Orca, editor-in-chief of The Seventh Sun, is a real world surfer with a love for science and technology writing. A former Intel employee, he is a veteran of several Internet startups and specializes in software quality infrastructure.

The big news was that CBS teamed up with Second Life, The Electric Sheep Company, and Cisco to produce an episode of Crime Scene Investigation CSI: NY. (See companion article “CSI:NY.”) And during the conference, virtual world development firm Millions of Us announced the sale of a undisclosed stake to a unit of Omnicom Group, the world’s biggest advertising services company.

The speakers’ list read like a who’s who in emerging virtual worlds space—Sibley Verbeck, CEO The Electric Sheep Company; Anthony E. Zuiker, Creator, CSI: Crime Scene Investigation; Reuben Steiger, CEO, Millions of Us; and Christian Renaud, Chief Architect, Networked Virtual Environments, Cisco Technology Center.

The break out sessions covered a host of tracks:

- Entertainment and Marketing
- Virtual Worlds for the Enterprise
- Business Strategy and Investment
- Community and Customer Service
- Design and Development
- Platforms and Technology

See www.virtualworlds2007.com/schedule/index.html for a PDF with complete session descriptions.

Big media, big business, and technology converged at the conference. Media speakers included Disney, Turner, MTV, and Dreamworks, while major technology companies included Intel, Cisco, IBM, Microsoft, and IBM. Exhibits and demos at the center of the San Jose Convention Center were crowded in a relaxed atmosphere including attendee and business lounges and a bar.

A good post-conference news round-up was compiled by Virtual Worlds News at www.virtualworldsnews.com/2007/10/post-conference.html Ofir Leitner provides links to some fun videos and his own takeaways, including Avatar Island, Icarus Studios, HiPiHi, Planet 9 Studios, 3Di Movable Life, inDuality, Miuchiz, Active Worlds Facebook, and MoiPal at:

www.nextgenmoco.com/2007/10/virtual-world-2007-birth-of-industry.html

Because there were so many sessions, it would have taken a squad of six reporters to cover everything—and everyone walked away with their own takeaways—although Wagner James Au hit some of the big ones in his “Top 5” on GigaOM :

- IBM, Linden Lab, Cisco, and others will work on interoperability between worlds.
- There was less hype than the first conference.
- The Chinese world HiPiHi is on the rise.
- Enter The Electric Sheep Company’s OnRez viewer (see companion article “The OnRez Viewer”).
- A “convergence culture” of gamers and mainstream industry is emerging.

Wagner James Au’s complete post can be found at:

<http://gigaom.com/2007/10/14/virtual-worlds-expo-report/>

I would add several more takeaways:

- Cisco, Cornell, and Metaversed’s Metaverse Marketing Index (MMI) suggests a new focus based on financial metrics.
- Business models (advertising, subscription, enterprise, gaming) are still fermenting.
- Google was conspicuously absent and Linden Lab continues to dominate.
- Artificial Intelligence (AI) agents will enter this market next year.

Philip Rosedale (Linden) of Linden Lab was there in Silicon Valley trademark jeans and collared shirt shaking hands and greeting press and speakers. Of course, he had every reason to smile—the familiar Second Life logo was starting to appear in CBS trailers. And many Second Life residents would rather fight than switch to one of the many new virtual worlds starting to grow like wildflowers.

And, what are these “virtual worlds” or “metaverse?” There was some debate over the use of this nomenclature to define this infant market space that is starting to break through into corporate boardrooms and public consciousness.



First day keynote



Anthony E. Zuiker



Sibley Verbeck



Reuben Steiger



Christian Renaud

► Conference

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Some suggested that “3D social networking” is a more appropriate term to capture the public imagination. “Metaverse,” of course, was coined in Neal Stephenson’s “Snow Crash,” and is a term that Linden Lab shies away from when talking about Second Life.

Regardless of how you label the market segment, there is a real market and it is growing. In addition to Second Life, there were plethora of 2D, 2.5D, and 3D “worlds” and platforms targeted at various age ranges represented at the conference:

Entropia

www.entropiauniverse.com/index.var

Gaia

www.gaiaonline.com/

GoPets

www.gopetslive.com/

HiPiHi

www.hipihi.com/index_english.html

Kaneva

www.kaneva.com/

Multiverse

www.multiverse.net/

OLIVE

www.forterrainc.com/

Scenecaster

www.scenecaster.com/view22/web/home.jsp

Simcommunity

www.simcommunity.com/

Stardoll

www.stardoll.com/en/

There

www.there.com/

Whyville

www.whyville.net/smmk/nice

Wonderland/Darkstar

<http://research.sun.com/projects/mc/mpk20.html>

Clearly standards and interoperability—bridges between worlds—are issues that needs some thought. The conference session on standards was led by Yesha Sivan (Microsoft), and included Karl Haberl (Sun Microsystems), Bryan O’Sullivan (avatar Sardonyx Linden from Linden Lab), and Trevor Smith (Transmutable). A follow-up “GridTalk” conference on interoperability was led by avatar Ziggy Figaro (Mitch Wagner of InformationWeek) on Dobbs Island in Second Life and included avatars Zha Ewry (IBM) and Ginsu (Yoon) Linden.

The gist of these discussions is that Linden Lab is working along two tracks—the newly announced consortium with Sun Microsystems, IBM, Microsoft, and others—as well as working on providing APIs to its server code.

Seventh Sun correspondent Gigs Taggart is working with Zero Linden and others in the Architecture Working Group (AWG) to define these APIs as well as manage open source contributions from the greater Second Life developer community (see “Gig’s Corner”).

Some of the key issues discussed by Yesha, Karl, Byran, and Trevor included moving assets between worlds and schemes for open identification (open ID), similar to single signon between portals (having a single user ID and password). This open ID issue was also a major topic of discussion on Dobbs Island.

A new marketing focus was also evident in many of the conference sessions. Cornell University’s Robert Bloomfield (avatar Beyers Sellers) and Metaversed.com’s Nick Wilson (avatar 57 Miles) are working with Cisco to define a Metaverse Market Index (MMI - see metaversemarketindex.org/). MMI will be established as a not-for-profit organization that will define and track metrics across multiple virtual worlds. Without reliable and comparable data about user engagement and economic activity in virtual worlds, it is difficult for businesses to select worlds in which to invest.

Dr. Bloomfield and Wilson will work with advisors and sponsors from industry and academia to construct a database of statistics on each platform’s user activity, economy, and technology. MMI is hoping to foster informed investment in online worlds, “while also allowing developers to identify opportunities for rapid convergence toward common technologies that will allow portability across platforms.”

And, speaking of interoperability and potentially huge market segments—here come the Chinese! The conference session on HiPiHi (pronounced “high-pee-high”) was conducted in Madarin by HiPiHi founder and CEO Hui Xu. Fortunately, he had a remarkable translator who kept the talk moving and helped him respond quickly to questions.

Where HiPiHi differs from Second Life is that it reflects the Chinese culture. According to Wagner James Au, the name itself is in part a play on “pihi,” Chinese for “innocent child,” while the three i’s are meant to resemble the Chinese ideogram for society. HiPiHi residents shape their environment with a library of prefab, customizable artifacts (clothing, furniture, homes, and so forth). The build tools are almost identical to Second Life with a scripting language currently in beta. The 16,000 or so beta users/testers are drawn from the Chinese regions, but Xu said English and Japanese versions will launch later this year. (www.hipihi.com/index_english.html)

The sleeping infant in virtual worlds—which has not really had the press attention it deserves—is Artificial



John Jainschigg of CMP Technology during break out session

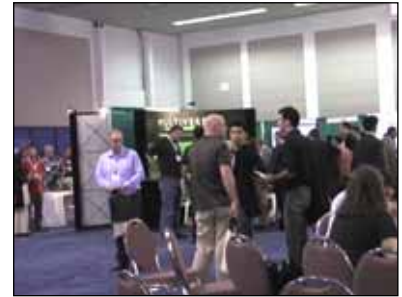


Exhibit hall



Hui Xu



Dr. Ben Goertzel



Platform Panel

►Conference

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Intelligence (AI). AI agents are already starting to show up in Second Life. A recent example is “SL-bot” created by Doron Friedman, Anthony Steed, and Mel Slater at University College London, UK. The bot starts a conversation with human users and deliberately invades their personal space to see how they will react (see <http://technology.newscientist.com/article/dn12870>).

Dr. Ben Goertzel’s fascinating conference presentation with The Electric Sheep Company on “Artificial Intelligence for Virtual Worlds” described his strategy to evolve “pets” and other AI agents making use of residents in Second Life and other worlds to teach them. (See www.novamente.net/puppy.mov)

Dr. Goertzel (avatar Zarathustrapocalypse Zeta) talked briefly about the architecture of his Novamente Cognitive Engine in which knowledge is represented in a network whose nodes

and links carry probabilistic truth values as well as “attention values.” The attention values resemble weights in a neural network using evolutionary algorithms. Read Ugo Trade’s blog for a good overview:

www.ugotrade.com/2007/09/24/artificial-general-intelligence-in-second-life/

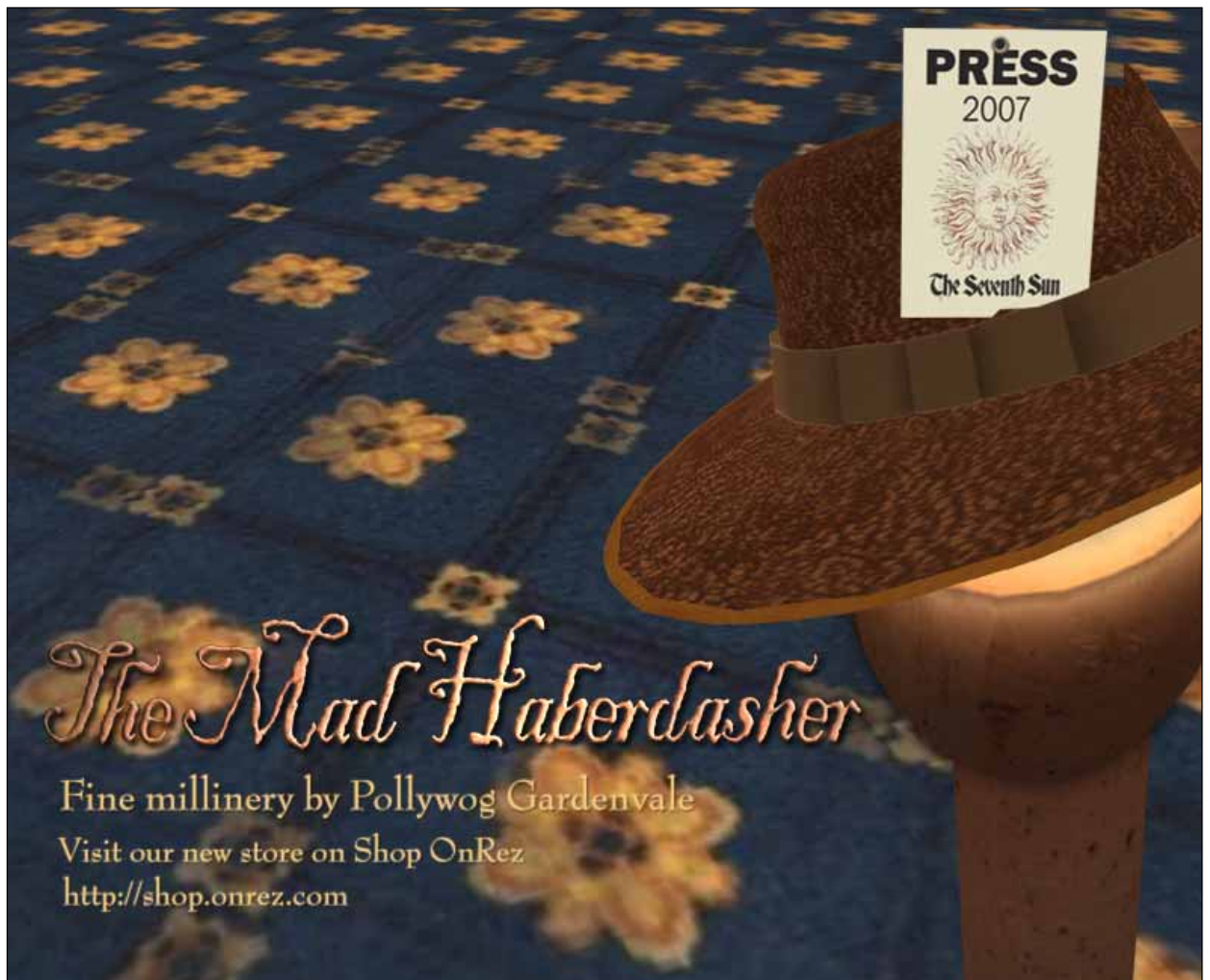
This type of technology has the potential to radically transform virtual worlds within several years to the point that human residents of virtual worlds may not know whether they are dealing with a bot or a virtual human being—a variant of Alan Turing’s famous test. The Novamente Cognitive Engine—in the form of virtual pets in Second Life—is scheduled to be released by Novamente, LLC and The Electric Sheep Company in early 2008.

Perhaps the two most crowded, standing-room-only sessions were “Investing in Virtual Worlds” and “Visionary Panel: Where the Platforms Are Going Next.” The session on investing included a panel of venture capitalists who discussed how seed money be-

comes available to entrepreneurs, business models, content, barriers to entry, and challenges. The business models discussed included Internet advertising, selling virtual goods (clothes, furniture, and so forth), subscriptions, and the enterprise model (creating virtual world platforms). They predicted that virtual worlds and associated online gaming will be the dominant form of entertainment in the future. The challenges mentioned were addiction, lack of compelling 3D (fast CPUs, GPUs, and associated rendering software), and legal issues (property rights, government, fraud, and so forth).

Some of the key questions raised during the platform discussion included mobile device interaction with virtual worlds, interoperability standards (shared identities and 3D graphics transfer between worlds) and APIs, and human language “interoperability (for example, English in a Chinese world or vice versa).

Big media, big business, and technology—will we all follow Gary Sinese’s CSI:NY character “down the rabbit hole” to look for Venus? And what will we find when we get there? Stay tuned. ☘



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