

SONY PLANS TO SELL EYETOY IN U.S. AFTER STRONG LAUNCH

By KEVIN J. DELANEY

Staff Reporter of THE WALL STREET JOURNAL

LONDON — Sony Corp. said its new camera used in playing videogames is selling well in Europe and that it plans to start selling the gadget in the U.S. and Asia, marking the latest escalation of its battle with Microsoft Corp. for dominance of the game industry.

The Japanese electronics company's EyeToy camera for its PlayStation machines is its latest effort to broaden the audience for videogames beyond teenage boys. Both Sony, the No. 1 producer of game consoles, and No. 2 Microsoft are beginning to lean more heavily on add-on devices such as the EyeToy to squeeze more sales out of their current game machines and increase their share of the fast-growing videogame market.

Sony said it has sold about 400,000 of its EyeToy Play software-and-camera bundles since launching it at the beginning of July in Europe. Users can control their PlayStation videogame machines by waving their arms in front of the camera, a device similar to the Web cameras that people connect to their personal computers.

The camera comes with 12 simple videogames in a package called EyeToy Play that retails for about £40 (\$63 or €58). Sony is planning to release a new package called EyeToy Groove in Europe in November with a game where players get points for executing a series of dance moves in front of the camera. That game, unveiled during a Sony news conference Thursday, will include quirky features like a calorie counter and video replays of gamers executing their flashiest dance moves.

Chris Deering, president of Sony Computer Entertainment Europe, said the company plans to release EyeToy in the U.S. and Asia as soon as it can manufacture enough to meet the demand. "They're in short supply at the moment," he said.

A Sony spokesman declined to specify the time frame for the U.S. launch. But one Sony designer working on the project said he expected a U.S. rollout in a matter of months.

Microsoft said it has no plans to sell a camera for its Xbox game console. But this autumn, it will release MusicMixer software packaged with a microphone for Xbox that players can use for singing games.

Both Microsoft and Sony are using music- and dance-related products to try to appeal to girls and groups of gamers older and younger than their core teenage audience. Dance pad add-ons, devices that sit on the floor and register the movements of a user's feet as he or she dances, have already proved popular with those groups.

"It's wicked," said Savannah Morrison, 7 years old, after punching out a robot character in an EyeToy-linked videogame at a Sony fair here in London. Her father, social worker Freddie Morrison, bought the device in July and now pulls it out when his kids have friends and cousins over.

At the Sony event here, mostly young children clustered around an array of EyeToy-equipped game machines on display. "Little kids would love it," said John Elbro, a 37-year-old chef from Plymouth, England. "But once you get over the age of 12, it's pretty boring."

Veteran United Kingdom game developer Peter Molyneux of Lionhead Studios in London said he brings out his EyeToy at parties. "It's hilarious, especially when there's a little bit of alcohol involved," he said.

At 4 p.m. in New York Stock Exchange composite trading Thursday, Sony's American depositary shares were up 35 cents at \$32.47.