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**From:** Armin Zerza [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=CC0A99F65F524CE28B9C9C44F12699E5-ARMIN ZERZA]  
**Sent:** 2/7/2020 1:38:21 PM  
**To:** Bobby Kotick [ACTIVISION] [bobby.kotick@activision.com]  
**CC:** Coddy Johnson [ACTIVISION] [coddy.johnson@activision.com]; Dennis Durkin [ACTIVISION] [dennis.durkin@activision.com]; Chris Walther [ACTIVISION] [chris.walther@activision.com]; Peter Royea [proyea@blizzard.onmicrosoft.com]; Rob Schonfeld [ACTIVISION] [rob.schonfeld@activision.com]; Brandon Snow [brsnow@blizzard.com]  
**Subject:** NVIDIA GFN Update  
**Attachments:** GFN\_for\_Publishers\_013120\_ATVI.pdf; NVIDIA Bundles and Sponsorship Opportunity (Feb 20).pptx; Re\_GFN Call.msg; RE\_ATVI - NVIDIA.msg; FW\_GFN status.msg

Bobby,

Please find below talking points for your call with Jensen tomorrow:

- 1) Like NVIDIA, we have all appreciated the long-standing partnership between ABK and NVIDIA. [REDACTED]
- 2) However, we were all surprised that we only got 48 hour notice of the commercial launch of GeForce Now (GFN). Even more so, as we were great partners in permitting our content in the GFN Beta. My team, on my instruction, has been clear that we require a commercial deal to have our content support commercialization of GFN. [INTERNAL NOTE: This was communicated in writing to NVIDIA in Dec 2018 before Beta started – note attached].
- 3) I am also disappointed that NVIDIA didn't follow our instructions to remove our content nor did NVIDIA notify consumers ahead of commercial launch that our content wouldn't be available for the service, despite my team providing input to consumer communication ahead of launch. So, we are asking NVIDIA to finally remove content and issue the aligned consumer communication. [INTERNAL NOTE: NVIDIA team claims they can only do over weekend given short lead times, plus that the current launch doesn't constitute a commercial launch since they are not charging consumers yet. We have therefore requested in writing removal of our content as well as appropriate consumer messaging – most recent comms from this week attached].
- 4) Looking forward, options to address and build long-term partnership:
  - a. [REDACTED]

Happy to discuss more. Thanks!

Armin

ATTACHMENTS:

- 1) NVIDIA launch plan (shared by NVIDIA last Friday)
- 2) NVIDIA bundle/ sponsorship opportunity across CoD/ CDL, WoW, OW2/ OWL, and D4

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**From:** Armin Zerza <azerza@blizzard.com>

**Date:** Monday, February 3, 2020 at 9:01 AM

**To:** "Bobby Kotick [ACTIVISION]" <Bobby.Kotick@activision.com>

**Cc:** Coddy Johnson <Coddy.Johnson@activision.com>, Dennis Durkin <Dennis.Durkin@activision.com>, Chris Walther <Chris.Walther@activision.com>, Mike Ybarra <mikey@blizzard.com>, "Peter Royea [ACTIVISION]" <Peter.Royea@activision.com>, "Rob Millock [ACTIVISION]" <Rob.Millock@activision.com>

**Subject:** NVIDIA GFN Update

Bobby,

Just learnt that Nvidia informed us last Friday (1/31) that they will launch and start to fully commercialize their GeForce Now (GFN) service starting tomorrow (Tuesday 2/4). As a reminder, GFN allows consumers to access higher end compute capabilities in the cloud which operates effectively as a remote gaming spec PC. This enables cloud streaming access to game platforms, such as Battle.net, Steam, and the Epic Store (who all participated in the GFN beta-test).

As further background, [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] It does, however, provide Nvidia a position in the streaming space (via "access" not as a transaction platform; NVIDIA charges \$5-10/ month to consumers for their service). More details below/ attached.

We didn't have a chance to fully analyze this, but there are a couple of immediate concerns/ thoughts:

- 1) [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Finally, the notice of basically one business day before launch is also unacceptable, so we are reaching out to NVIDIA while we assess out options here.

Happy to talk more,

Armin

**ATTACHMENT: Further Details:**

- GfN operates a streaming "access" service for games. Users are renting the capability to stream games, but all purchases still occur through normal channels (B.net, Steam, Epic Games Store, etc.)

○ Users are effectively renting a high-end PC in the cloud, where they can then purchase / play games as they normally would. [REDACTED]

■ Activision / Blizzard titles are available on the GFN service, through Battle.net and Steam. All transactions occur as they normally would. Users must still create B.net accounts. Nvidia does not charge publishers for the service or take any % of game transactions.

• AB titles are not used for GFN marketing or promotion purposes. Users must actively search to find our titles.

• To date, we have not told Nvidia to prevent this streaming access to our titles.

○ The service started for Mac only (a platform we didn't support), then moved wider in Beta (unmonetized). This is the first time it is being monetized.

○ [REDACTED]

• Nvidia will be providing users a free level of service (up to 1 hour of streaming), and a "founders level" service (unlimited streaming for \$4.99). After ~500K "founders" users, normal pricing will be made available (\$9.99 month).

**Existing Nvidia business relationships** [REDACTED]

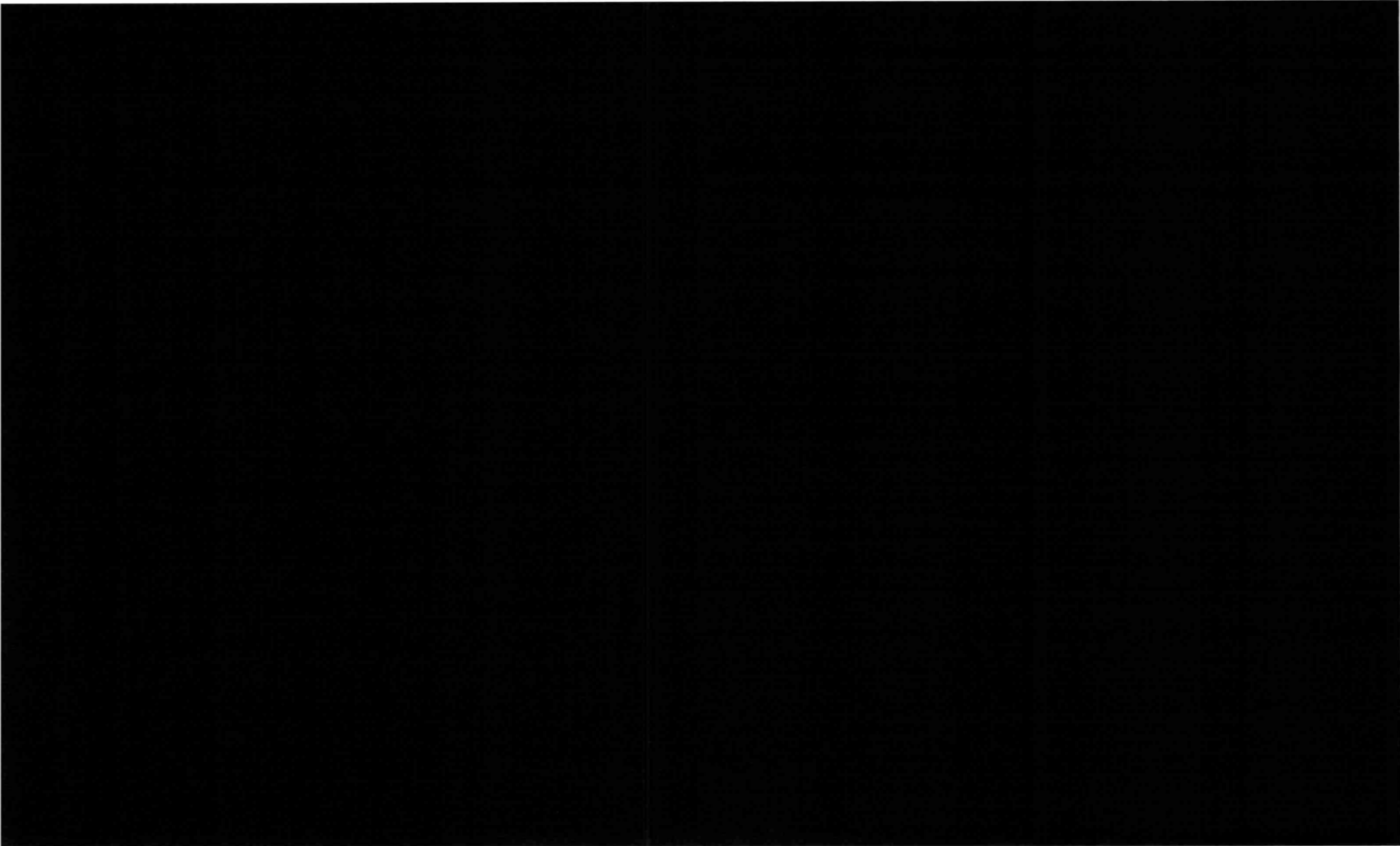
• [REDACTED]

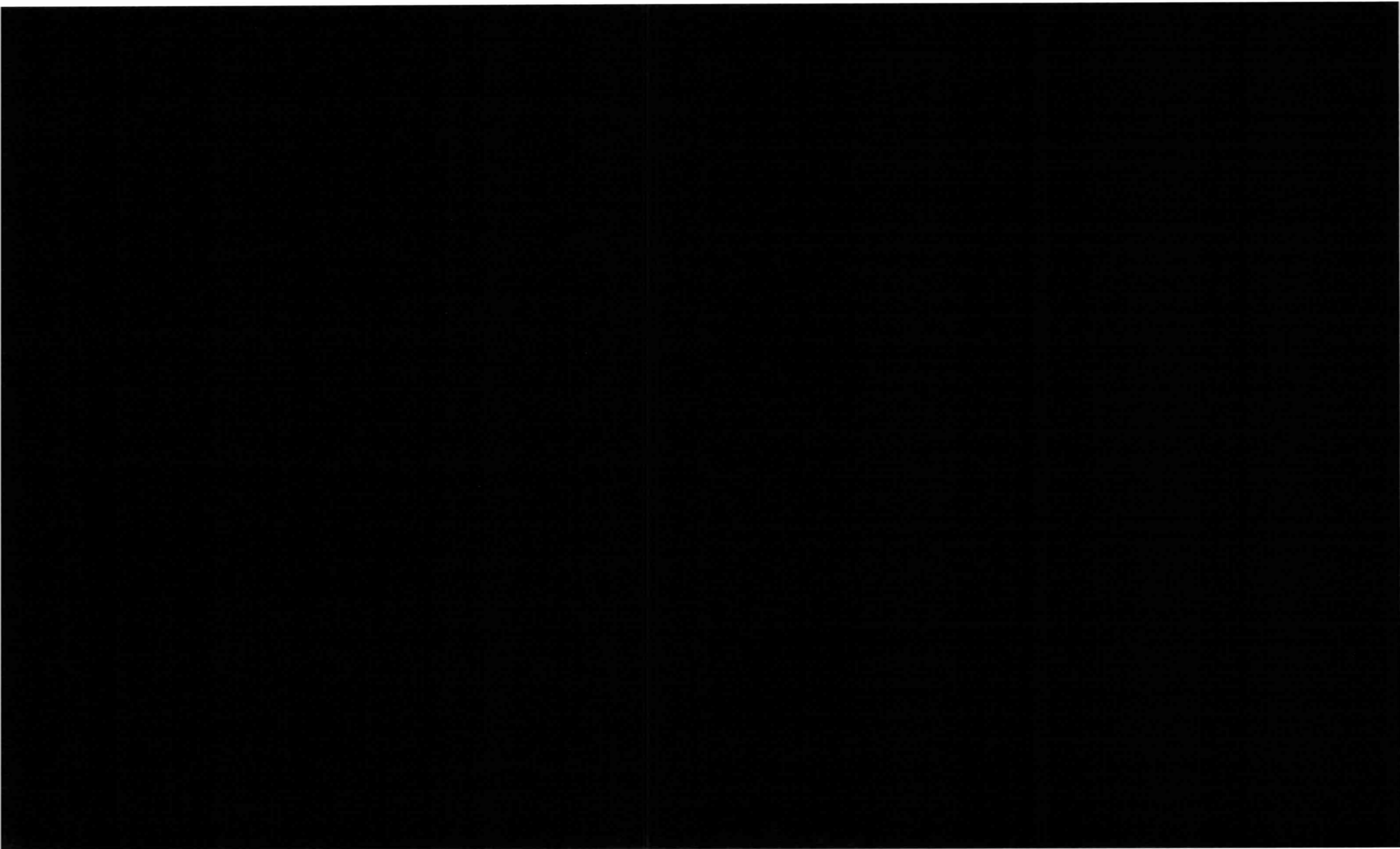
[REDACTED]

■ [REDACTED]

■ [REDACTED]



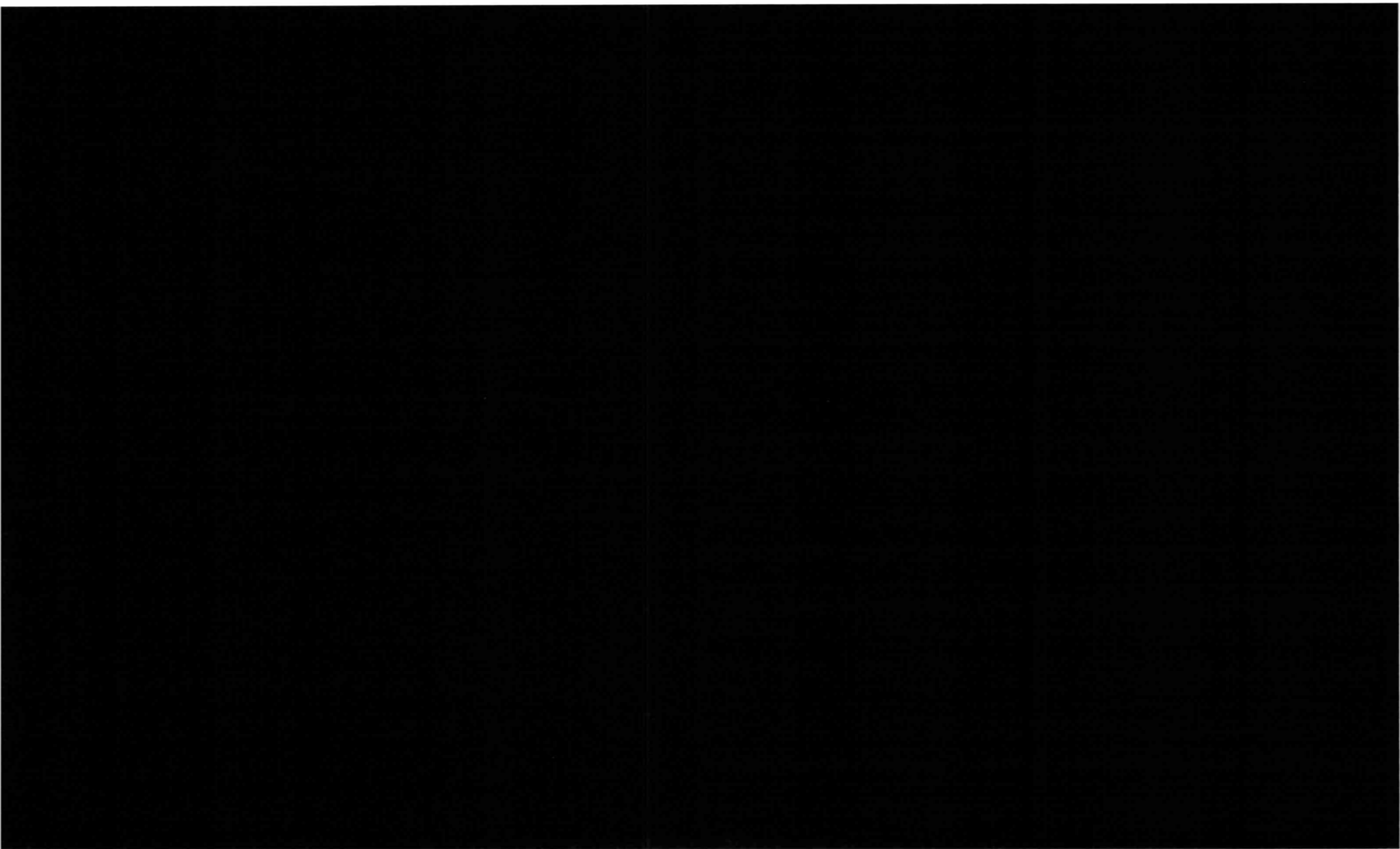


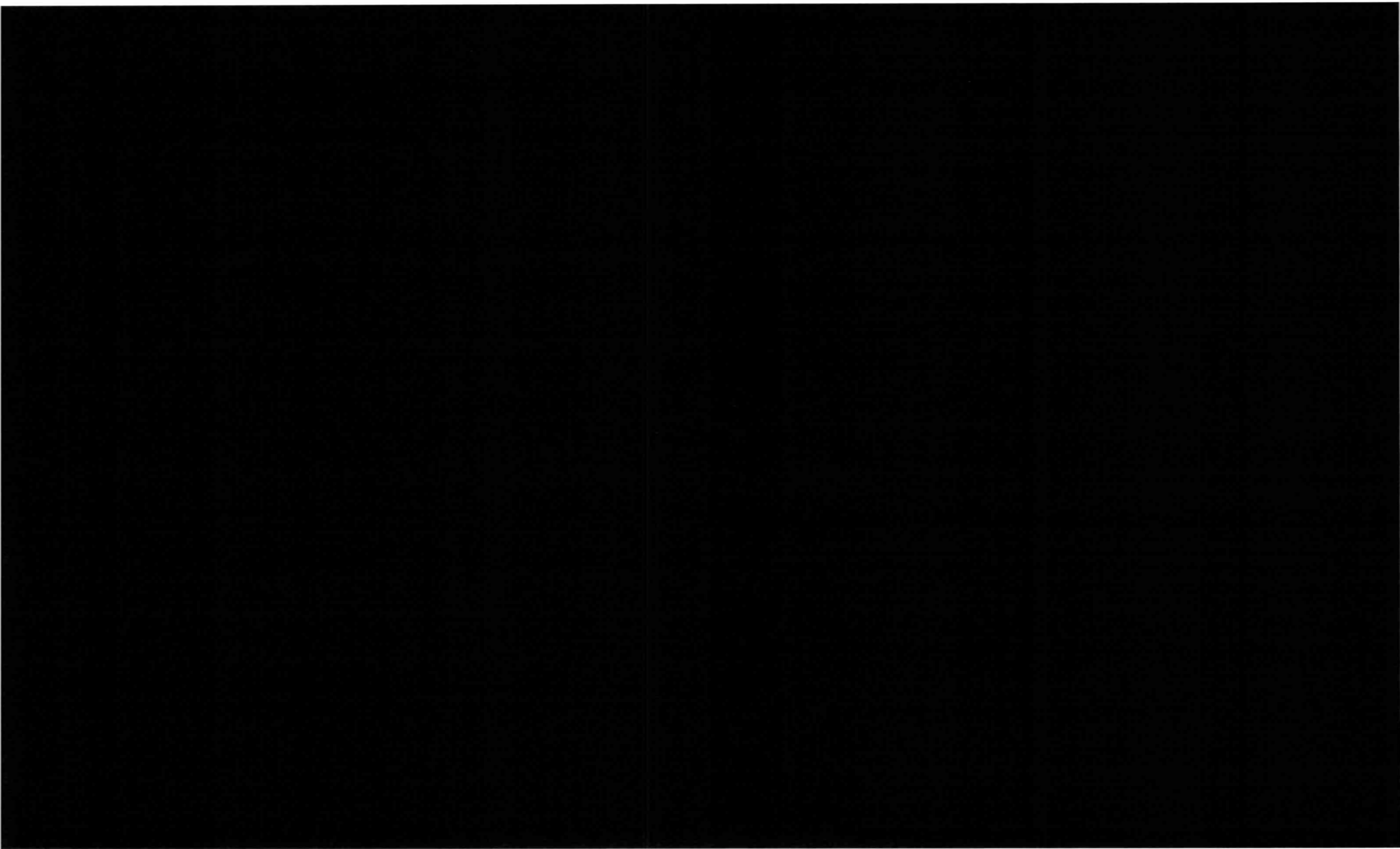


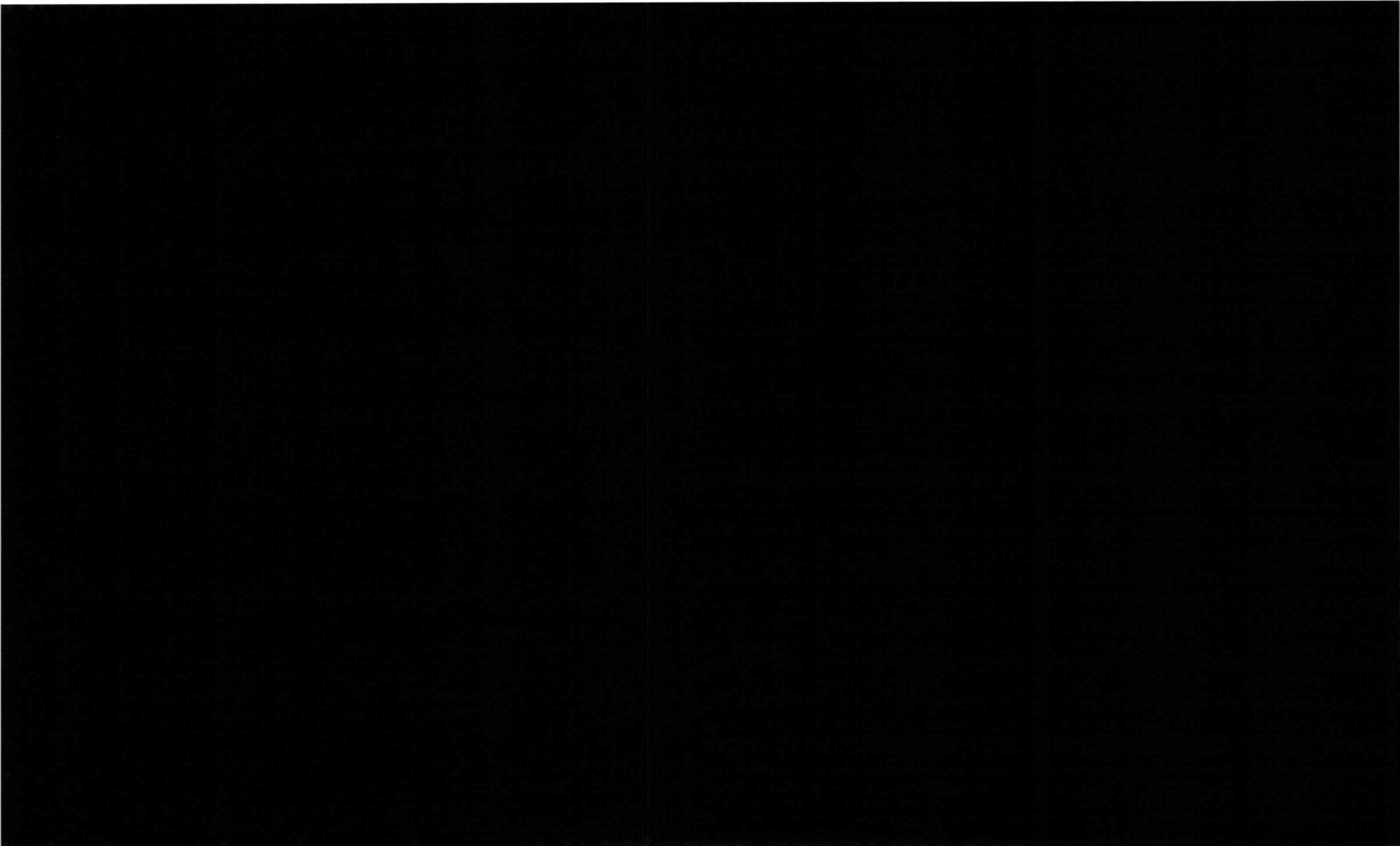


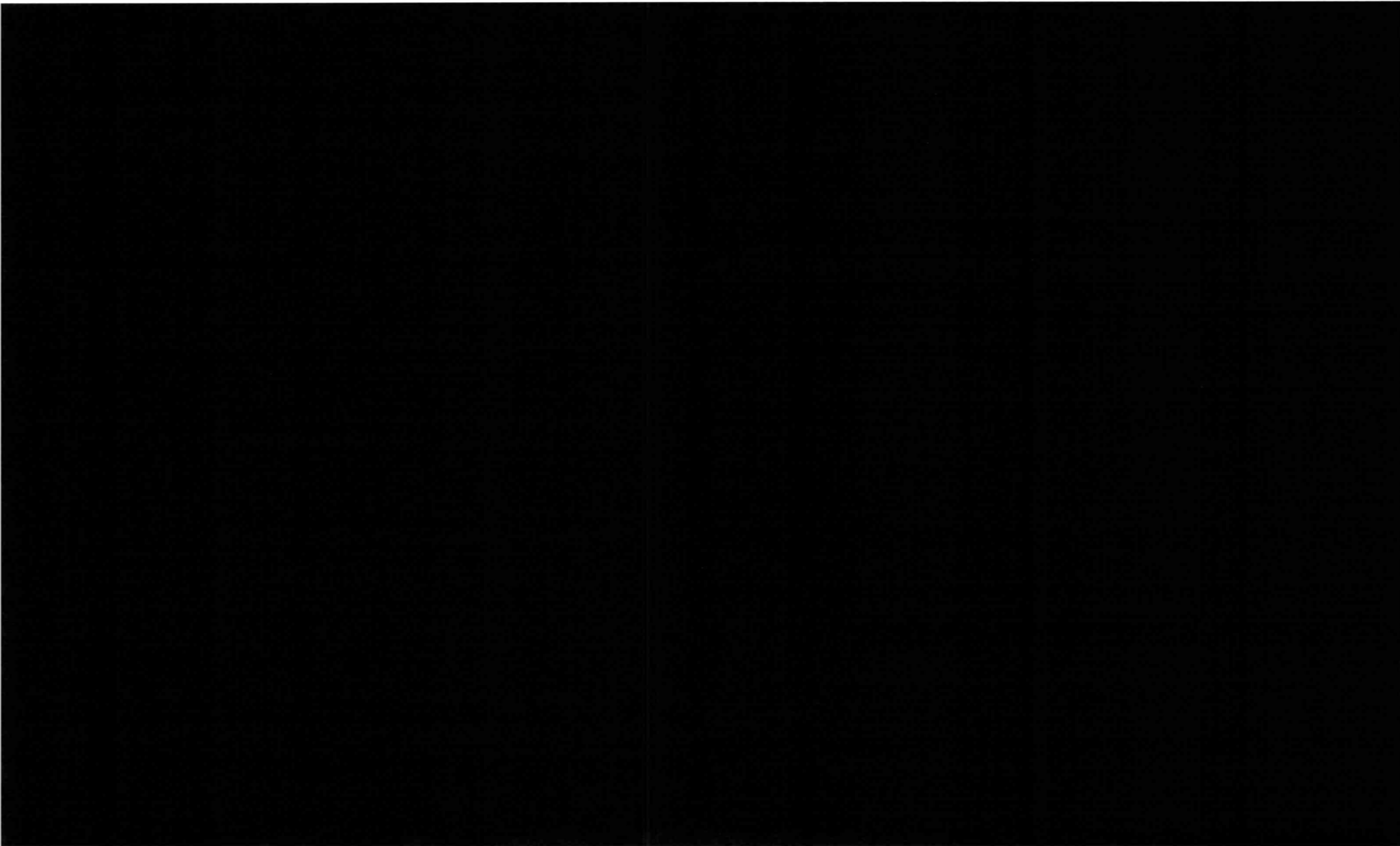


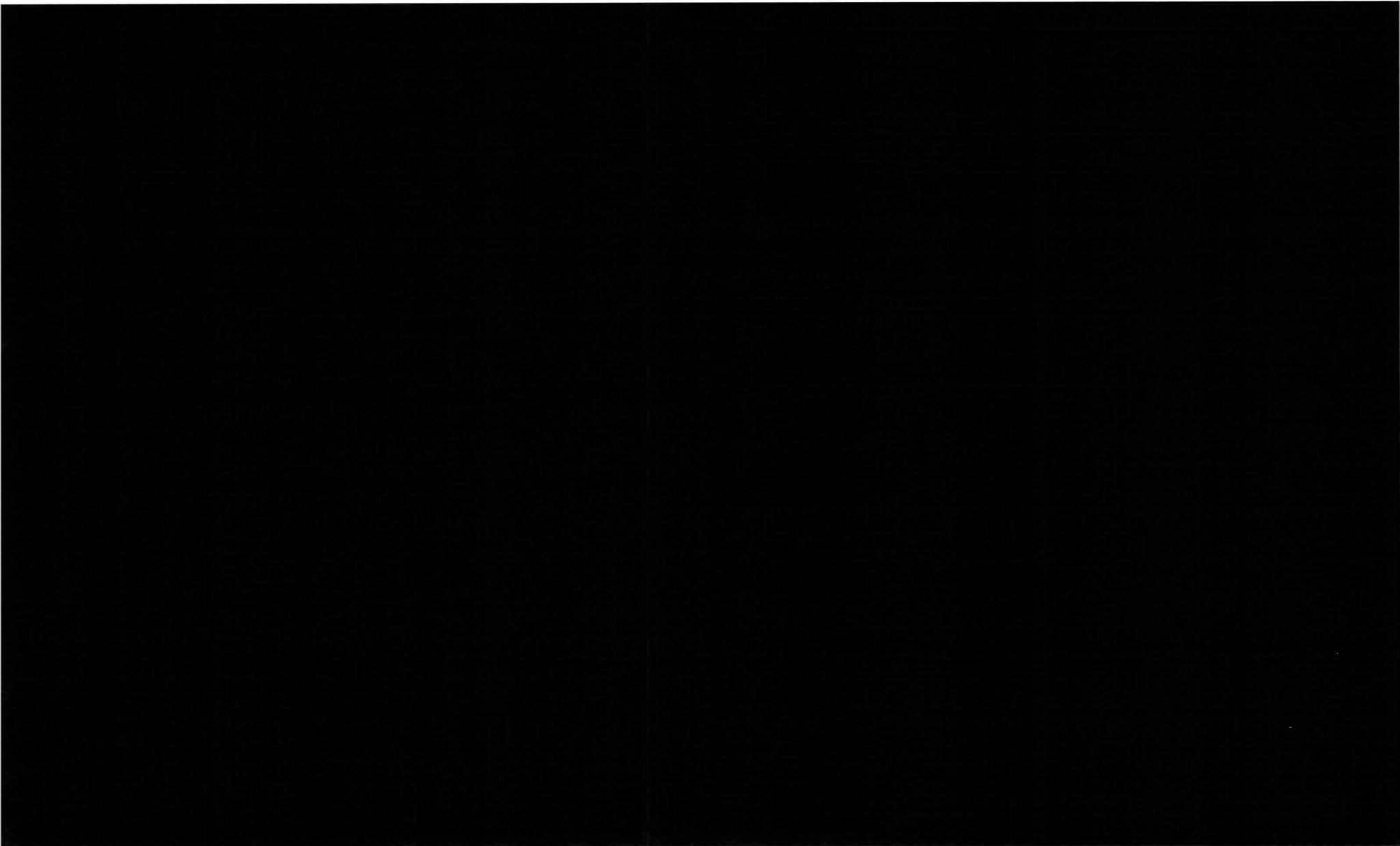


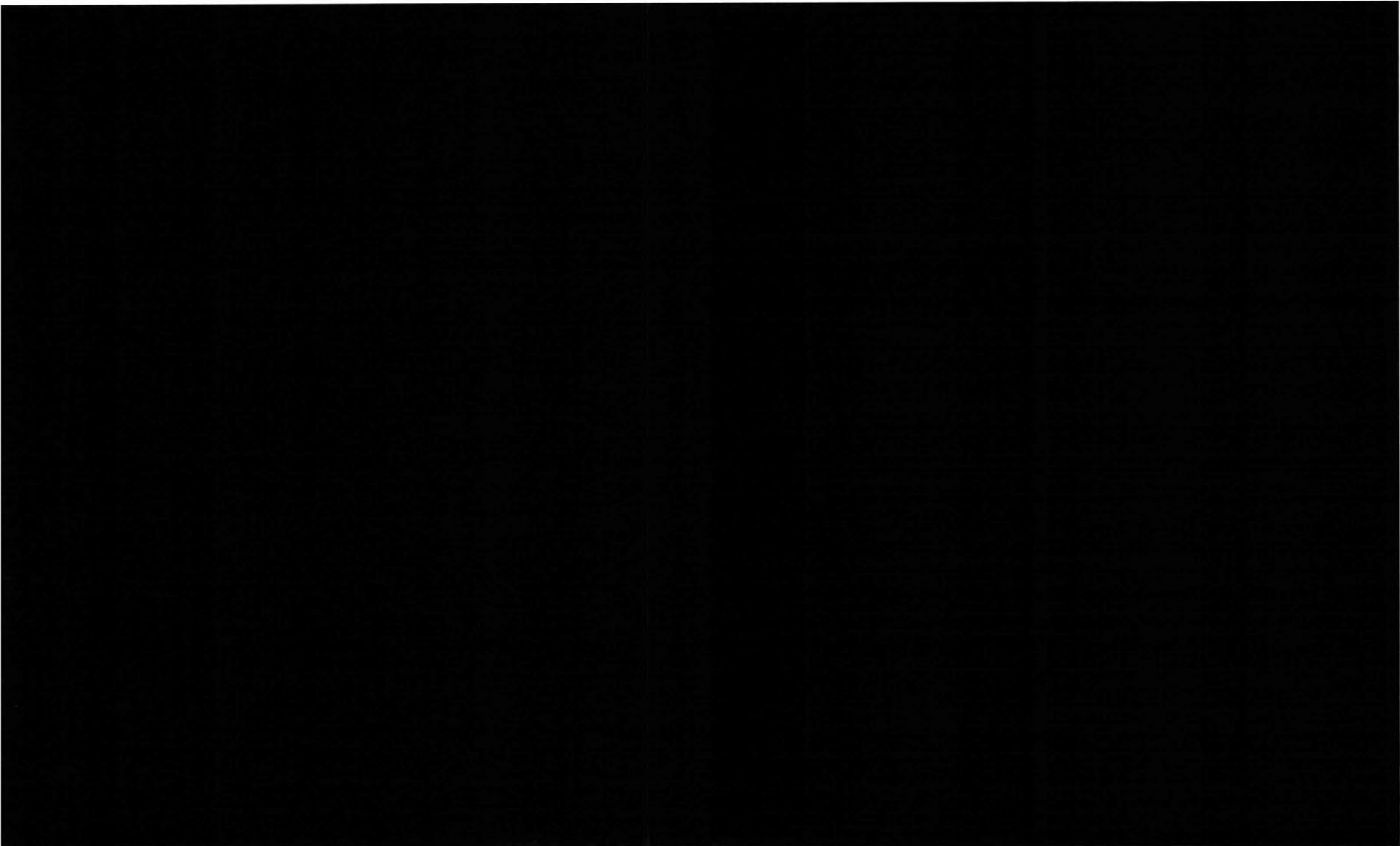


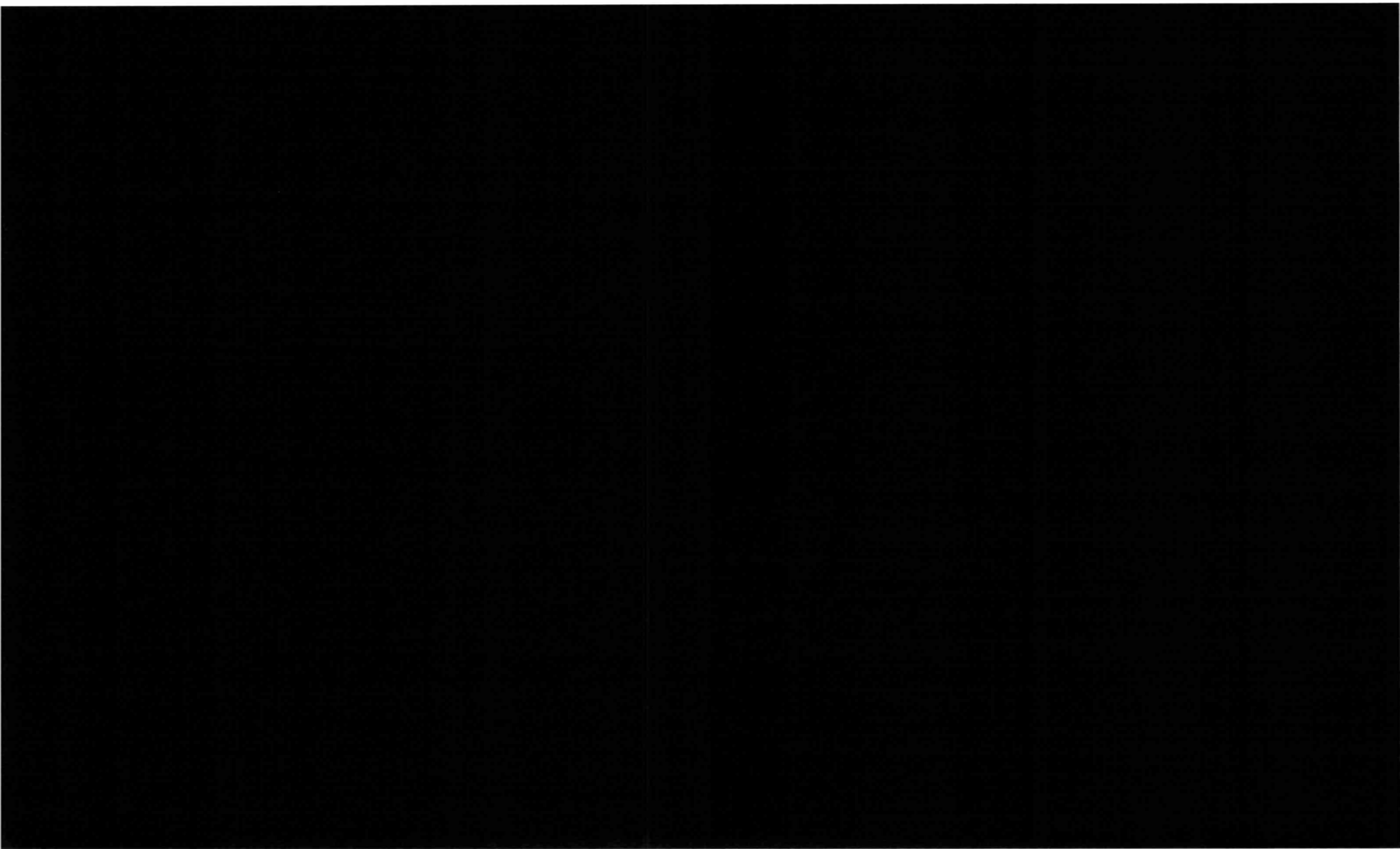


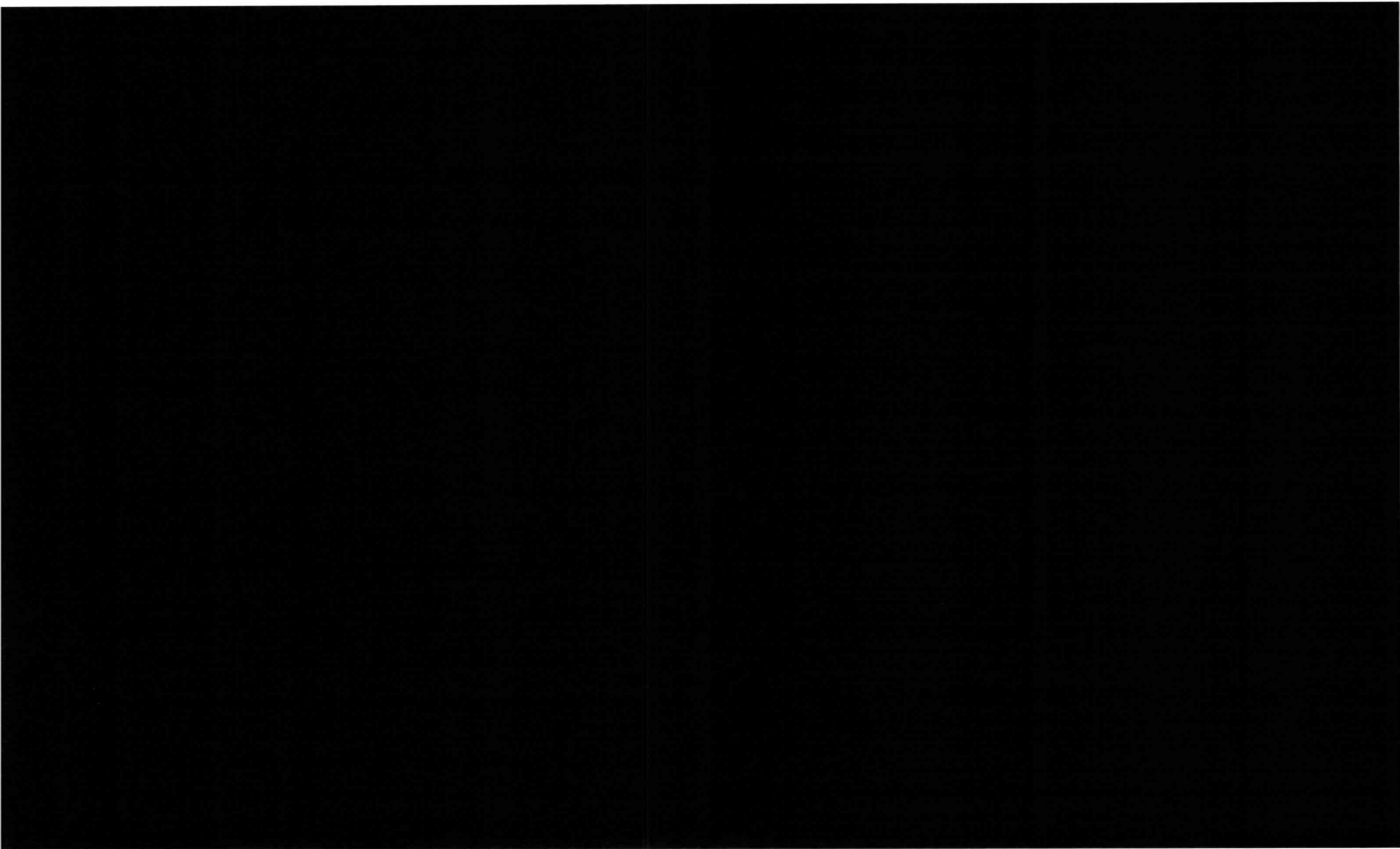
















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