

China's NetEase criticizes Blizzard offer as unequal, unfair

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Visitors try out the latest "World of Warcraft" video game at the Gamescom fair for computer games in Cologne, Germany, Aug. 21, 2018. China games company NetEase Inc. has rejected a proposal from World of Warcraft creator Activision Blizzard to temporarily extend its partnership while the U.S. company seeks a new partner, calling the proposed terms "unequal and unfair" in an escalating public spat. Credit: AP Photo/Martin Meissner, File

China games company NetEase Inc. has rejected a proposal from World of Warcraft creator Activision Blizzard to temporarily extend its partnership while the U.S. company seeks a new partner, calling the proposed terms "unequal and unfair" in an escalating public spat.

Blizzard said in November that its 14-year partnership with NetEase was set to end, spelling the imminent withdrawal of games such as World of Warcraft, the Starcraft series, and Overwatch from the world's biggest games market as of Jan. 23.

In a statement, NetEase said Wednesday that Blizzard proposed to extend the partnership for six months under existing terms while it continued seeking for a [new partner](#) in China.

"We believe that Blizzard's proposal ... is rude, inappropriate, and not in line with business logic," NetEase said.

The Chinese company criticized Blizzard for its "excessive confidence" in making requests that it said demonstrated a lack of consideration for NetEase and gamers.

NetEase's statement came a day after Blizzard said the Chinese firm had declined to take up an extension offer that would have prevented a disruption of services in the Chinese market while the U.S. firm continued to negotiate with [potential partners](#).

Blizzard has yet to find a new Chinese publisher for its games as required for releasing its titles in China. It said that it would push out a service that would let users save and download their World of Warcraft progress so that they can pick up where they left off when the game comes back online.



A college student plays the online game World of Warcraft in his dormitory room in southwest China's Chongqing city on Oct. 12, 2009. China games company NetEase Inc. has rejected a proposal from World of Warcraft creator Activision Blizzard to temporarily extend its partnership while the U.S. company seeks a new partner, calling the proposed terms "unequal and unfair" in an escalating public spat. Credit: Chinatopix via AP, File

In part due to NetEase's longstanding partnership with Blizzard, the Chinese company has grown to become China's second-largest games distributor after local rival Tencent.

NetEase's shares plunged following the November announcement the [partnership](#) was ending. They recovered after the company said

Blizzard's games contributed only a low single-digit percentage of its total revenue and income.

NetEase CEO William Ding said at the time that there were "material differences on key terms" that the two companies could not agree on.

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