

A Fair Digital Transition Framework for Physical Legacy Assets in Home Video Games

Three-Page Overview

A Transition Model Balancing the Continuity of Purchased Assets, Industrial Efficiency, Circularity, and Cultural Preservation

Proposed by Gizmo Create LLC

1. The Issue

The home video game market is rapidly shifting towards digital distribution.

Maintaining the manufacture, transportation, inventory management, and eventual disposal of physical media indefinitely is neither industrially nor environmentally sustainable.

At the same time, ending the supply of physical media should not result in the loss of consumers' purchased assets, their ability to lend or transfer those assets, access to legacy titles, or the preservation of video game culture.

What is required is not the permanent production of physical media, but an official transition mechanism that allows purchased physical game assets to be carried forward into the digital environment.

2. The Proposed Framework

Participation would be entirely voluntary.

A consumer would surrender one genuine physical game medium through an authorised intake point and receive one buy-to-own digital entitlement for the same title.

Collected physical media would not be returned to circulation. With the exception of a limited number of copies retained for archival and preservation purposes, the media would be processed through appropriate recycling channels.

The digital entitlement would remain independent of subscription services and temporary digital catalogues and would be permanently recorded in the consumer's platform account.

Duplication and concurrent use of the entitlement would not be permitted. However, temporary lending and transfer to another account would be allowed through official platform procedures.

When an entitlement is transferred, the original entitlement would be deactivated in order to prevent duplication of rights.

3. Implementation

The framework would use existing game retailers, logistics networks, and platform account infrastructure to integrate authenticity verification, physical-media collection, and the granting of digital entitlements.

Implementation would begin on a limited basis, restricted by region, platform, and eligible titles.

The programme could then be expanded gradually while monitoring participation levels, operating costs, fraud rates, and market demand.

Physical media released in the future should incorporate standardised anti-counterfeiting features and machine-verifiable identifiers.

This would establish a complete lifecycle framework covering initial sale, future collection, digital migration, and material recycling.

4. Expected Benefits

Consumers would be able to continue using purchased game assets on supported current-generation hardware without losing those assets during the transition to digital distribution.

Platform operators could reduce the long-term costs associated with physical media while moving consumers into official digital ecosystems.

Software rights holders could obtain clearer information regarding demand for legacy titles and create new revenue opportunities through digital re-releases, additional content, and related products.

Retailers and logistics providers could assume new roles in collection, authenticity verification, identity verification, and related services.

The framework could also contribute to waste reduction, material recycling, consumer protection, the preservation of a competitive market environment, and the long-term preservation of video game culture.

5. Positioning of the Proposal

This proposal does not call for the permanent production of physical media or the mandatory adoption of a uniform system by any particular company.

It accepts the continuing transition from physical media to digital distribution.

At the same time, it offers a voluntary transition model designed to prevent purchased consumer assets from disappearing during that process while generating benefits for platform operators, software rights holders, distribution businesses, and society as a whole.

For further details regarding the operational structure, implementation procedures, rights management, fraud prevention, stakeholder impacts, and preservation of legacy titles, please refer to the separately published **Executive Summary** or **Full Proposal**.

Gizmo Create LLC made its initial inquiry to Sony Interactive Entertainment on **13 July 2026 at 4:45 p.m. JST**, with the intention of offering the company the first opportunity to consider this framework before its public release.

On **16 July 2026 at 5:08 p.m. JST**, Gizmo Create LLC received a response stating that Sony Interactive Entertainment would not accept the proposal.

The framework has therefore been generalised from a proposal originally intended for a specific company into a public policy framework applicable across the home video game industry and is now being made publicly available.

Gizmo Create LLC