

## **Response to European Commission's call for contributions on competition in virtual worlds and generative AI**

1. **Sorare welcomes the European Commission's call for contributions** on potential competition issues in virtual worlds and generative AI. We are grateful for the opportunity to share our views as a growing member of the European Union's (EU) extended reality ecosystem and appreciate the European Commission's commitment to maintain an open and competitive business environment for European AI and virtual world developers.
2. **Sorare is a French sports game and entertainment platform** founded in 2018 that allows more than 5 million users worldwide to own, collect and trade officially-licensed NFT-backed digital player cards using the Ethereum blockchain. Sorare cards' owners may use these digital cards just like traditional paper sport cards as collectibles, buying, selling or trading them through Sorare's online portal or other online third-party platforms. Users can also use their cards to build fantasy sport teams and compete in free-to-play tournaments to win rewards such as in-person experiences, team merchandise, game tickets, etc.
3. Our cross-border operations make **Sorare a true European champion** with a global footprint, giving sports enthusiasts real intellectual property ownership rights over virtual representations of their favorite players through more than 300 partnerships at league, club, players' association and individual player levels. In the EU, **Sorare has contracted with the major football leagues** (such as *Laliga* in Spain, the *Serie A* in Italy, the *Bundesliga* in Germany, the *Eredivisie* in the Netherlands) **and clubs** (such as the Paris Saint-Germain, the Olympique de Marseille or the AC Milan). We are well-established within various Web 3.0 communities and have ambitions to explore new opportunities for user engagement through virtual worlds.
4. We believe that the EU has taken significant steps in recent years **to ensure that digital markets remain open and that fair competition is ensured**, especially for new entrants and European scale-ups. We are particularly appreciative of the EU's landmark digital services package and first-ever legal framework on AI, which offer **new legal certainty** to innovative businesses like ours, while ensuring that larger entities offer appropriate protections to EU consumers.
5. Immersive technologies and generative AI offer countless possibilities for our business, from the development of original digital assets that could unleash the creativity of our Web3 native fanbase, to immersive sporting events where users could play on a team with AI-powered representations of their favorite athletes. **Although Sorare is not currently building Web 4.0 applications, we are already starting to anticipate the types of experiences that will excite our community, especially those that may be facilitated through blockchain.**
6. At present, the main barriers to entry we have identified relate to **the maturity of immersive technologies and their accessibility to consumers**. We believe that the EU already has a robust antitrust and competition framework in place to foster the growth of European companies and ensure that virtual world and generative AI markets are open and contestable. At least for the time being, we do not anticipate the emergence of new competitive threats that could not be resolved through existing antitrust tools.
7. Sorare is excited by the possibilities offered by virtual worlds and generative AI and supportive of the many small and medium-sized European companies currently building these technologies. **We look forward to future cooperation and partnership with others in the ecosystem and contributing to the growth of Web 4.0.** We would also be happy to take part in future workshops with the European Commission relating to this call for contributions and are ready to answer any additional questions about our technologies.