

## Sony and Microsoft Team Up in Cloud Gaming

Written by Alice Marshall  
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The news of a pair of arch-rivals joining forces always brings about some measure of surprise, if not shock-- and such is the case of announcement of Sony and Microsoft entering a "strategic partnership" in cloud-based gaming solutions.



The agreement will not only have the two companies working together on game and content streaming services based on the Microsoft Azure cloud, but Sony will also "explore" hosting streaming services on Azure datacentres. The result, Microsoft and Sony say, will "deliver more enhanced entertainment experiences for worldwide customers," as well as bring about better development platforms for content creators.

In addition, Sony and Microsoft are set to collaborate in the areas of semiconductors and AI. This includes the potential combination of Sony image sensors and Microsoft Azure AI technology, as well as the incorporation of the Microsoft AI platform in Sony consumer products.

"For many years, Microsoft has been a key business partner for us, though of course the two companies have also been competing in some areas," Sony CEO Kenichiro Yoshida says. "I believe that our joint development of future cloud solutions will contribute greatly to the advancement of interactive content. Additionally, I hope that in the areas of semiconductors and AI, leveraging each company's cutting-edge technology in a mutually complementary way will lead to the creation of new value for society."

But why would Sony and Microsoft decide to play nice with each other-- especially when one considers Sony has been trying to build own cloud gaming solutions for nearly a decade? The answer, at least according to some analysts, is Google. As Asymmetric Advisors tells Forbes, "Sony feels threatened by this trend and the mighty Google, and has decided to leave its

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network infrastructure build-up to Microsoft. Why would they sleep with the enemy unless they feel threatened?"

The Forbes piece also reveals how the announcement came out of the blue even for Sony employees-- so much so managers had to assure workers it will not affect next-generation console plans. Furthermore, top Sony management in Tokyo held negotiations with Microsoft, "largely" without any involvement from the PlayStation unit.

Go [Sony and Microsoft to Explore Strategic Partnership](#)

Go [Sony's Deal With Microsoft Blindsided Its Own PlayStation Team \(Forbes\)](#)