# Latent Technology secures $8m to pioneer real-time AI-driven game animation



London-based Latent Technology has made headlines with its recent achievement of securing $8 million in seed funding to reshape the landscape of game animation through generative physics. Co-led by AlbionVC and Spark Capital, with contributions from Root Ventures and Alumni Ventures, this funding marks a significant milestone for the firm, which is striving to create a more fluid and responsive gaming environment.

Latent Technology aims to fundamentally change how animations are conceived in modern gaming. By utilising AI-driven systems, the company seeks to replace pre-scripted animations with real-time, generative physics-based interactions. This innovative approach allows characters and environments to dynamically respond to player actions, fostering a personalised gaming experience that adapts to each individual’s gameplay style. Jorge del Val, co-founder and CEO of Latent Technology, articulated this vision: "AI gives us the opportunity to transform not only how developers create games, but also how players experience them."

Central to this initiative is the company's proprietary technology, Phoenix, a generative physics animation model that underpins Latent’s methodology. This model not only enhances realism and interactivity but also reduces the substantial workload typically associated with traditional animation practices. As gaming becomes increasingly reliant on advanced technology, Latent’s vision is positioned to potentially establish a new infrastructure layer in game development, similar to the transformative impact large language models have had in content creation across diverse fields.

The latest round of funding is earmarked for advancing the Latent Behaviour Engine, which empowers developers to implement physics-driven behaviours without overwhelming their production resources. The company is currently in the testing phase with select studios and is preparing to unveil two technology demonstrations later in the year. "Our technology allows us to prototype rapidly while delivering experiences that were not possible before," Del Val added, highlighting the importance of real-time demonstrations for garnering interest and feedback from the market.

This round of funding comes at a pivotal time when giants of the gaming industry such as Unity and Epic Games are increasingly investing in AI-native workflows. As smaller studios also seek ways to amplify realism and reduce costs, Latent Technology finds itself at the forefront of a potential shift in gaming practices, mirroring broader trends in the entertainment sector. “Latent’s technology positions it to become core infrastructure for the future of game development,” said Sebastian Hunte, an investor at AlbionVC. He noted the capacity of Latent's innovations to facilitate next-gen interactive experiences.

As the gaming landscape evolves, Latent Technology is committed to pushing the boundaries of what is possible in game animation. With a dedicated team and robust funding, the company is poised to contribute to a significant leap forward in the way virtual worlds are constructed and experienced, paving the way for more immersive and engaging gameplay than ever before.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://tech.eu/2025/06/06/londons-latent-technology-secures-8m-to-transform-game-animation-with-generative-physic/), [[2]](https://tech.eu/2025/06/06/londons-latent-technology-secures-8m-to-transform-game-animation-with-generative-physic/)
* Paragraph 2 – [[1]](https://tech.eu/2025/06/06/londons-latent-technology-secures-8m-to-transform-game-animation-with-generative-physic/), [[5]](https://www.latent-technology.com/post/on-starting-latent-technology)
* Paragraph 3 – [[6]](https://www.finsmes.com/2023/02/latent-technology-raises-2-1m-in-pre-seed-funding.html), [[7]](https://www.latent-technology.com/)
* Paragraph 4 – [[3]](https://venturebeat.com/games/latent-technology-raises-2-1m-to-blend-ai-and-game-animations/), [[4]](https://www.latent-technology.com/technology)
* Paragraph 5 – [[1]](https://tech.eu/2025/06/06/londons-latent-technology-secures-8m-to-transform-game-animation-with-generative-physic/), [[2]](https://tech.eu/2025/06/06/londons-latent-technology-secures-8m-to-transform-game-animation-with-generative-physic/)

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## Bibliography

1. <https://tech.eu/2025/06/06/londons-latent-technology-secures-8m-to-transform-game-animation-with-generative-physic/> - Please view link - unable to able to access data
2. <https://tech.eu/2025/06/06/londons-latent-technology-secures-8m-to-transform-game-animation-with-generative-physic/> - London-based Latent Technology, a gaming company specialising in AI-driven physical animation, has raised $8 million in seed funding. The round was co-led by AlbionVC and Spark Capital, with additional backing from Root Ventures and Alumni Ventures. Latent's central proposition is to replace pre-scripted animations with generative physics-based systems that enable characters and environments to respond in real time to gameplay, allowing for highly personalised gaming experiences. The company's core technology, Phoenix, is a proprietary generative physics animation model that allows for emergent movement and behaviour, dramatically increasing realism and interactivity without exponential workload.
3. <https://venturebeat.com/games/latent-technology-raises-2-1m-to-blend-ai-and-game-animations/> - London-based startup Latent Technology has raised $2.1 million to build the next-generation animation technology for virtual worlds and game characters. The startup uses AI-based animation technology and real-world physics to enable virtual world characters to move in physically accurate real-time, in contrast to today’s tech where characters are loaded with thousands of hand-crafted animations. Spark Capital and Root Ventures led the investment round, and game venture capital fund Bitkraft Ventures also participated. The funding round will help Latent to scale its team and develop the first version of their product.
4. <https://www.latent-technology.com/technology> - Latent Technology provides an AI platform for developers to create virtual worlds featuring real-time animation technology. The system leverages AI-based animation technology and real-world physics to enable virtual world characters to move in real-time, in contrast to today’s tech where characters are loaded with thousands of hand-crafted animations. The company aims to reinvent how virtual worlds are experienced and created through the use of cutting-edge AI.
5. <https://www.latent-technology.com/post/on-starting-latent-technology> - Latent Technology's co-founder, Jorge del Val, reflects on the company's mission to reinvent how virtual worlds are experienced and created. The company aims to solve the problem of interactive animation by allowing characters to learn to move by themselves with experience in a simulated environment, leveraging the latest advances in reinforcement learning techniques. The goal is to create high-quality, fully interactive, controllable physical behaviours that can run in real-time in the game engine.
6. <https://www.finsmes.com/2023/02/latent-technology-raises-2-1m-in-pre-seed-funding.html> - Latent Technology, a London-based provider of a platform that allows game developers to build interactive and immersive worlds, closed a $2.1 million pre-seed funding. The round was led by Root Ventures and Spark Capital, with participation from gaming fund Bitkraft. The company intends to use the funds to expand operations and its development efforts. Latent Technology provides an AI platform for developers to create virtual worlds featuring real-time animation technology, enabling characters to move in real-time without thousands of hand-crafted animations.
7. <https://www.latent-technology.com/> - Latent Technology is building the next-generation animation technology for virtual worlds. Their physical rigs react to the environment and drive their own muscles in real-time, allowing for emergent, interactive animation that reacts in real time. The company aims to create unique dynamic experiences in seconds, save the cost of environment interactions, and affect behaviour by changing physics in real-time.