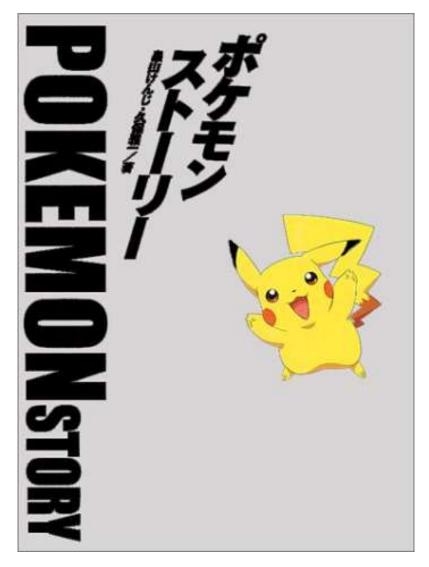


Pokémon Story Chapter 3: America



Translations by Dogasu

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Version 1



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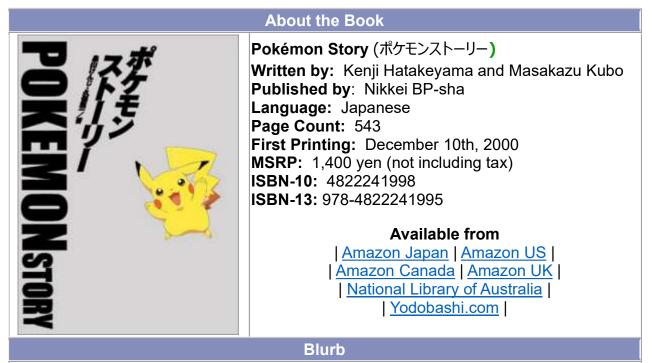
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About this document

This document is a translation of pages 397-441 of the 543-page Japanese book *Pokémon Story*, written by Kenji Hatakeyama and Masakazu Kubo. The chapters you're about to read go over the initial plans to bring Pokémon over to the United States, the various hurdles faced trying to do so, and the successes it enjoyed thereafter. It also goes over a lecture series a number of Pokémon's top executives went on in February 2000. It is intended for informational and entertainment purposes only.

If you would like to check out the book yourself you can order it from one of the links below:



How was Pocket Monsters brought into this world? How was it able to evolve from the games into the world of comics, animation, and the movies? And why was it able to succeed in capturing the hearts of children all over the world? In this, the first business story book of its kind, one of the producers himself tells us by talking directly to the people who were there! Also includes an original interview with the creator of Pokémon himself, Mr. Satoshi Tajiri.



America

From February 3rd to February 12th 2000, the three man team of Takashi Kawaguchi, Tsunekazu Ishihara, and Masakazu Kubo, chosen by the big wigs over at Pokémon, went the United States to participate in a series of lectures at the request of the Ministry of Foreign Affairs of Japan's Foreign Public Relations Department. This Pokémon lecture tour was put together to introduce the story of the Pokémon business to the American public, from its birth in Japan all the way up to its success in the United States. There were three stops scheduled on this tour; one in San Francisco on February 4th and two in New York City on February 7th. The lecture venues were the Radisson Miyako Hotel in San Francisco, the Japan Society in New York, and Columbia University, also in New York.

The job of the group that organized this tour, the Ministry of Foreign Affairs of Japan's Foreign Public Relations Department, is right there in the name; to be the official channel in charge of public relations between Japan and the rest of the world. They put together things like photo books and videos to promote Japan and then distribute those overseas. Another one of these public relations activities is hosting series of lectures, such as the ones they did in the United States with film director Masayuki Suo after his 1996 movie "Shall We Dance?" did so well in the U.S., or the ones with baseball commentator Sachio Kinugasa. The Pokémon tour, as you might expect, came about due to Pokémania sweeping the U.S. When the Pokémon tour was scheduled to take place the American version of *Pocket Monsters The Movie*, "Pokémon The First Movie," had just come out the previous year (November 10th, 1999) and had been such a huge success that it had already broken several records.

The reason the Pokémon tour was scheduled for the beginning of February was to work around the schedule of its presenters. New York holds its annual Toy Fair trade show the second week of February, making that whole entire week a very important one for the Pokémon business. So even if there wasn't any lecture tour scheduled the team would still be going to New York to attend the Toy Fair anyway. Making the trek from Japan to New York just for a lecture tour wouldn't have really been worth it and so the tour was scheduled around the



Toy Fair for the week before. And since these three VIPs were now going to be in the area a bit longer than usual a number of other important meetings and presentations were added to the schedule as well.

In this chapter, we'll be taking a look at this lecture tour and report on the current state of the Pokémon business. You could say the Pokémon business is like its own parallel world, separate but equal to that of the video games, card games, and animation. As we talk about the business side of things we'll also be taking a look at the series of events that led to Pokémon making landfall on the United States and its subsequent success there.

Notes from Masakazu Kubo (Part 1)

Mr. Jun Niimi

Born January 27th, 1956. Joined the Ministry of Foreign Affairs from April 1979. He was a councilor working at the Japanese embassy in Iran and, after working as the Director of the Overseas Public Relations Division, became the Director of the Consular Policy Division in September 2000.

1. San Francisco

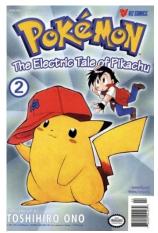
The Pokémon Lecture Tour

The group boarded ANA flight 008 bound for San Francisco on Thursday February 3rd at 4:50 pm. After crossing over the international date line they ended up arriving in San Francisco at 9:00 am the same day. Waiting for them at the gate was Yutaka Nakamura, the Consul General of the Consulate-General of Japan in San Francisco and Director of its Public Relations Cultural Center. Mr. Nakamura led the team through immigration check ahead of the crew and other passengers, and before long they had officially entered America. Of course, this special treatment wasn't because these were Pokémon VIPs. No, the reason the team was able to get through so quickly was most likely because the consulate-general was aware of how jam-packed their schedule was and therefore made all the necessary arrangements in advance.



At the arrivals lobby the group was greeted by Seiji Horibuchi, the president of Viz Communications, a subsidiary of Shogakukan's that localizes and publishes its works and whose headquarters is also right there in San Francisco, as well as Yukata Saitou, board member and director of ShoPro's media division. The latter wasn't in San Francisco to attend the Pokémon group's lectures; Mr. Saitou was in town to attend Viz's presentation later that week.

Viz was granted the exclusive publishing rights to translate and release Shogakukan's publications for the entire U.S., and they put those rights to good use; after Pokémania took off pretty much everything the company was putting out had Pokémon on it. By that point Viz had translated and published a few dozen Pokémon books and enjoyed a total of over 10 million units sold, providing the company with unprecedented profits. Now Viz had the licensing rights to release each one of those books, but since those three higher ups from Japan just happened to be in town Viz saw this as an opportunity to also present the team with their plans for the 2000 - 2001 year. Saitou was going to attend that presentation as ShoPro's representative.



An American Pokémon comic

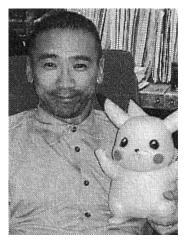
We'll go into this in more detail later on in the chapter, but the license to publish all things Pokémon in the U.S. is ultimately held by Nintendo's American branch, Nintendo of America (NoA). Normally presentations like the one Viz was about to put on would have been directed to NoA, and then once they had gotten their approval the next step would be for them to set up a final copyright approval meeting with the higher-ups in Japan. But this time around one of the higher-ups who normally supervises those Japanese copyright meetings, Tsunekazu Ishihara, was already right there in the room with them. And so the thought was that if they could also bring in Kawaguchi from Nintendo, Saitou from ShoPro, and someone from NoA in then they'd be able to complete the entire copyright approval process all at once. Viz's presentation was set for the following day, hours before the first lecture of the tour was scheduled to start, and so two of the vice-presidents from NoA were already planning to be in the area.

But for the first day in San Francisco, the trio had a meeting at the consulate-



general, checked out the venue where their first speech was to take place, and attended a welcome dinner organized by the consulate-general.

Notes from Masakazu Kubo (Part 2)



Mr. Seiji Horibuchi

President and chief executive officer of Viz Communications, Inc. Born 1952 in Tokushima Prefecture. After graduating from Waseda University he moved to Berkeley, California in the United States. In 1977 he enrolled in California State University, Hayward but ended up dropping out and started living in between jobs for a while. In 1986 he founded Viz Communications as a local subsidiary of Shogakukan

and became its vice-

president. The company spent about a year getting its feet off the ground and then, in May the following year, started translating and publishing Japanese comics. In 1997 Mr. Horibuchi became Viz's president and chief executive officer, a position he still holds today.

Mr. Yutaka Saitou

Shogakukan Production's company director and International Department Chief.



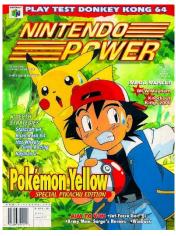
Nintendo of America's Gamble

At 11:00 am the following day, February 4th, the Viz headquarters in downtown San Francisco was visited by the duo of Mike Fukuda, Nintendo of America's senior vice president, and Gail Tilden, executive vice-president of product development and leader of the Pokémon project.

Gail Tilden, a brunette with hazel eyes, is a woman overflowing with charm. After working at an advertising agency in Seattle for a while she joined NoA in 1983,



and by 1985 she was managing the advertising campaigns and media coverage of the launch of NoA's version of the Family Computer, the Nintendo Entertainment System (NES). After that, Ms. Tilden went from being the NES' advertising manager to editor-in-chief of NoA's free magazine Nintendo Power, and in 1997, after the decision was made to bring Pokémon to the U.S. was made official, NoA's president Minoru Arakawa called on her to be the leader of the Pokémon project. Here's what Arakawa has to say about Tilden's appointment.



Nintendo Power

"Once we decided to go ahead with Pokémon in the U.S. I had the task of handpicking the members of the project team. The person who was to lead the project would have to be someone capable of giving instructions regarding advertising, manufacturing, and everything else in between. I'd have to pull someone from a department they were already working in to come work on this project, and if I picked wrong then that would've stirred up trouble within the team. And if the person I chose wasn't tough enough then they wouldn't have succeeded, and so that's why I ended up

landing on Tilden. She's very strong, you know. When she was still working as an editor, for example, she had a baby but then still came in to the office about three or four days later and got right back to work. That's the kind of person she is."

Tilden still gets excited when thinking back to when Arakawa appointed her to be the manager of all things Pokémon.

"I just couldn't believe it. I mean, can you think of any other project as great as this one?"

There really isn't. A year and a half after Gail Tilden was appointed head of the Pokémon project the franchise became the most successful business in the world, both as a character-based business and as a video game business. NoA had signed a deal with ShoPro that gave the former the master license to Pokémon for all regions throughout the world, excluding Japan and the rest of Asia, and so being the leader of NoA's Pokémon team essentially means Ms. Tilden has the most power out of everyone involved with Pokémon outside Japan and Asia. Her



number two in command was Mike Fukuda. A man of small but sturdy stature, Mr. Fukuda is someone who reminds you of the hardboiled characters in a Raymond Chandler story.

"My job was to work on the budget needed to support Gail's plans. If I had to describe her, I guess she seems like someone who'd be the class president in school, someone who wouldn't waste time listening to other people's excuses."

Mike Fukuda was born in 1950 in Osaka. He started at the Nagoya Institute of Technology, later went on to the Tokyo Institute of Technology and then, after finishing up his major in industrial engineering, joined the textile and trading company Chori. He was put in charge of Chori's machinery department and was dispatched to New York as the leader of said department in 1983. In 1986, back when the NES had sold over a million units, Mr. Fukuda was handling the financing for the software house that developed NES games.

"We were making a lot of money back then. The American division of Chori got in the middle of NoA and the companies developing the software and helped to finance the advanced payments to NoA for the actual game carts themselves. If the games ended up doing well then we'd make that money back. There were risks involved, of course, but the rewards were huge. In those days we would *try* to predict which games were likely to sell, but it was tough."

It was during this time Fukuda became acquainted with one of the people his company was financing, Minoru Arakawa. The NoA president was charmed by Fukuda's abilities and character.

"In 1992 Chori ordered me to return to Japan and so I did, but then every now and then I'd still be sent back to the U.S. on business. And every time I was in town Arakawa would come out to meet me. One day he asked me to bring my briefcase, which I thought was a bit odd. But then we were at a sushi restaurant together one day and he told me they had too much work for them to handle and asked if I'd like to come help out."

By then sales of the NES had passed the 38 million mark and NoA was growing into a company enjoying colossal profits. Arakawa was working to limit his teams



to only the best of the best, and so if he had his eyes on someone he'd cast the fishing line out, hoping for a bite. Fukuda left Chori and joined NoA in March 1994. Two years later he assumed the office of vice president, where he remains to this day.

"Whenever there're games we're planning to bring over to the U.S., what normally happens is that we've already started working on the U.S. version by the time the game hits stores in Japan. That game would eventually go on sale in U.S. as well, albeit a few months late. But with Pokémon, the games came out in February 1996 and yet not a single thing was being done to prepare for a U.S. release. That right there should give you an idea of what we thought about those games back then."

Fukuda put it this way. If Pokémon had been viewed favorably by NoA from the get-go then the franchise's debut in the U.S. probably would have gone very differently, not to mention the ripple effects that would've had back home in Japan. That's because Pokémon, like any other video game, would have been handed over to NoA directly from Nintendo, rights and all. This, in turn, means there probably wouldn't have been any reason for ShoPro to get involved or for any of the other copyright discussions that would eventually took place. And so really, the reason ShoPro was even a part of the U.S. launch in the first place was because, as Fukuda says, NoA did not have a high opinion of the Pokémon video games at all.

NoA president Minoru Arakawa first got his hands on Pokémon in the autumn of 1996 when he happened to be in Japan for the Nintendo Space World show.

NoA is a company that takes the systems and the video games put out by Nintendo of Japan and localizes them (makes adjustments aimed at improving the experience for locals) for American audiences. However, just because a game's sold in Japan doesn't mean it'll do well in the U.S. and so there are specialists in charge of procurements whose job it is to select those products they think will be a hit in America. Pokémon was not on that list.

After Arakawa's experience at Space World, however, it became clear that Pokémon needed to be added after all. So first thing's first; Arakawa had to get



his own copy of the game.

Autumn 1996 was right around when Pokémon was starting to really gain steam in Japan. The video games were already a big hit, selling 2 million units with no signs of slowing down, while the Game Boy hardware those games were being played on also saw its sales increase by a few hundred thousand a month. In October the trading card game went on sale and became a hit in its own right while also displaying potential for the synergy with its video game counterparts. And with the animated series coming out in April the following year Arakawa knew that Pokémon was, without a doubt, huge in Japan.

If Pokémon was to have a large scale breakout in the U.S. then the manufacture of Pokémon would, generally speaking, center around Japan. If that were to happen then the country would have control over a lot of the Pokémon related production lines, which in turn would decrease the likelihood NoA would choose to even bring Pokémon over in the first place. Therefore, a lot of the products that were hits in Japan would, sooner or later, have to be handled by the teams on the U.S. side as well.

"And so I brought the games back to the U.S. right away and had our employees playtest it. But the reviews were not great."

Arakawa explains where he thinks things went wrong.

The games' poor reception was due to, first and foremost, how long it takes for the games to really get going. "Well for starters, we had always believed RPGs wouldn't really take off in America. But then on top of that it takes even the fastest Pokémon player about 10 hours before they start to really have any fun with the game. Most users just don't have that kind of patience, you know?" (Arakawa)

Fukuda felt the same way.

"Oh, I 100% thought the games were going to fail."

But that wasn't the only problem. The team also had it seared into their minds that the designs of the Pokémon themselves would be a tough sell to Americans.



"We were told they were too cute and cuddly. In America, cute things don't do well. They've gotta be cool."

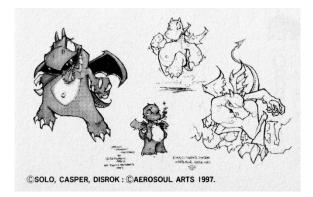
For those of you who may not know, the English word "cool" that Arakawa's using here can be translated into Japanese as *kakkoi*, though the word doesn't just refer to the way one looks. It also describes the way someone is on the inside. So for example, someone who works hard and succeeds and makes a lot of money might also be referred to as cool, regardless of how they look. And so for people to say the Pokémon designs weren't "cool" was actually a really scathing critique. They might as well have just said they were garbage.

"Those opinions came to us from so-called character experts. Well, later on we decided they weren't really experts at all." (Arakawa)

But if NoA's game division *had* gone along with those opinions then it wouldn't have been unthinkable for the American Pokémon team to go in and redraw all the Pokémon graphics for their version. NoA had its own development team, after all, and so they had the resources needed to make a major change like that if that's what they really wanted. Arakawa gives his thoughts.

"There were people who'd make these little doodles and other drawings on the walls throughout our offices, and so we hired some artists to come in and come up with a few paintings based on some of those drawings. But none of them were any good. The problem is that there just aren't any creatives in the company with the eye for Pokémon the way Satoshi Tajiri and Ken Sugimori do. And so if we were going ahead with Pokémon in the U.S. we'd have to use the same Pokémon from the Japanese version."





Sketch of Lizardon created by NoA © SOLO、CASPER、DISROK : © AEROSOUL ARTS 1997



Official artwork of Lizardon used for the video games

At around the same time, the Pokémon animated series was starting in Japan, and Pokémon's popularity was growing faster than ever. The more time went by, it became less a matter of "if" NoA would bring Pokémon over, but "when."

"But to do it and make it succeed would mean you'd have to set up a pretty big operation. At around that time sales of the games in Japan were around 400,000 a month, but that's not all; the Game Boy hardware was also doing well, selling at a not-so-modest rate of 400,000 a month. These fantastic sales figures made us really want to give it our all and make Pokémon succeed in America as well."

Fukuda had this to say.

"When you look at how big a hit Pokémon was in Japan, you could see we were heading toward a future where the majority of the products coming out of Kyoto were going to be Pokémon. If Pokémon was allowed to fail then Nintendo would have put so many of its eggs in their Pokémon basket they wouldn't have had anything else left to sell. Failure was simply not an option."

And so they did everything they could to avoid that.

"We poured a lot of money into this project. We had built up a pretty hefty nest egg thanks to all the years of success we had enjoyed up until that point, you see." (Arakawa)



This wasn't made public at the time, but that large budget Mr. Arakawa's talking about is rumored to have been more than US \$50 million. That amount's equal to the promotional budget Nintendo gave NoA for when the NES (Famicom) entered the American market following its video game crash of 1985. In addition, America's No. 2 toy maker, Hasbro, was awarded the Pokémon license from NoA, and that combined with other licensees brings the promotional budget somewhere in the neighborhood of US \$40 ~ 50 million.

"Yeah, it really felt like we were rolling the dice with this one. But if Pokémon could become a hit in the U.S. just like it did in Japan then we knew we could get back 100 times what we put in. It really was a thrilling gamble." (Arakawa)

The story brings up memories of Nintendo's Yamauchi making that infamous order with Ricoh for microprocessor chips during development of the Famicom.

"We guarantee ya an order of three million units in two years."

When we hear stories like this, it gives us a renewed sense that Nintendo really does seem to love the pure thrill of doing business.

"But you know, we did have one saving grace. The Pokémon cartoon was very well received, right from the start."

The leader of the project team, Gail Tilden, feels the same way.

"We took the animated series we had brought in from Japan and showed the first episode to a group of kids, in its original Japanese. And guess what! They had no trouble following along with what was going on. And so we felt the TV series, at the very least, had a pretty good chance of doing well over here."

And so with a basic plan of action in place, Arakawa headed to the Nintendo Space World show in November 1997.

"I thought the video games had some pretty big disadvantages. So I talked with Mr. Ishihara and Mr. Kubo and we decided that in order to make the games a success we'd have to take everything that was already out in Japan, today, and



bring it over to America. So not just the video games, but also the animated TV series, and the trading card game, and the movie, and the books, and the merchandise...it was all or nothing. Those were the conditions for bringing Pokémon over to the U.S. If we could do that, we thought, we might have a chance of making Pokémon work. And so I asked them to gather everything up and bring everything over."

This request from Mr. Arakawa was a lot for both Ishihara and Kubo. At that time, the license for the trading card game within Japan had already been transferred from Creatures over to Media Factory, and the licenses for the animated series and other merchandise had moved from the group of original creators to ShoPro. Of course, Arakawa was aware of all this.

And so when Arakawa said "bring everything over," he was essentially telling the team to take all the individual licenses currently held by Media Factory and ShoPro, consolidate them into a single license, have ShoPro handle that single license, and then have ShoPro be the ones to negotiate the master license deal with NoA. Nintendo of America, meanwhile, had never had to go through intermediary agents when licensing games from its parent company before and so if Japan had come to NoA with a bunch of loose licenses, it seems like Arakawa was saying, there'd be a very real chance that all their hard work would go up in smoke. That's because in this non-consolidated license scenario, NoA *might* use ShoPro as an intermediary for the negotiations, maybe, but then would have no use for them anymore after that.

Arakawa's proposal, however, presented some challenges for Ishihara. For starters, the license that Creatures handed over to Media Factory for the card game was a worldwide license, with no regional limitations. Media Factory had the rights to take the card game and sell it literally anywhere in the world, if they wanted. But in order to make Arakawa's license consolidation plan work, the rights regarding the countries outside Asia would eventually have to be transferred over to NoA. But that's not all. Media Factory also had the ability to grant licenses to lower level license seekers, enabling them to spearhead their own master plans for a global strategy. But this new arrangement would prevent them from doing even that; their hands would be tied as to what they could do as far as a global strategy was concerned. Ishihara knew Media Factory wasn't going



to jump at the chance to sign such a deal.

But on the other hand, Kubo recognized that even though this was going to be a tough nut to crack it'd be worth it in the end. Consolidating licenses would be a huge first step in realizing Arakawa's hopes with the project, after all. As a Shogakukan employee himself Kubo thought having all the rights go to ShoPro would be ideal, of course, but he had no intention of going against Ishihara's decision. The master plan for the Pokémon business the teams would eventually come up with was born from two different places, and when it came to getting all the different parts of the Pokémon business working together, keeping up with all those moving parts could prove to be difficult.

In a sense, Arakawa's request poked a hole in the relationships regarding the rights for all things Pokémon. For the video games and animation, the rights to Pokémon were jointly owned by Nintendo, Creatures, and Game Freak (ShoPro, JR East Marketing & Communications, and TV-Tokyo get added to the mix for the animated series). But for the trading card game, the use of the Pokémon characters themselves were owned by those same three companies but then the original author rights for the game were held by Creatures and were then licensed out to Media Factory. Arakawa thought this setup had the potential to cause headaches for them in the future.

"You had the animation over here, the card game over there, and as the number of rights holders increased it was becoming more and more difficult to get everything mobilized for big projects."

And so Arakawa was thinking to scoop up all the licenses to make it so those types of issues couldn't rear their ugly heads.

There were those within ShoPro who didn't want to wait for Arakawa's proposal, who wanted to move ahead with releasing Pokémon in the U.S. on their own. In fact, their contract with Nintendo was about to be up and the Pokémon animated series was about to start airing, and so ShoPro had already been preparing to go to Kubo and submit a proposal for the original creators group on how to move forward. Here's what Kubo had to say about this.



"At that time, I had to tell them not to go to anyone else with this under any circumstance. I explained to them how this country we're trying to succeed in, American, is a really really huge place. Selling anything in a country that massive takes a ton of money for promotion, not to mention how much work it's going to be. It just isn't the kind of project a single publishing company like ours can do on our own, you know? But since people were now starting to speak up I knew we had to move forward. All we could do was sit tight and wait."

And so that's how ShoPro came to approach NoA about this, and before long the two had entered negotiations. The discussions were tough, but for ShoPro it was a great opportunity at building a genuine strategy for expanding overseas.

The teams were in the middle of negotiations when that incident with Episode 38 of the Pokémon TV series took place. However the reaction from the U.S. was actually fairly calm. According to Arakawa, "In the U.S. there had already been cases of people experiencing epilepsy while playing video games and so the connection between bright lights and seizures was already fairly well known to them at the time."

The incident became front page news in the U.S., just like it had in Japan, but their reports were comparatively much more focused on the facts of the incident itself. They also talked about things like the odds of such an event even occurring in the first place, and how 700 children falling ill must have meant that this "Pokémon" cartoon was being watched by a ton of kids all across Japan. Which then led them to then wonder....what in the world is this "Pokémon" thing, anyway? What kind of video game is it?

When it comes to the press, Americans have a saying "there is no such thing as bad publicity." And so ironically, the fact that more than 700 children fell ill from watching an animated TV show ended up thrusting words like "Pokémon" and "TV-Tokyo" onto the world stage, albeit not in the way production would have preferred.

And so the negotiations were settled. Things were to get rolling after the new year, in 1998.



ShoPro's new contract placed them as Media Factory's licensee for the trading card game. In addition, they also signed a master license agreement with NoA for all things Pokémon, card game included. You could say Pokémon's success in America was due to NoA getting the single license for all things Pokémon, allowing them free reign to realize their promotion strategy.

Notes from Masakazu Kubo (Part 3)



Mr. Mike Fukuda

Born January 3rd, 1950 in Shibaki City, Osaka Prefecture. Studied at the Nagoya Institute of Technology and majored in industrial engineering at the Tokyo Institute of Technology. In 1973, he joined the textile giant Chori. In 1986, his project started funding the software house that was developing games for the NES. In March 1994 he joined Nintendo of America. In 1996, he became the executive vice-president of NoA, a position he still holds today.

Ms. Gail Tilden

The executive vice-president in charge of Pokémon. When Pokémon was being brought over to the U.S. she was the strict mother of the project, pushing ahead to lead the franchise to success. It's impossible to talk about Pokémon's launch in the U.S. without bringing up Ms. Tilden.







Mr. Minoru Arakawa

The CEO and Chairman of the American branch of Nintendo. Mr. Arakawa is a businessman who not only represents Japan but who's also been selected as one of America's leading managers. He established the video game industry in the U.S., a country whose requirements and environment are completely different from those of Japan, overcoming many

hardships to make Nintendo of America a success.

NoA

The abbreviation for Nintendo of America. NoA is pronounced like the letters "N-O-A," not like the name "Noah." Its Japanese counterpart is Nintendo Company Limited, or NCL. By the way, the organization in Europe's called Nintendo of Europe, or NoE.

"Cool"

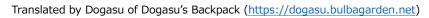
The way Americans use the word "cool" can vary greatly depending on the situation. Something can be "awesome" or "cute" and the word "cool" will work either way. It's kind of like how Japanese girls will use the word "*kawaii~!*" for anything and everything, whether it's something that's trendy, has a nice design, or is someone they look up to.

November 1997's Space World

A trade fair event to show off Nintendo's newest products. To put the timing of this show in perspective, November 1997's Space World took place one year and nine months after the Pokémon games went on sale, seven months after the TV series began, and about three weeks before that Episode 38 incident took place.

What it means to release in America

When Mr. Arakawa said he wanted to release Pokémon in the U.S. I was honestly filled with anxiety.





The United States of America is a huge place and it takes a lot of money to do anything there. At the time, I didn't have the confidence to think I could do a job good enough to match how much money we were going to have to pour into this thing. I mean sure, I had spent about a year in Los Angeles when I was in school and so I had a pretty good idea about how America worked. And I can probably understand English and even American humor better than your average Japanese person. But still, I knew how difficult an undertaking this job was going to be, right from the get-go. I had always wanted to work together with Mr. Arakawa, though, and so I thought "well, why not?"

About three weeks after Mr. Arakawa had told us about the plan to bring Pokémon to America is when the TV incident happened, the one with the flashing lights. The animated series went on hiatus right away and the difficulty level of releasing Pokémon in the U.S. suddenly went way up. Some people say the incident actually helped Pokémon by raising its name recognition all over the world, but the truth is that it actually only increased people's reluctance to even bring it over in the first place. It was as if the high jump bar had suddenly been raised an additional five meters.

Right after the incident, the people involved with Pokémon had the following in mind. 1) The worst case scenario is that maybe the show won't be allowed to air on TV in Japan anymore. 2) In order to avoid that it'll become necessary to come up with rules and regulations based on what other countries have been doing, like the U.K. and its ITC. 3) It is therefore going to be impossible to get the show back on the air if we don't also look outside our own borders.

All of a sudden, Pokémon's launch in American became that much more important.

If that worst case scenario were to come true but we were still allowed to air the show in the U.S., then 1) the episodes we'd been making while the show's been on hiatus wouldn't go to waste after all, 2) if we can get Pokémon on the air in the U.S. then that would give us an argument against those who claim the Episode 38 incident was all Pokémon's fault, and 3) we thought a broadcast in the U.S. would help repair the show's reputation back home in Japan, making it more likely it'll be allowed back on the air at some point.



Luckily, the incident with the TV show started to settle down as we approached the new year. As the root cause analysis continued the idea that the issue was caused by technical problems with the way the show was broadcast started to become accepted more and more. The need for Pokémon to air in the U.S. in order to increase the chances of the show being allowed to return to TV in Japan started to weaken, but even so the negotiations moved ahead regardless.

The rest of my ShoPro team and I sat tight until the Japan's New Year's holidays and then, on January 3rd 1998, we rushed over to America. The U.S. doesn't have a New Year's holiday the way Japan does and so we were able to enter contract negotiations right away on January 4th.

Mr. Arakawa himself attended those meetings and moved ahead with the contract negotiations. The negotiations lasted two whole days and had their ups and downs, but after talking frankly with each other face-to-face we were able to really understand how NoA hoped to launch Pokémon in the U.S. and what they wanted to get out of it. ShoPro hadn't had any experience working with NoA before then and so it was imperative we develop a relationship of trust with NoA as early as possible.

The very fact that the TV show's currently airing all over the world is a testament to that relationship of trust.

Snoopy and Pokémon

Let's bring the story back over to San Francisco. Viz's headquarters is like a loft with wood-rich interiors, and it is in one of its wood-scented conference rooms on the first floor that Viz's presentation took place. The company's president Horibuchi made a sales report on the items they had been licensed to publish before the presentation moved on to its main event. American members of Viz's staff led the proposal.

"We've heard from a newspaper syndicate that they'd like to see us do a daily Pokémon comic strip. This is going to be a great opportunity for us in a post-



Snoopy world."

This probably goes without saying, but the Snoopy they're referring to here is that world famous dog from the Charles M. Schulz comic strip "Peanuts," a character who's able to stand shoulder to shoulder with the likes of Mickey Mouse. Schulz continued drawing brand new "Peanuts" strips all the way up to the age of 77 but serialization stopped after the newspapers dated January 3rd, 2000 due to Mr. Schulz's failing health.

According to the staff at Viz, there are about 200 newspapers out of the 2000 newspapers currently in circulation in the U.S. that are scheduled to stop running the "Peanuts" comic strip due to Schulz's worsening health. Profits from daily newspaper comic strip runs aren't all that impressive on their own, they explained, but the royalties and revenue from the collected paperback editions are where all the money's at, with "Peanuts" being a great example of this. Viz's presentation posited that if they could get a Pokémon comic strip into those 200 newspapers then it'd be the equivalent of getting approximately 2 billion dollars in advertising revenue.

At the time, Viz was thinking of starting off with a black and white strip Mondays through Saturdays and then a full color one on Sundays. As for the comic strips themselves, Viz was thinking of using the *Pokémon 4-Koma* comics that were already running in Shogakukan's CoroCoro Comics and the various Grade School magazines in Japan. If you figure six days a week, four weeks a month then that's 24 black and white comics you'd need per month, or 288 a year. Luckily, Shogakukan already had that much in the vault.

If Viz could pull this off then they'd be able enter a lucrative new media landscape with little to no effort.

But that's not the way it ended up happening. Here's how the conversation at the meeting went:

Ishihara: "So how much power does would a newspaper run actually have?"

Viz: "It's not really possible to measure the effect of something that runs every



single day."

Ishihara: "We approved the Shogakukan paperbacks you've done in the past because they were originally in the Grade School magazines and were aimed for kids. But repurposing something like this to put out there on a daily basis...is that going to be good for Pokémon?"

Tilden: "We don't want to just keep doing the same things over and over, we want to continue thinking up of new ways to market the franchise."

Ishihara: "We definitely want to give newspapers a try, but I think if we're going to go for it then we need to do it right."

Fukuda: "That's fair. We can't argue with that."

Viz: "We want to put out something great as well, but we simply don't have the time. We have a rare opportunity in front of us. The time is now."

Kawaguchi: "I understand that, but I agree with Ishihara that we don't want to just throw anything out there."

Ishihara: "The strip needs to be drawn by someone able to reflect American culture and can work for people all over the world."

Kubo: "If we're talking about needing 24 strips a month, the most important thing is whether or not the comic artist we choose can handle that workload."

Ishihara: "If this was Japan there'd be tons of artists jumping at the chance to work on this."

Viz: "But the problem is that we just don't have time."

Ishihara: "So then these samples you've brought us...do we really want to go with these?"

Viz: "..."

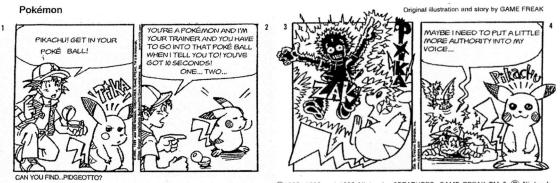


Kubo: "We can make this work. Just think of these restrictions as motivation. We've already got a cast of characters, and there's the games' stories are there too. So it's not like we're asking anyone to start from *nothing*. We just need to think how we can make something good in the shortest amount of time possible. If we can do that then the problems we talked about today won't be an issue, right? The issue is that we don't have enough ideas, so let's have some rough storyboards drawn up and brought to the Tokyo Toy Show in March. We'll all take a look at them and if they seem OK then we should be fine to move forward. No one's going to tell us "no" to a newspaper run, after all."

Ishihara: "The newspaper is a huge part of the media just like video games, animation, and the card games are. And that's why I think we need to take care not to have something we've repurposed from somewhere else possibly upstage those other things."

The "Peanuts" comic strip never resumed publication. Schulz died on February 12th, about a week after Viz's presentation. The "Peanuts" comic strip that started in 1950 stopped its daily strips in the January 3rd newspapers and the Sunday edition strips in the February 13th newspapers.

Later that year, it was decided that the Pokémon comic strip would be written by Gerard Jones and drawn by Ashura Benimaru Itoh. The comic eventually debuted on September 10th, 2000 in dozens of newspapers across the country. Viz continues to aim toward its original goal of getting the comic strip in 200 newspapers throughout the U.S.



C 1995, 1996 and 1998 Nintendo, CREATURES, GAME FREAK TM & R Nintendo C 2000 Gerard Jones/Ashra Benimaru/Viz Communications, Inc

A Pokémon comics trip that ran in American newspapers Written by Gerard Jones, Art by Ashura Benimaru Itoh

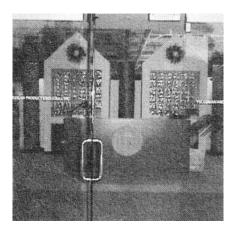
From the book "Pokémon Story" (ポケモンストーリー). © KENJI HATAKEYAMA, MASAKAZU KUBO 2000 © Nintendo・Creatures・Game Freak・TV-Tokyo・ShoPro・JR Kikaku



The comic strip's artist, Itoh, said this about joining the ranks of major American comic artists:

"I don't feel like I'm at their caliber at all. I'm no big shot. Any praise my work gets is due to it being Pokémon, first and foremost."

Pokémon becoming a newspaper comic strip doesn't mean it'll enjoy the longevity that Snoopy has, of course, but some might argue it is one of the requirements necessary for it to do so. With this comic strip Pokémon's image in the U.S. is going up to the next level. It's a big step for the franchise.



Notes from Masakazu Kubo (Part 4)

Viz

Shogakukan's American subsidiary located in San Franciso, California. It enjoyed rapid growth thanks to the Pokémon videos and books it put out.



Mr. Hyoe Narita

Born March 3rd, 1964 in Tokyo. Before joining Viz Communications in October 1996 he worked at Shogakukan as an editor. He's the executive vicepresident of the company's editing, visual entertainment, and marketing departments.



Ms. Kumi Kobayashi

Born in Kyoto. After working at places like an advertising agency and hotel service she joined Viz Communications in November 1994. She's the senior director of the licensing and human resources departments.



The Pokémon Lectures

After the presentation at Viz was over, the three man team of Takashi Kawaguchi, Tsunekazu Ishihara, and Masakazu Kubo were interviewed by a computer and video game focused TV network and its spin-off magazine. The two interviews wrapped up a little after 5:00 pm, and before long it was time to head to the venue where their first lecture was scheduled to take place.



Pikachu Cars

When they stepped out of the office they were met by the Pikachu Car, a Volkswagen Beetle decorated to look like its namesake, parked right there at the entrance. As part of the prelaunch promotion for the launch of the Pokémon animated series in the U.S. the city of Topeka, Kansas was renamed "ToPikachu" for a day, and it's from there that Pikachu Cars like the one there at Viz's office went around to a total of ten cities throughout the country.

The car was delivered to the office from Los Angeles by a NoA employee, Chris McGill, in order to put it on display at the lecture venue.

For his part, Kubo had Pokémon statues brought in from Japan just for the lecture tour. There were three altogether; Pikachu, Togepy, and Hitokage. Now these weren't stuffed animals; they were large, sturdy figures made for promotional purposes. To give you an idea of just how large they actually were, the Hitokage statue was too big to be brought in as-is and so it had to be broken down into pieces and brought in several large cardboard boxes at a time. There were six



cardboard boxes altogether. But why have these massive statues brought in the first place? Kubo said he had them shipped in because he wanted American children to see the actual Pokémon themselves, up close. When the group arrived with the Pikachu Car at the Radisson Miyako Hotel, located in the Japantown area of San Francisco, the statues had already been assembled and placed at the entrance to greet visitors.

The lectures started at a little past 6:00 that evening. The venue put out 350 chairs for those in attendance, and almost all of them ended up getting filled. Families who were there with their kids made up maybe 1/10 of the audience, and a similar percentage was made up of older teenagers. The majority of the audience, however, was adults old enough to attend PTA



What it was like at the San Francisco lecture

meetings. The team imagined these parents had come there to find out what this "Pokémon" thing was all about. You could hear people speaking to each other in Japanese throughout the room as well so there must have been a lot of Japanese people in attendance.

After the three guest speakers were introduced, one by one, Takashi Kawaguchi was first up. Using a soft intonation characteristic of the Kyoto accent, Mr. Kawaguchi began to speak.

"I'd like to start by saying thank you for coming out tonight. We're all really thankful that, here in America, so many of you have given such a warm reception to these Pokémon characters from Japan."

Gail Tilden may have been unhappy with the last part of Kawaguchi's statement here. That's because ever since she started promoting Pokémon she made it a point to position Pokémon as a "global character," not a Japanese one.

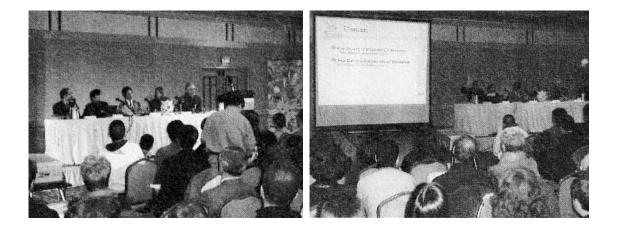
"We took great care to make it so kids wouldn't realize, as much as possible, that these characters came from Japan. That's what localization's all about. This



doesn't mean we're trying to hide the fact that Pokémon's Japanese; we simply want to give the impression that these are global characters instead. In the same vein, we're also not trying to pass these characters off as having come from America, either.

We want to develop Pokémon to be global characters so that kids all over the world can enjoy them without feeling like anything's out of place."

Generally, there aren't that many kids out there who *aren't* aware that Pokémon actually came from Japan. But to be fair, there also really isn't that much about the characters themselves that scream "Japan," is there? In fact, the very idea of something being "traditionally Japanese" may actually bring up preconceived notions; there may even be kids growing up all over the world today who'll see a fantastic video game and go "oh, that looks Japanese."



The second speaker was Tsunekazu Ishihara. The audience didn't wait for his introduction to start applauding enthusiastically; they could tell, just from the energy he was putting out, that Ishihara was one of the creators of Pokémon. You see, creators of big franchises like Pokémon are treated as heroes everywhere in America. Satoshi Tajiri had fallen ill at the end of January and had to cancel his trip and so Ishihara had to represent the both of them. It was a tremendous amount of pressure.

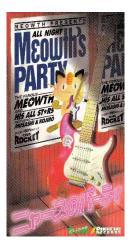
"Pokémon is a game you can't put down."

The audience listened intently to Ishihara's softspoken way of speaking.



"...And so we have it so that Pikachu's name is the same all over the world, but for the other Pokémon, it was decided not to just bring their Japanese names over as-is but to instead choose names appropriate for each country, one Pokémon at a time. We're doing this for languages such as English, Chinese, and French. In the end we had to come up with about 500 different Pokémon names."

After talking about the game development for a bit Ishihara announced that he had brought everyone there a souvenir. He connected his laptop to a projector to show off the all-CG music video for "Nyarth no Party," a brand new song that hadn't even debuted in Japan yet, as well as a trailer for the third Pokémon movie "Pocket Monsters Lord of the "Unknown" Tower," set to come out in Japan in summer 2000. The movie's American release has been scheduled for Summer 2001. During the former, a video of Nyarth at his party, playing an electric guitar as he sang, was displayed on the screen.



Nyarth no Party CD Single



Nyarth no Party CG music video

"If you've got these special crescent moon shaped tickets That have "Nyarth's Party" written on them In gold and silver crayon Then I'll get up in a hot air balloon and scatter them around Nya" (from "Nyarth no Party")

* "Nyarth no Party," performed by Nyarth, Musashi, and Kojirou Lyrics: Akihito Toda, Composition/Arrangement: Hirokazu Tanaka



You could tell just by looking at the audience that they were absolutely captivated by the images and the music projected on the screen.



Pocket Monsters The Movie Lord of the "Unknown" Tower" Trailer © Nintendo · CREATURES · GAMEFREAK · TV TOKYO · SHO-PRO · JR KIKAKU © Pikachu Project 2000

(Voice over)

Pocket Monsters The Movie "Lord of the "Unknown" Tower," coming out at Toho movie theaters across the Japan in Summer 2000, before anywhere else in the world!

The sheer power of those videos' ability to tell stories without needing to use words is something that'll always stay with us. Perhaps those people in the audience felt that those few minutes' worth of video alone made coming out to the hotel that night worth it.

With everyone was still hyped up from Ishihara's presentation, Masakazu Kubo was introduced as the third speaker of the evening

"Good eeeeeeevening everybody! Have you seen the Pokémon movie yet? Raise your right hand if you've seen it."

I guess that's what it would've sounded like if you translated his speech back into Japanese. Kubo kept the energy up, speaking to the crowd slowly using simple English. His speech made it seem like the venue had been instantly transported into the world of a comic book.



"I grew up learning things like human anatomy, the world economy, and history by reading comics."

Kubo had also prepared a present for everyone at the lecture. It was a ten minute video called "The Secrets to Pokémon's Success." Using primarily footage from the animated series, the video touched upon things like the differences between the movie "Mewtwo Strikes Back!" and its English counterpart "Pokémon The First Movie" and also took viewers through the path Pokémon took from landing in the U.S. to becoming the big success it is today. The audience's eyes were glued to this video presentation as well. The video was one that Kubo had edited himself, using film stored by ShoPro, that he had completed the day before he left for the States. "The Secrets to Pokémon's Success" ended up being so well received during this lecture tour that Kubo would later go on to reuse it a number of times back in Japan.



Scenes from "The Secrets to Pokémon's Success"

The three presentations, each with their own feel to them, had come to an end. Fukuda and Tilden had to catch the last plane back to Redmond and so they ducked out right as the question and answer session was starting.

Later that evening, Viz hosted a dinner party. When the guests arrived at the restaurant they were handed a menu with "Pokémon Gang Special Dinner" written across the top. There were sixteen attendees altogether, including the three presenters; Viz employees; Yutaka Saito of ShoPro; Yasuhiro Minagawa,





The "Pokémon Gang Special Dinner" menu after it had been signed by party guests

Nintendo's head of PR; and Kunimi Kawamura, Secretary to the President of Creatures & General Manager of the Corporate Planning Office. The three presenters were relieved their first lecture in America had gone so well and were therefore in high spirits. This was, without a doubt, a very special day for those three men. The guests later started passing around a dinner menu for them all to sign. Ishihara and Kawaguchi simply signed their own names while Kubo, who had left CoroCoro Comics a few months before, drew his old magazine's logo. Once everyone had signed the "Pokémon Gang" menu Viz president Seiji Horibuchi presented it to the three presenters.

2. Radio City Music Hall

The United States is a huge country. It can take as much as six hours to go from its west coast to its east coast by plane. This large scale can sometimes makes things cheaper, but it can sometimes also make things more expensive. Nintendo of America's president Arakawa has this to say when looking back to the days when the company was selling arcade consoles.

"When you have a big hit like "Donkey Kong" in the U.S. then it'll continue to have legs for quite a while. You see, it takes a lot of time for something to really catch on across the entire U.S. But in Japan, something will become a hit overnight and will then fizzle out just as quickly. That's a huge difference right there."

Gail Tilden has this to add:

"If you're looking to promote a product in the U.S., two or three million dollars just isn't going to cut it. You're going to need at least four million dollars to do anything on a national scale."

When it came to Pokémon, the team's promotional strategy for the U.S. was centered around that need to cover the country's vastness.



Kids' WB!

The lecture team was scheduled to leave for New York on February 5th, a Saturday. Kids all over America anxiously look forward to the arrival of Saturday mornings as that's when the Kids' WB! programming block airs. Every Saturday morning starting at 7:00 am, Warner Bros. cartoons like Batman and Superman air in succession and then, at 9:00 am on the West Coast, Pokémon comes on. What stands out about this programming order is what it says about who the heroes actually are in the world of American animation. Because in terms of popularity among kids, Batman and Superman are just the opening acts for this show called Pokémon. In other words, when that golden 9:00 am spot comes around the main attraction is, well, Pokémon. Starting in September 1999 the show would air in reruns Monday through Friday and debut new episodes on Saturdays, and because of this setup the ratings on Saturday mornings are particularly high.

However, in America Pokémon is not called Pocket Monsters. Officially, it's Pokémon, with the acute accent over the e. If you pronounce it the Japanese way then people will understand what you're saying, but if you really want to pronounce it the American way some might say "Pok-ee-mon" is a bit closer. When it comes to which syllable to emphasize, Japan puts it on that initial "Po" syllable but it sounds like Americans put it on the "Mo" syllable instead. So why the difference? Minagawa, who accompanied Kawaguchi on this Pokémon lecture tour, tells us it might be his fault.

"In the beginning, I'd get several phone calls from Nintendo of America asking how we pronounce the word 'Pokémon' here in Japan. And every time, I'd say "it's Pokémon," completely unaware I was saying it with a Kyoto accent. You see in Kyoto, everyone says the "Poké" part a little bit softer and the "mo" part a little stronger. I didn't even notice I had been doing this until I was watching the English dub one day and heard everyone pronounce the word 'Pokémon' as if they were from Kyoto! I wondered why in the world they were saying it like that until it all clicked that oh yeah, it's probably because of me."



Warner Bros' kids' network is a network whose shows all air at the same time nationwide. In a country as huge as the U.S., Pokémon being on a network like Kids' WB! that covers the entire country means it was in the big leagues. But it didn't start out that way. In the beginning, Pokémon had to work its way through the more minor networks, just like any other show. Kubo elaborates:

"We got right to work as soon as the ink had dried on the contracts with Nintendo of Japan, ShoPro, and Nintendo of America. The sales team took the animated series with them to NATPE (pronounced "Nappy"), a video contents convention held in New Orleans on January 19th, 1998. Animation is a big seller at this convention, you know. The goal was to sell 'Pokémon' to each syndication network, one by one, until the show was airing on enough networks to cover at least 90% of the country. It was a huge undertaking, but if we hadn't aimed so high then it wouldn't have been worth doing in the first place."

When he says "syndication network," Kubo's talking about the independent, local networks outside the Big Three. According to Kubo, "the traditional networks are major players and so you can't just go there right away. A lot of the times you have to start from syndication and work your way up, hoping to eventually catch the eye of one of the major networks."

In America the "Big Three" are NBC, ABC, and CBS, though there are other major networks as well.

The decision to sell the show to syndication was NoA's, but they also had an agent called 4Kids Entertainment to whom they had given the animated show's master license. And so it was decided that 4Kids was to be the ones to make the actual sale. Kubo, accompanied by 4Kids President and CEO Al Kahn, went to the NATPE show as the organizers of the animated TV series.

NoA's plan to sell the show to syndication was pretty simple.

"We'll use the animated show, which Americans will find easier to accept, to help promote sales of the video games" says Fukuda.



Part of this strategy has to do with how America has strict regulations around advertising. Kubo explains this point in a bit more detail:

"In the U.S. you can't air commercials on TV for products related to a show at around the same timeslot as the actual show itself. There are other reasons for wanting to release the TV series first but the short version is that if we had released, say, the video games or the card game first, then it would have made it a lot harder to get the animated series on the air. I think maybe the reason we were able to control so many of the moving parts of the franchise's promotion was thanks to both the consolidation of all the licenses as well as because the promotion strategy was all being overseen by a single project leader, Gail Tilden."

When it came to actually selling the program, 4Kids used its subsidiary Summit Media to sell the show to syndication markets. Summit Media's sales had been good and expectations were high that they'd meet their targets in no time. This expectation was written about in the report written by the investigation team TV-Tokyo had dispatched to the U.S. after the Episode 38 incident.

"The programming distributor The Summit Media Group is hoping to have the show start airing in syndication this September. In response, Shogakukan Productions had this to say about selling the program abroad: "TV-Tokyo's mind is made up, and until we reach certain decisions we will not be selling over all the rights. The party we're currently in negotiations with is adhering to these basic rules that've been laid out." As far as Summit is concerned, they're not willing to air Pokémon until they can guarantee it's safe to air and have also said they've decided they'll be removing Episode 38 from the lineup entirely." (excerpt from the "Full Report")

In the end, Summit Media was successful in selling the show to 111 syndication networks, meeting their goal of covering 90% of the U.S. viewing area. And then on September 7th 1998, about a half a year after the show had returned to the air in Japan, the English version of Pokémon started its American broadcast. From there the show started cropping up on TV stations all over the world at a breakneck pace.





The expansion started in 1998 with Asia and Oceania. In Oceania, the American version started airing in Australia and New Zealand from September 28th. In the Asia region, JR Planning had the master license to everything except the video games, publishing, and the card game. They had been continuing its negotiations with each country in the region but then, once the U.S. started airing the animated series, JR Planning kicked it into high gear and started closing deals one after the other so they could also start airing the show. Starting with the November 16th debut in Hong Kong, the rush to air the animated series continued from Taiwan on November 23rd, Shanghai on November 24th, Beijing on January 10th 1999, and South Korea on July 14th. Currently the show's airing in over 50 countries and regions around the world, surpassing even Doraemon.

Back in America, it didn't take long for Pokémon's run in syndication to start pulling in the ratings. We were quickly contacted by Warner Bros. and by February 13th 1999, a mere five months after the show had debuted in syndication, Pokémon had started airing on Kids' WB!

"A major network scooping up a show this quickly is pretty much unheard of" says Tilden.

Before long Warner Bros. expressed a strong interest in also doing the Pokémon movie, and on November 10th 1999 "Pokémon The First Movie" was released to a total of 3,000 theaters across the U.S.

After the animated series got on the air the video games were the next in line. On September 28th 1998 the U.S. saw the release of the Game Boy games Pokémon Red & Blue Versions. The American Red & Blue games were based on the Japanese Red & Green versions, and Kawaguchi has this to say about why they swapped out green for blue.

"When it came time to sell the games in America we wanted to show our respect for the country. And so we changed the games' colors to the red and blue of the Stars and Stripes."





The Red and Blue versions were priced at US \$29.95 each. After their release in America, those same Pokémon Red & Blue Versions went on sale in Australia and New Zealand on October 23rd. Arakawa's gamble to "get back 100 times what we put in" was paying off spectacularly.



Back at the hotel in San Francisco, we were watching Kids' WB! when we got a call from the consulate telling us our trip to New York was going to be delayed. The reason was that our flight had been cancelled. Due to the delay we didn't end up arriving in New York until after 10:00 pm and wouldn't get into our hotel, the Intercontinental, until 11:00 pm.

With it being February it was still the middle of winter in New York. Remnants of a big snow storm they had the weekend before could still be seen here and there. The group had gotten too used to the clear and sunny weather in San Francisco and so the second they stepped off the plane in New York they were startled by just how cold it was.



Even though it was so cold out the team was greeted at the airport by Kenichi Masamoto, the Vice Consul of the Consulate General of Japan in New York's Public Relations Cultural Center. Mr. Masamoto, was astute enough to observe that none of them had eaten dinner yet and so he took the speakers to a BBQ place near the hotel before heading back home.

The following day, Sunday the 6th, the weather in New York was clear and sunny. The group didn't have anything on its itinerary until the Consulate General of Japan in New York's dinner party later that evening and so it had roughly half a day completely to themselves. The Pokémon lecture group therefore decided to meet in the hotel lobby at 11:00 am so they could head out to the Metropolitan Museum of Art. They spent a few hours looking around the museum before stepping back outside at around 2:00 pm, where they looked out toward the west and saw Central Park covered in snow. The team soon found itself just kind of wandering toward the park, cutting through on the way back to the hotel. They stopped halfway to take in this unexpected winter wonderland and stare out into the pure white snow for a long while, watching as children enjoyed sledding around the park. The team even started to get a bit emotional as they watched children play on the tops of the park's sun bathed hills.



Winter in Central Park Photo by Tsunekazu Ishihara

Right after Pokémon came out in Japan in 1996 Kubo was doing an interview for some magazine when he said this:



"...but to tell the truth, I feel like video games shouldn't be doing so well, saleswise. I want children to see and feel all sorts of different things out there..."

Ishihara and Tajiri felt the same. The reason Ishihara wanted to make "a game you couldn't put down," and why Tajiri wanted to make a combination of gaming and communication "where you make friends by asking 'would you like to trade?" is because they didn't want players to forget what it's like to experience new things, no matter what it is they're doing. They also wanted to make a game where it wouldn't be odd for kids take their Game Boys with their copies of Pokémon in them out into the fields or riverbeds or wherever. What was odd to the team is that when they saw the kids there in Central Park, their breaths visible as they pulled their friends and their sleds up the hills on this cold February day, it felt as if their world maybe isn't so far off from the world of Pokémon. Maybe the Pokémon world is a sort of parallel world to ours?

The dinner party started at 6:00 that night. Kenichi Masamoto was joined by Jouji Hisaeda, director of the Information and Culture Center of the Consulate General, to treat their guests to a night of food and conversations.

Notes from Masakazu Kubo (Part 5)

Six Hours by Plane

To give you an idea of just how far six hours by plane is, if you take a six hour flight from Narita Airport in Japan you can make it all the way to Guam or Saipan and are just a hop skip and a jump from Hawai'i. If you head west instead, you can reach Bangkok, Thailand. By the way, the time difference between the east and west coasts of the U.S. is four hours.

Two million dollars

Let's say 100 Japanese yen is equal to about 1 US dollar. One million dollars comes out to about 100 million yen.



Saturday morning cartoons

In the United States, kids generally get two days off from school during the weekend. Most company jobs are the same. A lot of Americans go to church on Sunday mornings and a lot of the shows on TV on Sunday mornings are also religious in nature and so all that's really left for "kids' prime time," as it were, is Saturday mornings. A lot of adults stay up late Friday nights and sleep in Saturday mornings, comfortable in the knowledge that the shows their kids will be watching the next morning are all appropriate for kids.

In Japan, a lot of kids still have school on Saturdays and so Sunday mornings are when the kids blocks air. These blocks are usually aimed at preschool aged kids, however, and so it'll take it a while before Sunday mornings can become something kids of all ages will want to watch.



NATPE

NATPE is a video business trade fair held in New Orleans, Louisiana in the middle of January. It's where those who wish to air content in the U.S. go to sell their films and videos. Of course, people take their American shows to this fair to sell them overseas as well.

At the moment, Japan does not have a similar type of video business convention, but plans are in place for one to start March 2002. I, along with the company director of Nippon Broadcasting Mr. Miyamoto, are working very hard to make this happen.

Mr. Al Kahn

His full name is Alfred Robert Kahn. He's the person who had previously overseen the massive Cabbage Patch Kids craze back in the 80s. He's known NoA president Arakawa for more than 18 years. Mr. Kahn is the CEO and Chairman of 4Kids Entertainment Group. The group's services include video production by 4Kids Production (whose president is Mr. Norman Grossfeld), licensing by LC





(Leisure Concept Inc.), program sales by Summit Media, and being a house agent for Nintendo of America. The name "4Kids" comes both from the fact that they make shows "for kids" and also because Mr. Al Kahn himself has four children.

The New York Lecture Wrap Up Parties

The next day, Monday February 7th, a luncheon was held at 12:00 noon at the Japan Society facility near the UN building before the first set of lectures started at 1:00 pm. There were about 50 people from the Japan Society and the media at this luncheon, and by the time the speeches started you could see people standing up to get a better look. The team had just one hour for all three of them, about half what they had at the San Francisco lecture, so the speakers made sure to only hit the important parts before beginning the question and answer session.



Lecture at the New York Japan Society

Question: "Did you originally create Pokémon to be an international franchise?"

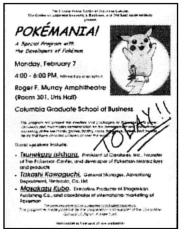
Ishihara: "When we were making Pokémon we had no idea it'd have the global reach it does, and we had absolutely thoughts in our heads about entering Pokémon into the global market or anything like that. The Pokémon video games were made with only Japanese people in mind, and at the time we thought making video games and video content just for a Japanese audience would be enough. But we were surprised to see all these people enjoying



Pokémon even though they're from different countries. And to be perfectly honest, I keep getting surprised as new things continue to catch on."

Kubo: "When we were thinking about taking the animated series outside Japan we had thoughts of maybe taking it to the rest of Asia, but that's about it. So to be here in New York, talking to you like this, is something I never could have imagined. After this event can you maybe make us honorary New Yorkers?"

After the speech the group got onto the consulate-general's bus and, at 3:00 pm, got off at the snow-covered campus of Columbia University.



Flyer handed out at Columbia University

When you hear the word "campus" you more or less picture the same thing, no matter what country you're from. The three lecturers stepped onto the campus of Columbia University and felt a wave of nostalgia sweep over them as they took in the sights and smells of the university. They may have even felt nostalgic for a brief moment despite the fact that campuses like this don't really exist back in Japan. The group got off the bus and started walking toward their speech venue, Uris Hall, constantly looking up at all the giant buildings and enjoying this feeling of being in a brand new world.

The lecture started past 4:00 pm in Uris Hall Room 301. At the start of the speech, Ishihara said something he had apparently prepared specifically for the crowd there at Columbia.

"I dedicate today's lecture to my friend Satoshi Tajiri, who couldn't make it here today because he's not feeling well."

The three lecturers, having already done this twice already, were now used to the rhythm of these speeches, working in sync with the interpreters, and knowing when to move on to the next subject. And so they were a lot more loose compared to that first time they did this back in San Francisco. The



group's speeches went more smoothly, had more off-the-cuff remarks, and were generally more energetic.



Speeches at Columbia University

The consulate generals Hisaeda and Masamoto were joined at the venue by Ambassador Kawamura and his wife, who came in to observe the speeches at around the halfway mark. When I say "ambassador," I'm not talking about the consulate-general stationed there in the U.S. That's because in New York, the consulate-general is so large it's actually led by the ambassador, not the consulate-general. The fact that the United States had two Japanese ambassadors is something the Pokémon team didn't know until after they started this tour.

In the end, Kawaguchi concluded his speech like this:

"Video games are, academically speaking, known as audio visual works that use images and sound to bring stories to life. But the true essence of video games is the various game systems their creators come up with for its players to enjoy, and so you can have the best graphics and music in the world but that doesn't necessarily mean the game's actually going to be any fun to play. To put it another way -- and those of you who've actually played Pokémon will know what I'm talking about -- if you ask people if the Pokémon games have good graphics then I think the answer will be 'no."



Just like the other times, Kubo gave about half his speech in English. At the Columbia University speech, he said this next part in Japanese:

"And so no matter where you go in the world, kids are kids. And, at the same time, parents are parents. I think that may be the reason why Pokémon is loved so much all over the world."

Kubo later interrupted his speech to introduce everyone to Gail Tilden, who was in the audience that day listening to the speeches. For the students in attendance interested in Pokémon, as well as those hoping to learn more about character-driven businesses, the lecturers who had flown in all the way from Japan were great and all, but they weren't quite the same as Gail Tilden, the vice-president of NoA, leader of the Pokémon project, and an absolute superstar in the world of business.

The speeches came to an end. After the approximately 150 students and faculty gathered in the classroom gave the group a round of applause, the three speakers left the venue and were guided downstairs to a reception party on the first floor. The reception was hosted by Ambassador Kawamura. The team didn't know if it was the university's custom to conclude speeches with a reception like this or not, but in any case, the consulate-general's party marked the end of a lecture tour well done.

Nintendo of America had also prepared a congratulatory party. This one took place in the iconic Russian Tea Room restaurant located in Midtown. The party was attended by Al Kahn, the president and CEO of NoA's agent 4Kids, as well as Norman Grossfeld, the president of 4Kids' subsidiary 4Kids Productions. Also in attendance were Yutaka Saito of ShoPro, Akira Fujita, Director of the International Department of Media Affairs, and Judy Howland, who works with Mr. Fujita as the coordinator for the same project. Seiji Horibuchi from Viz was also there, as was Kumi Kobayashi, Viz's licensing director. NoA's Fukuda expressed his appreciation for the three lecturers with champagne and caviar.



"Pokémon The First Movie," a film that broke almost every record related to foreign imports in the U.S., is a heavily localized version of the Japanese film "Mewtwo Strikes Back!" When it came to exporting the film's footage to the U.S., Kubo directed ShoPro and OLM to go back to the original and make improvements. The costs of these touch ups were about 1/5 of the film's original budget but this was possible due to how well the movie had done at the Japanese box office. When it came to the music, the decision to replace most of it came from Norman Grossfeld. According to Grossfeld, most of the music in the film's original soundtrack was "not suitable for Americans" and so brand new music was created to replace it.

The first time Grossfeld came in contact with Pokémon was through the Japanese versions of the video games. At the time the English version didn't exist yet and so he no choice but to try to play the game raw. But since it's a text-heavy RPG he didn't end up making it very far.

"But I handed the game over to my nine-year-old son, who of course doesn't know a lick of Japanese, and he was able to soldier on and was even able to make it to the end. This made me realize that even though this game "Pokémon" is an RPG that there's just something about it that transcends borders, a sort of universality to it."

Al Kahn, meanwhile, had known NoA President Arakawa for a long time, around 18 years.

"In the fall of 1997, I was in Japan with Mr. Arakawa when the decision was made to do Pokémon in the U.S., and so we started talking about how we should to use everything we've got the rights to -- the cartoon series, the movie, everything -- to promote this thing. This was conveyed to Kubo and that's where the negotiations started. If Nintendo has no choice but to do it then we also have no choice but to follow suit."

When the dinner party at the Russian Tea Room ended Fukuda invited everyone to come have some after-dinner tea. A number of the guests had already left to prepare for the New York Toy Fair 2000 the following day but the three lecturers and two Viz employees followed Fukuda to the Rainbow Room



on the 65th floor of the Rockefeller Center. From this height, you could look out the window and see a breathtaking view of the city of New York sprawled out beneath you.

"This time last year you took us to a jazz club, didn't you Mr. Fukuda? I remember it was raining pretty heavily after the Toy Fair, and we went with Mr. Horibuchi and the others."

Kubo looked down at the bright lights of the city as he continued talking.

"We also talked about how we hope this year will be even better. Well I'd say we made that come true, wouldn't you?"

The three lecturers, still separated from the control tower of the Pokémon business, had completed their three lectures safely. It was now time to prepare for the start of another string of busy days.

The lectures of that day were written about in New York's weekly Japanese language magazine "Yomiuri America" in an issue dated February 11th 2000. The article is titled "The Secrets of Pokémon's Success - We Talk to Three People Who Made It Happen" and it was written by the magazine's deputy editor-in-chief Yoichi Urari based on an interview he conducted with the trio at the Japan Society luncheon.

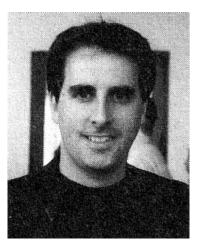




Notes from Masakazu Kubo (Part 6)

Mr. Norman Grossfeld

Born December 15th 1963 in New York. After graduating from New York University he set out to work in video production. In 1992 he was a producer and director at NBC. In 1994 he joined 4Kids Entertainment.



When 4Kids Productions started up he became its president. In 1996, he won the IOC's Golden Rings award for his live coverage of the 1996 Summer

Olympics in Atlanta. Mr. Grossfeld is the general director responsible for supervising the Pokémon animated series, movies, music, stage musical, and everything else.

Succeeding in America

The U.S. is, as it says right there in its name, the United States of America. It's a melting pot of different races and religions. People say if you can make it here, you can make it anywhere. But at the same time, just because something catches on in the U.S. doesn't mean it'll catch on everywhere (especially France). The European market is also said to be quite accepting, and so if you can succeed there, with its variety of countries, then you can transcend borders and succeed anywhere.

There are pros and cons to both markets. If you count its eastern countries, Europe has a population roughly 1.4 times the size of the U.S. (America has 274 million vs. Europe's 376 million). However, spending on toys in Europe is only about 1/3 that of the U.S. And while it's true the continent's recently adapted the Euro, a single currency used in multiple countries, that doesn't mean the European market is a monolith or anything like that. In fact, releasing merchandise in the region means you have to follow a number of rules. 1) Products must be made available in at least five languages (English, French, German, Italian, Spanish). 2) A logistics system needs to be set in place to cover at least 15 countries. 3) You need to have a concrete publicity plan. 4)



You need to account for cultural differences. 5) You need to look at what's trending in each country. 6) You need to review the laws of each country. Etc, etc.

America is a huge country, yes, but operations there generally only require a single language, single set of logistics, singe media landscape, single culture, single set of trends, and single set of laws. For this reason, succeeding in the U.S. is comparatively easy, requires less effort, and yields greater profits. In Europe, meanwhile, it can be said that the shortcut is to take the time and effort to respond slowly and carefully.





About the Authors

Photo by Tsunekazu Ishihara

Masakazu Kubo (Right)

Born July 25th, 1959, from Asahikawa City, Hokkaido. Moved to Tokyo when he was in second grade at junior high school. Graduated from Waseda University's Faculty of Education. Joined Shogakukan Inc. in 1983. After working in the company's materials department and as a member of the editing staff at the magazine *Televi-kun*, Mr. Kubo went on to work on the editing staff of *CoroCoro Comics*. He was also in charge of *Obocchama-kun* and *Mini 4WD* while in the editing department. Currently has multiple responsibilities including working as an executive producer on the *Pokémon* movies, the vice director of Shogakukan's 9th editing division, the section chief of the character planning office, and the general producer of Shogakukan Production's media division, among others. In November 2000 he left the world of editing when he stepped down as editor-in-chief and now focuses on character business. Used to be an avid off-road biker. Member of HOG. Father of two sons and one daughter.

Kenji Hatakeyama (Left)

Born March 22nd, 1954, from Kamogawacho, Okayama Prefecture. Raised in Setouchi's Onomichi City, Hiroshima Prefecture from the time he was a third grader in elementary school. Graduated from the law department of Chuo University. After working in news agencies and publishing he became chair of Hatakeyama Office in 1990. Received the 1994 Kibi Japanese literature award of excellence. He studies foreign advisors hired by the Japanese government to aid in the modernization of Japan during the Meiji period (1868 - 1912) but doing the interviews for this book was the first time had had stepped foot in the world of character business. As an author, Mr. Hatakeyama wrote *Kuwata and Yuming: How They Became Great, The Vessel of the Forest, The Legend of Josiah Conder: The Man Who Built the Rokumeikan, and The Story of the Airpolanes in the Land Where the Sun Doesn't Set. Also translated <i>Desmond Fernandes' Skincare Handbook.* Member of the Kyousai Kawanabe Research Society and the Japan Architecture Society. Father of two sons.