




ADVERTISING







Mobile | Newsletters | RSS | Subscribe | Subscriber services

Welcome | Log in | Log out | Contact/Help

Thursday, July 17, 2014 | TRAFFIC |  79°F

Follow us:  

Winner of Nine Pulitzer Prizes

Search

Search

Advanced Search | Events & Venues | Obituaries

Home | News | Business & Tech | Sports | Entertainment | Food | Living | Homes | Travel | Opinion | Jobs | Autos | Shopping | Weekly Ads

Tuesday, May 25, 1993 - Page updated at 12:00 AM

 E-mail article  Print

`Game Over' -- Author Details People, Practices That Made Nintendo

By O. Casey Corr

In 1980, Nintendo of America was far from owning the hearts and dollars of children. It was teetering on collapse.

Hiroshi Yamauchi, the aloof and intimidating boss of Kyoto-based Nintendo Co. Ltd., had sent his daughter Yoko and son-in-law Minoru Arakawa overseas to start an American division.

Arakawa, the handsome son of a wealthy Kyoto family, had rejected his wife's advice and had given up a promising career to join Yamauchi's company. In America, Arakawa had been doing things somewhat his own way, however, and was about to fail.

"Yoko Arakawa's worst fears were being realized," writes David Sheff in his book, "Game Over: How Nintendo zapped an American industry, captured your dollars, and enslaved your children." (Random House; \$25.)

"She was smack in the middle of the clash she saw coming between her husband and father." Arakawa called Kyoto to inform his father-in-law that a huge order for a game had been a mistake because customers had lost interest in the product.

"Yamauchi snarled," wrote Sheff, "telling Arakawa that he knew he (Arakawa) had overstepped himself with that huge order. What did Mino want him to do? He never would have made that many games if Arakawa hadn't ordered them."

Later, Yamauchi snarled at his daughter.

"On the phone to Yoko, Yamauchi screamed about her husband's ineptitude. He said he felt he had made a serious mistake of the kind he had never made before: judging character."

How could Sheff, an American who speaks no Japanese, learn about a spat within the private Nintendo family? Who's the Deep Throat in his 428 pages of insider tales?

It turns out that just about everybody told tales, Sheff said an interview yesterday. During the two years he worked on "Game Over," Nintendo gave him near-total access, even to Yamauchi, with whom he had more than eight hours of interviews. Yoko Arakawa, who lives with her husband in Bellevue, was a particularly talkative subject. On a visit to Kyoto, she personally gave Sheff a tour of Yamauchi's home, an extraordinary occasion for a Japanese outsider, much less a Yank with a notepad.

Nintendo initially had refused to cooperate. But once convinced that Sheff would do his book anyway, they chose to open doors. Company officials were anxious to tell the remarkable story of how the company transformed itself from a maker of playing cards. Remarkably, they were chatty about the boss as well.

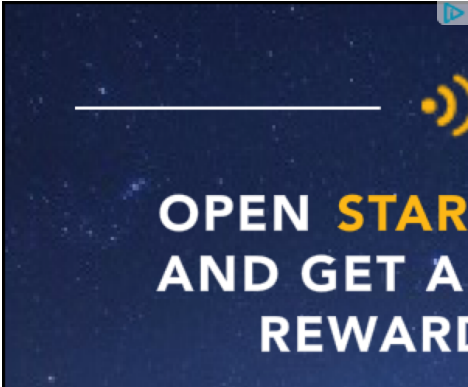
Sheff, a California resident, traveled to Japan three times. He used an interpreter during each interview, but also had a English transcript made of each session so he could get the nuances of what people said. Sometimes, months would pass before he could get back to a person with follow-up questions.

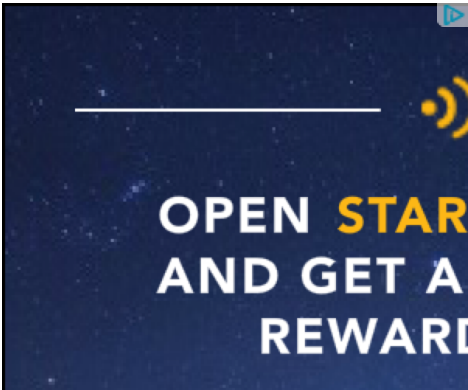
The resulting book is a rare, full-bodied portrait of a Japanese business and of the Yamauchis and Arakawas, who together own the dominant stake in the Seattle Mariners baseball club. While Yamauchi is portrayed as a

SECTION SPONSOR



ADVERTISING





- Most read | Most e-mailed
1. I-90 closures ahead: Eastside drivers might want to just stay home

2. Wildfire near Leavenworth closes stretch of Highway 2

3. Ukraine: Pro-Russia rebels downed Malaysian plane

4. Region's home prices quickly returning to pre-crisis highs

5. Comet-chasing space probe makes surprise discovery

6. Britney Spears without Auto-Tune: Leaked track fascinating

7. Obama plans whirlwind fundraising trip to Seattle

8. Sawant ally takes on powerful Frank Chopp in Seattle race for Statehouse

temperamental bully, Arakawa comes across as a snarled but humane businessman whose only apparent personality defect is an occasional tendency to fall asleep at odd times. Sheff reveals that Arakawa is a blue blood, whose family built a fortune in textiles and owns almost one-fifth of Kyoto

9. [Seahawks' Bobby Wagner says Broncos 'looked scared' in Super Bowl](#)

 [Most viewed images](#) 

Nintendo does not endorse the book but praises Sheff's evenhandedness.

"We feel it's a fair book," says Perrin Kaplan, the company's corporate communications manager.

Not that Kaplan is pleased with everything in the book, some of which is doubtless an embarrassment.

-- Yamauchi's father abandoned his family when the boy was age 5, according to Sheff. The boy was told his father was worthless and deceitful. Years later, Yamauchi spent a full day before deciding to attend his father's funeral.

-- When his ailing grandfather offered to give him the company, Yamauchi agreed to take the job provided that all other family members were ousted from the company. Yamauchi wanted clear authority over the company, Sheff wrote.

-- Among the new lines of business tried by Yamauchi was a "Love Hotel," with rooms rented by the hour. "The business was for Yamauchi a personal passion; it was said that he was one of his own best customers (his infidelities were well known - even by his wife, who ignored them.)," Sheff wrote.

-- Early in their marriage and before Arakawa joined Nintendo, Yoko considered divorcing her husband, who was living abroad in Vancouver, B.C., working on construction projects. According to Sheff, she walked into her husband's boss' office and demanded that he let her live with Arakawa. After an argument, the boss relented.

On the business side, the book details how Nintendo stumbled with early products, dealt ferociously with competitors and established a beachhead in America, with critical help of executives Howard Lincoln, Peter Main and others.

The fact that America presented a huge potential market didn't necessarily mean that Kyoto would shower its subsidiary with money or talent. In the early days, Yoko and Minoru Arakawa put in long hours, at one point personally screwing together game consoles that had been shipped from Japan.

Arakawa at one point struggled to get full support from Yamauchi.

Back in 1980, Nintendo of America briefly was based in New York and a distributor of coin-operated games. Arakawa desperately needed a hit but Yamauchi assigned a mere apprentice to design a game for Nintendo of America. Arakawa fumed. But fortunately, that person happened to be Shigeru Miyamoto, a fan of Disney cartoons who designed what proved to be the company's first huge hit in the U.S., "Donkey Kong."

Miyamoto went on to design the "Mario Bros." games that fueled billion-dollar sales of the company's home-playing machine, the Nintendo Entertainment System, and later, the Super Nintendo Entertainment System.

Nintendo is a staggering success. Roughly one-third of U.S. homes have a Nintendo-game playing machine which, as Sheff shows, are phenomenal cash cows for the company. Nintendo had sales of \$5.75 billion worldwide last year.

The book has plenty of details of questionable practices. Sheff shows how Nintendo used control of the game machine to squeeze anyone who wanted to write software. Nintendo insisted that it control the manufacture and number of game cartridges. Licensees had to pay Nintendo a fee to manufacture the cartridges and assume all risk for any unsold product. Sheff details how Nintendo was quick to pressure retailers who carried unauthorized game cartridges or competing products. Because Nintendo represented a large piece of the sales (almost 20 percent at Toys R Us), no one was anxious to cross it.

Ultimately, however, Sheff says the success of the company comes from its vision and dedication. American companies once had controlled the video-game industry. Nintendo came to America when retailers believed video games were dead; Nintendo had to guarantee sales and did so because of its belief in its product.

Nintendo has made one major mistake, says Sheff. Given the dominance of its 8-bit machine, it delayed releasing a 16-bit machine. (The more bits, the more information such as graphics a machine can handle.) Sega, a rival video game company, released its 16-bit machine more than a year before Nintendo, which insisted the market wasn't ready. Nintendo still represents about 75 percent of the industry but about 55 percent of the 16-bit market, says Sheff. Nintendo will face very tough competition when the industry moves to compact-disc players, which will open a world of more vivid and involving games.

During his national book tour, Sheff has been besieged by calls from parents wanting advice on handling kids hooked on Nintendo.

A parent of a 10-year-old player, Sheff restricts his son to 30 minutes of Nintendo a day. But he's troubled by what he sees as a continuing drift towards more rapid-action, violent games like the popular "Street Fighter II."

The term "enslaved" in his book's title is appropriate, says Sheff. "Kids, left to their own devices will play the games compulsively and nonstop," he says.

Copyright (c) 1993 Seattle Times Company, All Rights Reserved.

ADVERTISING



Get home delivery today!

ADVERTISING

FIND LOVE ONLINE AT



THE SHELTERPETPROJECT.ORG

Ad
code

SITE MAP Home Local Nation/World Business/Tech Sports Entertainment Living Travel Opinion Obituaries Extras Forums

CONTACT/HELP

Site feedback/questions
Frequently asked questions
Home delivery issues
Send us news tips
Send letters to the editor
Submit event listings
Request corrections
Newsroom contacts
Social media
Report malware

CONNECT

Facebook
Twitter
 Google+
Mobile site
Mobile apps
Low-graphic site
Newsletters
RSS
Today's News Index

ADVERTISING

Advertise with us
Digital advertising
Classifieds
Death notices
Job listings
Auto listings
Real Estate listings
Rental listings

COMPANY

About us
Employment
Historical archives
Pulitzer prizes
Seattle Times store
Purchase photos
Newspapers In Education

SUBSCRIBER SERVICES

Subscribe
Manage subscription
Temporary stops
Make a payment
Print Replica



Today's front page (PDF)

The Seattle Times Company Network: [Seattletimes.com](http://seattletimes.com) | [Jobs](#) | [Autos](#) | [Homes](#) | [Classifieds](#) | [Rentals](#) | [Personals](#)

Copyright ©2014 The Seattle Times Company | [Advertise with us](#) | [Privacy statement](#) | [Terms of service](#)