

Interview with Koichiro Natsume, president of Aniplex Inc.

# Sending Out *Anime* Globally As Bearer of Japanese Culture

Interviewer: Yoshihiro KATAOKA



Koichiro Natsume, president, Aniplex Inc.

Japanese animation, or *anime*, has swept the world. Having an impact even on Hollywood, *anime* is fast becoming a synonym for Japanese culture. According to estimates by the Ministry of Economy, Trade and Industry, as much as 60% of *anime* broadcast around the world is believed to be made in Japan. In the face of recession spreading over the entire industrial sector, the *anime* business is still expected to continue growing. What kind of potential does *anime* have? What is the key to producing blockbusters? Koichiro Natsume, president of Aniplex Inc., a rapidly growing *anime* production company, discussed those topics in an interview with *JAPAN SPOTLIGHT*.



## Anime DVDs as Character Goods

**Anime is produced one after another, which makes me feel that the industry is doing well even in recession. Please give me a rundown of the present state of affairs, including the description of Aniplex's business.**

**Natsume:** As one of group companies of Sony Music Entertainment (Japan) Inc., Aniplex has been involved in production of TV *anime* series as our main category. I would like to explain more about production of *anime* as follows; we create plans for an *anime* title, find investors, appoint talented directors, scenario writers and voice casts, negotiate with TV stations for broadcasting, and sell video packages such as DVDs and Blu-ray discs. Annually, we produce around 20 titles of TV series and two or three theatrical animations which are not limited to some particular genre, and most of them for late-teen or elder boys and girls who are our main target.

The current *anime* industry delivers around 50 titles of TV animation series per week. (This figure seems to be a lot) but this

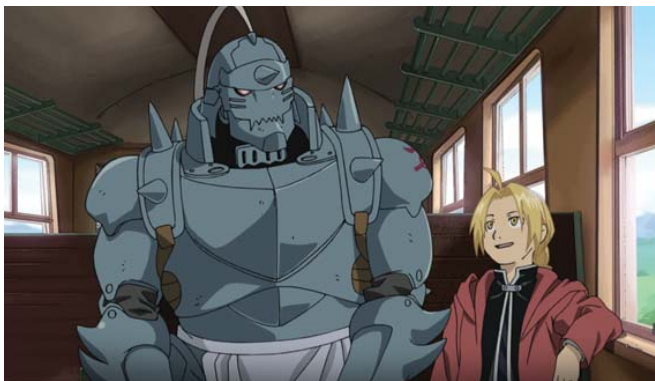
is approximately 50% of the highest season a few years ago. This is because we have been facing the prolonged recession as well as a structural factor such as the decreasing birthrate. In addition to them, the market for overall video packages in Japan has been shrinking since a few years ago, which is the main source of profit to the *anime* industry. According to our information, the sharp fall occurs in the category of foreign movies and foreign animation. Compared with this fact, the Japanese *anime* (titles not for children) still holds a 25% share in the entire video market, and video rental business of *anime* still maintains the same figure as in 2008 while sales of *anime* video packages fell about 10%. I would be able to say one of the main reasons is that *anime* video packages are considered character merchandise. I mean that *anime* video packages create special demand for collections among *anime* fans as *anime* is a unique category which, unlike movies, enables fans to devote themselves to main or supporting characters in *anime* after watching them at the theater or on TV. In this sense, *anime* video packages are the merchandise which can ensure stable sales.

## Anime Fans Support Blu-ray Disc Sales

**The *anime* industry has cashed in on the development of new media such as VCRs and DVDs, diversifying its sources of income. The music industry has suffered from the Internet, iTunes and online music distribution on mobile phones, with the sales of CDs and other packaged music plummeting. What kind of impact does the digital revolution have on the *anime* industry?**

**Natsume:** This is the main different point from music on mobile devices, and most of mobile devices such as a mobile phone having a smaller screen would not be suitable to watch videos. Meanwhile, PC users have experience in watching video without paying any money. We estimate that *anime* distribution through the Internet will definitely increase in the future, but it may take

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"Fullmetal Alchemist"

more time due to the current small revenue from the Internet.

On the other hand, digital broadcasting and low-priced hard disk recorders having large storage capacity enable personal recordings of TV *anime* in higher quality than on DVDs. Therefore, we feel it necessary to encourage the use of Blu-ray discs which are currently the highest-quality media. The current Blu-ray market is around 10% of the entire video package market and *anime* enjoys a share of more than 50% in the Blu-ray category. This figure is very encouraging to us and shows us that it is *anime* fans who tend to buy more Blu-ray discs.

Growing illegal distribution on the Internet has caused serious problems in the market outside Japan. TV *anime* programs which are recorded and encoded to data files are immediately transferred globally after telecasting in Japan without any time lag and any permission. As a result, people can watch *anime* programs illegally before official release on TV or Internet distribution.

## Creators' Insight, Business Sense Required

**Aniplex has been producing a string of international hits of TV *anime* serials, such as the leading work "Rurouni Kenshin" and, more recently "Fullmetal Alchemist." The theatrical version of "TEKKONKINKREET" won international acclaim while "The Garden of Sinners" released in 2007 rewrote a box-office record for independent-theater screening. What is the key to producing hit works?**

**Natsume:** After all, it is a human factor. I mean a human factor is the ability of a producer. The key to success really depends on the producer's belief, intuition and luck. Of course, a producer is required to have the sense of marketing. Furthermore, a producer is also required to have the power of insight; for example, a producer should always have good eyes to find which genre of *anime* will become more attractive, which factor is new in the market, which *manga* (comics) will become the original of *anime*, which director is the best to bring life to *anime*.

To tell the truth, we had a hard time when we were not able to produce hit titles in the past. So, I decided to carry out restructuring at the beginning stage of the production process. At first, I transferred authority to young producers in their 20s or 30s and set up an environment where producers can freely create new and fresh plans. Secondly, we introduced a meeting where accurate profit and loss simulations are carried out and marketing plans are carefully studied. I believe that these changes have increased the accuracy of producing hit titles.

Most of our top producers are in their late 30s and seem to be still young. However, *anime* production always requires a young and fresh sense. Otherwise, we will not be able to catch up with the up-to-date market trend and demand. Therefore, *anime* producers are always required to have free imagination and a serious sense of business.

## Anime Has Impact on Music, Stage, etc.

**While the quality of 2D or hand-drawn *anime* is pursued in earnest in Japan, "Shrek" and other 3D *anime* made fully by CG have become smash hits in the United States. Please tell me what you think about the potentiality of Japanese *anime* as well as your plans for the future.**



"Welcome to the Space Show"

**Natsume:** One of the advantages of Japanese *anime* is wide and various storytelling characteristics. Compared with foreign animation, Japanese *anime* has various and complex storylines and deeply portrayed characters. Such richness of *anime* is an asset inherited from the culture of Japanese *manga*. While, in Western countries, animation is still positioned as something only for toddlers or preschoolers, Japanese *anime* has continued to deliver high-quality titles for late-teen and young adults, and has been making a global success.

Regardless of the method such as 2D or 3D, whether animation becomes interesting or not depends on the richness of storylines, and the various individuality of characters. Therefore, 2D and 3D animations could coexist. Furthermore, the coexistence of foreign movies, Japanese movies, foreign animation and Japanese *anime* shows the richness of culture.

*Anime* has a potential to give influence to other forms of entertainment. For example, music CDs by an *anime* voice artist saw 100,000 copies sold and an *anime*-originated musical is on a nationwide tour. In fact, we received an offer for a European tour by a musician who sings a theme song of *anime*.

Japanese movies can hardly become global. The main reason is that it is very hard for overseas audiences to feel empathy for Japanese actors or actresses. But *anime* characters are borderless and anyone is able to feel empathy for them.

Aniplex will continue to introduce Japanese *anime* together with *manga* abroad as a bearer of Japanese culture. Currently, we plan to release original theatrical animation "Welcome to the Space Show" next summer, for which we spent three years and some \$4 million. Our production team is high-spirited to show this *anime* at foreign movie festivals and finally expect to win an Academy Award. Using this kind of opportunity, I would like to send the message to the world that the next generation has grown up to produce more interesting *anime* in Japan. **JS**

*Yoshihiro Kataoka is a freelance writer. He was a reporter and then editor, Cultural News Section, Kyodo News, before resigning in 2007.*