

## “ASIANIZING” ANIMATION IN ASIA: DIGITAL CONTENT IDENTITY CONSTRUCTION WITHIN THE ANIMATION LANDSCAPES OF JAPAN AND THAILAND

Rudyard Contreras Pesimo

### ANIMATION IN ASIA

#### Origin and Major Influences

Deconstructing Asian animation in order to peel off layers of occidental influences to eventually locate its oriental core can prove to be a daunting task. Adding to the burden is the extremely limited amount of literature on Asian animation as several books and publications focus primarily on Japanese *Anime*. However, in an attempt to determine how and under what circumstances animation came to Asia, Lent (2000) encapsulated the original influences of Asian animation through the following vignettes:

In 1923, the four Wan brothers, credited with starting animation in China, sat in a Shanghai theatre enraptured by three American cartoons shown that day. Forsaking any luxuries and most necessities, the Wans for the next three or four years devoted nearly all their time and money to learn animation, strictly by experimentation and imitation. Their first work, and China's first animation, *Uproar In An Art Studio* (1926) was much influenced by the American style, using the concept of the *Out Of The Inkwell* series by the Fleischer brothers. In the Wans' version, a painted figure on an artist's canvas comes to life and commences to play with the brushes and paints when the painter leaves the room. Admitted admirer of the cartoons of Dave and Max Fleischer, as well as the characters Mickey Mouse and Felix the Cat, the Wans also were influenced by Chinese shadow puppet theatre and Beijing Opera, the latter subsequently inspiring Wan Laiming's *Havoc In Heaven* (1961).<sup>1</sup>

On what influenced one of Japan's foremost animator, Lent further stated,

One of Wan Laiming's films and China's first full-length cartoon, *Princess With The Iron Fan* (1941), motivated Tezuka Osamu, Japan's premier animator, to seek a career in animation. Tezuka was only sixteen when he saw the film. Other powerful influences on Tezuka came from the west. Calling Walt Disney an idol, Tezuka said he had seen Donald Duck and Mickey Mouse cartoons many times

as a child, and, after World War II, had traveled from his Osaka home to Tokyo to see *Bambi* no less than one hundred times. When controversy brewed in the early 1990s about the similarities between Disney's *The Lion King* and Tezuka's three-decades-earlier *Jungle Emperor*, some critics remembered that *Jungle Emperor* itself drew heavily on Disney animation and cartooning style.<sup>2</sup>

This amaranthine interplay between foreign and indigenous animation is evident across the region and has affected much of its premier animators. Aside from the Wan brothers and Tezuka, other legendary artists ensorcelled by Disney, as a result of their exposure to his early works, were James Wang of Taiwan with *Bambi*, which he saw in China in 1946; Payut Ngaokrachang of Thailand with *Snow White*, and other works like *Felix the Cat*; and A Da of China with *Snow White and the Seven Dwarves*. These Asian pioneers: Wang of Taiwan, Khun Payut of Thailand, Tezuka of Japan, and Shin Dong Hun of Korea, even proudly accepted the title given to them by journalists and cartoon fanatics as “The Disney” of their respective countries.

#### Dominance of Western Animation: Channels and Excursions of Control

Since the 1960s, much of Asia's animation production has been tied to foreign interests attracted by stable and inexpensive labor supplies. For nearly forty years, Hollywood studios have established and maintained production facilities, first in Japan, then in South Korea and Taiwan, and now also in the Philippines, Malaysia, Singapore, Vietnam, Thailand, India, Indonesia, and China. The economics of the industry made it feasible for Asia to feed the cartoon world, to the extent that today, about 90% of all “American” television animation is produced in Asia. The usual procedure is for pre-production, that is, preparing the script, storyboard and exposure sheets, to be done in the United States or other headquarter countries, after which, the package is sent to Asia for production, which entails drawing cels, coloring by hand, inking, painting, and camera work. The work is sent back to the U.S. or other headquarter-countries for post-production, consisting of film editing, color timing, and sound.

Asian animation companies bid fiercely for a part of the global business pie, insisting that it provides employment and skills for young people, brings in needed foreign capital, and adds to the creation or enhancement of domestic animation. Offshore animation leads to the creation and nurturing of a local industry, as an infrastructure is built up, equipment is put into place, and skills are transferred. By the latter decades of the century, Asia was certainly in need of a larger supply of domestic animation as television and cable channels proliferated, demanding much larger supplies of programming. However, not much domestic animation resulted from the presence of foreign-based studios. In most countries, animators can point to only one or two features or television series that have local angles.

Reeling from financial woes of the late 1990s and a decline in U.S. television production, Asian service studios entered into co-production agreements with American, Canadian, Australian, and European partners. Benefits accruing to the Asian studios include moving from strictly work-for-hire to a more creative role in animation, enlarging capital investment pools, being involved in larger, more prestigious projects, and gaining a wider distribution abroad. Also, because sales of animation in Asia were almost impossible because of widespread piracy, Asian studios sought co-production deals in which they would share in profits from North America and Europe. The most formidable partnership—that of Walt Disney International (WDI) and Japan’s Tokuma Shoten Publishing Co. to distribute the latter’s films worldwide through Buena Vista Home Entertainment—did not involve a service studio, but rather Studio Ghibli Co., a Tokuma subsidiary famous for the work of its resident animator Hayao Miyazaki. The pact gave WDI global video rights to market eight animated features already produced by Miyazaki, as well as theatre release worldwide of his *Princess Mononoke*. Perhaps more importantly, it provided WDI entry into *Anime*, which one Disney official said, they hoped to “legitimize” and bring into the mainstream. WDI already controlled 65% of the Japanese market for children’s videos. Critical of Disney films, Miyazaki was not thrilled by the deal. Previously, he would not grant rights for outside distribution of his *Anime* to foreign companies for fear they would alter his work. He reversed his policy to help Tokuma, which, he said, had always been good to him and now needed the money to be gained from the partnership.

Besides the Disney-Tokuma Shoten cooperative effort, others in Japan were formed between MadHouse Studios and Korea’s Samsung Entertainment to produce *Alexander*, Nippon Animation and Mitsui and U.S.’s

LA Animation to work on *The Monkey King*, Tezuka Productions and RAI of Italy, Nippon Animation and Doro TV, also of Italy, and Nippon Ramayana Films and Ram Mohan of India. The latter partnership resulted in production of the epic *Ramayana* and *Swan Princess III*. Because of fears by the Indian government that the story might be trivialized and lead to religious turmoil among Indians, *Ramayana* took ten years to reach the screen. Ram Mohan and his team provided visual reference and key drawings, from which the Japanese worked to create an interesting fusion of *Manga* style and Indian design.

All these occurrences are heightened by the fact that animation dominated by foreign programs tops all children’s television in Asia. Much of the foreign animation arrived with the multinational television broadcasters Star TV, TNT, BBC, Disney, Cartoon Network and Nickelodeon. The foreign media conglomerates compete furiously for the cartoon market of Asia, launching customized cablecasts as Disney Channel did in the Philippines in 1998, dubbing into local languages as TNT & Cartoon Network did in India the following year, and using all types of strategies to make them welcomed.

Admittedly, Asian animation industry depends heavily on content from abroad, specially the West, to meet the domestic market needs unmindful of the fact that there are stories and characters from history and mythology that are tangible launch pads for a successful and commercially-viable animated treat. To this end, there is a definite need for a change in the mindset among local artists and producers, which shall require a proactive approach from the government. Animation is no doubt a costly affair but the government should realize that the medium has the potential of becoming a major source of revenue generation for the country. Government support holds the key, as the Ministry of Information and Communications Technology in Thailand have realized recently when it shouldered a substantial percentage of the total production cost in mounting Thailand’s first full-length 3D animation, Kantana Animation Co.’s *Khan Kluay*. While the focus on local content and integration of indigenous techniques gave these countries adequate tools to create the best breed animation, it also bolstered the confidence of the companies willing to outsource work; government support is indeed a big factor for the industry players of countries like Thailand to emerge as strong animation players. While automation through IT happened at a much later stage, these countries like China, Korea, India and the Philippines, not only mastered the art of animation as per the Western world standards, they also managed to integrate it with the locally available skill set by that

time the concept of outsourcing really started picking up.

### **Animating the Business of Animation**

Nasscom's study on the animation sector divides the global animation services market into two segments - one, services targeted at the entertainment industry and two, those catering to the non-entertainment sector like industrial and commercial applications. According to the study, the total size of the global animation market for the year 2000 was in the range of US\$16-31.5 billion. And while the statistics for 2001 is estimated to be in the range of US\$25-38 billion, analysts estimate that the global animation production jumped to about US\$45 billion in 2002. The number is expected to jump to anywhere between US\$50 billion to US\$70 billion. Within the animation production services market, the segment likely to create the most demand is the entertainment industry.

According to another study by Pixel Inc, global entertainment will account for around US\$37 billion of the overall animation production services demand in 2003, up from an estimated \$32.4 billion in 2002. On the non-entertainment side, estimates by Pixel Inc suggest demand for production services to touch US\$14.7 billion mark. The global film and TV program production, on the other hand, is expected to generate a demand for US\$17.5 million worth of animation production work, up from US\$15 million in 2002.

In economic terms, animation also found its niche in parts of Asia. The enticement of foreign studios and their offshore and co-production schemes brought in foreign money, especially capitalized on by the Korean government when it found out that animation represented most of the country's cultural products exports. In the same vein, the Singapore government recognized the economic advantages of attracting computer animation firms to that techno culture, and in the 1990s, helped set up animation training programs in three polytechnic institutes.

Animation production studios typically use three business models—animation production services, co-production and creating own intellectual property. Under the **Animation Production Services Model**, which is also referred to as the work-for-hire model, overseas companies or studios assign animation production work on contract to an animation production studio. While the overseas company usually retains the control over quality by doing the pre-production and post-production work themselves, the grunt work of production

is out-sourced from the country's animation studios. In 1999, the feature films/TV program production segment accounted for more than a third of the total global computer animation production services market. The share of this sub segment has been going up in the past few years. During the 2000-2005 period, Nasscom estimates that the film and TV program production segment will account for over 30% of the total global computer animation production services market.

In the **Co-Production Model**, two or more companies come together to develop an intellectual property. Typically, in this model, each company partner company may have a distinct area of capability—pre-production, production or distribution. Each may thus own a share of the intellectual property relevant to its area of specialization. Countries such as Canada have a system of entering into co-production treaties with other countries.

Finally, under the **Ownership of Intellectual Property System**, the intellectual property is completely owned by the unit, which also bears the complete financial risk of the owned property. Animation companies in India are viewing development of intellectual property as an important component of their long-term plan in the animation business as there is high revenue potential and return on investment in original property development. Also, there are low barriers, in terms of language, culture or age of audience in this form of content. A number of Indian animation players have developed and produced fully owned properties.

### **Critics and Critiques of Animation: A Never-ending Tale of Misconstruction**

Foreign animation continues to spark controversy and condemnation in Asia. For years, Chinese authorities have on and off banned western favorites to make room for local cartoon characters, and have released feature productions to eclipse western cartoons not in tune with China policy. *Red River Valley* was released to offset Disney's *Kundun*, which sang the praise of the Dalai Lama, and have cancelled or postponed the showing of American animation as a reaction to the U.S.-China trade wars.

The main objections to the importation of American and Japanese animation have to do with their presentation of values, which are anathema to Asian cultures, or the depiction of violent or sexually explicit content. Authorities in Korea, Taiwan, the Philippines, Thailand, Singapore, and Malaysia have made such complaints, in some cases, such as that of Malaysia, leading to the development of more culturally appropriate local animation.

Filipino parents, newspaper columnists, and religious and educational figures complained about Japanese robot *Anime* as early as 1979 when the genre was introduced to the Philippines. Reacting to the parents' objections, then President Ferdinand Marcos ordered the Board of Censors that the showing of all robot programs be proscribed immediately. At the time, the Japanese show, *Voltes V*, was rated number one of all television programming with a 40% viewership rating. More recently, the head of the movie review agency met with television executives to demand that violent scenes be removed from cartoon shows.

In 1994, Singapore Broadcasting Corporation permitted Japanese *Anime* with some sex and violence to be shown after midnight, which made little sense as the broadcasters see animation as being children's fare, and the censoring board extended the hours per week that could be filled with *Anime* from two to four in the early 1990s, and from twelve to fifteen in 2000. But none is shown in primetime. The television station chooses the *Anime* by its popularity and clean content, often looking at past records of particular cartoons in other nations. *Anime* was banned in Korea and Taiwan for decades because of the fear of Japanese cultural imperialism, understandable, as both countries had been occupied by Japan. However, in neither country was the inflow of *Anime* abated as piracy ran rampant. Commissions were set up in Korea and Taiwan to censor and ban *Anime*, staying in existence until the 1990s. In Korea, the maintaining of a censoring body for Japanese cultural products had no logical base whatsoever, since such products were not allowed to be there in the first place.

Calls for the banning of Disney's *Aladdin* as a racist film in 1993 did not advance very far in Muslim Southeast Asia, partly because of lack of attention by the mass media. In Malaysia, very little publicity was given to the charges, according to one study, because Malays are Muslims, but not Arabs; the public perceives animation as just cartoons not to be taken seriously, and the distributor of *Aladdin* had taken steps to offset negative publicity. The reaction was low key in Indonesia, because the country must protect a highly developed film industry, which has had past troubles with Hollywood. Since 1989, Indonesia has been on a U.S. watch list for copyright infringements relative to films and videos; at another time, Hollywood had threatened to completely take over film distribution and exhibition in the country. Concluding their 1995 study, White and Winn said that though Islam is a powerful force in the region, so are money and the love of Disney. They pointed out that fundamentalists calling for a ban of

*Aladdin* sought publicity in newspapers highly dependent on advertising, much of it from movie theatres. The end results: Muslims were torn between their religion and Arab solidarity and their love of movies and Disney animation; governments between public groups offended by *Aladdin* and the demands of the mainstream. Ultimately, Disney won.

### The Construction of Digital Content Identity in Asian Societies

Aesthetically staged and rendered in an organic and pseudo-structural visualization by artists fueled with the desire to create original content, the socio-cultural milieu of animation and its inherent affordances for interaction allow, in most instances, audiences of varied interests and divergent status to aggregate and pullulate. Such appropriation of animated films succeeds by reflecting diverse characters and relationships, social norms and purpose, cultural presence and patterns, even economic affairs and political advocacy.

Through animated images, artists and audiences alike see what they reveal about themselves; they can make adjustments and influence a facet of their self-identity, their community's identity, and their society's collective identity as formed through an aggregation and abstraction of particular elements present in their various animation experiences. Thus, animated imagery and its unique visual staging and rendition play an influential role, as popular culture, in the emergence of facets of community identity.

The early venture to represent digital identity was rather minimalist and opted to embed social information in a content-centric view. In succeeding years, with increased interests in CG worlds, more dynamic images became popular not only as visual caricatures but also as caricatures of particular personal traits. (Kurlander et al., 1996) More recently, Donath (2002) and others began advocating the use of simple graphics and legible visualizations to represent people, activities and aspects of social context in small and large-scale environments. Some of the recent animated productions attempt to provide portraits that are similar to what was described as a facet of identity.

Animated visualizations to be acceptable to audiences need to be accessible and visually engaging for them to identify with or connect to. Thus, animators employ visual design elements and techniques, which create evocative imagery of the physical, emotional and socio-cultural realities. The social milieu is made visible to audiences for exploration. Participants with a shared

sense of “we-ness” are able to explore their visual experiences to see how they are seen by “others”, and how their actions and contributions influence the character of the community portrait as projected on screen. This unique reciprocity permits the audience to react to the animated product, participate in the visual process, and in the end, influence the artists to make adjustments to what they reveal about themselves; thus, they contribute to the formation of their community identity.

Throughout its rich history, animation has been used both as a medium and message in various Asian societies. Asian animation was molded by utilizing the use of indigenous artistic styles and techniques, such as paper fold, paper-cut, ink and wash, shadow theatre, and localized plots based on literary, religious, or folkloric stories. Symbiotic relationship exists between animation and other mass media in Asia: in Japan, *Anime*, *Manga* and *video games* complement each other; Japanese Animes eventually evolve into live action films and television drama serials; Thai animated TV series *Pang Pond* is translated into comics and developed into a full-length format; Hong Kong musicians write and sing Cantonese versions of *Anime* theme songs; and other Asian artists, such as Lat of Malaysia, Nonoy Marcelo of the Philippines, Dwi Koendoro of Indonesia, or Pran of India adapt their print cartoon characters to the screen.

Politically, filmed cartoons have served governmental and bureaucratic goals, particularly in China, Vietnam, and the Philippines; most Chinese animation stressed morals, such as wholehearted service to the people (*The Panda's Shop*); and promoted campaigns; or exposed enemies of the state, such as the Gang of Four in *One Night In An Art Gallery* (1978). In the 1960s and early 1970s, Vietnamese cartoons carried wartime themes, such as those of *The Kitty* (1966), which depicted a kitten who successfully organizes against an army of invading rats, or *The Talking Blackbird* (1972), the story of a Vietnamese boy and his blackbird companion who together defeat the Americans. Ironically, it was the Marcos dictatorship that advanced animation in the Philippines, the type deemed useful to the administration, such as propagandizing for the presidency and its favorite projects.

## THE THAI ANIMATION INDUSTRY

### Overview

Thailand is entering the global digital content marketplace—notably in the animation and computer game market segments—at a time when competitive forces are driving major companies to engage new pools

of affordable talent for animation, games development, digital video production, post-production, website design, special effects, and e-learning services. Thailand offers stability, incentives, and strong creative talent to meet these needs. These assets make it possible for the country to achieve near-term results in boosting exports and employment in digital content creation and related services, and to position the country in coming years as a leading creative hub in the Asian market.

Thailand, however, remains in early stages of animation and computer game industry development relative to its regional competitors. Overall, its software and digital content exports in 2002 stood at approximately US\$46.5 million, with digital content comprising 19% or roughly US\$8.79 million. An estimated 1,000 animators and computer game development workers at present are employed, a majority of whom are producing for the regional and global market. During the past year, however, Thailand's industry has grown substantially. Much of the growth has been driven by the rapid expansion in demand for digital special effects driven by the Thai film and television industry, which are beginning to win global recognition for the quality of their output. Several overseas film productions are shot in Thailand during the year and several noted directors work with the industry. Thailand's Digital Content cluster has joined SIGGRAPH in an effort to create linkages with other firms and professionals in the multimedia industry.

Thailand's opportunity to make a success is benefiting from a convergence of both market and technology trends. On the demand side, popular response to “Finding Nemo”, “Lord of the Rings” and other movies relying on computer graphics is driving studios to expand output while keeping costs down. Technology advances in the production of computer animation and gaming are also driving the rapid growth and globalization of digital content firms. Notable developments in these areas include the following:

- **Lower costs in software and hardware**, which reduce key cost barriers for expanded output of quality animation and graphics. The price-performance of advanced authoring systems for digital content have fallen by factors of 20 or more over the past 10 years, and further progress will create a “level field” in which small creative teams operating on limited budgets will be able to produce animated content comparable in quality to large studios and production houses.
- **Plunging costs of international telecommunications**, which enable individuals and firms specializing in

digital content creation to find clients and partners and interact with them more efficiently. Plunging costs of international and community-level telecommunications can bring pervasive telecommunications links to both urban and rural areas. High quality Voice Over Internet Protocol (VOIP) links are enabling to drive international telecommunications costs to a few U.S. cents per minute. Exceptionally affordable Internet links are also becoming available via VSAT satellite dishes comparable in size and cost to TV broadcast receivers. The emergence of Wifi (802.x) systems means that this international bandwidth can be affordably shared at neighborhood levels.

- **Online workflow systems.** Another driver of new offshore opportunities consists of innovations in management of projects and coordination of onshore/offshore teams. New workflow systems from companies such as Digital Production Solutions (DPS) have emerged to manage animation project teams across time zones and national boundaries. A spectrum of web-enabled tools for online meetings, project scheduling, task assignment and tracking are making it possible for small groups of individuals and specialists to cooperate effectively.
- **“Anytime, Anywhere” Learning and Certification.** New e-learning systems have emerged to rapidly create and share online learning resources. Wherever bandwidth permits, short courses, workshops, seminars, and degree programs can be readily delivered - enabling students and practitioners to stay current as market conditions, skills, and technologies change. These online training resources help level the global playing field for countries seeking to rapidly develop skills to compete in global digital content creation and other ICT markets, by enabling technical, management, and language skills to permeate throughout developing countries at unprecedented speeds and at far lower cost than before.
- **Online Markets for Small and Medium-Size Entrepreneurs.** Electronic marketplaces that offer immediate job opportunities to firms of all sizes, ranging from micro entrepreneurs to mid-range animation and gaming enterprises. A further impetus for rapid growth of digital content (and other ICT industries) is through improvement of business climates made possible by E-Government systems which offer the prospect of introducing unprecedented transparency, efficiency, and

accountability in public sector operations as they relate to SMEs and other companies seeking to compete in global markets.

### Digital Content Cluster

In 2004, the Thailand Competitiveness Initiative (TCI) and the Software Industry Promotion Agency (SIPA) of the Ministry of Information Technology and Communication (MICT) launched a Benchmarking Study for the Thai Animation Industry as compared to other relevant countries in the region. The mandate of this massive undertaking, which was supported by the U.S. Agency for International Development (USAID) and conducted by J.E. Austin and Associates with key industry stakeholders such as ThomasIdea, Imagimax, Imagine Design, Cyberplanet, Jowit, Beboyd, SIPA, Silpakorn University, was to identify opportunities and strategies to assure Thai firms a more favorable business climate relative to nearby competitors, while assessing the perceived strengths and weaknesses of the Thai animation industry. As a result of this study, Thailand’s Digital Content Cluster has been formed to accelerate the growth of the country’s animation and computer game industries in order to compete in the global marketplace. The cluster has outlined key strategies and action items and developed supporting agenda in the areas of inter-firm cooperation and cluster linkages, skills development, marketing, business development, and business climate enhancement.

### Strengths and Opportunities, Weaknesses and Threats

Thailand stands out as a potential Asian leader in Digital Content industries. Its strengths include the existence of a creative and skilled talent pool with a rich tradition in the arts, and the emergence of local firms with world-class capabilities with thriving advertising and film industries. There is low geopolitical risk, and enjoys proximity to world’s next giant consumer markets such as China and India. Labor price is lower compared to several traditional high cost multimedia-exporting nations, notably Korea and Japan. Most importantly, there is a strong government support in promoting skills formation in animation and digital content industries. Such strong national government commitment to cluster success is reflected in the success of Thailand Animation Multimedia (TAM) 2004 and the establishment of the Software Industry Promotion Agency (SIPA).

However, in comparison with key competitors, Thailand lags behind in the following respects:

- Low visibility in target markets relative to current animation and computer game leaders (Korea, Japan, Taiwan, The Philippines),
- Higher labor costs than large emerging competitors (China and India),
- Relatively high cost international telecommunications links,
- Dearth of skilled professionals with international project experience both in terms of value-add skill sets and project management in focus markets,
- Limited public awareness of world-class animation standards and uneven industry awareness of production best practices,
- Lack of scalable production systems, largely because of shortages of skilled workforces and established workflow systems,
- Lack of entrepreneurial preparation,
- Inadequate investor funding for media ventures and start-ups,
- Relatively unengaged diasporas,
- Difficulties in obtaining visas,
- High taxes and bureaucracy encountered by export-oriented firms,
- Limited international marketing and promotion—overall lack of brand awareness to differentiate Thai digital content market,
- Nascent international marketing, promotion, and sponsorship of presence in leading animation and computer game industry events, and
- Weak intellectual property safeguards for digital content creators.

Although it is a relative latecomer into the global animation and computer gaming marketplace, Thailand can capitalize on technology and market advances to secure opportunities in rapidly expanding markets and arenas. Principal opportunities for near-term growth are coming, such as the emergence of nearby mass Asian consumer demand for entertainment and education, fuelled by rising living standards and the advent of affordable bandwidth. Increasingly accessible are 3D computer modeling, animation and “virtual studio” tools, enabling small as well as large creative teams to rival large studios in quality of output. New computer gaming market opportunities including wireless, game-movie tie-ins, customization, and Asian online massive multiplayer games are rising; “edutainment” and related e-learning content development and globalization are also gaining ground. Finally, potential production partnerships is being explored with Indian and Chinese entertainment and studios, as well as established North American, Japanese and European leaders, to develop and adapt content for regional global markets. Yet, several primary threats are also on the horizon. Among

them are:

- **A growing concentration of the top-tier global media and digital content creation companies** through mergers and acquisitions, reducing options for Thai Digital Content SMEs to direct establish contracting and other relationships,
- **Increasingly fierce price competition as Indian and Chinese firms gear up** to bring their huge talent pools into animation and computer game markets,
- **Aggressive partnering by smaller rivals such as Singapore** to stake out leadership positions as “learning hubs” through partnerships with top universities and technical institutes in creation of e-learning content,
- **Risks of “subsidy and protection wars”** as government agencies in rival countries move to promote their local industries and markets through grants, subsidies and loans, and local content requirements,
- **Concerns over the quality of trainees from Thai government-backed initiatives** in meeting industry needs for animation/graphic artists,
- **Potential lags in acquiring leading-edge technical skills** suited to the rapidly changing markets (due constraints in universities and other education and training providers), and
- **Dependency of Digital Content initiatives on government subsidy**, making them less sensitive to market needs and vulnerable over time to changes in political priorities.

### Industry Priorities

The benchmarking analysis confirms key areas for near-term action in line with the Digital Content Cluster’s draft strategy (KIAAsia, February 16, 2004 draft). Specifically, the following measures under active consideration by the Cluster and SIPA appear well suited as near-term priorities:

- **Animation Exchange**—gives practical projects experience to Thai animation and gaming students and freelancers, and enables digital content firms to qualify and engage proven talent throughout the country,
- **Global linkage-building for Centers of Excellence**—builds global advisory networks for key research, standard-setting, e-learning content creation, and demonstration projects benefiting Thai Digital Content industry, universities, and training providers,
- **Virtual Incubator**—offers a CDROM for students

- containing advice and insights on freelance opportunities from successful Thai Digital Content entrepreneurs,
- **Public relations campaigns** – advertising to expand public and visitor awareness and appreciation for Thai animation and computer game achievements,
  - **Microscholarship Fund for broad based “anytime, anywhere” learning**—with funding from donors, government, and/or the private sector, this can help Thailand accelerate the spread of marketable skills and build grassroots purchasing power for e-learning resources and certifications,
  - **Toolkits for revenue-generating partnerships in content creation**—CDROMs with how-to information can assist universities and telecenters in proceeding with content creation initiatives,
  - **New tax and regulatory relief measures**—provide incentives equaling or surpassing those offered by other countries for Digital Content firms,
  - **E-Government projects for an efficient and transparent operating environment**—remove bottlenecks in obtaining visas, registrations, and incentives needed by Digital Content companies, and
  - **Active international marketing and promotion campaigns**, including stepped up initiatives in: developing closer ties with Thailand’s film industry, deepening synergies between Thai Software industries and Digital Content firms, expanding outreach efforts to Thailand’s “digital diaspora”, promoting Thailand internationally as a tourism destination for working vacations by Digital Content entrepreneurs; and approaching diversification-oriented Indian multimedia and entertainment firms.

These initiatives, coupled with stepped-up Government action to assure respect for intellectual property, will help Thailand to become recognized as a leader in emerging global Digital Content markets in ways that lead to large-scale job creation and export earnings.

### **Thai Animation and the Legacy of Khun Payut Ngaokrachang**

Animated movies afford the public the opportunity to admire fully the joys and diversity of this magical art form; it can transport the viewer to a myriad of fantastic worlds and has the ability to open windows to different arrays of mindsets, cultures, time periods and ways of life. However, it is the perfidious hegemonic hold of colonialism that hinders Asian animation artists, directors and producers from fully maximizing their potentials to evolve as digital purveyors of their culture.

However, even if Thailand has never been under colonial

grip, its indigenous ways of producing truly Thai animated products is constantly under threat from foreign elements, both Western and Asian, specifically Japanese, exacerbated by abrasive clashes among political and cultural power holders, including their critics, to work and determine the norms and standards of excellent animated filmmaking. With a relatively young animation industry, as compared to its neighbors, the fast-growing animation powerhouse in India and the animation veteran Philippine animation industry, Thailand’s aggressive backing from its government is slowly but surely consolidating its effort to launch itself as another animation center in the region. In the first part of 2005 alone, there were three animation festivals and conferences, Thailand Animation and Multimedia (TAM 2005), Thailand Animation Film Festival (TAFF 2005) and Bangkok International Film Festival (BIFF 2005)—Animation Workshop, which were held one after the other, in the capital city of Bangkok directed towards both the local market as well as international audiences. Kantana Animation Company’s *Zon* and the soon-to-be released *KhanKluay*, and Vithita Animation Company’s *Pang Pond* were some of the original and locally produced animated movies that the country’s animation industry could offer. And most of the animation artists trace the success of their industry to the trailblazing effort of Khun Payut Ngaokrachang.

Khun Payut grew up in the remote Prachuap Khiri Khan province in the Kingdom of Thailand, with a special interest on cartoons and the comic characters of *Nan talung* Thai shadow puppet theater, such as *I-Kaew*, *I-Pluei* and *I-Tang*. Rooted to his growing fascination with vibrant visuals coupled with his insatiable infatuation towards imagery, young Payut’s fondness of cartoons extended to Pat Sullivan’s *Felix the Cat*, which he first saw in his hometown Klong Warl village.

His peregrination leading to the emancipation of his first animated feature began after meeting Sanae Klaikluen, a famous Thai painter whom Payut, himself, would consider to be the foremost animator in Thailand, as Sanae predated him by a decade. With fondness, Payut recalled:

I was inspired by Sanae Klaikluen. I respected him very much. He was a famous painter. I loved looking at his paintings on banners. One time I looked up at one banner and said, “*Oh! Very beautiful drawing! Very beautiful painting! Just like Sanae.*” Then the man putting up the banner turned around, looked at me and asked, “*You know Sanae?*” I replied, “*No. But I like that painting, it’s like Sanae.*” He asked



me if I had seen Sanae in person or if I had been to Bangkok. I said no and that I only saw his works on banners and covers of novels. He asked me if I knew any other artist. I said I only knew Shalami and Sanae. He asked me who between these two artists I liked more. I said, “*Shalami. Sanae has beautiful drawing but no life.*” He smiled. Then, he asked me to draw. After looking at my drawing, he invited me to come to Bangkok because “*Sanae can meet you there and I think, he will also like your drawing.*” But I said “For now, no. I am just in secondary.” He politely insisted, “*After you finished school, go to Bangkok. Just opposite of Siphaya Temple that is the building.*” Then he said, “*You know, Sanae and I are very similar.*” Then, he left that night to go to another job. From that day, I remembered how polite he talked to me and persuaded me to meet Sanae. At that time, I was just 12 years old. Then, the war started. The Japanese came. So I wasn’t able to go to Bangkok. Then after finishing secondary, I went to Bangkok. After World War II, Bangkok looked bad. I didn’t know where to find him. And then, I remembered his instructions. I rode the bus, went to the temple and walked to the opposite building. Finally, I saw the man painting. He was, after all, Sanae! From that day on, I came to see him and learned so much from him.<sup>3</sup>

Later, this locally renowned artist inspired him to be part of an animation project in Bangkok. Unfortunately, Sanae passed away without realizing his dreams as his animation project failed to materialize due to lack of sponsorship and government support. Galvanized by Sanae’s memory, Payut resolved to pursue his friend’s wish.

Sanae tried to make animation. But the government did not support him. He got sick. He was so frustrated. He could not make animation. After he died, I decided that I would make animation. I tried asking everyone who worked with Sanae how animation worked. But no one knew. I kept on asking until one told me Sanae worked on celluloid. So I realized how to do it. I tried to do it and it worked! I used X-ray film. I asked a Chinese friend how to clean it. I told him I tried scrubbing it but it was still dirty. He said he didn’t know. So I asked him to clean the X-ray films by putting some ash to the water then dipping in it the X-ray film. It worked!<sup>4</sup>

In 1955, Payut decided to animate a cartoon he had been drawing for the newspaper, *Lakmuang*. Sala Chalerm Thai Theater house on July 5, 1955 and received tremendous acclaim. This gag cartoon entitled

*Haed Mahasajan* showed a policeman (who) directs traffic, swaying to the tune of music in the manner of Thai classical dancers. A woman begins to cross the street when the zipper (a newly introduced fashion accoutrement in Thailand) on her dress splits, diverting the policeman’s attention with the result that cars pile up all around him.<sup>5</sup>

Recognizing Payut’s talent, the United State Information Service (USIS) awarded him 10,000 baht and sponsored him to go on vacation in Japan. For training, the agency gave Payut a choice of spending six to eight months with Disney Studios or going to Japan. He chose Japan, where he just looked around, as animation did not exist there at the time.<sup>6</sup>

Payut only made one animated film for the USIS, a 20-minute propaganda film entitled *Hanuman Pachon Pai Krang Mai* (The Adventure of Hanuman, 1957) that recounted the story of Hanuman, the white monkey in the classic *Ramayana*. The propaganda element was present in the form of the defeated red monkey, which represented communism.

The Americans hired me to create animation after World War II to fight communism. It was for propaganda. Since animation is cheaper here than done in Hollywood...for their propaganda, I was asked by the American Embassy to create a 20-minute animation. So I made *Hanuman* in 1958. But we could not make the final film in Thailand. So I sent it to Japan laboratory. The first animation I made, I sent to Australia. But the government banned *Hanuman* in Thailand because one of the government officials, who owned a matchstick factory, used the *Hanuman* character for the cover of the match. So, he didn’t want *Hanuman* to be used in my animation. He thought my animation was not good for his matchstick. But he didn’t even watch it yet. He thought my animation would show a bad *Hanuman*, which would be bad for his business. Dr. John Pikerling, the American investor, became so disappointed because he invested a lot of money. But the government who did not support my production wanted to ban Hanuman. He invested much but nothing came out of it. Nothing.<sup>7</sup>

Later, Payut created another short cartoon entitled *Dek Kab Mee* (A Boy and A Bear, 1960) for the Southeast Asia Treaty Organization (SEATO), based on the theme that unity was necessary to combat communism. Apart from working at USIS, Payut also worked on part-time job on making commercial animation films to many products, of which many advertisements are still in contemporary Thai’s memory. In 1976, Payut

devoted his time to produce the first Thai-produced full-length animated film, *The Adventure of Sudsakorn* based on a famous early 19<sup>th</sup> century Thai literary work, *Pra Apai Manee*, written by internationally renowned author and poet, Sudthornpu.

The tale was a feast of incongruous adventures: Sud Sakorn, the son of a mermaid and a musician, fights on different occasions, an elephant, shark, and dragon horse, and encounters in his meanderings a king, a hermit, a yogi, a magic wand, and ghosts.<sup>8</sup>

With a limited budget and sponsorship, the production of this 35mm, 82-minute long, hand-drawn animation was plagued with difficulties aggravated by the loss of Payut's left eyesight after having labored night and day for two straight years on this film. Production was plagued with shortages of capital, personnel, and equipment. For the first six months, the crew was made up of 75 daytime and 25 nighttime workers, almost all students. By the second year, only nine remained as the "others could not work without money," Payut explained. He did most of his own work at night since during the day; he was fully employed at the USIS.<sup>9</sup>

Defying the standard tools and techniques being used in the animation industry at that time, Khun Payut's creativity and ingenuity led to the successful realization of this first and so far, the only Thai feature animation film which was screened on April 1979.

I made a lot of my equipment from pieces I got from junk of World War II military surplus. I'd find a screw here, a crank there, etc. I used a combat camera and adapted it. I pulled together pieces of wood, aluminum, whatever I could find. For this movie *Sudsakorn*, I tried to do it myself at first. But it was difficult. So I approached the government, but it did not pay attention to my movie. No film producer helped me. No one supported me.<sup>10</sup>

After *The Adventure of Sudsakorn*, Payut stopped making animation until 1992, when he was subsidized by Film of Japan to make a film for educating girls under the title *My Way*. After his retirement, Payut would serve as guest lecturer on animation at many universities. He is still waiting to see the second Thai feature animation film. Interestingly, Payut considers Japanese *Anime*, not American animation, as a threat, claiming that Thai cartoonists slavishly imitate the Japanese style. He also pointed out that Thai children favor Japanese over American animation, adding:

The children don't pay attention to Disney; they

follow Japanese cartooning even though it is not smooth, in fact, it is very rough. They watch Japanese animation every day and they are used to it—the rapid action. Disney seems too slow for them. Even my granddaughter is this way. Disney spends lots of money to be smooth, but children prefer rougher Japanese animation. Of course, it is more violent too.<sup>11</sup>

On Japanese influence on Thai animation, he explained:

It is caused by the presence of Japanese cartoon books all over Bangkok. The printing press makes a lot of money because these comics are very popular. Young students buy these books at footpaths. It's very cheap so more books are bought. More and more Thai children are exposed to Japanese comic books each day. So the influence of Japanese *Manga* is everywhere. In the end, most of the young generation of Thai animators is influenced by Japanese *Anime*. No originality. It's sad but true. One time, Japanese cartoonists accompanied by Thai people from the printing press came here in my house to interview me about Thai cartoon. I politely said, "Go away. I teach at our universities about original Thai cartoons and you come to me after allowing these Japanese to draw cartoons for Thai children?"<sup>12</sup>

On cartoon, Khun Payut shared that it came from a Latin word meaning cardboard.

For me, there are five kinds of cartoon: political cartoon (editorial); humorous cartoon (gag of 1-2 frames); illustration cartoon (for education, information, how to?); comic book (cartoon strips with 1 story); and cartoon animation (movie).<sup>13</sup>

On Disney and Japanese *Anime*, Ngaokrachang stated with conviction:

Disney is the Master of Animation. I like Disney more because I grow up with Americans. Japanese *Anime* from Toei even came after me. I'll tell you a secret. Look at Hanuman [pointing to his early drawing of Hanuman]. Now look at this [a card from a Mr. Yasuo Otsuka of Toei Animation dated 1960]. This movie is entitled *Saiyuki*. The monkey looks very similar to *Hanuman*. Why? Because he asked me to give my Hanuman drawing to him and based his *Saiyuki* monkey character to my very own *Hanuman*.<sup>14</sup>

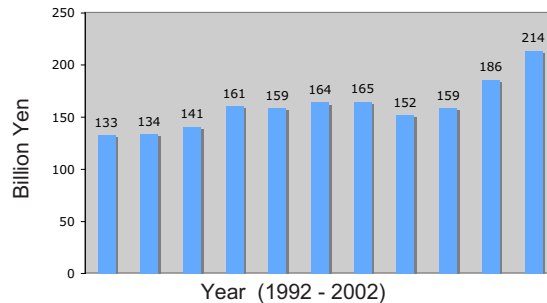
## THE JAPANESE ANIME INDUSTRY

### Overview

Global acclaim for Japanese animated products stemmed from the apparent originality and astounding quality of the industry's annual outputs. Their distinctive imprint and collective impact on the world stage had been recognized and categorized as *Japanimation*; the Japanese term *Anime* had successfully become a global brand – a stature well deserved in the global market. At the Seventy-Fifth Annual Academy Awards in 2003, *Spirited Away* (*Sen to Chihiro no Kamikakushi*), the blockbuster movie directed by *Anime* Grandmaster Hayao Miyazaki, ran away with an Oscar for Best Animated Feature Film; the previous year, it had won the Golden Bear at the 52<sup>nd</sup> Berlin International Film Festival. These remarkable feats certainly affirmed the high regard that Japanese *Anime* enjoys among international audiences and critics.

The Japanese *Anime* market is comprised of three main sectors: animated films for theaters, cartoons for television, and videocassettes and DVDs of the works from the first two sectors. According to the Media Development Research Institute, Anime sales (box-office revenue for animated films, production costs for cartoons, and sales and rentals of videos and DVDs) rose 14.8% to ¥213.5 billion (US\$1.9 billion) in 2002 (Fig. 1), marking the first time the ¥200 billion (US\$1.8 billion) mark had been topped in Japan. In the year earlier as well, the Japanese market grew nearly ¥30 billion (US\$270 million) due to the great success of *Spirited Away*, which brought in about ¥38 billion (US\$345 million) at domestic box offices. The market was also boosted by demand for DVDs to replace old videocassettes: titles that had already been released on video were re-released on DVD, resulting in sales of two million DVDs. But these figures do not account for the entire market, because the business of branded-character merchandising, including the licensing of rights to use *Anime* characters and sales of toy figures and other goods using characters' images, is huge. If these categories are included, the total *Anime* market is believed to be worth more than ¥2 trillion (US\$18 billion) in annual sale.

Figure 1: Japanese Market for *Anime*.

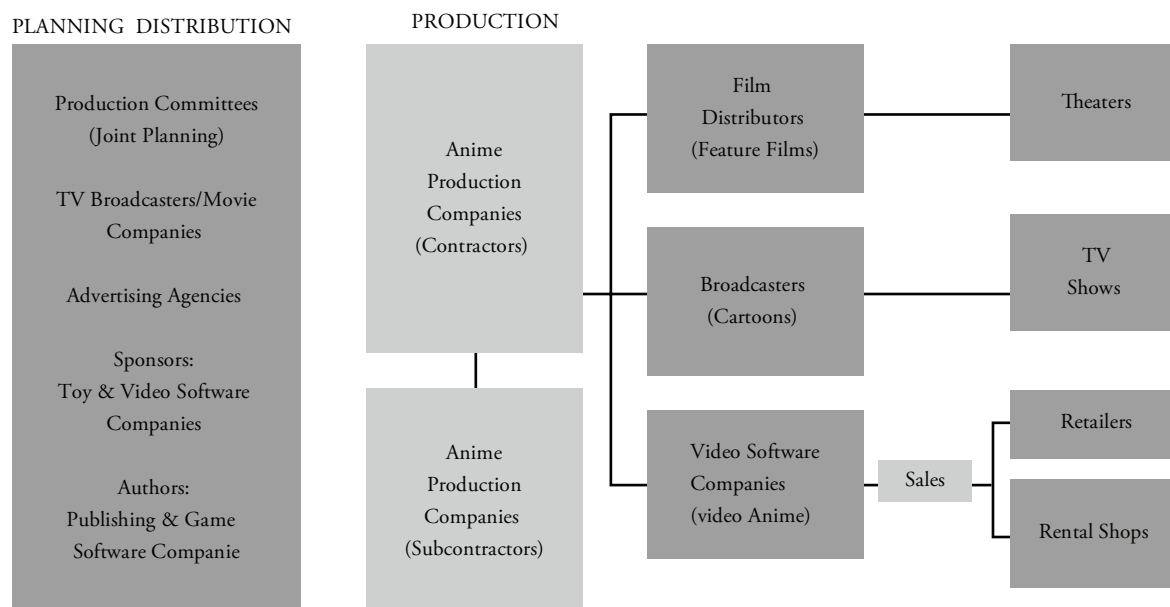


Source: Media Development Research Institute Inc.

The domestic *Anime* industry has well-established arrangements for production, but it is visibly lacking in know-how when it comes to domestic and international distribution, licensing and other rights, as well as international business practices.

### Industry Status

A simplified view of the domestic *Anime* industry is presented in Figure 2. In the planning stage a number of firms from different fields, such as TV broadcasters, advertising agencies, toy companies and *Anime* production companies, form production committees for joint planning. In the case of cartoons, toy companies are involved from the planning stage as sponsors, because the development of branded characters is an essential component of the business. Production is carried out by *Anime* production companies. In addition to the original contractor, numerous production companies are involved as subcontractors. Japan has some 430 *Anime* production companies, of which 264 (about 60%) are located in Tokyo. Companies that turn out full-length feature films, such as Studio Ghibli (*Spirited Away*), are the exception, as most companies produce cartoons for TV. Although Japanese *Anime* is gaining international fame, the industry is still restrained by relatively small production budgets and a shortage of animators. The production budget for a 30-minute cartoon is generally less than ¥10 million. TV *Anime* is unprofitable on its own in most cases, so production companies must seek profits from corollary business, including videos/DVDs and branded-character goods.

**Figure 2: The Structure of the Japanese *Anime* Industry.**


A new trend in recent years has been the outsourcing of *Anime* production to other countries. For example, original drawings are sent in digital format to production offices in countries like China and South Korea, where the drawings are completed, colored and then sent back to Japan. Toei Animation has about 130 people working in a studio in the Philippines, and even some of the work on Studio Ghibli's *Spirited Away* was contracted out to a South Korean firm. The common pattern nowadays is to handle key work such as planning and direction in Japan, but outsource more routine operations such as animating and coloring. Traditionally, however, Japanese animators developed their basic skills performing these routine jobs, so some people are expressing concern that outsourcing will eventually sap Japan's ability to produce *Anime* domestically. Other countries are also building up competitive strengths. For example, South Korea has been developing technical prowess in this field by establishing animation departments at universities. Whereas almost all TV cartoons in South Korea once were from Japan, now 30%–40% of the titles are domestic products. China and France are also developing human resources in this field.

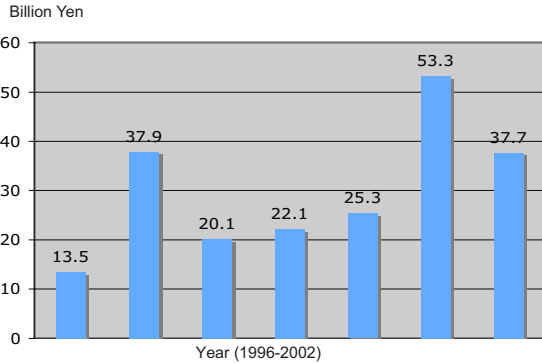
Studio Ghibli's ability to produce high-quality works is based on its system of tapping the skills of firms such as broadcasters, publishing houses and advertising agencies to undertake major projects. In the case of *Spirited Away*, Tokuma Shoten Publishing, Nippon Television Network, Tohokushinsha Film and others joined Ghibli in forming a production committee and put up about ¥2.5 bil-

lion (US\$23 million) for production costs. The firms shared the risk and received a corresponding share of the profits. With revenues expected from three sources—box office, video/DVD and TV—media firms participated in the project and helped to publicize the work. The production budget for *Spirited Away* was truly remarkable considering that a Japanese film is considered a great hit if it brings in box office revenues of just ¥1 billion (US\$9 million). Studio Ghibli's success has inspired firms like Toei Animation to actively resume producing original feature films. It has also encouraged companies to devote considerable sums for the production of high-quality films with a view to overseas markets.

#### Latest Trends

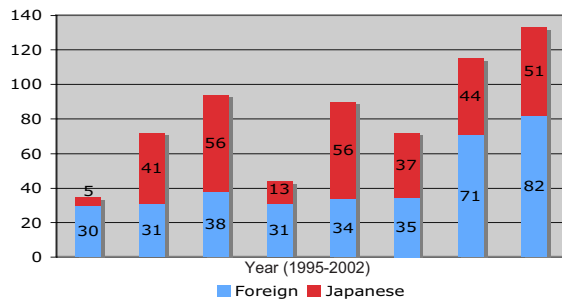
According to the Dentsu Communication Institute, box office revenues for animated feature films came to ¥37.7 billion (US\$343 million) in 2002 (Fig. 3). This was less than in 2001, the year when *Spirited Away* was released, but the medium-term trend has been positive. More domestic titles than foreign titles were released in both 2001 and 2002 (Fig. 4) and most of the films topping the box office rankings were Japanese.

**Figure 3: Estimated Box-Office Revenues from *Anime* Films.**



*Source:* Compiled by Dentsu Communication Institute based on data from Media Development Research Institute Inc.

**Figure 4: Animated Feature Film Releases.**



*Source:* Compiled by Dentsu Communication Institute based on data from Media Development Research Institute Inc.

The Ministry of Economy, Trade and Industry's (METI) Survey of Selected Service Industries revealed that the number of animated films produced by the filmmaking, film-distribution and video sales industries came to 346 in 2001, more than eight times the number produced in 1998 (Table 1). Animated films were viewed by 11.5 million people, or 12.7% of total theatergoers (Table 2), in 2003, according to the same survey. A number of new cinema complexes opened in 2002, which led to a doubling of movie screens in operation and contributed to a sharp rise in theatergoers for both Japanese and foreign films. Animated film theatergoers even increased in 2001, when the number of screens declined. And in 2003, even when there was no big hit in the animated category as live-action Japanese films stole the limelight, more than 10 million people went to see animated films. *Anime* clearly enjoys a strong base of popularity.

**Table 1: Films Produced and Videos Sold in 2001.**

	Number	Share	Change from 1998
<b>FILMS</b>			
Total Films Produced	4,904	100.0%	111.4%
Feature Films	571	11.6%	135.6%
Live Action	225	4.6%	59.1%
Animation	346	7.1%	865.0%
Educational	265	5.4%	70.5%
Documentary	2,726	55.6%	254.3%
Other	1,342	27.4%	53.0%
<b>VIDEOS</b>			
Total Videos Sold	64,408,548	100.0%	115.1%
Feature Films	35,054,436	54.4%	141.0%
Japanese	14,317,939	22.2%	200.2%
Live Action	3,935,652	6.1%	117.4%
Animation	10,382,287	16.1%	273.3%
Foreign	20,736,497	32.2%	117.1%
Feature Films	15,987,108	24.8%	178.9%
Animation	4,749,389	7.4%	54.2%
TV Shows	8,295,120	12.9%	108.4%
Original Videos	21,058,992	32.7%	89.9%

*Source:* Survey of Selected Service Industries, Ministry of Economy, Trade and Industry.

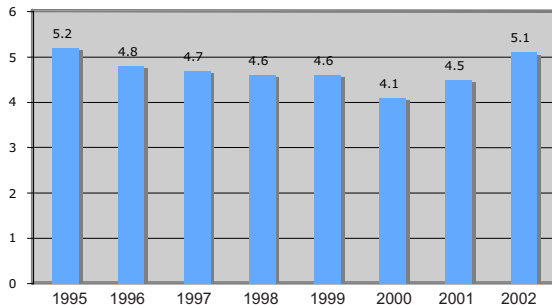
**Table 2: Theater-goers in Japan.**

	2000	2001	2002	2003
Total	45,870,073	48,764,386	90,321,473	90,947,473
Japanese Films	8,962,164	7,832,728	13,458,378	22,033,875
Foreign Films	29,066,717	28,529,076	60,472,744	57,380,488
Animation	7,841,192	12,402,582	16,390,351	11,533,1
Screens	584	577	1,087	101,089
Screenings	1,006,459	991,649	2,017,865	2,018,911

*Source:* Survey of Selected Service Industries, Ministry of Economy, Trade and Industry.

*Anime* has also been doing well in the category of TV broadcasts. In the spring of 2002, when the new broadcasting season began, the line up included about 60 cartoon programs a week, but a year later the number topped 80. In 2002, when the total number of TV shows declined, cartoons' share rose to 5.1% (2,748), up from 4.5% in 2001 (Fig. 5).

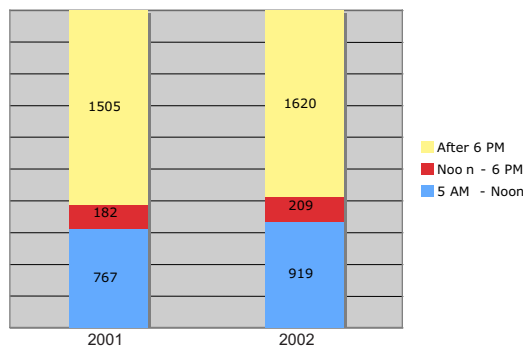
**Figure 5: Cartoon's Share of TV Show. (Kento Area)**



Source: Dentsu Communication Institute.

In terms of broadcast time slots (Fig. 6), cartoons had been aired mostly in the early evening (6:00–7:00 PM), but the number being shown from 11 PM onwards has risen, which reflects the increasing age of *Anime* fans.

**Figure 6: Number of Cartoon Broadcast by Time Slot.**



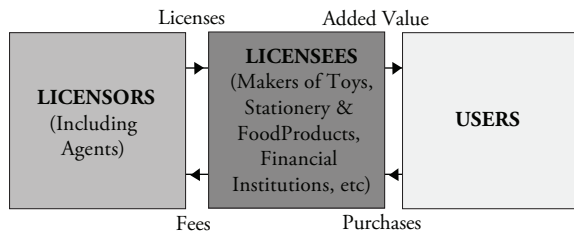
Source: Video Research Ltd.

According to the Japan Video Software Association, its members' sale of *Anime* video software (videocassettes and DVDs) totaled ¥107,625 million, or 27.12 million units, in 2002. These numbers were up 42.6% and 40.8%, respectively, over 2001. The aforementioned METI survey found that while unit sales of foreign *Anime* video software declined between 1998 and 2002, Japanese *Anime* sales almost tripled to 10.38 million, or more than 70% of total Japanese film sales. Shipments of DVDs registered a very large increase. The lineup of *Anime* on DVD is directed more toward older fans than children, reflecting the trend that of parents buying *Anime* from their childhoods to watch them again with their own children.

Considerable attention is now focused on the field of branded-character merchandising (Fig. 7), which enables the production companies, etc. that invest in *Anime*

projects to earn fees from the licensing of *Anime* characters. Licensees include a wide range of companies in industries including finance, toys, automobiles, aviation and food. Typical uses include the adoption of characters as corporate/product mascots and the creation of toy figures of the characters themselves. To the extent that the *Anime* (films or cartoons) helps to promote these secondary products, the value of the *Anime* rises. It has become increasingly common for advertising agencies to work as intermediaries to arrange for toymakers, game software companies and other sponsors to participate from the planning stage.

**Figure 7: Branded-Character Licensing.**



**Export and Import Trends**

During the 1980s and 1990s, Japanese *Anime* established a leading position in the global market. Early examples of exported *Anime* were *Astro Boy*, which went on the air in the United States in 1963, and *A Dog of Flanders*, which was an early export to the European market. In both cases, local viewers accepted the works without thinking of them as Japanese. The *Doraemon* cartoon series, meanwhile, has become a popular children's program in a number of Asian countries. In more recent years, popular domestic cartoon series like *Sailor Moon* and *Dragon Ball* were broadcast in Europe and won many fans, while *Akira*, *Gundam* and works from Studio Ghibli drew favorable attention in the United States. In 1998, the video release of the film *Ghost in the Shell* topped the U.S. video sales charts. Though there are no precise statistics for international transactions involving *Anime*, METI estimated in January 2004 that about 60% of the cartoons broadcast around the world are made in Japan. As of March 2003, some 20 Japanese cartoons were being aired in the United States. Exports of *Anime* from Japan are believed to be going to countries all over the globe. On the import side, Europe and the United States are the main sources of foreign *Anime* seen in Japan.

The first example of a Japanese *Anime* creation that achieved a major success overseas was *Pokemon* (short for Pocket Monsters), which started out as a Nintendo game and was subsequently turned into a series of cartoons

and movies. Box office revenues from the three *Pokemon* films released overseas so far have reached ¥38 billion, about double the domestic figure. If sales of related products are included, it is estimated that *Pokemon* has earned some ¥3 trillion (US\$27 billion) around the world. What is particularly notable about the *Pokemon* phenomenon is the huge size of its branded-character business, which has brought home the importance of *Anime* as a medium for promoting characters to consumers. In the past, the usual pattern was to offer animated works to the foreign market after they had achieved a certain degree of success in Japan. More recently, however, an increasing number of works have been produced with an eye on potential overseas audiences. Also, while exported works used to be predominantly cartoons for children or serious *Anime* fans, the success of *Spirited Away* has encouraged the industry to export feature films with a high level of artistic content. In April this year, the Japan Broadcasting Corporation (NHK) began airing *Hinotori (Phoenix)*—a cartoon based on a Manga (comic book) series created by Osamu Tezuka—which it plans to market internationally. Foreign companies are showing a high level of interest in Japanese *Anime*. The Disney Group, which has a subsidiary in Japan to distribute Disney works, has established a department within the subsidiary to purchase Japanese content for airing on its own network, which broadcasts in 54 countries. It is also considering collaborations with Japanese partners to produce films and *Anime*. Another sign of foreign interest is investments in Japanese *Anime* projects by overseas TV broadcasters and distributors, with the foreign investors participating from the planning stage. There are also cases where works produced through Japanese–international collaboration are broadcast in both countries. Foreign production companies and others have also made equity investments in the Japanese *Anime* production industry. Even Hollywood is showing its growing appreciation of Japanese *Anime*. U.S. moviemakers have acquired the rights to make live movie versions of *Dragon Ball*, *Akira* and *Lupin III*, and the Wachowski brothers have asked a number of Japanese directors to create an animated version of their hit film *The Matrix*. The awarding of an Oscar to *Spirited Away* has provided an extra boost to Japanese *Anime*'s international image.

However, Japan's extreme shortage of people familiar with international laws concerning intellectual property rights is keeping the Japanese *Anime* industry from earning larger profits from exports. Ordinarily, when rights to sell visual content are traded in countries like the United States, a minimum guarantee is set for the payment by the company acquiring the rights and

an agreement is made on payments to be made if sales exceed the minimum. In order for the Japanese side to deal on equal terms with U.S. and other foreign counterparts, people with the requisite know-how are needed to help ensure that overseas sales are monitored accurately and to avoid entering into contracts with unfavorable terms. The industry also needs to develop marketing skills to maximize the profit potential of its creative content. Bandai Visual, which handles international distribution rights for *Anime* and other visual content, estimates that it is losing tens of millions of yen each year in uncollected royalties from the overseas market, so its three-year plan for the period starting February 2004 aims to triple international market revenues to ¥2.1 billion (US\$19 million) by protecting copyrights more vigorously. It now employs European-based Japanese who are familiar with the local situation to keep close track of sales and actively exercise the company's right to audit partners with regard to products that have topped their minimum guarantees. In the area of joint production as well, up to now few Japanese companies have been able to deal with U.S. counterparts on an even footing. Instead, they have tended to play the role of subcontractors. Correcting this situation requires a combination of planning prowess and negotiating ability. A company called Production I.G, which has produced a number of works that have become popular overseas, such as *Ghost in the Shell*, has hired lawyers and accountants familiar with U.S. business practices and law to work at its U.S. subsidiary and handle distribution sales contracts, joint production and other legal matters. In some Asian countries, meanwhile, widespread pirating of videos and other entertainment content is presenting a major hurdle for business development in these markets.

### Global Successes

In 1998, *Ghost in the Shell*, directed by Mamoru Oshii, ranked at the top of video sales in the United States. In 2004, a sequel entitled *Innocence* was released in theaters in the United States and Europe with DreamWorks SKG, a U.S.-based film production and distribution company, distributing the film. The *Anime* feature film *Yu-Gi-Oh!* based on a Japanese cartoon series was released in the United States through Warner Bros. Pictures in over 3,000 American theaters. This was quite a change from the days when *Pokemon* was released in Japan in 1998, at which point there were no definite plans for overseas screening, though the film went on to gross ¥17 billion (US\$155 million) at North American box offices. Gonzo Digimation Holding had been working on an animated film entitled *Spirit*. As the firm's first feature film, it was conceived with overseas distribution in

mind. GDH shared its production processes with its two U.S. distributors from the initial stage and had been receiving advice about how to adapt the work for U.S. audiences. In 2005, *Astro Boy* would be released as a Hollywood film produced by Sony Pictures Entertainment.

Toei Animation has entered into an agreement with a U.S. agency to sell several of its cartoon series, including *Saint Seiya*, *One Piece* and *Ojamajo Doremi*, to American broadcasters, and these shows are now being aired in North America. In 2002, North American and European broadcast and branded-character rights for the series broadcast in Japan as Kinnikuman Nisei were sold to the US company 4Kids Entertainment. The series has since been aired on the Fox Network as *Ultimate Muscle*. Producers of cartoons will be working to tap the popularity of Japanese *Anime* in foreign markets by creating series designed from the start to be broadcast initially overseas by, for example, adjusting the contents to appeal to American viewers. Sony Pictures Entertainment's cartoon series *Astro Boy/Tetsuwan Atom*, was launched on Japanese TV in 2003 by the Fuji Television Network and on U.S. TV in the same year on Kids' WB, a subsidiary of the WB Television Network operated by Warner Bros. Entertainment. The series has been produced with global distribution in mind, so extreme scenes, religious content and other elements that might interfere with broadcasting in some countries have been eliminated from the start. Since the spring of 2003, GDH has teamed up with a French animation company to produce 26 cartoon episodes for the European market. The French are writing the scenarios and five of their production crew members have come to Japan to produce the cartoons jointly in GDH's studio. The plan is to approach Japanese broadcasters, in addition to showing the cartoons in Europe. Nippon Animation's *Hunter X Hunter* is already being shown in three Asian markets outside Japan and the company has licensed broadcast rights in countries including France, Italy, Mexico and Spain. Plans include possible broadcasts in Germany, Portugal and the United States, along with arrangements for video sales/rentals and licensing of branded-character goods. Nippon Animation and the government-operated China Central Television, that country's largest broadcaster, have entered into a partnership for the joint production of TV programs, with the work shared between the Japanese and Chinese sides. Nippon Animation hopes to use this as a springboard for developing its business in the Chinese market, where the broadcasting infrastructure has been improving. The first joint project, based on *Les Misérables*, will be broadcasted in China and major Japanese broadcasters will also be approached. The two

organizations will work on additional *Anime* works based on classics and will in principle share copyrights equally. Apart from Chinese and Japanese broadcasts, they intend to take their works to Cannes and elsewhere to seek deals with broadcasters in other markets. In December 2003, Toei Animation launched an online service called Toei Tokusatsu [Special Effects] *Anime* Archives, which allows users to download works like *Fist of the North Star (Hokuto no Ken)* for ¥100 (US\$0.91) per episode. This is an interesting example of secondary use of *Anime* content. Meanwhile, in the field of branded-character merchandising, Bandai is planning to market characters from at least four cartoons, including *Teen Titans* and *Saint Seiya*. The company hopes to raise overseas sales from an estimated ¥52 billion (US\$470 million) in fiscal year of 2003 (ended March 2004) to ¥70 billion (US\$640 billion) within two years. Hal Film Maker is developing the Chinese market for *Anime*-related products. Working through a planning company set up in Dalian by its Chinese subsidiary, it will supply know-how and manage copyrights to earn licensing fees based on a percentage of local sales for cartoon videos, music software and branded-character products. It also plans to undertake activities such as character design, story proposals and marketing.

### The Art of Japanese Anime

*"To worry about the relation of the popular to high or official culture is to think about the perennial problem of value: perennial first, because value is so exasperatingly mercurial... and second, because its determination only deflects us from understanding how cultures high, low and in-between exist in discursive and material relations of exchange, negotiation and conflict with each other".—John Treat. Contemporary Japan and Popular Culture, 1996*

Can or even, should *Anime* be taken as seriously as the extraordinary range of high cultural artifacts, from Woodblock Prints to Haiku that Japanese culture is famous for? Can or should *Anime* be only seen as an art or should it also be analyzed as a sociological phenomenon—a key to understanding some of the current concerns abounding in present-day Japanese society?

Japanese *Anime* builds on previous high cultural traditions; it shows influences from Japanese traditional arts as kabuki and woodblock print. Using worldwide artistic traditions of twentieth century cinema and photography, it explores, often in surprisingly complex ways, issues familiar to viewers of contemporary art



cinema and even to the readers of contemporary literature. It is a richly fascinating contemporary Japanese art form with a distinctive narrative and visual aesthetic that both harks back to Japanese culture and moves forward to the cutting edge of art and media. With its enormous breadth of subject material, it is also a useful mirror on contemporary Japanese society, offering an array of insights into the significant issues, dreams and nightmares of the day.

Since Japan is a country that is traditionally more pictocentric than the cultures of the West, as exemplified in its use of characters and ideograms, *Anime* easily fits into a contemporary culture of the visual. Consequently, images from *Anime* and its related medium of *Manga* are omnipresent throughout Japan. Various elements found in the animated realm are extensively used for education, adornment and commercial enterprise. As a unique artistic product, *Anime* stands out as a site of implicit cultural resistance to American dominance of mass culture and hegemonic globalism. As a local form of popular culture, *Anime* shows clear indications of its Japanese roots, but at the same time exerts an increasingly wide influence beyond its native shores. And while Japanese Manga do, of course, have their pictorial aspect, even more, they are more narrative in form, a means of communication and expression. This is largely thanks to the groundbreaking presence of Osamu Tezuka, creator of *Tetsuwan Atom (Astro Boy)*, *Hi no Tori (Phoenix)* and many other famous series, who expanded the simple semiotics of Manga art into a more complex narrative realm of cinema and novels. Which perhaps is also why most aspiring *Manga* artists do not create imagery and styles out of nowhere, but start by emulating their favorite masters. At the same time, film, painting, photography and other pictorial expressions are included in distorted form as means of bringing out the narrative tone of novels, cinema and theater. Sometimes, this means collage constructions, though more often artists will unify such elements via the rhythms of their own styles and sensibilities, making them over into wholly other expressions. Hence, there is little point in examining the particulars of figuration, production values, story-telling or dialogue; some things are bound to be derivative, others merely play upon general patterns.

*Anime* has three major expressive modes, namely *Apocalyptic*, *Festival* and *Elegiac*. Apparently, the imagined apocalyptic state of worldwide destruction and catastrophe, which seems to be a staple across all cultures, is *Anime's* favored mode. However, the apocalyptic can range beyond material catastrophe to include more intimate forms of apocalypse, such as spiritual or even pathological ones. The flexible visuals avail-

able to animation make apocalypse a natural subject for the medium; but it is the interplay of character that *Anime* offers its most distinctive visions of the terminal days. Festival is being used as a direct translation of the Japanese term "*matsuri*"; Mikhail Bakhtin's theorizing of the term "carnival" may also apply, i.e. "the carnival sense of the world is one predicated on the pathos of shifts and changes, of death and renewal." The privileging of change is at the heart of animation, but animation's narrative structure and themes can also be carnivalesque: liminal period of topsy turvy, joyful relativity of all structure and order, norms transgressed or inverted, weak holds power, sexual and gender rules broken or reversed, and a state of manic intensity replaces conventional restraint. The visual flexibility of animation, with its intense palette of colors and ability to transform figures, shapes and even space itself, makes the medium peculiarly suited to the extreme and sometimes grotesque mode of the festival. Finally, the elegiac mode's implications of loss, grief, misery, mourning, and absence may not be so wide a category in Western animated texts compared to its Asian counterpart. Specifically in Japan, this lyrical sense of mourning—often connected with an acute consciousness of a waning traditional culture—is an important element in both *Anime* and live-action cinema.

With the target audience, and plot and character development as the determining factors, *Anime* and *Manga* may be classified into five major categories, namely *Shoujo*, *Shounen*, *Seinen*, *Hentai* and *Yaoi*. *Shoujo* is targeted towards the consumption of junior or high school girls. The stories are usually based on the main characters' romantic space and amorous involvement but with other plot elements and sub plots as well; usually, the main character is a young girl but often, it can also be a couple or sometimes a young man. *Shounen* is for junior to high school boys and young men. Obviously, its popularity among the boys stem from the fact that it focuses on action sequences and endless battles; although, there is still some room for character development. *Seinen* has a varied target audience as it usually revolves around a hobby or sports. It is the least violent or sexual compared to the other forms of *Manga/Anime*. *Hentai* is geared towards the adult market and oftentimes synonymous with animated pornography. But it still has room for plot development though for the most part, this merely leads to sex. Much of hentai is based on fetishism of some description. *Yaoi* is derived from the expression "*yama nashi, ochi nashi, imi nashi*" which means "no peak, no point, no meaning." Also known as slash *Manga*, yaoi is devoted to the relationship between two males, be it mere friendship or passionate romance, either sexual or asexual. It is

interesting to note that the audience is mainly female.

### Aesthetic Constructs of Japanese Anime

*Anime* is a medium in which distinctive visual elements combine with an array of generic, thematic, and philosophical structures to produce a unique aesthetic world. This aesthetic world is oftentimes more provocative, more tragic and more highly sexualized; it contains far more complex story lines than would be the case in equivalent American popular cultural offerings. There is lack of compromise in making its narrative palatable—as evidenced not only in Japanese references within the narratives, but also to its style, pacing, imagery, and humor, emotions and psychology, which usually run a far wider gamut and show a greater depth than its animated counterparts. *Anime* challenges the viewers' emotions and senses with its complex storyline, dark tone and visual content. As a medium, *Anime* is both different in a way that is appealing to a Western audience satiated on the predictabilities of American popular culture and also approachable in its universal themes and images. From narrative and characterization to genre and visual styles, audiences become captive of *Anime's* distinctive thumbprint and engrossing stories. Both animation (in general) and *Anime* (in particular) serves as ideal artistic vehicle for expressing the hopes and nightmares of an uneasy contemporary world.

*Anime* is a fusion of technology and art—both suggesting in its content and embodying in its form new interfaces between the two. *Anime's* references to technology—as seen in Cyberpunk and Mecha—make it such an appropriate art form for this millennium. Cyberpunk is a genre focusing on dystopian futures in which human struggle in an overpoweringly technological world where the difference between human and machine is increasingly amorphous. Mecha, a shortening of the word mechanical, is a genre privileges a favorite form from Japanese popular culture—the light-hearted robot; but recently, Mecha features humanoid machines in more ominous mode. In its fascination with gender roles and gender transgression—as seen in *Shoujo* and *Hentai*—*Anime* encapsulates both the increasing fluidity of gender identity in contemporary popular culture and the tensions between the sexes that characterize a world in which women's roles are drastically transforming. The prevalence of females as *Anime's* main protagonists is attributed to the fact that it is often the female subject who most clearly emblemizes the dizzying changes occurring in modern society. *Anime* texts also explore, implicitly and explicitly, the meaning of history in contemporary society and the political nature of histori-

cal memory; these works usually involve a specifically Japanese context within the period of *samurai* warfare and atomic realities of WWII. Miyazaki's historical epic *Princess Mononoke* problematized the nature of historical identity in relation to the modern world through its complex mixture of fantasy and fact. *Anime* may be the perfect medium to capture the shifting nature of identity in a constantly changing society. With its rapid shifts of narrative pace and its constantly transforming imagery, *Anime* is positioned to illustrate the atmosphere of change permeating in industrialized, industrializing and even third world societies. Moving at a rapid pace and predicated upon the instability of form, animation is both a symptom and a metaphor for a society obsessed with change and spectacle. Animation's emphasis on metamorphosis can be seen as the ideal artistic vehicle for expressing the postmodern obsession with fluctuating identity; it is a function of animation that has powerful resonances with contemporary society and culture.

### Retracing the Origins of Animation and Japanese Anime

Allusions to Japanese *Anime*, arguably the most highly celebrated aspect of Japanese popular culture, immediately provoke images of cutesy pink-haired, sailor-suited heroines with dewy, wide eyes and short skirts; on the other side of the spectrum, *Anime* is represented by imaginative and apocalyptic visions of societies with man and machine locked in uneasy symbiosis. Such whimsical misrepresentations of this genre outside of Japan is due to the fact that even within the country, the effort to trace its visual lineage back to its true origins has been hampered by the tragic unavailability of prints for viewing. War, earthquakes and the ravages of time have all, as with much of Japanese cinema, taken their toll, and much of what remained has been in the form of scratchy 16mm prints owned by private collectors, most of them exacting gargantuan financial reward before sharing such rare treasures. Fortunately, due to selfless detective work of some film experts such as Yoshio Yasui of Planet Bibliotheque de Cinema in Osaka, a large number of pivotal early works have been salvaged, restored, blown up from 16mm to 35mm and placed in the National Film Centre archive. However, the condition of these prints with noticeable flaws in their contrast and lack of soundtrack, as heaps of them were made in the silent era, did not contain soundtrack at all, meant that releasing them as DVD packages might prove to be a commercially-tricky undertaking—more of interest to academics, Asian cinema specialists and film historians than to the general public. It is precisely this kind of problem that has resulted in the invisibility of several nations' early film histories, meaning that for

the moment at least, the best chances to see works such as these are via the precious rare windows of opportunity opened up by art and film festivals.

The recognized trailblazer to whom the origin of the modern animated cartoon may be attributed is J. Stuart Blackton (1875-1941). Born in Britain, Blackton first arrived in the United States at the age of 10 when his family moved there from Sheffield. After a chance meeting with Thomas Edison, he founded the American Vitagraph Studio with fellow British émigré Albert E. Smith, making comic shorts which they utilized as part of their vaudeville stage acts. In 1906, Blackton made the 3-minute long *Humorous Phases of a Funny Face*. Another early landmark came later with Windsor McCay's *Gertie the Trained Dinosaur* (1914), which consisted of a total of 10,000 images all drawn single-handedly by its creator. The animated short film soon caught on throughout the West, and it was such films from the US, Britain and France that were the first examples of this new offshoot of early cinema to be introduced into Japan around 1914. In 1915, 21 foreign animations played in Japan, and inspired by their success, the first works of Japanese animation soon followed.

However, there is some confusion as to who can claim the distinction of being the first Japanese to start work in the field, but three figures are cited as producing works at around the same time: Oten Shimokawa (1892-1973), Junichi Kouchi (1886-1970) and Seitaro Kitayama (1888-1945). The first two came from a cartoonist background, both working for the satirical magazine Tokyo Puck, and were commissioned by the companies Tenkatsu and Kobayashi Shokai respectively to produce their first works. Kitayama, however, was a watercolor artist with an interest in developments in Western art, and it was he who approached Nikkatsu to undertake the company's first work in the field in 1917. Of the three directors, Shimokawa was the first to have his work released into theatres, with *Imokawa Mukuzo, The Janitor* (Imokawa Mukuzo, Genkanban no Maki) reported to have come out in January—although there is some speculation as to whether this film ever existed beyond a title, because as is the case with all of the five works Shimokawa produced before leaving the field in the very same year, not a trace remains.

After its invention in 1915, cel animation rapidly became established as the standard technique for studio animation in the West. It utilizes the labor-saving process of using several layers of transparent plastic overlaid over one another, as opposed to drawing each frame individually, so that parts of the frame can be

repeated. During these early days, the celluloid used for cel animation (acetate is now used) was in scarce supply in Japan, so Shimokawa pioneered two timesaving techniques of his own in his work. One was to draw each individual frame in chalk on a blackboard, rubbing out the images and redrawing from frame to frame. Another technique was to make thousands of copies of each individual background, and cover a part of each with white paint in order to draw the moving foreground characters over it.

With his first film, *Hanawa Hekonai, Famous Swords* (*Hanawa Hekonai, Meito No Maki*) released in June of 1917, Kouchi was the last of the three to have his film released. Of his oeuvre, only *Hyoroku's Warrior Training* (*Hyoroku No Musba Shugyo*, release date unknown, but between 1917-1925) remains. Contemporary reviews however were quick to point out a marked superiority in technique with that of the first works of his two contemporaries, often utilizing the cut-out technique in which each frame is composed of individual cut-out parts of, for example, paper, and manipulated from frame to frame. Cut-out animation, often in combination with other methods, became one of the most popular approaches used by later animators such as Sanae Yamamoto, Yasuji Murata, Hakuzan Kimura and most notably, Noboro Ofuji (1900-1961), up until the point where cel animation became a more affordable option. Kouchi left the industry in 1930, after producing his final work *Chopped Snake* (*Chongire Hebi*), leaving little in the way of written records of his animation methods.

It is Kitayama, the third of these figures, who is in many ways the most significant. His first animation, *Monkey Crab Battle* (a.k.a. *The Crab Gets Its Revenge on the Monkey or Saru Kani Gassen*) was released in May 1917. Records show that Kitayama was the most prolific of the three (around 30 titles can be attributed to him), bringing out ten in the first year alone, though only his *Taro the Guard, The Submarine* (*Taro no Banpei, Senkotei No Maki*, 1918) survives. More significant, perhaps, was the diversity of his output: advertising films, animated sequences for live action films, political propaganda and later educational films intended for the classroom, such as his last work *Circle*. (En, 1932) His chosen animation technique, again, was drawing his moving figures over detailed paper backgrounds, though he later moved to paper cutout animation. But his most important legacy was in establishing Kitayama Eiga Seisaku-sho, Japan's first animation studio, in 1921.

Whilst nothing from these three initial pioneers survives in a state fit for public screening, one can perhaps get

an impression of what their works were like from those that immediately followed in the early 1920s. Various animated gems have been originally screened with a benshi narration and a musical accompaniment, shown not only as parts of programs in conventional cinemas, but also in public places such as schools, a venue which would assume an increasing importance during the next decade when Japanese animation would take on an important role as propaganda for youngsters.

Sanae Yamamoto was a crucial figure in Japanese animation history. Learning the ropes at Seitaro Kitayama's studio, he later became one of the founders of Toei Doga, contributing significantly to such seminal early features as *Legend of the White Serpent* (1958), *Journey to the West* (1960) and *Arabian Night: Sindbad's Adventure* (1962). As such, he bridges the gap from animation's inception in Japan to the crucial period when it effectively came of age in the late 1950s, with the industry simultaneously starting to produce feature-length color works that attempted to rival higher-budgeted American competition, and with Manga artist Osamu Tezuka's efforts to produce work cheaply and en masse for television. Osamu Tezuka was born in Osaka in 1928. He was raised in Takarazuka, which is also famous for its all-female theatrical troop, and graduated from the Medical Department of Osaka University, but gave up medicine to draw *Manga*, or cartoons. Tezuka is perhaps the first great artist who created *Manga* that could be enjoyed by adults as well as children. Eventually, he started a company that produced the first cartoon TV show in Japan, *Astro Boy* (*Tetsuwan Atomu*).

*Astro Boy* made his appearance in a Japanese magazine in 1951, six years after Hiroshima and Nagasaki were bombed. Underpinning the *Astro Boy* stories is the "robot law," which states that the two main rules are "robots exist to make people happy" and "robots shall not injure or kill humans." Most of the stories in this world-renowned animated TV series deal with the conflicts between humans and robots. Tezuka's utilization of the concept of robots serves to expose the narcissistic trait in humans: robots are machines, but somehow humans have decided to build these machines after his own likeness. But underlying this effort is the question: Why must humans create machines that look and act human? Set in 2003, Tezuka's *Astro Boy* stories are eerily prescient in theme if not in fact. Tezuka's complex vision of 2003 shows what humanity humans have lost in the name of progress. His *Astro Boy* is thus best read as a parable about regaining this humanity.

Throughout the course of the decade, Japanese animated

films became more conservative, and in the wake of the mass-influx of Western culture that had poured into the country and shaped its culture during the period of Taisho liberalization, more and more came to re-assess their own cultural identity and set of values. The shift from more whimsical subject matter was matched by an increase in narratives glorifying the exploits of former military heroes, such as Murata's *Saru Masamune* (1930), based on the legend of how the great Japanese sword smith receives a sword from a tribe of monkeys after rescuing one of the monkeys from a hunter with a gun, later using it to fend off a savage wild boar, and later in Masaoka's *Benkei vs. Ushiwaka* (*Benkei Tai Ushiwaka*, 1939), based on a childhood episode from the life of the great Heian general Yoshitsune Minamoto.

The propaganda content became more flagrant in later films, and even the cuter characters whose identity was not steeped in legend began to serve very different roles within the narratives. Murata animated a couple of stories featuring the character of Norakuro, a black dog in the Japanese army, popularized in a series that ran from 1931 to 1941 in the youth magazine *Boys' Club*, and whose design owed heavily to Felix the Cat. In *Corporal Norakuro* (*Norakuro Gochou*, 1934), the character falls asleep after a visit to a *yakitori* stall during his day off duty, and dreams of successfully fending off an attack from an enemy squad of monkeys who attempt to make off with some valuable plans from the dogs' military compound. In later stories, Norakuro's adversaries would manifest themselves physically, not just in his daydreams.

Emerging from the ashes of post-War ruin, with the days of Norakuro, Taro, Mao and Momotaro pretty much gone for good, Japanese animation's founding fathers still managed to continue making bold steps in pushing both the industry and the art onwards and upwards. Ofuji created an early short color cel animation, *Flower and Butterfly* (*Hana To Cho*, 1954). His work gained appreciative nods from none other than Pablo Picasso and Jean Cocteau when his multi-colored cellophane silhouette ensemble *Whale* (*Kujira*, 1952), a remake of his 1927 work of the same name, won the second prize at the 1952 Cannes Film Festival, and his next work, *Ghost Ship* (*Yuureisen*, 1956) brought him to further international acclaim when it snatched the first prize at the 1956 Venice Film Festival. On the other hand, Yamamoto and Yabushita went to push the field in a more commercial direction with their early feature-length color animations at Toei Animation. No one among these directors could have easily imagined what the animation industry in Japan would grow into. With animation as one of the nation's biggest cultural

exports, directors such as Mamoru Oshii and Katsuhiro Otomo continue to push the medium in search of new levels of realism and way past the thematic and intellectual boundaries of the nation's live action cinema. Most importantly, the films of modern day's Master of *Anime*, Hayao Miyazaki and his Studio Ghibli animated movie productions, have begun to earn serious international acclaim, specifically at the Oscars, and multiple successes at the global box office.

### Japanese Anime and the Legacy of Hayao Miyazaki

Regarded as one of the greatest creators of animated films whose body of work certainly stands out as one of the best the genre has to offer, Hayao Miyazaki was born in Tokyo on January 5, 1941. He started his career in 1963 as an animator at the studio Toei Douga, and was subsequently involved in many early classics of Japanese animation. From the beginning, he commanded attention with his incredible ability to draw, and the seemingly endless stream of movie ideas he proposed. In 1971, he moved to A Pro with Isao Takahata, then to Nippon Animation in 1973, where he was heavily involved in the *World Masterpiece Theater* TV animation series for the next five years. In 1978, he directed his first TV series, *Conan, The Boy in Future*, then moved to Tokyo Movie Shinsha in 1979 to direct his first movie, the classic *Lupin III: The Castle of Cagliostro*. In 1984, he released *Nausicaä of the Valley of Wind*, based on the Manga of the same title he had started two years before. The success of the film led to the establishment of a new animation studio, Studio Ghibli, a name that would become synonymous with quality and for which Miyazaki has since directed, written, and produced many great films with Takahata.

All of these films enjoyed critical and box office successes. In particular, Miyazaki's *Princess Mononoke* received the Japan Academy Award for Best Film and was the highest-grossing (about US\$150 million) domestic film in Japan's history until it was taken over by another Miyazaki work, *Spirited Away* which won for him his first Oscar for Best Animated Feature at the 75<sup>th</sup> annual Academy Awards in 2002. His recent animated movie is *Howl's Moving Castle* (Hauru no ugoku shiro, 2004), which transports the audience to dizzying emotional heights with magical fantasy creatures behaving in imaginative fairy tale convention. In addition to animation, Miyazaki also draws *Manga*. His major work was the *Nausicaä Manga*, an epic tale he worked on intermittently from 1982 to 1994 while he was busy making animated films. Another *Manga*, *Hikoutei Jidai*, was later evolved into his 1992 film *Porco Rosso*.

### Miyazaki's Views on Japanese Anime

Japanese *Anime* is *Manga* turned into animation; it uses character designs of *Manga*, absorbs the vitality of *Manga*, and is created by staff members who wanted to be *Manga* writers. Hayao Miyazaki furthered:

Japanese animation started when we gave up moving. That was made possible by introducing the methods of *Manga* [including *gekiga*]. The technique of cel *Anime* was suited to obvious impacts, and it was designed so that the viewers would see nothing but powerfulness, coolness, and cuteness. Instead of putting life into a character with gestures or facial expressions, [character design] was required to express all the charm of the character with just one picture.<sup>15</sup>

Theorists justified this growing phenomenon of limited animation, or that a still picture was the newest expression and movement is no longer needed. Not only were the design and personalities of the characters affected; time and space were also completely deformed. For example:

The time needed for a ball thrown by a pitcher to reach the catcher's mitt was limitlessly extended by the passion put into the ball. And animators pursued powerful movement [to express] this extended moment. Depicting a narrow ring as a huge battlefield was justified, as it is equal to a battlefield for the hero. Strangely, the way of such storytelling has become closer to *koudan*.<sup>16</sup>

The role of the techniques to move pictures was limited to emphasizing and decorating the extended and skewed time and space. The depiction of characters' action in everyday life, which Japanese *Anime* was not good at to start with, was actively eliminated as something unnecessary and out-of-date. Absurdity was strongly pursued. The criteria for judging an animator's capability was changed to the capability to animate battles, matches, or detailed drawing of machines, an emphasis on the power of any arm, from nuclear to laser weapon. If there were a depiction of [character's] feeling, the method of *Manga* was easily borrowed to get it done with music, angle, or decorating one still picture, without motion. It came to be considered as a rather uninteresting sequence, a section where the animators could take a rest. Animators became more inclined to judge only on the flashiness of the movement when they considered the value of the sequence they were to animate.

When this expressionism first appeared, it was justified

by passion which was in fashion at that time. Indeed, when the audience got excessively involved with the piece of work, and sympathized with it more than the work expressed, this method was overwhelmingly supported by the audience. However, as the passion wore out, it merely became the easiest pattern of technique. And to turn around the adverse situation, expression in *Anime* more and more became excessively decorative. Character design became more and more complicated. Huge eyes had seven-colored highlights. More and more shadows were painted in different colors, and hair was painted in bright colors of every possible shade. It makes animators suffer, by increasing the workload of those who are paid by the quantity of animation they drew. The pattern has become prevalent to a frightening degree. To all these identifiable and uniquely *Anime* traits Miyazaki-san expressed:

Maybe I, too, am exaggerating the situation of Japanese *Anime*. Not all Japanese *Anime* is run by excessive expressionism. I do not say that there was no effort made to establish their own style of acting under various constraints. I do not say that there was no effort made to depict time and space with a sense of existence. I do not say that there was no effort made to refuse to be a subordinate of *Manga*. However, most of them followed this trend of expressionism, and many of the young staff joined the *Anime* industry because they admired this excessive expressionism.<sup>17</sup>

Miyazaki-san has proven on numerous occasions how much love could be put into a work of animation, and how much the movement of the pictures can sublimate to acting. His movies exemplify an animator's notion that when one draws a simple and strong emotion earnestly and purely, animation can strike people's hearts as much as the best works of other media can. He opined:

If an audience can be released from the stress or sorrow in their daily lives; can release their gloomy emotion, can find unexpected admiration, honesty, or affirmation in themselves, and can return to their daily lives with a bit more energy, that's the role of a popular movie. Hence, I think that a popular movie has to be full of true emotion, even if it's frivolous. The entrance should be low and wide so that anyone can be invited in, but the exit should be high and purified. It shouldn't be something that admits, emphasizes, or enlarges the lowness. I don't like Disney movies. The entrance and the exit are lined up at the same low height and width. I can't help but feel that it looks down on the audience.<sup>18</sup>

Noting the excessive expressionism in *Anime* and loss of motivation, Miyazaki-san lamented:

I don't feel like defending, speaking for, or analyzing Japanese *Anime*. *Anime* is more suitable to be discussed together with computer games, foreign cars, or playing gourmet. When I discuss *Anime* with my friends, it somehow turns into a discussion about our cultural situation, the desolation of the society, or our tightly controlled society. Something called the *Anime* boom had come and gone. But there is no use talking about it. If there is something we have to talk about, it's the "excessive expressionism" and the "loss of motives" in Japanese *Anime*. These two are corrupting Japanese popular animation.<sup>19</sup>

Miyazaki-san observed that in spite of numerous animation techniques, most of the popular Japanese animation had been successfully created by employing cel animation process. Cel, meaning celluloid sheet, has become vinyl chloride sheet, but animators still use the same abbreviation today. Using this technique, a picture on paper is transferred to cel (by adhering carbon via heat treatment); then, it is colored with water-based vinyl paint and filmed with the background. This technique was developed in Japan almost at the same time as in the United States. He furthered:

Cel *Anime* is a technique suitable for group work, and the images in cel *Anime* are clear and have strong appeal. The clarity of the images at the same time means their shallowness. To make cel *animation* with a certain quality, you need a group of technicians with talent and patience.<sup>20</sup>

On rotoscoping, a technique to draw poses and timing from live action film, he commented that this was developed in the United States and the Soviet Union because the limits of animators' imagination and ability to draw was clear from early on. However, in Japan, rotoscoping did not become popular.

It isn't just because of economic reasons. I myself hate this technique. If animators were enslaved by live-action films, the excitement in the animator's work would lessen by half. Though we can also say that we didn't have an acting style after which we could model. *Bunraku*, *Kabuki*, *Noh*, or *Kyogen* are too far apart from our works, and Japanese musicals or ballet which are just borrowed [from the West] didn't interest us.<sup>21</sup>

Miyazaki-san hailed the way Japanese animators proceed

with their tasks:

We have been animating with our passion, hunches, and feeling, based on various experiences of movies, *Manga*, and others, as much as time and money allowed us. Gestures [of the characters] tend to be constructed by symbolizing and breaking characters' feelings down to facial parts (i.e., eyes, eyebrows, mouths, and noses) and reconstructing them. But we tried to overcome the decay of symbolization by animating through "identifying with the character" or "becoming the character."<sup>22</sup>

Among all popular culture, Japanese *Anime* may lay claim for having kept its preoccupation with love and justice the longest. This is either a reflection of the artists' strong beliefs or the fact that *Anime* easily absorbs *Manga's* core beliefs. However, Miyazaki observed that creators could no longer give heroes spontaneous motives.

The only remaining motive is, as in other genre, professionalism. Characters fight because they are robot soldiers, pursue criminals because they are police, beat competitors because they want to be singers, or work hard because they are sports players. Or else, [the remaining motive] is an interest in something in skirts or pants.<sup>23</sup>

Japanese animation has proven how terrible it is to keep making works without motivating characters based on their value system. Alarmingly, Japanese *Anime* have become to be filled with games. Even the deaths of the characters became games, and creators became gods and reached a dead end. It is natural that *Anime* has been replaced by computer games where audiences became players and gain more satisfaction as games allow more participation. In spite of this, Hayao Miyazaki managed to surface strong motivations for his characters: as seen in the clear advocacy against environmental degradation expressed in *Princess Mononoke* and the anti-war sentiment evident in *Howl's Moving Castle*.

I did not deliberately try to deliver any educational ideologies or messages to the audience. If they really exist in my works, they are only revealing themselves naturally. Many people think that I am telling a very deep truth. Actually what I like is simplicity. The reason that we made "Howl's Moving Castle" is that there are too many unhappy matters in the world, such as wars and economic crises. We hope that, through the movie, people can keep up their courage and see the hope. The future world is still nice and beautiful. It is worthy for us to survive and explore it.<sup>24</sup>

Furthermore, Miyazaki-san still subscribes to the notion that *Anime* has to be made for children.

I think that seeing a wonderful Japanese animation when one is a child isn't such a bad experience. But on the other hand, I am very much aware that our business targets children's purchasing power. No matter how we may think of ourselves as conscientious, it is true that images [such as *Anime*] stimulate only the visual and auditory sensations of children, and they deprive children of the world that they go out to find, touch, and taste. This society has bulged out to the point where the sheer volume has changed everything. But, our situation changes, and I myself change. While saying "we should make it for children," I find myself making a film, which is not for children. When I reached the conclusion that "I make what I myself think is interesting now," I knew, it became something that is no longer for children.<sup>25</sup>

Finally, Miyazaki-san shared:

Although I thought about leaving the world of animation for many times, whenever I would see a piece of work that I really liked, I would naturally want to express it in my own ideas. When I hand it to the others, I always think about how this and that should be done. I feel that it will be better if I take up the work myself. In order to bring out the original spirit of the work, I will have to return.<sup>26</sup>

## ASIAN DIGITAL CONTENT IDENTITY AND THE OTAKU PHENOMENON

### Demystifying Japanese *Anime* Fanaticism

*Otaku*, as a term used for a particular breed of obsessive, already has a currency internationally albeit loaded with a great many misconceptions. Even in Japan, where the term originated, a frightening degree of misunderstanding and prejudice surrounds *Otaku*. Negative image still abound—"deviates lacking in common sense social skills," "alienated depressives," "pedophiles who can not deal with adult women"—although of course, no one on the *Otaku* side in Japan has actively tried to correct these erroneous views. Unfortunately, very few profess precise acquaintance with the term. The problem is compounded by the fact that differences between "*Otaku* and obsessive are extremely vague and difficult to pin down. In general, the term *Otaku* most often designates *Anime* or game enthusiasts in their late teens to adulthood, and certain fans of *Manga*, figurine collectors and cultists of monster

movies and other special effects films.

In Japan, *Otaku* generally refers to persons who lose themselves in *Manga*, *Anime*, computer games and other cartoon character media. The closest English translation is nerd. The stereotypical *Otaku* can be either pudgy or lanky, but wholly unconcerned with fashion or personal appearance. Moreover in Japan at least, there is even a common image of the *Otaku* room: a cockpit surrounded by computers, video equipment and electronic gadgets, with *Manga* magazines, videotapes and other software in piles everywhere within hand's reach by the bed. As with fashion, they are said to take no interest in décor or aesthetics, so the term *Otaku* includes an image of a spatial condition that is now transforming the cityspace itself.

In June 1983, an essayist named Akio Nakamori wrote a short column entitled "*Otaku no Kenkyu* [A Study of *Otaku*]" for the erotic *Manga* magazine *Manga Brikko*. Nakamori studied a particular kind of driven personality: people who line up in front of theaters all night before the opening of an *Anime* film, people trying to take photos of rarely seen trains, kids with Coke who hang around computer stores, men who go to idol autograph sessions early in the morning to secure a good seat in front, and audiophiles who are extremely uptight about sound quality. These kinds of people were often called maniacs, enthusiastic fans or *nekura*, but none of these terms really hit the target. (Macias and Machiyama: 2004, 13) People needed a new word to integrate these kinds of people into a broader social phenomenon. In the absence of any better ideas, commentators seized upon the word *Otaku*. Observers had noted how fans at *Anime* conventions or get-togethers would use *Otaku* to address each other. When translated into English, *Otaku* roughly means you. Japan has many "you" equivalent depending on the social context, rank, mood, etc. Among the "you's" in Japan, *Otaku* is formal and impersonal. *Taku* means house; and thus, when combined with the honorific prefix *o*—it literally means "your house," "your side," or "your family". Middle-class housewives, for instance, use *Otaku* at afternoon tea parties as they regard each other not as individuals but as members of a larger family or lineage. *Otaku* then becomes a dispassionate and aloof way of referring to another person. But why did *Anime* fans choose to use a word that came from housewives? One possible reason is that they were not comfortable with the alternative term for you: *omae*. Traditionally, male friends use the first person *ore* and the second person *omae*. But *omae* may sound a bit rough to Japanese ears and is properly used only in close relationships and for those at the same or lower rank.

A meek *Anime* fan, reluctant to use such overpowering masculine words, finds the housewife word *Otaku* more suited to his and his colleagues' sensibility. As housewives relate to others as representatives of a family, and not as individuals, *Anime* fans don't want to cross over into each other's personal lives. By calling each other *Otaku*, personal feelings are off the table; in the fantasy world of *Anime*, this is a sure route to a simple conversation. (Tomohiro Machiyama, 2004)

Since the magazine in which Akio Nakamori had defined the word *Otaku* was a little-known porno publication, news about the new usage of the word did not spread far. The first recorded usage of *Otaku* in the mass media actually came before Nakamori's column. It popped up in the 1982-83 *Anime* series *Super Dimensional Fortress Macross* (shown in the USA as *Robotech*). The fighter-pilot protagonist Hikaru Ichijoe frequently uses *Otaku* when addressing others. It appears that the *Macross* crew, including the scriptwriters, was *Anime* fans themselves, and had inadvertently used their own vernacular.

Yet, it was Tomohiro Machiyama's book called *Otaku no Hon* (The Book of *Otaku*) in 1989 which helped popularize the word in Japan. This bestseller was a collection of essays about people deeply into *Anime* *dojinshi* [fan-made comics], *bishojo* [beautiful girl], *figyo* [figures], *yaoi* [male-male love], computers, video games, pro wrestling and B-class idol singers. It also included analysis and discussion from scholars about these new kinds of cultures. Inspired by the popularity of *Otaku no Hon*, Toshio Okada, producer of the 1988 seminal *Anime Gumbuster*, made another *Anime* in 1992 called "*Otaku no Video*" that further explored the *Otaku* phenomenon. However, Tomohiro Machiyama declared:

Much as I'd like to think that it was my book, *Otaku No Hon*, that made the word a sensation in 1989, the truth is somewhat different. Tsutomu Miyazaki, a man who kidnapped, raped, and murdered three little girls, was arrested in 1989. Miyazaki was a walking worst-case scenario *Otaku*. With messy long hair, a pale face, and geeky glasses, he was 27 years old, unemployed, and living with his parents. His room was full of *Anime* videos and *Lolicon* [Lolita Complex] *Manga*. Because the case was so sensational many Japanese people began to wonder what kind of lifestyle had created such a monster. *Otaku no Hon* had just come out. People connected the dots and came to conclusion that *Otaku* were dangerous perverts.<sup>27</sup>



*Otaku* suddenly became a social problem, which infiltrated the whole of Japanese society like communists and terrorists. *Otaku*-bashing became a new witch-hunt. Even *Otaku* began to despise their kind. Hardcore *Otaku* who could never have normal lives were called *itai* [the painful], and fellow *Otaku* condemned them. Anime *Otaku* were ashamed to be associated with the word itself, and stopped using it to address or refer to each other.

The 1980's marked the peak of the bubble economy in Japan. But in 1989, this bubble began to burst, ending the period of high economic growth after World War II and beginning a deep recession that lingers to this day. But as other industries grew sluggish, only the *Otaku* market continued booming. *Anime*, *Manga* and video games became the new favored exports of Japan. Marketers and economists started to research *Otaku* consumers' tendencies and preferences. Academics started researching the psychology of *Otaku*, now considered as a model of human beings in a new postmodern society. In a reversal of events in 1989, *Otaku* were acknowledged as a subculture that Japan could be proud of and learn from. After all, it was *Otaku* who, through their purchasing power, supported technological advances in Japan, especially with the consumer electronics and computers they used to store, reproduce, and view their favored *Anime* products. Both the corporate world and the highest levels of government policymakers acknowledged the significance of this emerging subculture.

This time, the word *Otaku* has acquired a positive connotation, suggesting that a person has his or her own sense of values with a child's purity and passion, and possesses in-depth knowledge and an uncompromising opinion on his own likes and dislikes. Persons without *Otaku* leanings are assumed to be without uniqueness, originality and creativity. Even as this new wave of *Otaku* redefinition occurred, the negative meaning permeates the society's consciousness and is still widely used. *Ota*, a shortened version of *Otaku*, is used to ridicule someone or make fun of oneself. For instance, an *Otaku* of the idol group *Morning Musume* is called *Mo-ota*; an *Otaku* of *Gundam* is called *Gun-ota*.

### The *Otaku* Space

Interspersed with the country's dazzling images and inspiring vision of tomorrow—trains propelled by magnetic levitation, humanoid robots made by Sony, cell phones smarter than most human beings—Japan is in the grips of a *Natsukashi* [Nostalgia] Boom. It first began in the mid-1980's when academics started

searching for hidden meanings in the *Anime* and *Manga* of their childhood. To evoke the distinct feel of the late *Showa Era*, when *Otaku* culture in Japan was at its peak, *Anime* and *Manga* are now overpopulated with remakes and re-releases of blockbuster hits between 1954 and 1989. Advertising agencies routinely trot out old characters like *Astro Boy* and *Joe Yabuki* [from *Tomorrow's Joe*] to help rope in middle-aged consumers. Television is clogged with retrospectives and clip shows highlighting yesteryears' *Anime* icons and celebrities. The past is reclaiming the present on all fronts.

### *Manga*

*Manga* first emerged out of Japan's poverty stricken postwar era and was embraced by a populace hungry for cheap visual entertainment. Creators like Osamu Tezuka and Shotaro Ishinomori created a new style of storytelling based on big eyes and time compressed or stretched out. The resulting industry soon made the transition to movies and television in the form of *Anime*. This medium would be the first to bring the *Manga* sensibility to the rest of the world. English translations of *Manga* are the fastest-growing segment of the US publishing industry with annual sales valued around US\$120 million. Year 1996 was the peak year for *Manga* in Japan, when a comic magazine like *Shonen Jump* had a circulation of six million copies a week—which is already equivalent to the annual comic books sales in the US. But the drop-off began the next year. Sales for major *Manga* publishers like *Shogakukan*, *Shueisha*, and *Kodansha* have steadily been going down ever since. The reasons for such decline in *Manga* consumption are numerous. *Manga* scribe Kentaro Takekuma blames the increasing lack of creator-owned properties. Major publishers now develop and license titles like *Yugi-oh!* and *Pokemon* themselves, with the resulting cash going directly into the company coffers. The majors want blockbusters from creative staff, but artists and writers are paid at low rates. Meanwhile, the same pre-teen boys, which most of today's comics are created for, have made the switch to portable video game devices. Adults have their own version of the Game Boy, and a whole lot more, in the *keitai*—the cell phone—a technology that's revolutionizing 21<sup>st</sup> century Japan while leaving older media behind. To be more competitive, the publishing industry is trying to find ways to deliver *Manga* content directly to cell phones and computer screens. But "digital shoplifting", that is, photographing the pages of books and magazines using a cell-phone camera, easily cuts out the middleman. Masuzo Furukawa, CEO of *Mandarake*, an enormous shopping empire of *Manga* and *Anime* goods, opined:

*Otaku* culture is just like any other culture. There are two needs: first, the country should be rich, and the second is, there needs to be freedom of expression, just like Europe during the Renaissance, and the impressionist movement in France. You need to be able to make anything you want: even stories about violence and sex. That's why Japan has the biggest *Otaku* culture.<sup>28</sup>

### Toys: *Figyo*, *Gachapon* and *Shokugan*

Action figures used to occupy the same place in Japanese society that they did everywhere else: they were meant for children, and only for children to play with. But as any kid who grew up coveting *Shogun Warriors* and *Transformers* can tell, Japanese toys from the 1960's onward were truly amazing things to behold. These kids refused to give up their affectation with toys; they hunted down old *Godzilla* vinyl figures or *figyo* made by Marusan and made lists of all known variations in the Chogokin die-cast metal robot toys from Popy. In the 1980's, figures of favorite characters in the form of elaborate models known as "garbage kits," often as colossal in size as they are expensive, were manufactured.

Hisanori Nukata, founding editor of Japanese magazine *Figure Oh* [*Figure King*], credits the hugely popular TV program, *Kaiun Nandemo Kanteidan*, which is inspired by the BBC's *Antiques Roadshow*, for getting regular people interested in collecting figures. Suddenly, *Otaku*-like hoarding started to look downright respectable to the public. Aside from the warmth and nostalgia that these old figures of heroes and villains bring, their market value simply skyrocketed.

*Bandai*, the leading Japanese toy company, introduced its first capsule toys called *Gashapon*, a variation of the generic *Gacahapon*, a term which originates from the noise the machine makes when the dial is cranked gacha and the capsule drops pon. Sold from vending machines, *Bandai's High Grade Series* offered miniaturized *Ultraman* and *Evangelion goods*. 1.5"-high figure with all the detail of a US\$100 garage-kit were sold for a mere ¥200 (around US\$2) at a size perfect for a Japanese apartment or *apato* where space was at a premium. Less than a year after the debut of the *High Grade Series*, *Bandai* was raking in millions; their *Gachapon* were the biggest financial success in the history of Japanese toys. To keep up with demand, *Bandai* opened a new factory deep in the mountains of China.

This *figyo* craze began at the natural breeding ground for capsule toys, Akihabara, where *Gachapon* machines swept up the remaining pocket money of *Otaku* who

would come to buy computer parts and games at this "Electric City". Quickly, the rest of the populace began to take a liking to these machines as well, especially the middle-aged men attracted to the brilliantly-detailed toys and figures based on their favorite *Anime* and game characters from their youth. Every *Gachapon* machine offers something new and different—*Ultraman* monsters, mecha from *Evangelion*, gals from *Sailor Moon* or even a figure of ape-faced villain *Dr. Gori* from the 1970's superhero show *Spectreman*. These vending machines rake in as much as ¥31 billion (US\$310 million) annually, which shows that ordinary people and *Otaku* alike are in the grips of this capsule toy addiction.

Inspired by the success of *Gachapon*, which effectively circumvented toy stores and retailers while offering high-quality goods at low prices, the rest of the toy industry joined in. In 1999, one of these post-*Gachapon* companies, *Kaiyodo*, was asked to make small toys for candy company *Furuta Seika*. Years earlier, *Furuta* teamed up with Italian chocolate maker *Ferrero* to produce choco eggs with toy prizes called *omake* to be sold in Japan. Sales of these Easter egg-like confectionaries had been sluggish, so *Furuta* asked *Kaiyodo* to produce small animal figurines for a new line of choco eggs. Shinobu Matsumura, one of *Kaiyodo's* sculptors, began to create animals that were 75% anatomically accurate, while 25% was filled in by distinct *kawaii* or cute touch. The result was another revolution; females, from schoolgirls to office ladies, began collecting *omake*. Classified as food, not as toys, these choco eggs immediately had massive distribution through Japan's groceries and convenience stores—outnumbering existing toy stores. Sales jumped to 6 million units within months. Other toy companies and sweet makers soon followed suit and began to form alliances. By 2001, a hundred different companies were offering various forms of candy toys, called *shokugan*: from *shoku*, meaning food and *gan*, from the Japanese word for toy, *gangu*.

Even as the candy toy industry pull in about US\$500 million annually and are holding steady, creating a hit toy line is not necessarily risk-free. Obscure characters like the 1970's superhero *Denjin Zaboga* can meet modest success due to obsessive collectors, while a juggernaut media property like *Dragon Ball Z* can mysteriously turn out to be a bust, as the *Konami Company* belatedly found out when it made some 100,000 figures that nobody wanted to buy. Meanwhile, a limited edition figure can easily go for thousands of dollars on Internet auctions. Indeed, gambling, that is the rarity of a toy prize leading to a mad demand, is still a key to this candy-toy phenomenon.

### Lolicon, Dolls and Dollers

Hayao Miyazaki's 1979 film *Lupin III: Castle of Cagliostro* exemplified the *Lolita Complex*, a fixation to or desire for young girls, into *Anime* when its two middle-aged protagonists Lupin and *Cagliostro*, fought over the affections of a teenage girl named *Clarisse*. But what has in Japan become known as *Lolicon* already had a long literary tradition in the West, where it was associated with intellectual decadents like Lewis Carroll and Nabokov.

When Mamoru Oshii, another internationally acclaimed *Anime* director, was asked to make his 2004 film *Ghost in the Shell 2: Innocence*, his fascination on *Doll Love* surfaced as he utilized Hans Bellmer's life-sized dolls into his work. *Innocence's* story—about female sex androids that kill their owners—was possible only in a Lolicon country like Japan. The androids were modeled after little girls similar to Bellmer's dolls. However, Oshii repeatedly insisted that his film's android was not simply a substitute for a real girl, but that the doll itself is the ideal girl. Oshii was not alone in this outlandish sentiment; so-called *Dollers*, or doll collectors, had already become a large segment of the *Otaku* world.

The source of the doll boom may have started with Paper Moon Company's life-size figures of *Rei Ayanami*, the heroine of *Neon Genesis Evangelion*, which were put on the market in March 1996. These dolls, costing more than US\$5,000 each were produced in limited edition and immediately sold out. Paper Moon then began selling life-size dolls of other *Bishojo* characters like *Asuka* and characters from the Gal game *Tokimeki Memorial*. Released one after another, they ranged in price from US\$2,500 to US\$5,000 but sold very well. Paper Moon also began selling original life-size dolls as part of its *Caramel Ribbon* line; these dolls were not modeled on specific characters but had unique and original *Anime*-styled faces. The doll owner names his doll and assigns it exactly the personality and characteristics he desires. This eventually proves that *Anime* aesthetics in Japan have already become independent of animation itself.

Volks Company offered the *Dolfie* doll series assembly kit. These dolls are meticulously detailed, even more so than their European antique-style counterpart. They come in 27-cm-tall standard doll or the 57-cm *Super Dolfie*. The biggest sales feature is its *Full Choice System*: one can choose from 30 different kinds of heads, 22 kinds of eyeballs and 186 kinds of wigs, along with all sorts of other body parts to create a totally unique doll. Aside from beautiful-girl dolls, there are also pretty-boy dolls whose collectors include women and men of all ages.

Dollers hold doll parties or *Dolpa* to show off or sell original costumes for their dolls. The fun of having a doll is not just dressing it up but cuddling with it. But Paper Moon's life-size dolls are too hard owing to their FRP (Fiber Reinforced Plastic) bodies. *Dolfies*, on the other hand, are too small and fragile. The *Fantastic Soft Figures* line, created by Orient Industry Company, is the solution as it offers life-sized Love Dolls with soft skin and an *Anime* face. But doll collectors may opt not to view their dolls as substitute to a human girlfriend or an *Anime* character. They even affectionately call their dolls *musume* or daughter and consider the purchase of one as an adoption or *omukae*.

### Moe

Various opinions as to how *Otaku* came to use *moe* for expressing their enchantment with the so called *Lolicon* [Lolita Complex] characters; it might have been a shortened version of *Tomoe*, which is *Sailor Saturn's* real name in *Sailor Moon*; or it might have been from *Moe Sagisawa* from the 1993 *Anime* TV series *Kyoryu Wakusei [Dinosaur Planet]*; or it could have originated from the Japanese word *moeru*, which means burning and describes fans' passion toward animation characters. Fundamentally, *moe* is a verb that means a plant sprouting—a wholesome image used as a metaphor for budding love, as it was in the *Manyoshu* collection of poems written in the 8th century Nara period. This ancient nuance has been revived as an expression of adoration for innocent girls as fresh as a flower bud.

The most frequent objects of *moe* are characters from *Anime*, *Manga* and games. When *Otaku* get *moe* over girls, they want to protect them. Flesh-and-blood (real people) idols can become the object of *moe* too. But *moe* is not just for a person or a character: *maid moe* is being excited by French-maid costumes; *miko moe* is towards shrine maidens; and other varieties include *bunny-girl moe*, *cat ear-girl moe*, *eye glasses-girl moe*, etc.—varieties which are clearly sexual fetishes, deviating from the original *moe* of pure, innocent, and fresh definitions.

For critics, *moe* suggests pedophilia. Certainly, Gal games have a lot of sex in them, and there are *dojinshi* sold at *Comiket* full of 2D raping and forced enemas. However, virginity is essential to *moe*. Once actual sex is portrayed, the fantasy is destroyed. In fact, *Otaku* are fond of the younger-sister *moe* scenario where the ultimate object of desire is to protect innocence and virginity. Such qualities are prized on the one hand, and continually destroyed with the other hand in masturbatory fantasy—creating an infinite loop of arousal.

## Akihabara

Tokyo's Electric Town, a haven for hackers and nerds, a messy *Otaku* room enlarged, Akihabara is the heart of *Anime* City. Its neon signs and myriad displays repeat an endless mantra of sorts: *Anime*. *Manga*. *Figure*. *Game*. *Hobby*. *Used DVD*. *Video Games*. *Gundam*. All these continuously assault the vision of tourists and customers alike; all these dazzle and hypnotize as a cornucopia of *Anime* theme songs permeate the air. This public space acts more like a Times Square or Vegas strip for *Otaku*. This is Neo Tokyo: where private fantasy and obsession take over an entire city.

Through the years, Akihabara's transformation saw several stages; the first of which belonged to junk shops. People collected and recycled electronic and mechanical parts. These recycled parts were then sold at a cheaper price, which originally made Akihabara a place to buy discount electronics. Then, as the economy exploded, Akihabara became the place to buy dazzling new consumer goods like washing machines, TV sets, camera, and hi-fi equipment at discount prices. This incarnation of the Electric Town persisted until massive chain stores like *Yodobashi* began popping up in other wards and in the suburbs. Akihabara began losing patrons. However, in the 1980's, due to a new underground hacker boom, Akihabara got a second wind from the sales of illegal electronic devices like mini cameras, radio scanners, eavesdropping devices and bootleg software. The nerds and fanatics took over and decided to make it an *Otaku* paradise. As the 1990's rolled in, advances in digital encryption and computer system gave something back to the *Otaku*: Gal games—girlfriend and sex simulators. Moreover, the stores began to offer other *Otaku* goods like *figyo*, *dojinshi*, *dojin soft*, and *Anime* that was decidedly not suitable for kids. More recently, a host of *Cosplay Cafe's* have opened where *Otaku* can enjoy food and conversation with girls dressed as *Anime* characters.

Tokyo's electronics district once represented a full one-tenth of Japan's appliance market within less than one square kilometer. Over a brief three year period from 1997, the area underwent a radical transformation into a sanctuary for *Otaku*, as one after another mainstream appliance retailer has been replaced by *Manga* bookshops and figurine specialty stores. Already everywhere from inside Akihabara train station out onto the main avenue Chuo Dori is cluttered with signs and posters of smiling *Anime* nymphs advertising porno computer games. This unprecedented urban transformation owes little to state or corporate development strategies, but is a direct outspring of the *Otaku* persona

concentrating on a geographic scale. *Otaku* tastes once hidden away in private rooms have now come out in a big way in public space, turning areas of the city into gigantic *Otaku* rooms.

## Robots and Nymphs

As shadows of reality descended upon the future and science, dreams of youth raced off into the realm of fantasy. Objects of fascination veered from science toward science fiction and on to SF *Anime*, whose two leading lights have characteristically been robots and *bishojo* nymphs. Robots have undergone significant image changes from their original definition in science fiction as subservient labor devices into heroic warriors, avatars of power and natural resources invested in science as with the Apollo space program—as if American fighter planes symbolically transmuted into the giant fighting robots of Japanese animation. Nor was it a mere transposition of scientific and military prowess. Japanese *Anime* imaging had its origins in America's Disney animation, a processed offshoot of a parent culture. In essence, Disney used the technique of cel animation to sanitize European folktales, both story and picture, into family entertainment. Similarly under post-war American cultural domination, Japanese artists like Ozamu Tezuka reworked a Disney style into their own idiom, taking the artificial feel of the cel technique one step further into the attractions of pygmalionism (love of inanimate figurations). Thus, *Otaku* culture essentially consists in the impetus to remake culture in its objectively shared attributes so as to conform to the subject self. What better way, then, than to take those cartoons and animated films that Disney had established as a medium for impressionable children by purging them of all sexual elements and inject them with sex appeal? The result was the *bishojo* figure so ubiquitous to Japanese Anime.

Surveying the gamut of robot-and-nymph Japanese *Anime*, supernatural powers and robotic servomechanisms often catapult the protagonist into the heroic reconstruction of new worlds after the destruction of today's society due to nuclear war or catastrophic upheaval. An Armageddon wish as salvation from this faded mentality. Sadly enough, such *Anime*-colored Armageddon fantasies did in fact incite religious cult to commit terrorist acts using poison gas in 1995. Headlining Japan news programming for almost two months until finally brought to an end by the arrest of the cult leader, the incident dealt a swift blow to infatuations with post-Armageddon heroics, and sent *Otaku* scurrying back to the school-days nostalgia of *Anime* and games depicting the imaginary daily life of adorable young girls. This trend toward love-fixation

upon bishojo or nymphs came to be called moe, soon supplanting *Otaku* visions of a cataclysmic *kin mirai* [near future]. The storefronts of Akihabara where appliances once gleamed, long since became *Otaku* shrines are now lined with moe nymph signs bewitching and eroding the modernist cityscape. Victory banners hailing the *Otaku* conquest of the area, these nymph icons clearly signify that persona and tastes are replacing state and mega corporations as determinants of the urban fabric. Net-based interest communities are restructuring real places. In a reversal on the received wisdom that cyberspace is replicating the city, here the city has begun to mimic cyberspace.

### Gal Games

Video games started in Japan in 1978 with *Taito's Space Invaders*. By the early 1980's, amusement companies like *Namco* and *Nintendo* were filling arcades with made-in-Japan games like *Pac-Man* and *Donkey Kong*. While coin-op culture was spreading across the world, a new kind of game was emerging in Japan. In 1982, *Koei Company* released *Danchi Tsuma no Yuwaku* [*Seduction of the Condominium Wife*] for the PC8001 home computer. This game, a mixture of text-based erotic adventure and crude graphics owing to the computer's eight-color palette, was an instant hit. *Koei* became a major software company, and the bold new era of *Bishojo* games, or *Galge* [Gal games] had begun. In 1994, *Konami Company* was about to close down when fans set up a fund to produce a platonic romantic simulation for the PC engine called *Tokimeki Memorial*. With no sex at all, it became the next best-selling *Bishojo* game and put *Konami* on the map. In 1999, an independent software development house *Visual Art's/Key* published an adult game called *Kanon* for the Windows PC. In the game, the player meets five girls in a snowy small town and experiences tragic love affairs with them. Naturally, *Kanon* was a sex game, which initially attracted male consumers. But like the readers of girls' comics, these men found themselves identifying with the protagonists over the emotional trials and tribulations of pure love. *Kanon* was then released for the PlayStation minus the explicit sex. It sold even better than the dirty PC version did. Finally, *Kanon Anime* version was broadcasted on network television. And as floppy discs gave way to CD-ROMs, and crude home computers gave way to a succession of Windows OS, the *Bishojo* games evolved into a mix of gorgeously detailed illustrations, full-blown animation and dazzling computer graphics. Modern games often employ all free techniques.

The visuals of *Bishojo* games strengthened the links between

*Anime, Manga* and the electronics culture of Akihabara ward. A new *Otaku* industry was created where a small crew consisting of an illustrator, a scriptwriter, and a programmer could churn out a product that could sell as many as 30,000 copies. With some 500 new *Bishojo* titles debuting annually, this genre is estimated to account for 25% of all software sales in Japan.

### *Pachinko* Parlors

Even if an *Otaku* may not be interested in gambling, he probably still won't be able to resist dropping in on a *pachinko* parlor. Pictures of girls drawn in *Anime* style seduces from countless banners and posters. Many of the *pachinko* machines lined up in rows exhibit design schemes which are based on *Anime* like *Gatchaman* [*Battle of the Planets*], *Lupin III*, *Mobile Suit Gundam* and *Space Battleship Yamato*. Animation plays in a small video monitor installed in the center of each machine. The sounds of the machines in action include memorable lines of dialogue spoken by the original *Anime* voice actors. Thus, *Otaku* can gamble while watching a favorite *Anime* at the same time.

### Cosplay

In the 1990's, *Cosplay* was about wearing China dresses, nurse outfits and other uniforms, which are sexually appealing to men. Nowadays, *Cosplay*, an abridgment of two words: costume and player, is a fun activity for popular culture fans to disguise themselves with a look-alike costumes of and role-play as their favorite *Anime* characters. Fans, boys and girls alike, dress up as characters from a two-dimensional world. Their costumes are creative and outrageous: from enamels, leathers to velvet dresses. Girls may dress up in boys' costumes; guys in girls'. Blue wigs are worn for *Rei Ayanami* from *Evangelion*, yellow hair for *Sailor Moon*. These fans make their own costumes, or buy them through internet. Most *cosplayers* have never even sewn before in their lives, but somehow developed the skills out of love and desire. *Cosplayers* express their devotion to the *Anime* character that they love or desire by imitating the character's physical appearance.

*Cosplay* started as a sideshow at the largest and most famous convention for all *Anime* and *Manga* lovers, the *Comiket* [*Comic Market*] which is held twice a year, in August and December. The first few *cosplayers* appeared there around mid-1980's as it was the only place that fans dressed up in public. Now, *Comiket* is the *cosplayer's* own Paris Collection fashion show. *Cosplay* started to grow rapidly in the 1990's to the point where *cosplayers* began to attend smaller *dojinshi* events. Visual J-rock

bands emerged slowly, and fans of these artists started cosplaying as their favorite artists in Akihabara and in Harajuku, the mecca of new fashion, every Sunday. Started by a group of amateur cameramen in the late 1990's, the first *cosplay*-only event was held and was called Tokyo Cosplay Character Show. A thousand people showed up and crowded into a small hall every weekend. Now, the event continues to run twice a month, with more than two thousand regular attendees. Moreover, amusement parks in Tokyo realized how huge this new trend has become. *Cosplay Days* have since become regular events at amusement parks like Korakuen, Toshimaen and Yomiuri Land in Tokyo usually on Sundays. Unlike at some cons, weapons and props can be freely displayed at these events. Through these huge and unrestricted events, *cosplay* has become more and more open to regular society and is spreading internationally. And since countless cosplay conventions and parties are now held in Tokyo, people who hid their interest before are becoming free to talk about and show what they love. Magazines about *cosplay* and *Gothic Lolita* fashion are sold in major bookshops, and over a hundred internet *cosplay* shops are filled up with orders for new costumes. The stereotype of a typical young *Otaku* is someone who is isolated and shy. But that's changing rapidly through *cosplay*: a vivid way to express oneself.

### ***Kigurumers***

Dressing up like one's favorite characters seems like a natural spin-off of *Anime* and comic conventions. Even so, there are *Otaku* who are not satisfied merely by wearing *Anime* costumes. For whatever reason, they needed to get inside the character's body. These people are known as *Kigurumers*. *Kirigumi* is the Japanese word for a person who wears a character mascot costume to greet customers at amusement parks or department stores. *Kigurumers* make a character costume and a face mask to go with it. Not an inch of actual skin is shown to outside world. Since some *Kigurumers* cover their faces in layers of cloths, there is a risk of asphyxiation.

The mostly male *Kigurumers* might be seen merely as cross-dressers. But the visual strangeness of this fetish makes them even more far out than regular gender-benders. Simply by dressing up, *Kigurumers* cross the boundary from fantasy to real life, from 2D to 3D, as they break a host of other taboos as well. *Kigurumers* claim that the mask is not there to hide their face; they sublimate themselves inside the costume to act as a medium for the character's motions and thoughts. The mask is the character's head; the tights are the skin. Unlike *cosplayers*, *Kigurumers* are not wearing costumes. Rather, they physically and psychologically

inhabit their characters.

### ***Comiket***

*Comiket*, an abbreviation of Comic Market, is an *Otaku* multiverse made real: a three-day pile up of all possible Japanese subcultures at once. It is a self-contained city-state that springs up at Tokyo Big Sight in Odaiba twice annually during summer and winter. Some 30,000 people are estimated to attend each session, making it one of the largest gatherings of people in the world. The biggest draw for *Comiket* is *dojinshi*, limited edition of fan-made publications usually in the form of comics but also increasingly as floppy disks or CD-ROMs known as *dojin-soft*. The subject matter is often of parody of, or an erotic take on, a popular *Anime* or *Manga* property like *Naruto* or *One Piece*. However, numerous other subjects and topics are covered in the non-*Manga dojinshi* margins: from chatter about live-action superheroes to obsessive dissertations on canned soft drinks. Production values for printed goods range from crudely photocopied 'zines to squarebound books with glossy covers. *Dojin soft* can contain anything from simple illustrations, to *cosplay* pictures, to original and fully playable videogames.

An individual either makes a *dojinshi* on his or her own, or as part of a clan of artists called a circle. Some 10,000 *dojin* circles are crammed into the Tokyo Big Sight exhibition halls. A red-hot *dojin* circle *dojinshi* can sell out of a print run of as many as 100,000 copies. The total amount of money that exchanges hands at a single *Comiket* is a whopping ¥1 billion. The profit from an independently made *dojinshi* can be bigger than that of a *Manga* from a major publisher. This great gathering of *Otaku* circles may have begun as a purely fan-driven movement in 1975. But then, major corporations, sensing the big money involved, have now moved in and set up their own special section. While *Comiket* itself offers free attendance, showing up without any cash to spend might prove cumbersome for fans as ATM machines give up early on and buying *dojinshi* is a cash-only affair. Begging dealers for discount or bargain is considered un-*Otaku* like.

*Comiket* is loosely organized around themes: for instance, December 29 is Women's Day, when a good deal of *dojinshi* is devoted to *yaoi* works. The roles are reversed on the 30th, Boys' day. An immense sea of porn, the most popular section of *Comiket*, stretches out as far as the eye can see; most of them are even more explicit than what can be normally found in Akihabara.

As a major arena for *Otaku* culture, *comiket* fanzine expositions, afford a venue for amateur *Manga* artists to exhibit. Largest among these is the annual summer and winter Comic Market expositions that rent out the entire 230,000 square meter Tokyo International Exhibit Center (Tokyo Big Sight) at Ariake on Tokyo Bay, for three days each time. Each day, some 12,000 interest groups or circles change places, making three-day total of 35,000 circles selling fanzines, with attendees numbering upwards of 500, 000. The hall is typically laid out during commercial trade fairs in a virtual diagram of capitalism, with the largest booths of high-capital enterprises in rows at the centers and smaller booths of lesser companies relegated to the fringes—a principle replicated throughout most contemporary architecture and urban planning. Whereas with the Comic Market, the spread between minor fan groups and most major sellers might differ by a scale of thousands, all booths are equal in size and organized in columns by genre—spatial articulation by taste, not capital. Those circles expecting large number of visitors are placed in separate birthday seat blocks so their queues will not interfere with other booths, with major visitor-drawing circles situated along the walls and the very biggest by delivery shutter-doors so the queues can wrap around the outside of the hall. Thus, while nominally a market, the Comic Market is laid out according to different spatial principles. Here, icons and fanzines function as community currency.

### ***Kombini***

Be it Lawson, Family Mart, Sunkus, 7-Eleven, AM/PM, or Cico Mart, any Japanese convenience store or *Kombini* offers a fine selection of *Manga*, toys and video games. Best of all, most locations are open twenty-four hours a day, which means *Otaku* can pursue their hobby or addiction around the clock. Along with the usual weekly and monthly *Manga* periodicals, there are entire lines of graphic novel collections distributed exclusively in *kombini*. Wide selection of *figyo* can be found on the display shelves from companies like *Konami* and *Kaiyodo*. For as cheap as a 100 yen coin, one can buy a *shokugan* [candy toy] and score a high-quality collectible figure along with a tasty treat. Near the cash register, a behind-the-counter selection of the latest videogame, CD and DVD releases is temptingly available.

### ***Otaku* Global Phenomenon**

Since the 1990's, this peculiar subculture of *Manga*, *Anime* and computer games spread with other Japanese popular culture to Europe, America and East Asia. Other countries have had their own homegrown cartoon, animation and game fanatics, but when referring to

those who favor Japanese subcultural genres it was only natural that they too used the Japanese word *Otaku*. Still, differences do exist. In Korea for instance, there are Korean *Otaku* who are into Japanese, American and European subculture and who belong to the generation that are now the prime movers of society. These many different *Otaku* make powerful use of on-line networking, particularly via the internet.

In America where the internet first took hold, *Otaku* where meeting on the net from the 1980's. In Korea, *Otaku* began on-line email networking in earnest from around 1987-88. Likewise in Japan, *Otaku* began frequenting the net from the email times, and now an ever-expanding of worldwide internet-based *Otaku* activities. Yet in Japan, even without resorting to the internet, magazines, television programming and theater are readily accessible everywhere; almost every medium commercial to word-of-mouth feeds the Japanese a steady diet of information unimaginable to foreigners elsewhere. For however diligently the average person in Korea or the West might seek, information from Japan is limited.

Very likely these tendencies are not isolated to Korea. As the internet spreads ever further around the world, such phenomena are occurring everywhere. The online community is definitely bringing major changes to *Otaku* worldwide. And in different ways than networking has changed non-*Otaku*. Just what changes lie ahead is hard to say; the only certainty is the rate of evolution is not slowing down.

### ***Otaku* Impact on Anime Domestic Market**

A scientific survey conducted by Nomura Research Institute, Ltd. on the market scale and actual conditions of the Japanese enthusiasts consumer group or *Otaku* showed the staggering impact of their unique consumption behavior in five major fields: animation, comics, games, idols and PC assembly (Table 3).

The survey showed that consumer spending for these five fields among *Otaku*, which is now estimated to be 2.85 million, has reached approximately ¥290 billion. The market scale for the overall industry in the four fields related to content (animation, idols, comics, games) is approximately ¥2.3 trillion, of which the share of enthusiast consumers stood at 11% in terms of monetary amount. The enthusiast consumer group's impact on the market as a whole and its scale of consumption are such that this group can no longer be dismissed as simply hobby-induced. Indeed, the impact of *Otaku's* enormous buying power within the domestic market is highly significant.

**Table 3: Estimates concerning the Enthusiast Consumer Group in Five Major Domestic Fields.  
(Populations of individual fields may overlap)**

FIELDS		POPULATION	ESTIMATED MARKET SCALE	MAJOR INDEXES REFERRED
ANIMATION		200,000	¥20 billion	
IDOL		800,000	¥60 billion	Concert mobilization capability; CD first release sales
COMICS		1 million	¥100 billion	Number of participants in fanzine spot sales; Magazine subscription rates
GAMES	Home	570,000	¥45 billion	Hours playing games; Network game participation rates; Circulation of specific magazines
	PC	140,000	¥19 billion	
	Network	30,000	¥1 billion	
	Arcade, Etc.	60,000	¥13 billion	
TOTAL OF FOUR FIELDS			¥258 billion	
PC ASSEMBLY	Rich	30,000	¥30 billion	Volume of shipment of specific parts; Circulation of specific magazines; Sales of parts shop in Akihabara
	Junk	20,000	¥2 billion	
GRAND TOTAL		2.85 million	¥290 billion	

Note: Arcade games refer to games provided in game centers, including board games and card games.

Furthermore, it also became evident that these enthusiast consumers have a high Internet usage rate, strong information dissemination capabilities, and a strong social impact—they form sub-groups that extend across more than one related field (Table 4). They pursue their ideals by repeating consumption patterns that preferentially allocate money and time, based on their own distinctive values, and redevelopment of a world view based on their own interpretation and secondary creative activities. In other words, the enthusiast consumer group not only exhibits a high level of consumer appetite, but also has considerable value as a community-forming nucleus, as a venue for next generation technology innovation and as an experimental target for new products. It forms a population segment with significant potential, from the industrial perspective, as a determining factor in future marketing of new products.



Table 4: Sub-groupings among *Otaku*/Enthusiast Consumer Groups.

SUB-GROUP	DESCRIPTION
<b>Animation enthusiasts</b>	A group with people who love animation, who daily watch TV animation, OVA (original video animation) and animated movies. Many in this group record TV animation programs more than 10 times a week. They actively use PCs and HDD recorders: their IT literacy is relatively high. The group consists mainly of males in the age group between 15 and the 40s. It comprises approximately 13% of the total market (assuming animation DVD market). The overlap rate is high with comic enthusiasts and game enthusiasts as they share content. Furthermore, there is strong correlation with PC enthusiasts in terms of animation recording and PC games.
<b>Idol enthusiasts</b>	People in this group have strong admiration for and sympathy with specific artists and entertainers, and place a high priority on collecting information about those artists and supporting them. The group consists mainly of separate male and female sub-groups, with ages ranging from the teens to the 30s. The group can be divided into two main types of people: the "on-the-spot" type (those wanting to share space and time with their idols), who, because of the considerable time burden, are mostly young people in their teens and 20s, and the "collector" type, who, due to the financial costs, are mainly in their 20s and 30s. There is also a certain crossover between the two types.
<b>Comic enthusiasts</b>	People in this group collect fanzines, participate in spot sales, or contribute to such fanzines. This group has a broad age spread, ranging from the teens to the 40s, but can be subdivided into specific, smaller sub-sections, such as boy's series, girl's series and adult series. The activities of members of this group focus on characters from comics, and their expression takes various forms. Deriving from their activities are costume plays and fan novels. The members of this group overlap significantly with animation enthusiasts and game enthusiasts. One unique feature of this group is that parodies developed in fanzines are now half-recognized by the publishing industry as grounds for generation of professional comic artists.
<b>Game enthusiasts</b>	People in this group are mainly aged between 13 and 24, but some are in their 30s. They spend much of their lives engrossed in games. The home game market is the largest single sector in this field, but the market is stagnant with the oligopoly of the market by big titles and little new genre creation. The core members of this group are aging and there is a trend for members to move on to net games and PC games where new games are appearing. Information exchange between people in this group and manufacturers is quite active and the former often also participate in the enhancement and improvement of games.
<b>PC assembly enthusiasts</b>	People in this group often ignore the original uses of PCs, such as the creation of documents, and see the actual act of assembling PCs as an objective in itself. They are mostly male who spend most of their leisure time and disposable income on assembling PCs. The group, however, can be sub-divided into "rich PC assembly enthusiasts" and "junk PC assembly enthusiasts". Rich PC assembly enthusiasts comprise mainly of those aged from 18 to the 30s. Members of this sub-group buy new products at shelf prices from PC parts shops in Tokyo's Akihabara electrics and electronics retail district. Since geographical proximity is required, a relatively large number of members of this sub-group live in suburban Tokyo. Once the parts have been installed and the PC completed, they almost always sell it within a week to a secondhand products shop, and then immediately start a search for their next parts. Parts that became popular in the rich enthusiast market tend, within one to two years, to be incorporated in mass-market PCs; thus, to PC manufacturers, this group is regarded as a voluntary, continuous test market. Junk PC assembly enthusiasts comprise mainly of people between 15 and 18 (the minority) and those in their 40s (the majority). Members of this sub-group search for inventory clearance parts at super low prices and used parts in the back streets of Tokyo's Akihabara electrics and electronics retail district. And as geographical proximity is required, they, too, tend to live in suburban Tokyo. However, since their main activity is to repeatedly add minimum functions to low spec PCs, the value of parts they consume is low, and their consumption cycle is long.

Apparently, these *Otaku* subgroups can no longer be considered as a small market. Numbering 2.85 million with a market size of 290 billion yen, the existence of these groups has become increasingly significant in the consumer market. With extreme patterns of consumption driven by admiration, devotion, sympathy, and strong pursuit of their ideals, the *Otaku*'s presence has become a driving force for bringing about industrial innovation. Thus, businesses should not treat these enthusiastic consumers merely as loyal customers; rather, they should study their consumption behaviors in order to find seeds of innovation.

### Conclusion

Aesthetically staged and rendered by Asian artists fueled with the desire to create original digital content, the socio-cultural milieu of animation and its inherent affordances for interaction allow, in most instances, audiences of varied interests and divergent status to aggragate and pullulate. Such appropriation of Asian animated films succeeds by reflecting the country's diverse characters and relationships, social norms and purpose, cultural presence and patterns, even economic affairs and political advocacies.

Asian animation artists endeavor to capture and enshrine their own local cultures in an industry inundated with Western influences. Japanese animation or *Anime*, for instance, seeks to counterbalance the hegemony of American animation in Asia and the world, showing that globalization of popular culture does not necessarily imply homogenization or Americanization. The global acclaim for Japanese animated products stemmed from the apparent originality and astounding quality of the industry's annual outputs. Their distinctive imprint and collective impact on the world stage had been recognized; the Japanese term *Anime* had successfully become a global brand—a stature well deserved in the global market.

Japanese *Anime* builds on previous high cultural traditions; it shows influences from Japanese traditional arts as kabuki and woodblock print. Using worldwide artistic traditions of twentieth century cinema and photography, it explores, often in surprisingly complex ways, issues familiar to viewers of contemporary art cinema and even to the readers of contemporary literature. It is a richly fascinating contemporary Japanese art form with a distinctive narrative and visual aesthetic that both harks back to Japanese culture and moves forward to the cutting edge of art and media. With its enormous breadth of subject material, it is also a useful mirror on contemporary Japanese society,

offering an array of insights into the significant issues, dreams and nightmares of the day. *Anime* is a medium in which distinctive visual elements combine with an array of generic, thematic, and philosophical structures to produce a unique aesthetic world. This aesthetic world is oftentimes more provocative, more tragic and more highly sexualized; it contains far more complex story lines than would be the case in equivalent American popular cultural offerings. There is lack of compromise in making its narrative palatable—as evidenced not only in Japanese references within the narratives, but also to its style, pacing, imagery, and humor, emotions and psychology, which usually run a far wider gamut and show a greater depth than its animated counterparts. *Anime* challenges the viewers' emotions and senses with its complex storyline, dark tone and visual content. As a medium, *Anime* is both different in a way that is appealing to a Western audience satiated on the predictabilities of American popular culture and also approachable in its universal themes and images. From narrative and characterization to genre and visual styles, audiences become captive of *Anime*'s distinctive thumbprint and engrossing stories. Its fascinating variety of genres, mixture of traditional and modern elements, disparate assemblage of subjectivities and expressive modes reach across arbitrary aesthetic boundaries to strike significant artistic and socio-cultural chords.

Thailand stands out as a potential Asian leader in Digital Content industries. Its strengths include the existence of a creative and skilled talent pool with a rich tradition in the arts, and the emergence of local firms with world-class capabilities with thriving advertising and film industries. There is low geopolitical risk, and enjoys proximity to world's next giant consumer markets such as China and India. Labor price is lower compared to several traditional high cost multimedia-exporting nations, notably Korea and Japan. Most importantly, there is a strong government support in promoting skills formation in animation and digital content industries.

Yet, even if Thailand has never been under colonial grip, its indigenous ways of producing truly Thai animated products is constantly under threat from foreign elements, both Western and Asian, specifically Japanese, exacerbated by abrasive clashes among political and cultural power holders, including their critics, to work and determine the norms and standards of excellent animated filmmaking. With a relatively young animation industry, as compared to its neighbors, the fast-growing animation powerhouse in India and the animation veteran Philippine animation industry, Thailand's aggressive backing from its government is slowly but surely consolidating its effort to launch itself

as another animation center in the region.

Throughout its rich history, animation has been used both as a medium and message in various Asian societies such as Japan and Thailand. Asian animation was molded by utilizing the use of indigenous artistic styles and techniques, such as paper fold, paper-cut, ink and wash, shadow theatre, and localized plots based on literary, religious, or folkloric stories. Through animated images, artists and audiences alike see what they reveal about themselves; they can make adjustments and influence a facet of their self-identity, their community's identity, and their society's collective identity as formed through an aggregation and abstraction of particular elements present in their various animation experiences. Thus, animated imagery and its unique visual staging and rendition play an influential role, as popular culture, in the emergence of facets of community identity.

Animated visualizations to be acceptable to audiences need to be accessible and visually engaging for them to identify with or connect to. Thus, animators employ visual design elements and techniques, which create evocative imagery of the physical, emotional and socio-cultural realities. The social milieu is made visible to audiences for exploration. Active participants such as the Otaku or animation enthusiast consumer groups who share a sense of "we-ness" are able to explore their visual experiences to see how they are seen by "others", and how their actions and contributions influence the character of the community portrait as projected on screen. This unique reciprocity permits the audience to react to the animated product, participate in the visual process, and in the end, influence the artists to make adjustments to what they reveal about themselves. In the end, animation serves as an ideal artistic vehicle for expressing both the artists' and audiences' hopes and trepidations in an uneasy contemporary world.

## REFERENCES

- Beck, J. 2004. *Animation Art: From Pencil to Pixel, the History of Cartoon, Anime & CGI*. New York: Harper Design International.
- Clements, J. and H. McCarthy. 2001. *The Anime Encyclopedia: A Guide to Japanese Animation Since 1917*. Berkeley, California: Stone Bridge Press.
- Donath, J.S. (2002). A Semantic Approach to Visualizing Online Conversations. In *Communications of the ACM*, 45(4). New York: ACM Press, (45-49).
- Donath, J.S. (1995). Visual Who: Animating the Affinities and Activities of an Electronic Community. In *Proceedings of the Third ACM International Conference on Multimedia*. New York: ACM, (99-107).
- Goffman, E. 1959. *The Presentation of Self in Everyday Life*. New York: Doubleday.
- Grant, J. 2001. *Masters of Animation*. New York: Watson-Guptill Publications.
- Halas, J. 1987. *Masters of Animation*. London: BBC Books.
- Himes, R. 2004. *Payut Ngaokrachang (The Master of Thai Animation)* Trans. Pattara
- Online at [http://www.thaifilm.com/articleDetail\\_en.asp?id=54](http://www.thaifilm.com/articleDetail_en.asp?id=54) (01/01/04).
- Kurlander, D., Skelly, T. and Salesin, D. (1996). Comic Chat. In *Proceedings of the 23<sup>rd</sup> Annual Conference on Computer Graphics*, (225-236).
- Ledoux, T. and D. Ranney. 1997. *The Complete Anime Guide: Japanese Animation Film Directory and Resource Guide*. 2<sup>nd</sup> edition. Issaquah, Washington: Tiger Mountain Press.
- Lee, A. and A. Girgensohn. *Collective Construction of Facets of a Group Identity*. Online at <http://www-personal.si.umich.edu/~junzh/papers/hcic.pdf>.
- Lent, J. 1997. A Screw Here, a Crank There: Payut Ngaokrachang and the Origins of Thai Animation. In *Animation World Magazine* (2:1).
- Lent, J. (ed). 2001. *Animation in Asia and the Pacific*. Bloomington, Indiana: Indiana University Press.
- Lord, C. 1997. *Social Psychology*. New York: Harcourt Brace College Publishers.
- Macias, P. and Tomohiro Machiyama. 2004. *Cruising the Anime City: An Otaku Guide to Neo Tokyo*. California: Stone Bridge Press.
- McCarthy, H. 1993. *Anime! A Beginner's Guide to Japanese Animation*. London: Titan Books.
- McCarthy, H. 1999. *Hayao Miyazaki, Master of Japanese Animation: Films, Themes, and Artistry*. Berkeley, California: Stone Bridge Press.
- Miyazaki, H. 1988. About Japanese Animation. In *The Current Situation of Japanese Movies*. Published by Iwanami Shoten. Translated from Japanese to English by Ryoko Toyama.
- Napier, S. 2001. *Anime from Akira to Princess Mononoke: Experiencing Contemporary Japanese Animation*. New York: Palgrave.
- Sassenberg, K. (2002). Common Bond and Common Identity Groups. In *Group Dynamics, Theory, Research*

*and Practice* (6:1), (27-37).

Schodt, F. 1996. *Dreamland Japan: Writings on Modern Manga*. Berkeley, California: Stonebridge Press.

Snow, D. (2001). Collective Identity and Expressive Forms. In *Center for the Study of Democracy*. Working Paper 01-07. Also found at <http://repositories.cdlib.org/csd/01-07>.

Stephenson, R. 1973. *The Animated Film*. New York: A. S. Barnes.

Treat, J. ed. 1996. *Contemporary Japan and Popular Culture*. Introduction by John Treat. Honolulu: University Hawaii Press.

Wells, P. 1998. *Understanding Animation*. London: Routledge.

Wiedemann, J. ed. 2004. *Animation Now!* Los Angeles: Taschen.—

#### Other Sources

Individual Consultation & Interview with Khun Payut Ngaokrachang, Master of Thai

Animation, at 421 Soi Ladprao 15, Ladprao Road. Bangkok 10900 Tel. +66 0 25114906

Individual Consultations & Interviews, and Group Discussions with 32 *Otakus* (who shall all remain anonymous upon request) in Akihabara, Tokyo, Japan, from March to September 2005.

#### Internet Resources

<http://www.dqindia.com/content/special/203040503.asp>

<http://www.johnlibbey.com/asia.htm>

<http://www.latrobe.edu.au/www/screeningthepast/firstrelease/fr1100/jlfr11c.ht>

<http://www.nausicaa.net/miyazaki/interviews/aboutAnime.html>

[http://www.nausicaa.net/miyazaki/interviews/m\\_on\\_mh.html](http://www.nausicaa.net/miyazaki/interviews/m_on_mh.html)

<http://www.nausicaa.net/miyazaki/interviews/XinJin-Bao.html>

<http://www.public.iastate.edu/~rllew/chrn1955.html>

<http://www.public.iastate.edu/~rllew/chrn1960.html>

<http://www.silverlakefilmfestival.org/noflash/films.html>

#### Endnotes

<sup>1</sup> Prof. John A. Lent discussed this thoroughly in his essay entitled “Animation in Asia: Appropriation, Re-interpretation, and Adoption or Adaptation”. *Screening the Past*, 11, Uploaded on November 1, 2000. Available online at <http://www.latrobe.edu.au/www/screeningthepast/firstrelease/fr1100/jlfr11c.htm>

<sup>2</sup> Ibid.

<sup>3</sup> Culled from the author’s Individual Consultation and Interview (ICI) with Khun Payut Ngaokrachang in Bangkok, Thailand. 2004.

<sup>4</sup> Ibid.

<sup>5</sup> Prof. John Lent expounded on this in his article entitled “A Screw Here, A Crank There” which was published in the *Animation World Magazine* in 1997.

<sup>6</sup> Ibid.

<sup>7</sup> ICI with Khun Payut Ngaokrachang in Bangkok, Thailand. 2004.

<sup>8</sup> Quoted from the article “A Screw Here, A Crank There” by Lent, published in the *Animation World Magazine*. 1997.

<sup>9</sup> Ibid.

<sup>10</sup> ICI with Khun Payut Ngaokrachang in Bangkok, Thailand. 2004.

<sup>11</sup> Quoted from the article “A Screw Here, A Crank There” by Lent, published in the *Animation World Magazine*. 1997.

<sup>12</sup> ICI with Khun Payut Ngaokrachang in Bangkok, Thailand. 2004.

<sup>13</sup> Ibid.

<sup>14</sup> Ibid.

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

<sup>17</sup> Ibid.

<sup>18</sup> Excerpted from an essay written by Hayao Miyazaki entitled “About Japanese Animation: The Current Situation of Japanese Movies”. This essay was published by Iwanami Shoten and translated from Nihongo by Ryoko Toyama.

<sup>19</sup> Ibid.

<sup>20</sup> Ibid.

<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

<sup>24</sup>Taken from an interview by Xin Jin Bao of Hayao Miyazaki. This was translated from Chinese by Doraneko for "Howl's Moving Castle." Online at [www.nausicaa.net](http://www.nausicaa.net).

<sup>25</sup>Ibid.

<sup>26</sup>Ibid.

<sup>27</sup>From an essay entitled "Mondo Tokyo: Otaku" by Patrick Macias, Patrick and Tomohiro Machiyama, 2004. *Cruising the Anime City: An Otaku Guide to Neo Tokyo*. California: Stone Bridge Press, p14.

<sup>28</sup>From an interview found on page 21 of the book by Patrick Macias and Tomohiro Machiyama entitled *Cruising the Anime City: An Otaku Guide to Neo Tokyo*. California: Stone Bridge Press, 2004.