

Nintendo chief promises to do Wii U launch right

January 27 2012, By YURI KAGEYAMA , AP Business Writer



Nintendo Co. President Satoru Iwata speaks during a press conference in Tokyo Friday, Jan. 27, 2012. Nintendo, a Japanese video game machine maker, sank to losses for the April-December period, battered by a price cut for its 3DS handheld, a strong yen that erodes overseas earnings and competition from mobile devices such as the iPhone that offer games-on-the-go. (AP Photo/Koji Sasahara)

(AP) -- Nintendo's chief is determined to get right the launch of its next game machine, Wii U, set for this year's holiday shopping season, and acknowledged Friday some mistakes with selling its 3DS handheld.

But Nintendo Co. President Satoru Iwata warned earnings for the fiscal year set to begin April will be the toughest ever for the Japanese manufacturer behind the Super Mario and Pokemon games.

Iwata's remarks come a day after it lowered its annual earnings forecast to a 65 billion yen (\$844 million) loss, much larger than the 20 billion yen (\$260 million) loss projected earlier. It posted a 77.62 billion yen profit the previous fiscal year.

Iwata blamed the strong yen, which erases overseas earnings, as well as the arrival of smartphones and other devices that offer gaming.

The higher yen slashed nearly 54 billion yen (\$701 million) from the company's [operating profit](#) for the April-December period.

"I can see how the red ink may be perceived as abnormal," Iwata told analysts and reporters at a Tokyo hotel. "The environment has changed."

The failure of the 3DS handheld, which offers three-dimensional imagery, to take off with enough momentum during the last quarter of 2011 was one of the main reasons for the dismal results, according to Iwata.

The 3DS has gradually started to sell better, but it took a price cut in August. It still lacks a strong lineup of attractive software games, a key factor for a machine to succeed in a big way.

Iwata vowed the company will be better prepared when it introduces the [Wii U](#) home console during the 2012 year-end shopping season for a strong comeback.

He declined to give details such as pricing or what the software games available at that time might be.

But he said the Wii U will come with a strong game lineup at the [launch](#) as well as secure and safe Internet services that will offer players individual accounts.

The [Wii U](#) will come with new ways of playing that will almost make the term "home console" obsolete, Iwata said. It will also offer mobile gaming. The machine has a touch-panel controller.

Nintendo has long competed against rival game makers, such as Sony Corp. and Microsoft Corp. These days, all face the threat from hit devices like the iPad and iPhone from Apple Inc. that also offer games.

Iwata's comments also showed Nintendo is growing less cautious about the Internet, which in the past it had brushed off as mainly for hard-core gamers.

Kyoto-based Nintendo has built its reputation on making games fun to play for casual and newcomer players.

"We are going to put to use our bitter experience with the 3DS," said Iwata.

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