

# Microsoft axes production of Xbox 360 consoles

25 April 2016, by Matt Day, The Seattle Times



Microsoft will stop producing the Xbox 360, the decade-old video-game console that cemented the company's place in the living room.

The Xbox 360, the second version of the device aimed at extending the company's reach beyond personal computer gaming, debuted in 2005.

"Xbox 360 means a lot to everyone in Microsoft," Xbox chief Phil Spencer said in a blog post. "And while we've had an amazing run, the realities of manufacturing a product over a decade old are starting to creep up on us."

The Xbox 360 sold neck and neck with Sony's rival PlayStation 3, and eventually outsold the Japanese conglomerate's device in the U.S. At the peak of that generation of consoles in 2012, consumers were using about 57 million Xbox 360s, compared with about 65 million for the PS3, according to a report from Barclays, citing NPD Group data and company reports.

Microsoft will continue to sell its existing hardware inventory, as well as games for the device, Spencer said. Players plugged in to Microsoft's Xbox Live online matchmaking service will continue to be able to play on the Xbox 360.

The Seattle-area company is shifting its focus to the Xbox One and an effort to better link its group of console gamers with those who play on a personal computer.

The Xbox One stumbled out of the gate vs. Sony's PlayStation 4 following the 2013 launch of both devices. Microsoft's console was hampered by a higher price tag and an ultimately abortive effort to tout the Xbox One as a living room entertainment hub, a move that alienated some hardcore gamers. Sales of Xbox One are said to be badly lagging the PlayStation 4.

Microsoft has since refocused its public statements on the video game side of the Xbox.

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