We Create Games that Excite

CAPCOM

The Head of Development Discusses Capcom's Development Policies

As a result of organizational restructuring conducted in February 2015, COO Haruhiro Tsujimoto was appointed Representative director in charge of the Consumer Games Business for the company. With the president leading development in this new structure, what are Capcom's next steps?

Taking the Lead to Drive Innovation

From the spread of new platforms, such as tablets and smartphones, to the rise of freemium apps and new microtransaction systems, the environment surrounding the games industry continues to undergo rapid changes. The advancement of internet-connected game consoles is also substantially changing the business model. In light of these changes in the market environment, the aim of our organizational restructuring was to position myself closer to development, driving company-wide innovation to return Capcom to a growth trajectory.

During the past few years, we have increased the ratio of titles developed in-house. There are several reasons for this, but the most important is to support the transformation of our business model. Unlike the past, when we focused on selling through stock of packaged games, the game business today demands diversified support, both paid and free, after a game is sold.

Thus, there is a limit to what we can achieve by outsourcing. Also, we must cultivate internal resources to respond to this new business model. Furthermore, Capcom is considering the deployment of a completely new approach in the games industry, for which stronger in-house development capabilities are absolutely imperative.

Providing Society with Games Users Think Are Interesting

Be that as it may, we remain true to our nature in terms of doing what must be done. What is the essence of Capcom's business? The conclusion I have arrived at based on my years of management experience is simple: Creating high-quality, entertaining games that are enjoyed by as many users as possible. This is my relentless demand to all of our staff, as the head of development.

Games differ from basic needs like food, clothing and shelter in that people can get by without them. Games require users to dedicate their time and concentrate all their senses on playing. Why do users choose such a product? Users sometimes give up sleep and food to play games because games provide enjoyment and entertainment value like no other product.

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Conversely, if games were not able to provide such value, they would not be accepted by society. Providing society with games that users think are entertaining is the linchpin of Capcom's corporate value.

Fostering an Environment Where All Staff Can Move Projects Forward Easily

How are entertaining games created? In principle, I think this should be left up to the development staff. People are Capcom's biggest asset. The numerous hit titles we have created up to now are the fruits of our gifted creators' labor.

What is my role? My main role is twofold: Creating an environment enabling all staff in the development organization to dedicate themselves to production, and adherence to deadlines and costs.

I provide support for the creation of quality games through the provision of cutting-edge development facilities and tools, as well as the creation of systems that make working easier. Of course, it is also important to adhere to the schedules promised to users, and we cannot allow the company to become unprofitable. In other words, we must maintain a balance, satisfying both groups of people. To this end, I am prepared to build consensus as the head of development, engaging in active discussions with management in some situations and the development department in others.

Maintaining Success in an Unpredictable World

In the past, I also served as the head of the Development department. What has changed since then is the accumulation of experience beyond my years. I said this is the age of a great transformation, but looking back, numerous innovations have taken place leading up to the present. From the era of arcade games, to the introduction of home video game consoles, to internet-connected online games, I have witnessed all of these transitions up to now. In light of the history of these transformations, I take pride in the experience that enables me to see the way ahead by understanding what stage we currently find ourselves in, and what our next steps should be.

Our industry, which is deeply connected to cutting-edge IT, is an unpredictable world where major transformations continually occur whether we want them to or not. However, this also means that our industry has a future. The market environment will continue to change. There is no guarantee that those who are successful today will continue being successful tomorrow. With this in mind, we will continue moving forward one step at a time, doing what must be done to be a successful game maker.

Creating High-Quality, Entertaining Games the Essence of Our Business

Haruhiro Tsujimoto

President and Chief Operating Officer (COO)
Representative director in charge of Consumer Games Business

Appointed as a Director in 1997. After serving as Managing Director and Senior Managing Director, in 2004 appointed as Director and Executive Corporate Officer in charge of company-wide structural reforms, engaging in the organizational restructuring of Home Video Games and other businesses. In 2006, appointed as Director and Executive Vice President of the Company. In 2007, appointed as Representative Director, President and Chief Operating Officer (COO).

DIVISION 1

Setting Sail into the Vast Ocean of the Virtual Reality Game Market

Developing global intellectual properties with a diverse group of colleagues

"Wow, that was scary, but I want to keep playing—I can't stop!" Development Division 1 aims to create games that users want to play over and over again. Beginning with "Resident Evil", our team is focused on developing intellectual property (IP) with strong global demand. At the core of these efforts is our aim to create must-play games and to demonstrate the true value of entertaining games. Users constantly demand innovative new games. However we cannot simply indulge their needs with superficial responses. The point is to be able to develop something that is a half-step ahead of user expectations—expectations which aren't readily apparent in the marketing data. To achieve this, we create teams that band

tightly together while making use of each member's individual skills. As we are setting out into unexplored territory there are plenty of obstacles to overcome, but we do this together and enjoy the adventure; in this sense, we have to create a team similar to a band of pirates.

At present, we are focusing our energy on challenging the virtual reality (VR) game market. In this terrifying world, you can twist and turn as you like, but there's no escaping the creatures closing in on you…until you remove your VR headset and return to reality, that is. We delivered this very experienced with our "KITCHEN" VR technical demo at E3 2015. The response was excellent. Currently, we are building a new game development engine able to support VR, which is the hottest market right now, while simultaneously developing titles for current game consoles. We have just set sail on our latest voyage.

Managing Corporate Officer
Head of Consumer Games
Development Division 1
Takeuchi worked as producer on "Lost Planet 2" and "Resident Evil 5". He focuses on the development of global titles.

Jun Takeuchi

An unmatched horror experience making use of the immersive experience only possible with a VR headset.

DIVISION 2

Creating the Next Generation of Increasingly Realistic Online Games

Promoting a service-oriented business integrating development, management and operations

The challenge really begins after the game is purchased—that is how Development Division 2 creates games. Our division has been involved in the "Monster Hunter Frontier" series and numerous other online games. The key to success in this market is management and services that continually entertain users. This is a service-oriented rather than a sell-through-oriented business. Thus, Development Division 2 practices integrated game creation, combining development, management and operations. Naturally, we create games that maximize the value of Capcom's intellectual property (IP), while also listening to user feedback and leveraging our know-how to enable the management of games that remain interesting day after day, week after week and month after month.

Because our business provides online play, strong IPs have the potential to

Corporate Officer
Head of Consumer Games
Development Division 2

Yoshinori Ono

Ono is Executive Producer of a number of popular home video game and online game titles, including the "Street Fighter" and "Monster Hunter Frontier" series.

expand beyond international borders. At present, we localize titles for distribution in Asia and mainland China through collaborations with local, prominent companies in this region. We are also establishing a title development and management structure with an eye to developing new business opportunities in North America. The litmus test for this endeavor is the release of "Street Fighter V", scheduled for spring 2016. Are you familiar with "eSports"? This is a new breed of sports featuring competitive-multiplayer video game matches held in various countries around the world—complete with fireworks and an audience. Loaded with online community functionality, "Street Fighter V" is aimed at the "versus fighting game" market, whose passionate fan-base has driven eSports' growth. Through competitive events such as the Capcom Pro Tour, we will communicate the appeal of games while introducing new ways to enjoy them.

"Street Fighter V": The highly anticipated new title in the landmark "Street Fighter" series.

Bonds and Relationships Between Colleagues Key to Developing Buzz-Creating "Monster Hunter" Games

Everything we do aimed at providing users with a new dimension of fun

"Monster Hunter" was born in an environment where technologies and ideas were teased out in a brainstorming free-for-all, by team members who are focused on creating an entertaining game everyone can get excited about. This marks the eleventh year since the very first game was released. With more than 30 titles, the series, affectionately nicknamed "Mon-Hun", has become a national pastime in Japan. As Capcom's most symbolic intellectual property (IP), a comprehensive array of merchandise, promotions, event planning, and development have been derived from this game.

Multiple titles are being simultaneously developed in order to not only meet the expectations of our fans, but also to attract new users. I think an important aspect in all of this is the relationships between our colleagues. We cut down on superfluous documentation and meetings while closely carrying out necessary communication. Our environment is tuned to facilitate flexible responses, like when someone thinks "this game element is interesting, let's try it in this other game". Furthermore, we have weekly meetings to strengthen the coordination between development and promotion. Ideally, everyone involved in a game's development should be moving forward rapidly in the same direction.

We plan to release a new series, "Monster Hunter X (Cross)" on November 28, 2015, as well as the "Monster Hunter" series' first RPG, "Monster Hunter Stories", in 2016. After restructuring in July 2015, the "Sengoku BASARA" and "Ace Attorney" series are now also under the Development Division 3 umbrella. Going forward we will pull together and make every effort to provide users with fresh surprises and fun experiences.

"Monster Hunter" is pushing forward into a wide range of genres with "Monster Hunter" amusement card game machines and the RPG.

Corporate Officer
Head of Consumer Games Development Division 3

Tsujimoto worked as a planner in arcade game development before being put in charge of console title development. He has served as producer of the "Monster Hunter" series since the 2007 launch of "Monster Hunter Freedom 2".

Ryozo Tsujimoto

Advancing the Licensing Business in China and Asian Markets

Increasing the ratio of hit titles through the combination of local partnerships and Capcom's intellectual properties (IP)

There is no doubt that cultivating the Asian market represents a significant opportunity for Capcom. Without taking on this challenge, we cannot know what market trends or results to expect. Our first steps were taken with the establishment of Capcom Taiwan in 2012, which is currently engaged in game development and operations in the Taiwanese market, as well as localization and licensing aimed at China and Southeast Asia.

In terms of the huge Chinese market, we are currently collaborating with Tencent Holdings Ltd. in China to develop "Monster Hunter Online". Capcom oversees the game content and Tencent is responsible for seeing that development and operations are suited to Chinese user preferences. By promoting

General Manager of
Asia Business R&D Department
Consumer Games Development Division 2

Yuichi Ochi

Ochi is in charge of the online and mobile business in Asia, and is president of Capcom Taiwan (established in 2012). He worked to distribute the popular PC browser game "Onimusha Soul" and smartphone app "Monster Hunter Hunting Quest" in the Asian market.

development and operations tailored to each country or region's characteristics, Capcom wishes to expand its business so that both users and partner companies alike are satisfied.

Main Capcom Bases

"Sengoku BASARA" Special Feature #1

The Story behind Development of "Sengoku BASARA"

10th Anniversary

A Narrated Account Based on the Facts

Director
Makoto Yamamoto

After joining Capcom as a Designer, appointed as Director of "Sengoku BASARA", a position he has maintained throughout the entire series.

Producer
Hiroyuki Kobayashi

As a Producer, he is responsible for "Sengoku BASARA", "Dragon's Dogma", "Devil May Cry" and "Resident Evil".

"We need to challenge ourselves even in difficult times."

"Hmm… A new kind of action game featuring a main character based on a real-life feudal warlord…" muttered one corporate director.

The deafening silence of the meeting room was difficult to describe. The directors, general managers and head of R&D looked over the proposal Hiroyuki Kobayashi had handed out with silent, stern looks on their faces.

This scene made it feel as if everyone sitting there was an enemy character. As Kobayashi proceeded with the presentation, he felt his heart becoming heavier.

November 2003
An enterprising, young producer, Kobayashi was in a marketing meeting focused on his proposal for a new game. Before him stood a barrier more impenetrable than he had ever imagined.

"You understand the situation we're facing right now, don't you?" asked a director.

At this time, Capcom's business was in dire straits, having plunged into the red for two consecutive fiscal periods and posted a 45 billion yen extraordinary loss. The tremendous amount of time and budget required to develop a new game posed a significant risk to the company. Kobayashi had expected there would be a certain amount of pushback from management.

"I do understand that, which is why I am proposing this as a project to increase earnings!" asserted Kobayashi as he stared intently at the director.

"We cannot afford any more losses. Rather than new titles, we are focusing on sequels to hit titles that are expected to provide stable earnings. That's the theory,

right?" said another director.

"This is a game for the casual user segment unlike anything we have done before. If we only play it safe, we will keep sliding downhill." countered Kobayashi.

The person in charge of sales spoke up. "Don't we already have a feudal warlord game?"

This was true. Two years earlier, Capcom had released "Onimusha", a survival-action game based on a Warring States Period motif.

"'Onimusha' is totally different. Please read the proposal more carefully!"

"Won't this result in cannibalization?"

"Our target users are different. Cannibalization is not an issue!"

"I wonder if it is right to put out such a frivolous game under the Capcom name."

The critical opinions continued to rain down, threatening to

drown the spirit of the normally resilient Kobayashi. He knew this was no time to lose his composure. He absolutely had to gain their approval. Kobayashi lifted his head and stared unflinchingly into the eyes of the directors.

At that moment, the silence was broken by a lively voice that reverberated throughout the room.

"Why don't we give it a try?"

It was Capcom president (now chairman) Kenzo Tsujimoto. Everyone in the room focused their attention on him.

"As Kobayashi has said, we need to challenge ourselves even in difficult times. Am I wrong?"

Tsujimoto, who founded Capcom and played a leading role in the Japanese game industry, had identified numerous talented young creators up to now who had gone on to generate hit titles. Everyone in the company had the utmost respect for his ability to spot genius. And of course, the company wanted a hit game. If the head of

"Sengoku BASARA" Series History

2005 07 — PS2	2006 07 — PS2	2007 11 — PS2 Wii

"Sengoku BASARA"
The series debut title featuring distinctive warlords, "Masamune Date" and "Yukimura Sanada".

"Sengoku BASARA 2"
Warlord "Keiji Maeda" joins the battle as a new character bringing not only more action but also a new depth to the story.

"Sengoku BASARA 2 Heroes"
Enemy warlord "Hisahide Matsunaga" joins the battle! Develops action and story angles further than was possible in "2".

the company approved, it was probably a good idea to give the new title a chance. Kobayashi's frantic and fervent speech combined with Tsujimoto's approval gradually changed the atmosphere. An hour later, Kobayashi received approval to develop the new game, which he called "Sengoku BASARA".

However, the real challenge lay ahead.

Chaos
Part 2:
Summer 2004

"Put me on any team, just not 'Sengoku BASARA'."

"Right. I feel sorry for whoever's making that game, it will never sell."

Kobayashi overheard comments like these as he walked down the hall outside the development room. For the last few months word had been going around the company, and though he had known that few people supported his effort, the murmuring took an emotional toll nonetheless.

July 2004.

Eight months had passed since production of "Sengoku BASARA" began, with only 10 months left until completion. It felt as if even after the title was finished, it would continue to receive a chilly response internally. It wasn't as if Kobayashi didn't understand the feelings of his colleagues. In a sense, this was new territory for Capcom, so he didn't expect everyone to understand. But still…

There was another reason Kobayashi felt uneasy. The development team was losing its sense of unity, and fast. The biggest reason for this was because both the section leaders and the director did not understand the direction development was taking.

The game concept Kobayashi envisioned was a Japanese warrior action game anyone could enjoy. However, this was different from what had become conventional thinking at Capcom. The problem was the idea of a game "anyone could enjoy". In other words, the simplicity of the gameplay.

Capcom's specialty was action games, which were popular in part because of their difficulty. Enemies were vanquished using advanced techniques requiring precision command of game controller buttons. The joyous taste of victory was savored only by those passionate and skilled enough to achieve it. These games are fun precisely because they are difficult. This was the conventional line of thinking with regards to action games.

Even members of his own development team frequently raised doubts, asking Kobayashi, "What's so interesting about a game where you can mow through enemies with a push of a button?"

However, his aim was to create a game anyone could play. While Capcom action games had a passionate fan base, they had earned a reputation for being too difficult for beginners. Kobayashi wanted to remove this barrier completely and cultivate a new fan segment. The challenge was: what would replace "difficulty" as the game's appeal? Kobayashi himself had yet to discover the answer to this question.

Amid impatience and frustration over the inability to move forward, conflicts within the team began to increase. As the situation began to escalate, Kobayashi was worried things were out of control. A month later, he decided to replace the director.

Like the director of a movie, the director of a game development team plays the leading role. Changing the director mid-development is like changing directors on a movie and having to reshoot all the existing scenes. Considering how little time was left, it seemed a reckless decision. Yet if a change was not made, the project would end in failure, just as others in the company had predicted all along.

Kobayashi had only one person in mind as a candidate for the new director position: game designer Makoto Yamamoto. The two men had worked together a

What could replace "difficulty" as the game's appeal?

How would you like to become the director of "Sengoku BASARA"?

number of times in the past, but they didn't know each other on a close personal basis. Nevertheless, Kobayashi had a feeling Yamamoto would be able to straighten out the situation.

Yep, he's the one… Kobayashi thought, determined as he reached for the phone.

The Tipping Point
Part 3: Summer 2004

"How would you like to become the director of 'Sengoku BASARA'?"

Yamamoto still remembers his surprise and the mixed emotions that sent his heart racing upon hearing Kobayashi's offer.

Yamamoto was, of course, well aware of the cool looks the "Sengoku BASARA" team received inside the company. He also remembers witnessing internal clashes on the team, and feeling sympathy for those who appeared to be struggling. However, that was someone else's problem. He could never get involved in such a troublesome project. After all, they only had nine months left…

Yet, amidst feelings of disquiet, the resolve to fight quietly welled up inside of him. Yamamoto believed no matter how difficult the situation, saying 'no' is never an option. If anything, adverse conditions were a source of motivation. He burned with the desire to overcome any

obstacle, no matter how high.

After a short pause, Yamamoto answered.

"I'll do it," he said decisively. "Let's go for it."

"Thank you so much!" said Kobayashi who looked as though tears were welling up in his eyes.

As a matter of fact, Yamamoto saw a way to break the development deadlock on "Sengoku BASARA". Two years earlier (in 2002), Yamamoto had joined Capcom mid-career and began working in the development division. Thus, he did not have a fixed idea of what constituted the "Capcom way". At his previous job, he had been involved in action, sports and a wide range of game genres. Armed with the perspective of a different culture, Yamamoto soon discovered the key to making Kobayashi's concept a reality.

His idea focused on the character element.

If the characters controlled by the player exuded outlandish personalities and presence, even with simple battles, the player would project themselves onto the characters and become immersed in the game. It was actually better if the battles were simple, since that gives the team leeway to incorporate more elements for enjoying the characters' personalities.

"We are going to redesign the characters. I want to create extremely distinctive feudal warlord characters, the likes of which have never been seen before," Yamamoto

announced to Kobayashi one week after taking over as director.

"I hadn't thought of that!" said Kobayashi, who immediately saw what Yamamoto intended. It can be said this was the birth of "Sengoku BASARA" character-driven game concept, which has been carried forward throughout the series.

"OK! We only have nine months left, so let's focus all our energy onto creating characters!"

With their new director Yamamoto at the helm, the development team finally regained a sense of unity and began moving forward.

Creation

Part 4:
Winter 2004

"What? Masamune Date is going to speak English?!"

Yamamoto responded to the surprised staff with a nod and a smile.

"That's right, the Date clan engaged in foreign diplomacy throughout the Warring States period. Of course, they probably didn't use English, but we want to create distinctive characters while maintaining a link to those kinds of historical facts."

When using an actual warlord as the model for a character, convention calls for the design to be faithful to historical fact. However, Kobayashi and Yamamoto established a developmental policy where they turned up the dial on historical fact, from a baseline of 1 all the way to 100. Their line of thinking was, even when based on historical fact, imagination should be used freely to thoroughly distort and expand those facts to create a completely off-the-wall feudal warlord character.

"A warlord named Tadakatsu Honda fought 100 battles throughout his life and never lost once."

"Let's run with that and make him the game's strongest character."

"Why not go further? Let's make him a steel robot, impervious to swords."

"You know what'd be cool? If we made Lord Ieyasu Tokugawa a young boy and had him control the robot."

Open discussions such as these between Kobayashi and Yamamoto gave rise to a host of ideas. Through this, they realized that the mishmash of various entertainment themes created a patchwork feeling. Turning Tadakatsu Honda into a robot was a touch of science fiction; other elements were borrowed from young girls' comics, horror, the occult and comedy, all to add color to the characters and create a sense of excitement since no one would know what to expect next.

One other element that enhanced the characters' presence was conversation. Characters rarely speak in action games, as there is little time for idle chatter while engaged in heated battle. But in "Sengoku BASARA", which places more emphasis on characters than battles, dialogue like Masamune Date's English are an important part of the character's distinctiveness. Lines were given not only to main characters and enemies, but also to the legions of rank and file soldiers who are noisily taken down in battle. Even warlords not present on the battlefield speak freely to provide commentary on the battle action.

These conversations are made more appealing through the use of voice overs. At the time "Sengoku BASARA" was being developed, game character lines were typically displayed as subtitles, but text alone would have left the characters feeling flat.

"Let's add voices. And let's use first-rate voice actors," suggested Kobayashi.

"Using talented, top flight voice actors will really boost the presence of each character, and in itself create some major buzz."

"Yes, but it will also increase expenses."

"I'll take care of the budget. Let's get premiere voice actors for all 22 characters."

One month later, a test run of the game screen was conducted incorporating voice overs provided by the actors. The excited reaction of the staff was unlike anything up to that point.

Open discussions between Kobayashi and Yamamoto gave rise to a host of ideas.

"Sengoku BASARA" kicks off an unanticipated social phenomenon.

"I've never seen an action game like this!"
"I finally understand the vision for this game that Kobayashi and Yamamoto had talked about!"

Thus the unique appeal of the "Sengoku BASARA" world, which had not been experienced before, came clearly into focus. This was definitely going to sell; every one of the staff sensed a hit in the making.

Expansion

Part 5:
Summer 2009

"That's one more down. There's just no end to it, huh?" said Yamamoto to Kobayashi who had just walked out of a meeting room after finishing an interview with a magazine.

"Thanks to this history fad, the interview requests keep pouring in. I can't get any work done," complained Kobayashi as a smile crept across his face. "Well, all in a day's work for our producer," laughed Yamamoto.

July 2009
Four years have passed since the original "Sengoku BASARA" was released.

During these four years, the two men continued to release sequels at the rate of one title per year, while expanding the series into other media including drama CDs, comics, TV animation and stage performances. "Sengoku BASARA" had now become a popular brand with a firmly established position in the company.

At the same time, the series had kicked off an unanticipated social phenomenon: the female history buff fad.

From around 2007, the media noticed that young women were getting excited about sharing information on sightseeing involving historical sites related to feudal warlords and traditional events. "Sengoku BASARA" is considered to have started this fad, so as the game's

TV animation "Sengoku BASARA"
©CAPCOM/TEAM BASARA

producer Kobayashi had recently been overwhelmed with interview requests from game magazines, regional newspapers and general newspapers.

"Was today's interview about women history buffs again?"

"Yes, and as expected, I got asked, 'As the creator of this trend, how do you feel about it?'"

Typical action games base their appeal on difficulty, and because women in Japan have traditionally shied away from action-intense games, there are few female fans. "Sengoku BASARA", however, is so easy to play even

"Sengoku BASARA" Series History

2010 07
PS3 Wii

"Sengoku BASARA 3"
The first title for the PS3 offering substantially advanced graphics and action. Features the debut of new characters "Ieyasu Tokugawa" and "Mitsunari Ishida" focused mainly on the Battle of Sekigahara.

2011 07
PSP

"Sengoku BASARA Chronicle Heroes"
The second title for handheld devices adding characters from "Battle Heroes" and "3" and the enjoyment of team battle.

2011 11
PS3 Wii

"Sengoku BASARA 3 Utage"
Side story title with story and action elements not presented in "3".

2012 08
PS3

"Sengoku BASARA HD Collection"
"Sengoku BASARA", "Sengoku BASARA 2" and "Sengoku BASARA 2 Heroes" for the new PS3 enabling play in HD.

people without much gaming experience are able to mow down large numbers of enemies. The characters are stylish and handsome men, who bring an enjoyable variety of colorfulness to the game depending on the character chosen. This unique appeal has captured the hearts of numerous women. Even non-playable supporting characters have passionate female fans—fans who surprise local residents when they flood into related historical sites in droves.

"Trendsetters, huh? Well, it's not like we had planned for this to happen."

"True, from the start I did decide not to include blood or other things women tend to dislike. However, I never imagined there would be so many female fans. I said as much again in today's interview."

"By the way, apparently we have a request from Miyagi Prefecture to use our Masamune Date character."

"I know. Thinking about it, it's really amazing, isn't it? The idea of using a video game character for a gubernatorial election poster."

The worlds created by video games can have a significant impact on society. The two men had a renewed sense of the deep and profound potential of video games.

Frustration

Part 6:
Summer 2013

"You call this action? This is nothing like what I was talking about!"

"But Mr. Yamamoto, you said you wanted the action to be 'more dynamic'!"

"This isn't what I meant at all! The character is just jumping around!"

"So, what exactly do you want me to do?!"

July 2013. It had been a while since Kobayashi had visited the development floor, but what jumped out at him was the heated discussion between Yamamoto and the programming team leader. None of the other staff seemed to be paying any attention. Apparently, they had gotten used to this scene, as if it were a daily routine. Everyone stared at their screens, quietly engaged in their own tasks. It was as if the brutal air of a battle corps camp had enveloped the development team.

"There's less than six months until we release 'Sengoku BASARA 4', is everything going alright?" Kobayashi asked Yamamoto in a meeting room.

"Yes, we're doing everything we can," answered Yamamoto with an unusually stern expression.

That's probably true, thought Kobayashi. He had complete trust in Yamamoto's abilities as a director. He was thoroughly aware of all game elements: from characters, story, design and action, to music, scenario and voice actors— and still continued to provide one creative idea after another, using concrete images to lead the staff and realize his vision. It was his uncommon ability that had brought "Sengoku BASARA" this far.

However, rather than the enthusiasm of creation, what he now felt more than anything else among the development team was an irritating frustration. His work as a producer had kept him busy, and for the past several months he had left everything to Yamamoto. Maybe the pressure was too great?

"Things have gotten pretty hectic since the team grew so large, haven't they?" suggested Kobayashi subtly.

Three years earlier, in the summer of 2010, Kobayashi and Yamamoto had poured their all into "Sengoku BASARA 3", which captured the hearts of fans and became a hit, selling over 500,000 copies. Consequently, there were huge expectations for "Sengoku BASARA 4", which now boasted a development structure over three times larger than that of the original.

"Yes, the team has grown quite large, and my job is to keep it going forward," said Yamamoto with the same hard expression.

"Yes, we're doing everything we can," answered Yamamoto with an unusually stern expression.

"If we can put together the right team, the next title will definitely be a hit. I believe that." This would not be the end.

He never does let his guard down. That I can count on. However, as the number of people in an organization increases, the more difficult it becomes to maintain control. Communicating your vision as a director to everyone on a massive team is no easy task. I wonder if he really is alright, thought Kobayashi, feeling slightly uneasy.

Recovery

Part 7: Winter 2014

Kobayashi's unease was realized six months later when "Sengoku BASARA 4" was released in January 2014 and failed to achieve its sales targets.

"The warlord fad has peaked."

"There is too much action and other new elements."

"The game wasn't promoted properly to capture new fan segments."

These and other factors were cited internally as the reason for the poor sales performance. Certainly, there is some truth in all these factors. But they are not the main issue, thought Kobayashi.

"It's frustrating," said Kobayashi to Yamamoto, entering the same meeting room from six months earlier.

"Yeah…it certainly is. More than feeling frustrated, I can't think of anything right now," mumbled Yamamoto with a vacant look in his eyes. Looking at him, Kobayashi decided to say what was on his mind.

"There are a lot of things being said internally, but I don't think our game design was off the mark."

Yamamoto lifted his head with an inquisitive look.

"Perhaps the real problem is that we have not adequately communicated the vision for 'Sengoku BASARA 4' that's in our heads to the rest of the team." Yamamoto listened quietly as Kobayashi continued.

"During development, I spoke to team leaders about a number of things, but I often heard them say 'we don't understand what Mr. Yamamoto wants.' Is it possible that your ideas often weren't understood?"

After thinking in silence for a brief period, Yamamoto slowly began to speak.

"You know, you're probably right. I wanted to do whatever it took to surpass 'Sengoku BASARA 3' and got so worked up, I didn't spend enough time thoroughly explaining everything to the team. Rather than directing them, I guess I was just forcing my ideas on them."

"It's understandable; there was a tremendous amount of pressure on you. I share in the responsibility, as I should have done a better job of following up. The bigger the

project, the more difficult it is to ensure everyone is on the same page."

"Before creating a game, you need to create a team. Perhaps we forgot that basic idea," said Yamamoto. The light had finally returned to his eyes. Kobayashi nodded his head.

"And if we can accomplish that, the next title will definitely be a hit. I believe that."

Yamamoto nodded in agreement. It would not end here. Kobayashi could see that old fighting spirit quietly welling up inside Yamamoto once more.

THE END

Development Anecdote

Commemorating the 10th year of the series, newest title "Sengoku BASARA 4 Sumeragi" is the first game of the series available on PlayStation 4, and showcases a host of new gameplay features while boasting the most action and story to date. For this reason, the development team faced numerous challenges in making the game.

Members convey and share all their game concepts. It is important to continually maintain mutual understanding through close communication.

Development from a Director's Perspective

User enjoyment is the driving force behind our team.

Emphasizing the new title's value and significance won development approval.

"How can we get development approval from management?" Makoto Yamamoto anxiously thought. It was the summer of 2013, and they were working through the final stage of development on "Sengoku BASARA 4". Along with producers Kobayashi and Kadowaki, Yamamoto went into the development approval meeting for the next title in the series. July 2015 marked the 10th anniversary of "Sengoku BASARA", and Yamamoto had his sights set on releasing a major title to commemorate this milestone; a game of remarkable size that would excite users, packed with more playable warlords and featuring casino-like game mechanics. The concept, sales targets, and development cost were all included in the plan proposed at the development meeting, but the management

team looked unconvinced. That was to be expected, as the game market was in a period of upheaval. Orders for the previous title, "Sengoku BASARA 4", had fallen short of the target, so they were in no situation to gain development approval simply based on expectations and enthusiasm alone.

However, Yamamoto and the others did not back down. "Please think about it this way: continuing the 'Sengoku BASARA' series with a new title opens the door to a wide range of opportunities: from animation and companion books, to merchandise, stage performances, collaborations with local municipalities and Pachislo machines. This new title can be the source of all that!" "Sengoku BASARA" had indeed sparked a renewed interest in history and been utilized in regional municipality collaborations, facts that merited attention; further, there was no doubt this multiuse of the property contributed to profits. The management team's position gradually began to soften. "When they approved the proposal, I was extremely relieved. At the same time, we had gone in with an unwavering resolve, which was appropriate for a title marking the series' 10th anniversary."

"Sengoku BASARA" contents are scalable. "The title can be experienced through a variety of entertainment, including TV animation, comics, stage performances and theme parks," notes Yamamoto.

With the development team assembled, the race against time begins

The first order of business was the development structure. Reflecting on the extreme disorder of the development structure for the previous title, "Sengoku BASARA 4", Yamamoto created a new structure to facilitate idea creation while building mutual understanding. Centering on those with previous experience developing for "Sengoku BASARA", he assembled a team that included planners, designers, sound creators and programmers. Some members were appointed as section leaders for the first time; it was a team built to engage younger staff in pushing their upper limits for the title—and once organized, the race against time was on. Title launch was scheduled for July 2015.

However, as soon as work began, a major change to the game's specifications became necessary: it would have to be compatible with the PlayStation 4 (PS4) next-generation console. Retailers and users were already moving in this direction. "In addition to PlayStation 3 compatibility, we also need to develop this game for the PS4. Our users are expecting it!" There was no time to waste. The development schedule was revised and the team worked feverishly on.

> # We're ready to face the trials ahead. Gather all forces and prepare for battle!

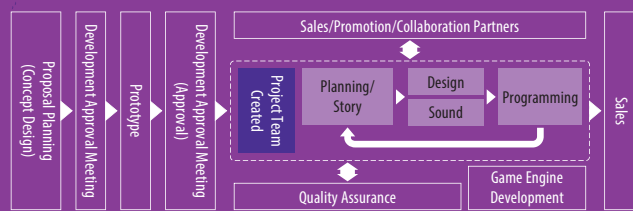**Consumer Games Development Division 3 Department 4, Section 1**

Director

Makoto Yamamoto

After joining Capcom as a designer, Yamamoto was promoted to director and was involved in the launch of "Sengoku BASARA". He has directed the series ever since and also oversees the comics, TV animation and stage performances.

Uniting team capabilities to create a title befitting the 10th anniversary

With section leaders at the forefront, the team pushed to meet Yamamoto's expectations, bringing both action and overall size to levels that were sure to satisfy. And then it was July 2015. The appellation "Sumeragi" (an old Japanese word referring to the first emperor or the imperial line) was derived from the main warlord in the game, Ashikaga Yoshiteru, known as the emperor; thus the title became "Sengoku BASARA 4 Sumeragi". In addition to an epic story of the warring states, the game features 40 playable warlords—the most in series' history—a new "battle roulette" gameplay mechanic, and the same exhilarating action and uplifting enthusiasm the series is known for. "I directed the development team to include as many gameplay elements as they could within our limited schedule. This was no small task, but I think each of their individual efforts was instrumental in moving this project toward completion. The team pulled together behind the idea of making a game users enjoy, and their dedication overcame all obstacles to make this a success." The "Sengoku BASARA" 10th anniversary—it seems this year again promises another heated battle will unfold.

Development Workflow

After development approval, various professionals and departments cooperated in accordance with the schedule.

Proposal Planning (Concept Design)	Development Approval Meeting	Prototype	Development Approval Meeting (Approval)					Sales
				Sales/Promotion/Collaboration Partners				
				Project Team Created	Planning/Story	Design	Programming	
						Sound		
				Quality Assurance		Game Engine Development		

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Expanding the World of "Sengoku BASARA" via Various Perspectives and Ideas

Revising the new casino gameplay mechanic in pursuit of the "Sengoku BASARA" feel

"The most challenging aspect of creating this title was the new 'battle roulette' feature," says main planner Teranishi, adding, "Yamamoto, the director, talked about including a casino element from the conceptual phase, but wasn't sure about the specifications." Initially, Yamamoto envisioned a standard casino game scenario where players would use medals to place bets in an attempt to win more medals, which could then be traded for weapons or other prizes. "That was the best proposal Yamamoto could come up with considering the development schedule and cost. However, once the design doc was created and development began, it didn't feel sufficient in terms of promoting the distinctive, exhilarating action 'Sengoku BASARA' is known for."

Amid backlash from the development team—who questioned whether this really was interesting, and thought action elements needed to be incorporated rather than simply offering a game of roulette—main planner Teranishi gathered the team consensus and made a proposal to Yamamoto, asking, "won't you rethink this feature one more time?" Despite the shorter-than-usual development period and internally feeling the need to hurry, the entire team wanted to create an interesting game appropriate for the 10th anniversary. Yamamoto listened and decided to halt development of the battle roulette feature to rethink the concept.

Battle roulette offers a variety of devices to expand playing fun

Mindful of making the most of limited development time, section leaders engaged in numerous discussions, and after sorting through a number of choices decided on a proposal whereby the roulette wheel appears and adds various gameplay elements to the battlefield, giving users a wider array of

Consumer Games Development Division 3 Department 4, Section 1

Main Planner

Keiji Teranishi

After entering Capcom mid-career as a planner, Teranishi joined development on "Sengoku BASARA 4", which was already underway. He also coordinated the development team on Sumeragi as a main planner.

"Sengoku BASARA 4 Sumeragi" offers the most game content of the series. Even those who played the previous installment can enjoy the new gameplay offered by battle roulette.

gameplay to enjoy during battles. Once the roulette wheel is spun, different pockets appear at random, such as a winning pocket that awards medals, a losing pocket that exacts a punishment, or a character-change pocket that switches the player character. Presenting both opportunities and risks, this "battle casino" skillfully combines action and roulette.

"The roulette feature involved feedback not only from the planners, but from all members throughout the team. As the series' 10th anniversary title, we wanted to make the best game possible, so the inclusion of diverse perspectives from everyone involved in "Sengoku BASARA" up to now was indispensable." In this way, more and more unique ideas for

roulette were devised: Musashi Miyamoto of "Sengoku BASARA 2" might come chasing after players, or players might get to operate the mechanical weapon Akatsukimaru to blast through swarms of enemies, or metal basins might come raining down on player's heads. "The designers and programmers really came through with the creation of fantastic, over-the-top action for the battle roulette that perfectly gelled with the "BASARA" universe."

Close communication made the game even more interesting

According to Teranishi, the reason the team was able to proceed with development so quickly yet maintain a high level of quality was pin-point progress management and getting all team members aligned in the goal of creating a title users would enjoy. "When important decisions had to be

made, we looked to the director, Yamamoto. He has been in charge throughout the entire 'Sengoku BASARA' series and has the deepest understanding of this intellectual property's world. However, I would raise concerns if the user perspective had gotten lost or when I felt the gameplay was not interesting." Ideas were exchanged until everyone was satisfied, as Capcom facilitates an environment enabling such a process. To ensure even smoother progress management, design and programming leaders worked closely to exchange information. "15 minutes before the end of each workday, we met to confirm the progress of each section. Tasks were written down and copied onto white boards to thoroughly visualize the project." This enabled the team to engage in daily work process improvements. The ever-evolving game development environment; it is here that the games users choose are born.

All ideas that seemed promising were brought out and judged on their merits. It was always rewarding for planners to see their ideas included in the game.

We Need to Emphasize the Fun of Playing and the Distinctiveness of "Sengoku BASARA"

Development Anecdote

Refining "Sengoku BASARA" is an Ongoing Challenge

We must understand what users truly want, and give it to them.

"What? You want two new moves for all 40 warlords? And we're revising the battle roulette feature now!?" The news of the director's idea came as a bit of a shock to Shigeyoshi, who had just returned from vacation.

As the main programmer responsible for keeping a team together, the only thing he could think to say was "impossible". He had already established a schedule and allocated tasks to staff members in line with the project details. In terms of man-hours, there was not enough time to give each warlord two new fighting techniques. When he tried pleading with director Yamamoto he was told, "The game isn't meaty enough. We need to add more gameplay elements. You can combine existing assets used up to now if you want.

Whatever the means, I need you to get this done." Shigeyoshi could understand the director's intentions, but internally he remained skeptical. "If the quality suffers by adding these techniques, will that make users happy? Is that really what they want from this game?" Shigeyoshi was worried, but he had to persevere. He pondered how best to approach this situation.

Through teamwork, all 40 warlord's new techniques are created

"Rather than stringing old techniques into a one new one, I decided to create fresh techniques that played off of the originality of each character." Shigeyoshi was aware of user feedback for "Sengoku BASARA 4" that indicated the desire for "even newer discoveries and gameplay surprises." He figured he could come up with at least one technique—and if that technique provided brisk, new gameplay, Shigeyoshi believed users would certainly be satisfied.

Improvements are not limited to characters and techniques; menu transitions and control-feel have also been refined. Programming has been used to enhance usability and provide more immersive game play.

First, he had to get the director to agree. He proposed two ideas from which to choose: the first was a throwaway proposal, and merely an extension of the existing techniques; the other was a prototype of an all-new flamboyant, action technique. When the director played the original, new technique Shigeyoshi proposed, he was amazed at the quality and praised it for adding a new dimension to the gameplay. His proposal now accepted, Shigeyoshi got down to work.

Making time between his main job of leading programming, coordinating the planning and design teams and managing schedules, Shigeyoshi created actions from the ideas and insights he had been nurturing. However, creating unique techniques for 40 characters was not an easy task. "Seeing me struggle, other team members pitched in to help. Once these techniques were completed, I had such a feeling of accomplishment and was so deeply moved by the cooperation I received," Shigeyoshi remembers with a smile.

Close collaboration within the team. Adjustments can be made in real-time while running the program.

images on the screen were, Shigeyoshi's sense of accomplishment made all the hard work worthwhile.

Game creation is a place where taking on challenges gives rise to entertainment. Perhaps it is even a battlefield where departmental barriers are overcome.

Unknown worlds: taking on programming for the PlayStation 4

On this title, there was one other mountain to climb: simultaneous development and release for both the PlayStation 3 (PS3) and the PlayStation 4 (PS4).

For development, Capcom was using its "MT Framework" proprietary game development engine; however, this engine is compatible with the Xbox 360, PS3 and Windows OS. At the time, development for the PS4 was an unknown world. First, the team developed the game for the PS3, and then began development for the PS4. They took great pains to create beautiful visuals rendered in high-resolution, full HD1080p, and by cooperating with the team creating the new, next-gen development engine internally, they were able to realize stable movements in full high-definition, despite a tight schedule. Further, up to now, two-player mode had been rendered in 30 frames per second (fps), but on the PS4 version they were able to up this to 60fps, enabling gameplay at the same tempo as single-player mode. In seeing how much smoother and more beautiful the

Consumer Games Development Department 4, Section 1

Main Programmer

Shinya Shigeyoshi

After joining Capcom in 2006 as a programmer, Shigeyoshi worked on "Devil May Cry 4", "Sengoku BASARA 3" and "Sengoku BASARA 4". He has worked as a Main Programmer since working on "Sengoku BASARA 4".

Corporate Profile

(As of March 31, 2015)

Name of Company	CAPCOM CO., LTD.
Date of Establishment	May 30, 1979
Date of Initiation	June 11, 1983
Business Segments	Planning, development, manufacture, sale and distribution of home video games, online games, mobile games and arcade games as well as management of amusement arcades.
Paid-in Capital	¥ 33,239 million
End of Term	March 31
Number of Employees	2,681 (Including consolidated subsidiaries) 2,033 (Capcom CO., LTD.)
Head Office	3-1-3 Uchihirano-machi, Chuo-ku, Osaka, 540-0037, Japan PHONE: 81-6-6920-3600 FAX: 81-6-6920-5100
R&D Building	3-2-8 Uchihirano-machi, Chuo-ku, Osaka, 540-0037, Japan PHONE: 81-6-6920-7600 FAX: 81-6-6920-7698
Tokyo Branch	Shinjuku Mitsui Building 2-1-1 Nishi Shinjuku, Shinjuku-ku, Tokyo, 163-0425, Japan PHONE: 81-3-3340-0710 FAX: 81-3-3340-0711
Ueno Facility	3902 Hatta, Iga, Mie, 518-1155, Japan PHONE: 81-595-20-2030

Please see the Capcom Integrated Report 2015.

CAPCOM CO., LTD.

3-1-3 Uchihirano-machi, Chuo-ku,
Osaka, 540-0037, Japan
PHONE: 81-6-6920-3600
FAX: 81-6-6920-5100

http://www.capcom.co.jp/

History

Mar.	1991	Released the arcade video game "Street Fighter II" and it triggered the "Street Fighter II" boom.
Jun.	1992	Released "Street Fighter II" for Super NES, and it was a mega-hit.
Jul.	1993	Opened "CapcoCircus Nigata East", the largest arcade in Nigata.
Dec.	1994	Premiere of the Hollywood movie "Street Fighter".
Mar.	1996	Released "Resident Evil" for PlayStation, a long selling title which had record breaking sales, and established the genre of survival horror.
Aug.	2001	Released "Devil May Cry" for PlayStation 2, and it was a mega-hit.
Oct.		Released "Phoenix Wright: Ace Attorney" for Game Boy Advance, and it drew public attention as a courtroom battle title.
Mar.	2002	Premiere of the Hollywood movie "Resident Evil" which recorded sales of 102 million dollars worldwide.
Sep.	2004	Premiere of the Hollywood movie "Resident Evil: Apocalypse" and it grossed 100 million dollars worldwide.
Jul.	2005	Released "Sengoku BASARA" for PlayStation 2, which enjoyed popularity especially among young gamers for its innovative worldview.
Aug.	2006	Released "Dead Rising" for Xbox 360. More than 1 million units were sold, an extraordinary feat for a new title for a new game console.
Dec.		Released software "Lost Planet" for Xbox 360. Over 1 million units were sold following the trails of "Dead Rising", another exceptional accomplishment for a new title.
Mar.	2007	"Monster Hunter Freedom 2" becomes the first Japanese PSP software to exceed 1 million units shipped.
Nov.		The Hollywood movie "Resident Evil: Extinction" was released. Its box-office revenue exceeded 147 million dollars.
Feb.	2009	Takarazuka Revue Company launches theatrical performance of "Phoenix Wright: Ace Attorney - The Truth Comes Back to Life".
Apr.		Began broadcasting the TV animation program "Sengoku BASARA".
Jul.		Initial shipments of "Monster Hunter Tri", a third-party title for the Wii, surpass one million units.
Oct.		"Sengoku BASARA" character Masamune Date used for PR activities in support of the Miyagi Prefecture gubernatorial elections.
Nov.	2010	Distribution of social game "Smurfs' Village" for iPhone began. It became the top download in 100 countries around the world.
Dec.	2013	Released "Monster Hunter 4" for Nintendo 3DS. The "Monster Hunter Craze" sparked again with the sales over 4 million units sales.
Dec.		Released "Dead Rising 3" for Xbox One. Capcom's first title for this new game console, marked over 1 million units sales.
Mar.	2015	Signed a regional invigoration and inclusion agreement with the city of Kofu for the use of "Sengoku BASARA" characters in regional invigoration activities and the promotion of tourism in Kofu, Yamanashi Prefecture.