Nintendo wants to keep up Black Friday momentum

Liana B. Baker, Reuters

After a strong Black Friday showing, Nintendo now has to focus on maintaining the momentum for its products over the next five weeks of the crucial holiday season, the company's U.S. president told the Reuters Global Media Summit on Tuesday.

Reggie Fils-Aime, the president of Nintendo of America, said the company records 60 percent of its revenue during the holiday period, 10 percentage points above the industry norm.

"In the next five weeks, I need to sell a lot of Nintendo 3DS, Wii and software," he said.

Investors will be watching Nintendo's holiday sales performance more closely than ever because the company's stock price has been declining and it is forecasting its first annual net loss this year.

Fils-Aime said the company was on track to meet its holiday sales targets and blamed the soaring yen for the company's financial problems this year.

"Every dollar I send back to Japan is worth less, so for us as a business, what I need to do is to focus on selling more hardware, more software and drive revenue as best as I can because I can't impact the currency markets," he said.

Nintendo would like to keep up the pace of its Black Friday sales, when the largest retailers in the U.S. discounted video game products, using them as a loss leader to bring consumers into the stores. The majority of Nintendo's sales are in the U.S.

Wal-Mart sold a limited edition blue Wii console for $99.96 that sold out on Black Friday, for instance.

"Wal-Mart lost money on every Wii they sold. We did not lose money on it," Fils-Aime said, declining to comment on how much money the big-box retailer lost on the deal.

A Wal-Mart spokesman did not immediately respond to a request for comment.

Nintendo said it sold more than 500,000 Wii units on Black Friday, along with record sales of the 3DS and new games such as "Super Mario 3D Land" and "Zelda: Skyward Sword." Its new "MarioKart 7" game which comes out in December is expected to also sell well.

Microsoft said on Tuesday it sold 960,000 Xbox consoles during the week of Black Friday, its best week of sales ever.

WII U

Nintendo's next big product launch is the Wii U, the first home console to hit the market in years and the follow-up to its smash hit Wii console.

The new console, which features a touch-screen controller and high definition graphics, will come out sometime between April and December 2012.

Fils-Aime said Nintendo has learned a lot from the mistakes it made during the 3DS launch, which lacked strong first-party titles -- meaning games made by Nintendo -- at the start.

The initial price on the 3DS was also too high, something that Nintendo will be careful about this time around, he said.

"We had to go back and reduce the price of 3DS and we certainly don't want to go through that when we launch Wii U," Fils-Aime said.

(Reporting by liana.baker; Editing by Peter Lauria, Phil Berlowitz)

Posted by Jason Lomberg, Technical Editor

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