The "characterization" of Japan : from merchandising to identity

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Chapter 1

Character Merchandising in Japan

This chapter begins from a fact that characters may be connected to commodities. This has been seen since the 1920s and particularly developed since the postwar period in Japan. For example, the popularity of a particular style hat led by the manga character, Shō-chan, in the 1920s (see Page 42). The hero-character boom led by Akadō Suzunosuke in the 1950s tied the toy industry to characters and produced many character toys including swords, masks, and sunglasses and so on (see Page 38). In the 1960s the robot-character boom led by Atomu and character stickers promoted confectioners' interests through the use characters, and retailers began to try every means of incorporating characters into their products (see Page 41). The kawaii-boom led by Hello Kitty and fancy goods in the 1970s combined cute characters with stationery, decorations and so on, starting the widespread "pink globalization" (Yano, 2004; see Pages 65 and 138). The opening of Tokyo Disneyland in the 1980s satisfied Japanese fantasies and desires for a paradise of Disney characters and commodities (see Page 67). Furthermore, the popularity of Pikachu and games in the 1990s facilitated the games industry to become a powerful medium for characters' media mix and even a symbol of soft power of Japan (see Pages 72 and 140). The birth of the virtual character-singer, Hatsune Miku, and the arrival of high-tech products after 2000 revealed the capacity of characters to adapt to new media such as the Internet and mobile phones, and the possibility of exploring digital products, including music software, video sharing website and collaborative network (see Page 73).

Indeed, the world surrounding characters is a completely commercial one, full of all kinds of goods, and this is reflected in the daily routines in Japan. The daily parts show that in the morning children wake up with stuffed Pikachu toys and their parents go to work by Atomu-decorated train; at lunch office ladies who wear the Hello-Kitty-brand knitwear buy a sandwich packaged by Miffy in convenience shop and a dessert with Guretama face on it (see **Figure 2**) for afternoon tea; and at night, young and middle-age men sit in a Gundamu-themed bar and enjoy a pleasant and relaxed atmosphere. Character goods can be found almost "anywhere"—not only in children's room but also at adults' workpaces, at "anytime"—by becoming one's daily necessities including food, transport, clothes and energy (for example, coal, see chapter 4), and for any activity—including entertainment, communication, gift giving, and political campaign, and so on (Steinberg, 2012: 79). It seems that there is a quite high and wide acceptance for this kind of commodity culture in Japan. One might wonder how characters are used in the process of commercialization. Is there a mechanism behind this process? The answer is yes, and that process is called character merchandising. The commercialization of characters cannot occur without character merchandising and so this process forms the starting point for this dissertation.

Figure 2. Gudetama pudding in convenience shop; Source: Photo taken by author, April 2015.

The Definition of Character Merchandising

Character merchandising is defined as the process of granting the rights to exploit a character under licence. Although this commercial activity has been in existence for over 100 years (Ruijsenaars, 2003), and industry giants such as Disney have created business empires as a result of it, it is only in recent decades that it has become significant enough to merit treatment as a distinct definitive subject. In *The New Oxford Companion to Law*, character merchandising is defined as the "exploitation of the names and images of famous personalities and fictional characters in connection with the manufacture and distribution of a wide variety of mass-market merchandise" (Evans, 2009). The character will normally be the subject of licensing agreements granting one or more third parties the rights to use the character. This definition emphasizes the authorization of licensing, which is usually in the form of creating contracts and gaining profits through the sale or leasing of rights to a character. The authorized rights are always closely linked to copyright, trademark, and intellectual property laws.

Yet character merchandising does not only confer legal rights and authorization. Its essence is commercial exploitation, which is, in short, to make a profit by stimulating consumers' desires for character goods. With this in mind, in 1994 the International Bureau of the World Intellectual Property Organization (WIPO) made the importance of characters in commercial use quite clear:

> Character merchandising can be defined as the adaptation on secondary exploitation, by the creator of a fictional character or by a real person or by one or several authorized third parties, of the essential personality features (such as the name, image or appearance) of a character in relation to various goods and/or services with a view to creating in prospective customers a desire to acquire those goods and/or to use those services because of the customers' affinity with that character.

This definition primarily points out a key word: desire. So what produces desire? Japanese sociologist Ueno Chizuko has argued that, "Commodities produce desire, not the reverse" (1987: 62). At the beginning of *Capital*, German philosopher, economist and sociologist Karl Marx writes, "The wealth of those societies in which the capitalist mode of production prevails, presents itself as 'an immense accumulation of commodities,' its unit being a single commodity. Our investigation must therefore begin with the analysis of a commodity" ([1867] 1990: 29). Marx points out that a commodity has two aspects: a use-value and an exchange-value. The value of a commodity in terms of its use expresses a relationship between need and satisfaction; the value of a commodity in terms of its exchange expresses its "equivalence" in other commodities. For Marx, both definitions rest on the fact that a commodity is an expression of a certain amount of human labour. Hence Marx concludes that the value-form of commodities is actually an expression of a social relationship. However exchange-value may create an illusion in which social relationships between people become relationships between things, which Marx calls fetishism. Fetishism makes the commodity a "mysterious thing" (Marx, 1867). French philosopher Herbert Marcuse (1964) expands this, by stating that people can recognize themselves, and find their soul in commodities; commodities generate and satisfy their desire. Thus the definition highlights the point "in relation to various goods and/or services," as it is through character merchandising that consumers are offered a commoditized world in which their desire is generated and satisfied. From the examples mentioned above, the "various goods" could include toys, food, household items and digital products; and the "services" could include entertainment industry, such as theme parks, restaurants, resorts, and so on.

Moreover, this definition provides a reason for consumer desire: "the customers' affinity with that character." This affinity, I argue, has a basis in both the material and immaterial planes. The former refers to "the material ubiquity of the character image," as Marc Steinberg points out (2012: 42). As we will see, characters not only stay in manga books or on television screens but also appear in various media forms that are widely dispersed throughout the Japanese society (such as the media mix, see chapter 2). The latter, I argue, relies on the affective connection between individuals and characters, which is not merely their appeal of characters. For example, in Japan their long experience of living with manga and anime is credited with providing a foundation for consumers' welcoming of all types of characters and they even begin to seek their emotional satisfaction (such as comfort, see chapter 3) from characters.

Further, desire represents a kind of strong psychological needs. When we discuss desire, another two terms are always linked to it: "need" and "want." A "need" refers to something essential, while a "want" suggests the feeling of a lack of something and "desire" represents the craving to fulfil that want. The three in fact imply a progression from the physiological to the psychological. This is reflected in Maslow's hierarchy of needs, which places "physiological" needs at the bottom, and "safety," "love/belonging," "esteem" and "self-actualization" at the top, thus showing that as the top of the hierarchy is reached the needs become more psychological (1943: 370-396). In this sense, the role of characters is involved in the extension of material status to, among other things, ideas, meanings, and the trends that form the symbol system itself. It also marks characters (and character worlds) "both as free-floating ideas and as objects of emotional attachment" (Condry, 2013: 113).

The two concepts I have discussed above suggest that characters have an important capacity: they can provide "a means for embellishing commodities" (Gordon, 1998:7). The qualities that characters can use for this purpose is their "essential personality features," as above WPO's definition notes. These features are the basis, and more importantly they are the key to make a character different from others. In this regard, the International Association for the Protection of Industrial Property (AIPPI, 1995) prefers to call these features distinctive elements that can be used to enhance the sales of products and services in character merchandising:

> AIPPI recognizes that one of commercial practice is the use, among others, of names or images of characters, real or fictional persons, events, groups and entities of the most varied kind, literary and artistic works, their titles and other distinctive elements, for the promotion or sale of products and services.
> AIPPI recognizes that such practice, of growing development and success, is currently known as merchandising, and includes, among others, the following: character merchandising, personality merchandising, event merchandising and brand merchandising.

The distinctive elements in the above quotation refer to the titles, names, images, and personalities, and so on, presenting different attributes of the character and forming the character for merchandising purposes. For example, as the primary character of Pokémon (work title of the character), Pikachu (name) is designed (image) as a mouse-like creature with dotted eyes, a small nose, black tipped and pointed ears, red circular cheeks and lightning bolt shaped tail, whose main colour is yellow. Pikachu appears on goods such as stationery, household, and vehicles targeting children and adult consumers and can be regarded as a symbol of several things: a loyal and brave fighter, the advancement of electronic technology, an intimate pet or friend, a strong sense of nostalgia for childhood (personalities and attributes of the character), or the influence of Japan on the global market. According to the "Top-earning Fictional Character" published by *Forbes*, Pikachu ranked the eighth with an income 825 million dollars in 2003 and tenth with the same amount in 2004.

The elements mentioned above can be applied individually, or work together, at times in groups of two or three, or even all of them altogether, as long as the coherence of the character is maintained (Odagiri, 2010). It is this flexibility of application that enables the diverse use of characters in products and services, often reaching spectacular sales. After all, the key principle behind character merchandising is to use characters to generate further profit (Bryman, 2004: 80). Characters function as a stimulating mechanism or selling point, which attracts people to acquire the related goods and services. This to some extent accelerates the process of commoditization of characters by which characters and commodities become tightly integrated. The distinctive elements of a character can further explore the commoditization process and by doing this great commercial potential is discovered.

Behind the great commercial potential can be the huge profits, which are the motive of many such as character-creators, manufacturers and studios to take part in character merchandising and the force for their further exploration. For example, as we will see in next sections, for both Walt Disney and Tezuka Osamu, character merchandising guarantees their profits that are the important financial support for their later creations. Yet character merchandising is usually seen as an effective marketing strategy. But it is not only for goods, services and the related activities but also for the character self. In many cases, it can act like a ubiquitous and constant advertisement that impresses the character image in consumers' mind and strengthens the affinity between character and them. In this sense, the goods and services that characters attach to also become part of the material ubiquity discussed above and therefore develop a mutual relationship with characters. Such a relationship promotes the increase of character merchandising that is given credit for the current boom of character business.

Huge sales indicate the economic significance of character merchandising. Nevertheless, my claim here is that the significance of character merchandising not only lies in its contribution to the economy, but also in the powerful impact on society and culture.

First, character merchandising conduces to the growth of commodity economy, both quantitatively (desire requiring more goods) and qualitatively (distinctive elements for exploring goods), and because it makes characters subject to the market in a process that eventually leads to mass commoditization. It is also in this process that character merchandising encounters various cultural elements and creates a diverse commodity culture (see chapter 2). Renowned scholar of comic books and consumer culture, Ian Gordon, looks at the initial development of American comic strips and defines them as "representations through which an increasingly commodified society saw and constituted itself" (1998: 6). This definition in fact directs to character merchandising, since character merchandising is the very key in the commercial aspect of comic strips, as I will examine in next section. Thus, character merchandising fits very well with the statement of Japanese scholar Yoshimoto Mitsuhiro in relation to the commodification of daily life in postwar Japan. Yoshimoto observes that it was "no longer the question of commodities in the world but that of the world as a commodity" (1994: 194).

However, we should keep in mind that character merchandising is not simply about the material practices. As Ian Condry argues in his book *The Soul of Anime*, the reality of character merchandise "arises not only from their materiality but also from their grounding in social relationships" (2013: 120-121). He takes the example of Anne Allison's examination of the Pokémon phenomenon: "In Pokémon one sees the principles of both gift exchange and commodity economy at work. Pocket Monsters, the currency of play here, are simultaneously traded and accumulated; they build capital for the player but also relationships with others" (Allison, 2006: 217). Pokémon was designed by Tajiri Satoshi who aimed to create a video game based on social exchange. This idea came from his childhood experience of collecting insects. The main task in this videogame is to capture and collect Pocket Monsters, and trade them with other players by connecting their game devices in order to gain all of the monsters. In this way, "an almost infinite network" (Allison, 2006: 217) of commodity, character and relations is built and attached to character merchandising.

Here, notably, it is character itself that plays the key role in the network. In Pokémon case, it is those Pocket Monster characters serving as a tool for player to forge social ties with others. This causes us to focus on the interaction between characters and individuals. First, it corresponds to the aforementioned affinity, which may involve characters in a symbolic world and implies that characters may be (affectively and socially) meaningful to individuals and society. Thus Allison (2006) concludes that characters and character goods can (re)enchant the everyday world. Then, as this study will show, by creating consumer desire and providing diverse consumer products, character merchandising and consumption are closely intertwined with each other. To take the same example of Pokémon characters, since debut in 1996, they have been transformed into various commodities that attract people all over the world to consume: in 2016 their new game product "Pokémon Go" triggers a global craze as soon as it appears to the market and greatly stimulates consumer desire (see chapter 2 and Conclusion).

Today it may be taken for granted that characters merge with everyday consumption practices. Character merchandising usually relies on the existing characters that had earlier appeared in manga, anime, games and films, and so on. Their familiarity constitutes the foundation that the character merchandising can build on (see chapter 2). People's familiarity can be seen as the initial interaction between them and characters, which in turn is expanded by character merchandising by transforming characters into commodities that can be purchased on a daily basis in a variety of forms. As Alan Bryman notes in his book *The Disneyization of Society*, consumers "anticipate the possibility of being able to buy [character] merchandise and may even be disappointed if the opportunity to do so is not available" (2004: 81). When confronted with the same kind of products, for example a normal school notebook and a notebook with a character depicted on, they may prefer to start an interaction with the character by buying the latter. How much money a person spends on character goods and how often this happens reveals the level of interaction that person wishes to have with that specific character.

In this sense, consumption becomes an important means for one to access, explore and enjoy characters. These interactions lie at the core of consumer capitalism that, as we will see throughout this thesis, aids individuals in expressing their individuality, emotions, identities, and believes. More importantly, it is a process for one to create desire not only to acquire goods and services but also to "find meaning, connection, and intimacy" from them (Allison, 2006: 13). This potential for developing a relationship can be considered "added values" of characters that are linked not only to the practical benefits of commodities, but also, as this study will show, to human needs and social interaction.

The flip side of the character merchandising should not be overlooked, however: not all people love characters; not all consumers want to consume character products; the emotional attachment may be mixed with contradictions; and one may participate in interaction as the result of certain social pressures. Japanese critic Asada Akira, for example, has looked at the popularity of subculture regarding to characters in Japan, particularly in nationalism, and interpreted it as a lack of self-confidence and the self-seclusion of the Japanese economy in an age of globalization (2000: 58-59). Other type of criticisms include addiction to character goods, such as the influence on the public order (see, for example, Schreiber, 2016; Abrams, 2016), and deviations from socially-accepted norms, such as virtual marriages with characters (see, for example, Kumakura, 2007; Lah, 2009). In these cases, characters are seen to be invaders, and character merchandising as the facilitator of this invasion. Criticisms of Japanese characters overseas were recorded by American anthropologist Christine Yano in 2004, more than a decade before "Pokémon Go" craze as follows: "Pokémon is variously seen as the devil, evil incarnate, a manipulator of vulnerable minds, and/or an instigator of violence and crime" (2004: 108).

These two contrasting views on character merchandising have motivated my interest in the topic. (Re)thinking the relationships between object, character, self, and society will help us to grasp the complex social dynamics behind character in Japan and beyond.

A Brief History of Character Merchandising

T. J. Jackson Lears, in his book *Fables of Abundance: A Cultural History of Advertising in America* (1994), has examined the history of advertising and comics, showing how these visual cultural forms related to the market in America. These visual cultural forms bring about an "abundance" of images, and these images, Lears believes, are derived from commerce, which made "enjoyment of the fruits of one's labors less important than the pursuit of disposable goods" (1994: 117). This argument is supported by Gordon, who observes: "Visual images were an important element in the emergence of the culture of consumption" (1998:6). Gordon further points out, particularly comics (and cartoons) and the characters in them have at times been found by commercial users to be more like ciphers: they seem less storytelling devices and more advertising media or business trademarks that can sell a range of products

(1998: 12). This corresponds with the basic mechanism of character merchandising, which is also the driving force behind the phenomenon, and supports its development.

In order to examine the broad trends in character merchandising, we should start by looking at examples of earlier efforts in the world. In his study "Dr Who? The First Cartoon Character," Mark Bryant (2007) argues that two hundred years ago (1809) an English character, called Dr Syntax (see **Figure 3**), was "hugely successful, spawning many imitators and even creating the first ever market for tie-in merchandise." Dr Syntax was a character in a comic poem series of the same name: the comic caricatures were drawn by the famous British artist Thomas Rowlandson and the illustrative verses were written by William Combe. The comic poem series made Dr Syntax an immense success, as well as one of the most popular characters at that time. He was synonymous with popularity and attracted the attention of numerous businesses. The image of his face appeared on many goods including plates, figurines and handkerchiefs, and so on, and British manufacturers even managed to export Syntax products abroad.

Figure 3. "Doctor Syntax Behind the Scenes at the Opera"; Source: Harry Beard Collection, Victoria and Albert Museum, UK.

Another British character, Ally Sloper (1867), was also famous for being used in merchandising. Ally Sloper was created by the writer and former civil servant Charles Henry Ross and developed by his wife Marie Duval, who took over the duties of inking and fully illustrating this character. Sloper appeared in humour magazine *Judy* in 1867 (before that, his prototype had appeared elsewhere), before his stories were separately published in collectable books from 1873. These publications were responsible for building Sloper's reputation as a star and helped the character along the commercial route. In his study "Ally Sloper: The First Comics Superstar?" Roger Sabin suggests that the book *Ally Sloper's Guide to the Paris Exhibition* (1878; the fourth of *Judy* line) marked the possibilities of comic publication as an advertising medium, and an advert for "Brand and Co's Own Sauce" in it could be seen as "the earliest example of a

publication starring a comics character for subliminal advertising" (2009: 179).[1] This advert also indicated that the world of Sloper had extended into areas of everyday consumerism, which helped to root the character in various corners of consumers' lives. Sloper was depicted as a real-life character who was an entrepreneur, selling cheap consumer goods. This depiction enabled him to endorse the consumer goods sold by him. According to Sabin, "Direct endorsement of products by the character in his funny papers/comics from the 1873-1916 period would include offers of goods in which the manufacturer's name was not mentioned, e.g. cigars ('Ally Sloper's Torpedoes') and pills ('Sloper's Pills…cure liver complaint, headache and stomach troubles'), as well as adverts for those of named producers, e.g. bicycles, neck-ties, magic lanterns, and melodeons—the latter with an image of Sloper in the advert itself" (2009: 179). Being marketed under Sloper's name, these products bound the character to the rise of consumerism and, more importantly, they made him an advertising star, especially as advertising had become a major form of revenue for comic publication.

In the early period of characters, comic strips and comic characters were usually owned by their publisher, who would actively look to expand the character's role into various forms of advertising. In 1884, Sloper had his own publication—*Ally Sloper's Half Holiday*, which, as Sabin argues, not only increased the impact of Sloper's advertising efforts but also further developed the "dialogue" between Sloper and the reader (2009: 179-180). This dialogue was promoted by the editor of the publication, Gilbert Dalziel, who positioned adverts for the products endorsed by Sloper in regular positions—both at the back as well as, unusually, at the front of the comic, among the pages used for reader interaction including competitions, letters, and so on. At first the reader interaction was open to all and readers were sent Sloper products as free gifts as long as they gave their name and address. This evolved into a competition format in which readers sent their jokes and funny stories into the publication and those that were published won Sloper products. Through these gifts and prizes, Sloper succeeded in catching the readers' attention. However this format also gave rise to some problems: the emergence of "bootleg" Sloper merchandise, including products such as "paperweights, mugs, door stops, walking sticks, tie pins, puppets, and games never advertised in Sloper's publication" (Sabin, 2009: 181). This unofficial Sloper industry did increase his popularity. In the words of the newspaper *Brighton Society*, Sloper was the most famous fictional character in Britain: "He stars in a full fifty per cent of our pantomimes and hops it with the best at sixty per cent of our fancy dress balls" (21 November 1896, quoted from Sabin, 2009: 185).

At the same time, in the United States, comic strips and comic characters had become a major revenue source for distribution syndicates and publishers (Rhode, 1999). Unsurprisingly, the creators also took part in the commercial exploitation of their creations and made a lot of money. In his book *Comic Strip and Consumer Culture 1890-1945* (1998), Gordon traces the early development of character merchandising in America and examines in detail how Richard Felton Outcault and

[1]Sabin (2009: 179) also points out that the popularity of the sauce lies much in its bottles rather in the advertisement. The bottles for the sauce at the time were made with Sloper's image on them.

his characters—the Yellow Kid and Buster Brown—joined the tide of commerce. This case study provides an adequate overview of the inherent relationship between legal rights, the economy, and characters. As the "first comic strip character," the Yellow Kid, who was an unnamed figure in a series of large comic illustrations, appeared in Pulitzer's Sunday *World* between 1895 and 1896 (Gordon, 1998:14). Why did not he have a name at first? An explanation is offered in an interview with Outcault for *The Bookman* magazine: "The Yellow Kid was not an individual, but a type. When I used to go about the slums on newspaper assignments I would encounter him often, wandering out of doorways or sitting down on dirty doorsteps. I always loved the Kid. He had a sweet character and a sunny disposition, and was generous to a fault" (Blackbeard, 1995: 135).

Obviously Outcault did not intend to create a single character but a common type. However the Kid had several distinctive traits: he "was bald with jug ears and buck teeth, and always wore a yellow nightshirt" (Gordon, 1998: 31). These features made him stand out from the other child characters and, more importantly, accounted for his popularity in the mass market of retail products.

According to Rick Marschall and Warren Bernard, "the Yellow Kid did not so much presage but embodied the variety of licensing and merchandising uses that cartoons and cartoonists were to assume" (2011: 27). As the creator, Outcault played an active role in the commercial exploitation of the character. He completed many business deals to connect the Kid with other products. However, because of deficiencies in the copyright law on characters at that time, most of the Yellow Kid products on the market were not authorized. Outcault tried to secure his legal position regarding the Yellow Kid. However, because of a regulation that stipulated that "copyright protected specific drawings, but did not protect an artist/creator from the use of…established characters in their original drawings" (Winchester, 1995: 19), even though creators owned the drawings that represented their labour and skill, they did not have the right to control the subjects in them. Thus, the Librarian of Congress stated that "only the title [of] 'The Yellow Kid', not the Kid's likeness could be copyrighted because of an irregularity in the application" (Lesser, 1975: 120). As a result, the image of the Kid was used freely by manufacturers for unauthorized products including "songbooks, buttons, chewing gum, chocolate figurines, and cigars" (Gordon, 1998: 32). Outcault could do nothing but accept it.

When Outcault realized that the Yellow Kid had slipped out of his control, he gave up the character, but his experience with the Kid had taught him to recognize the market potential of a character. The term "potential" here has two implications: one is the fact that a character should have distinguishing features rather than a generalized type; the other highlights the possibility of a character being used to market other products. Thus, after the failure to protect his rights over the Yellow Kid, Outcault created a new strip series for the *New York Herald* containing the distinctive character of Buster Brown (1902)—"the longest continuously licensed comic character" in America (Beerbohm, 1997: 5). He effectively held the rights to Buster's likeness from the beginning and by doing so he was able to license the rights to his character to a wide variety of manufactures. For example, at the St. Louis World's Fair in 1904, the

companies authorized to use Buster Brown were the Brown Shoe Company and the inexpensive watch company Robert Ingersoll. They worked together to use Buster Brown as a marketing promotion strategy for both of their products: Robert Ingersoll launched a Buster Brown watch and bundled it with a pair of Buster Brown shoes produced by the Brown Shoe Company. According to Gordon, the significance of this cooperation was "not so much that it borrowed the reputation of a popular comic strip character to sell products but that it linked these products in such a fashion that the character gradually constituted a brand name" (1998: 49). The combination of the Buster Brown watch and the Buster Brown shoes enlightened other manufacturers to Buster's worth as a business brand name. They followed suit and sold various products including "textiles, harmonicas, a soft drink, coffee, flour, bread, apples, suits, hosiery, and pianos" (Gordon, 1998: 49) under the Buster Brown brand name.

This is reminiscent of the use of Ally Sloper, who endorsed numerous products and gave those products his name. Compared with Sloper, Buster Brown was obviously a much more established brand with its own right. Sloper had revealed the capacity of characters for advertising, which had connected him with a wide range of products, named and unnamed, authorized and unauthorized. However, Buster Brown exerted the same advertising effect while becoming an extensively marketed nationally known brand under effective copyright protection. In contrast to Sloper's "random" naming practices, Buster Brown had pulled the various commercial practices surrounding him into the orbit of character merchandising.

In 1906, Outcault left the *New York Herald* for Hearst's *New York American*, which resulted in the loss of the exclusive rights to the comic strip title Buster Brown. However, because he was able to retain all the other rights to this character, his profits were not affected: Outcault gained "$44,000 as royalties from a Buster Brown stage show alone between 1903 and mid-1907." In addition, Outcault established the Outcault Advertising Agency, and according to an estimate by Gordon, the US Copyright Office in the Library of Congress received "over 10,000 individual copyright registrations for advertisements using Buster Brown created by Outcault's agency" (1998: 47; 55). These advertisements marked a shift towards a focus on the visual image of a comic strip character. Manufacturers and advertisers used Buster as an eye-catching image, a visual symbol as well as a "business trademark" (Gordon, 1998: 51). For example, for the Brown Shoe Company, Buster Brown was not only a name for its products but also a key factor in its rapid development. It was partly because of Buster's popularity in the market and his fame among readers that the shoe company did not need to spend much on advertising as Buster Brown was the best advertisement for it, as well as a trademark that clearly marked out its products.

Buster Brown showed that a character could play multiple roles—as an advertising medium, a brand name, and a business trademark—and this profoundly influenced the subsequent development of character merchandising, particularly where Disney was concerned. Moreover, in this process Buster Brown was closely linked with consumer goods, and was transformed into items that people wanted, required, and desired, thus enriching consumer culture in America. Buster was portrayed as a young boy who always got into mischief and made mistakes, although at the last always

learning his lesson and correcting his errors. Thus purchasing Buster products not only mean consuming, but also provided a means of connecting consumers with Buster's "rebellious" personality (Gordon, 1988:55). In this way, people who consumed Buster products were establishing their own cultural identities.

After Buster Brown, Bud Fisher's Mutt and Jeff (1906) had huge success in merchandise. Fisher learned from Outcault's lesson and he prepared the copyright notice for the strip and registered it with the Copyright Office in advance, guaranteeing maximum benefits for him. As Robert Harvey examines, "The soaring popularity of *Mutt and Jeff* made Fisher rich beyond his wildest dream. By 1916 popular magazine articles were reporting that he earned $150,000 a year, five years later, *Mutt and Jeff* animated cartoons and merchandising, as well as the constantly growing circulation of the strip, had increased his annual income to about $250,000" (1994: 38). Additionally there were Peter Rabbit (1902), Felix the Cat (1919) and Bonzo the Dog (1922). Like Dr Syntax, Peter Rabbit and Bonzo the Dog were British characters. They both succeeded in character merchandising and were popular not only with British people but also the people in other areas. Peter Rabbit was created by Beatrix Potter in her children story series. After the tale of the character was first published, Potter created a soft toy of Peter Rabbit and made it be patented. This also made Peter Rabbit a licensed character to appear on a wide range of merchandise.[2] While different from the above-mentioned characters, Felix the Cat who was especially popular in the mid-1920s debuted in the cartoon (silent animation) field and was also a notable example of character animation.[3] From the late nineteenth century, animated film entered a period of rapid development, and by the beginning of the twentieth century there had been several successes in the field, including Winsor McCay's *Gertie the Dinosaur* (1914). According to Pall Wells's description, McCay's animation works "reveal the deep-rooted fears of the Modernist era" by addressing "anxieties about relationships, the status of the body, and advances in technology" (1998: 16). *Gertie the Dinosaur* was seen as the first character animation that highlighted animated characters on screen. By the 1920s cartoon had ushered in its Golden Age, which directly contributed to Disney's creation and its character merchandising successes.

With the birth of Mickey Mouse (1928), the well-known character star, an "organized system" of character merchandising was created by Disney (WIPO, 1994: 6).[4] According to Cecil Muncie (1974: 85-105), the beginnings of Mickey Mouse merchandising can be marked by three successive events. First, in late 1929, Walt Disney authorized a New York company the rights to use Mickey on its products. It is

[2]Peter Rabbit is very popular in Japan. According to Francesca Williams (2013), almost 80 per cent of the Japanese have heard the name of the character. Many of them visit the home town of the character and like to purchase its character goods.

[3]As Felix the Cat became popular, there were many kinds of goods featuring the character including tie pins, brooches, dolls, pillow tops, and candy, and so on (Bryman, 2004: 82).

[4]According to Bryman (2004: 82), Walt Disney's first commercial success could be traced to cartoon series featuring the character Osward the Lucky Rabbit which brought out many profitable goods. But he met the similar copyright problem of Outcault's the Yellow Kid and received very little. Thus, like Outcault, Disney began to guard his merchandising rights and created a new character, Mickey Mouse.

said that when Walt was in New York, a man approached him in the lobby of the hotel and offered him $300 cash for permission to use the likeness of Mickey Mouse on school writing tablets. Disney explained, "At the time, the company needed money, so I took the Three Hundred…it was the first licensing contract" (Thomas, 1998: 96)—thus this accidental meeting was the beginning of Disney's merchandising career. In that same year, Walt Disney Productions was transformed into four separate companies, one of which (Walt Disney Enterprises) was responsible for its merchandising career. Second, in January 1930, Charlotte Clark began the small-scale production of Mickey Mouse dolls in a house rented by the Disney Company. And finally, but most importantly, in February 1930, Disney signed a contract with the George Borgfeldt Company for the international licensing, production, and distribution of Mickey Mouse merchandise. However, the Mickey merchandise produced by George Borgfeldt was of poor quality and cheap. While Disney was at first dissatisfied, at that time it was still a small organization with no capacity to police the quality of the merchandise produced or the many unlicensed items in circulation. But, quite unexpectedly, those unsatisfactory products bred the success of Mickey Mouse merchandising. As Richard DeCordova notes, "By the beginning of 1932 there were twenty-one licensees in the United States alone, most producing a number of different Mickey Mouse products. Children could, with enough money, have the image of the mouse on almost all of their possessions—their underwear, pajamas, neckties, handkerchiefs, and jewellery; their toothbrushes, hot water bottles, and bathroom accessories; their silverware and china; their toys and games; and their school supplies" (1994: 205).

This success was accelerated by the arrival of Kay Kamen. It was Kamen, affectionately known as the "father of modern licensing" and also as "a stickler for quality," whose commitment to ensuring the quality of the Disney characters in every home in America effectively brought about the huge profits that were to guarantee Disney's long-term development. Kamen was a wonderful salesman and by the time (1932) he signed to join Disney, he had an extensive background in marketing and merchandising which helped Disney to establish a department specializing in the secondary commercial exploitation of its characters. The first thing Kamen did was to cancel the contract with the George Borgfeldt Company and upgrade the Disney character merchandise to meet "new, higher standards of art work and design."[5] He also used his huge marketing networking to expand the business around Disney. As a result, under Kamen's direction, "during the 1933 Christmas season, over 50 department stores had Disney characters in their shop windows and more than 6 million dollars of themed merchandise was sold"; by 1934, "200 stores had Disney-themed window displays"; in just four years "Kamen and his methods had raised over $35 million for the Disney Company" (Ladonisi, 2012), as well as extending its overseas business to Paris, Milan, Lisbon, Toronto, Australia, and South America. It was these additional monies that helped Walt to pay his staff and also fund his first

[5]See Robert Heideand John Gilman, "The Master of Marketing,"The Main Event, Scoop, accessed 8 November 2015,
http://scoop.previewsworld.com/Home/4/1/73/1017?articleID=42056.

full-length feature film, *Snow White and the Seven Dwarfs* (1937). By 1938, "more than 2 million dollars' worth of Snow White merchandise had been sold and over 117 manufacturers were licensed by Kamen to produce the characters from the film" (Ladonisi, 2012).

Coincidentally, one of Kamen's major coups during this time was the first-ever Mickey Mouse watch (1933), produced by the Ingersoll-Waterbury Watch Company,[6] the same manufacturer that had produced the Buster Brown watch. With its previous successful experience, the Ingersoll Watch Company might be eager to work with a character again, especially as it was on the brink of bankruptcy. Kamen guaranteed that the watches were introduced and featured at the Century of Progress Exposition in Chicago in the same year, which saved Ingersoll and helped this troubled company survive the negative influence of the Great Depression. Macy's New York department store "sold over 11,000 watches on just one day soon after they went on sale" (Bryman, 2004: 83), and "2 million more watches were sold from June 1933 to 1934" (Ladonisi, 2012). Undoubtedly this Mickey Mouse merchandising helped Mickey's popularity to grow rapidly in the early 1930s and Mickey soon "eclipsed Felix the Cat as the world's most popular cartoon character at that time" (Solomon, 2008).

These initial successes also guaranteed the creativity of Disney, enabling Walt to spend the profits on the release of new works in the 1940s. However, the 1940s was a difficult decade, during which Disney struggled for survival. Unbalanced investment and the Second World War added more pressure. It was the U.S. government that saved Disney from difficulties because of their need for an ambassador of goodwill. Mickey Mouse and the other Disney characters were certainly the right ones for this role. Thus, Disney began its government service and made a lot of films during the war. This experience made Disney re-appreciate the economic value of its films and the extra benefit it could gain by re-releasing them. As a result, Disney was brought back on track. It then released its films into other national markets, contributing to the popularity of Disney characters all over the world. By 1954 the year before the first Disneyland opened, "more than seven hundred other companies were releasing some three thousand other 'Disney' items, from Mickey Mouse weather vanes to Donald Duck hats to Minnie Mouse pencils" (Gomery, 1994: 77).

Beginning in the early 1950s, Disney developed its television network and fantasy theme park divisions. The former explored a new media field, and the latter, as Susan Davis suggests, was "one major vehicle for merchandising" (1996: 407), which opened up a golden age of profit. Triggering a new trend in character merchandising, the theme park, including the hybrid shops, restaurants, resorts and other related consumption forms, maximized the opportunities to access and purchase various forms of Disney character merchandise, and in some sense built a paradise for characters. So far the four primary divisions of the present Disney Empire are Parks

[6]The Ingersoll Watch Company grew out of a mail-order business (R H Ingersoll & Bro) started in New York City in 1882 by Robert Ingersoll and his brother. Ingersoll later bought the bankrupt New England Watch Company in 1914 and renamed it the Ingersoll Watch Company. The company went bankrupt in 1921 following its over-expansion during the First World War. It was purchased by Waterbury Clock Company in 1922.

and Resorts, Studio Entertainment, Consumer Products, and Media Networks, and character merchandising undoubtedly is a key factor among them all. As a 1958 article of *The Wall Street Journal* observed, "Disney figures it is created approximately 2,000 imaginary personalities over the years and, at last count, over 140 US firms and more than 700 abroad were helping Disney to cash in on the popularity of some 50 of these characters. About $2 million in royalties came in from these merchandising activities last year" (quoted from Bryman, 2004: 84).[7]

The Impact on Japan

Disney's practices had a deep impact on Japan. The most immediate was the fact that it was Disney introduced the character merchandising that could create a secondary income source for Japanese character creators and provide a legal basis that guaranteed their right. Thus, to trace the history of character merchandising in Japan, we must start with Disney. And Disney was often regarded as the first enterprise to utilize agreements to license its characters for commercial exploitation in Japan (Steinberg, 2012).

In 1929 the Mickey Mouse film *The Opry House*, was released in Japan at the same time as in the US. It was the first Disney animated short film to be shown in Japan, and led the way for subsequent screenings of Disney creations: from 1930 to 1938 15 Disney animations (see **Table 1**) were shown, including the first full colour cartoon, *Flowers and Trees* (1932), and the first animated film using a multiplane camera, *The Old Mill* (1937) (Tsugata, 2007: 16).[8] These also contributed to the popularity of Disney characters and, unsurprisingly, even the emergence of unauthorized manga visions and other goods.[9] This revealed, as Steinberg observes, "the significant position of Disney characters in the prewar period, but [this was] not yet bound to the character merchandising, as it would be in the postwar period" (2012: 94-95). This growth in unauthorized merchandise was due to the fact that although Disney started to extend its ambitions beyond the national border in the 1930s, it was not until the postwar period that it was able to develop character merchandising and manage the related rights in Japan. In Europe, as early as 1930 Disney had licensed Walkburger, Tanner and Company of St. Gall, Switzerland, to manufacture handkerchiefs featuring Mickey and Minnie Mouse through the George Borgfeldt Company, and William Banks Levy had become Disney's representative (1930-1933) in England, receiving the authority to license Mickey and Minnie Mouse character merchandise. However, in

[7]For a detailed account on the development of merchandising of Disney see Bryman (2004:79-102).

[8]The third Mickey Mouse film produced by Walt Disney, *Steamboat Willie* which was also the first synchronized sound cartoon, was released in 1928. There is debate about this work's release date in Japan: some scholars note that this work was still not officially released in Japan (Rao and Omulil, 1986), and some note that this work did not land in Japan until 1933 (*Japan Pictorial*, 1982).

[9]See, for example, Hirosei Shinpei's manga *Mikkī Chūsuke* (Mickey Chūsuke, 1934) and Shaka Bontarō's manga *Mikki no katsuyaku* (The Activity of Mickey, 1934). According to Ōtsuka (2013), they both are the pirate works of Mickey Mouse.

contrast to these international licensing practices, Disney simply exported its works to Japan until most of foreign creations were banned during the Second World War.[10]

In the postwar period, Disney's influence became even stronger, as the United States' occupation had a major impact on the culture and society of Japan. According to Japanese historian Tsurumi Shunsuke (1984), the control of United States created new values for the Japanese in three areas: first in food, second in lifestyle, and lastly in the sense of justice. As the primary provider of foodaid at the time, the United States brought "flour, corn, powdered milk, and chocolate and chewing gum for children," as well as a flood of American films (Tsurumi, 1984: 19). By this opportunity, Disney creations returned to the nation from 1950. *Snow White and the Seven Dwarfs* restarted Disney's journey into Japan and was followed by *Bambi* (1942) in 1951, *Pinocchio* (1940) in 1952, *Alice in Wonderland* (1951) in 1953, *Dumbo* (1941) in 1954, *Fantasia* (1940) and *Peter Pan* (1953) in 1955, and *Sleeping Beauty* (1959) in 1960 (Tsugata, 2004: 217-224; Stingray and Nichigai Associates, 2010: 892-893). For Japanese children at the time, "going to visit the cinema to see Disney films on specially designated days [had] become a part of primary school education in Japan" (Ono, 1983, quoted from Kinsella, 1996: 241). This memory actually validates what *Shūkan Shinchō* (Weekly Shinchō) magazine noted in 1957, when it stated that "cartoon fever had reached Japan" (quoted from Minakawa, 2009: 109). In the 1920s and 1930s, alongside Disney many other American comic and cartoon works and characters, such as Max Fleischer's Betty Boop (1930), also came to Japan and became well known (Kinsella, 2000; *Kinema junpō*, 1932). As happened to Disney, because of the war, further works including these characters were not able to be released until the 1950s, and it was not until then that related character merchandising opportunities took off in Japan.

What cartoon fever implied was a tendency towards American lifestyle at the time. Such a tendency was driven much by the images of American prosperity presented during occupation and later, including the affluent consumer goods in American military shops and the middle class abundance projected in American films, television shows, comics and cartoons, and the advanced technology imported from America, which laid the foundation of the development of mass media in postwar Japan. As Marilyn Ivy observed the American serials on television at the time, "These descriptions of 'typical' American families surrounded by consumer luxuries and electric appliances such as refrigerators, vacuum cleaners, and washing machine----and with family car parked in the driveway----had a powerful impact on the Japanese psyche. The middle-class 'American way of life' became the utopian goal and the dream of many Japanese in the 1950s, a goal tied to unflagging hard work as the basis for commodity acquisition" (1993: 249). Among these, Disney was noticeable since it delivered an American worldview, American superiority and values, and its characters

[10]According to the reports of film magazine *Kinema junpō* (21 September and 21 November edition, 1931) of 1930s, the Disney works that were exported include animated films, comic strips, and illustrations of Disney characters. Because of the war, most of the foreign animations were banned in the public sphere. There was exception such as Chinese animated film *Tieshan gongzhu* (Princess Iran Fan) was made in 1941 and released in Japan in 1942. The Japanese animation works at the time such as *Momotarō: Umi no shinpei* (Momotarō, Sacred Sailors, 1945) were created for promoting militarism.

were always recognized as an American identity and style (Dorfman and Mattelart, 1971).

Year	Title and the Original Release Date
1930	*The Skeleton Dance* (1929)
1933	*Mickey's Orphans* (1931)
	The Klondike Kid (1932)
	Building a Building (1933)
	Flowers and Trees (1932)
	Three Little Kittens (1933)
1934	*Musical Farmer* (1932)
	Funny Little Bunnies (1934)
1935	*The Band Concert* (1935)
	The Tortoise and the Hare (1935)
	Who Killed Cock Robin (1935)
1936	*Three Orphan Kittens* (1935)
	Thru the Mirror (1936)
1937	*The Country Cousin* (1936)
1938	*The Old Mill* (1937)

Table 1. Disney shorts screened in Japan from 1930-1938; Source: Tsugata, 2007: 16.

Cartoon fever also rapidly led to the appearance of character toys on the Japanese market. As Steinberg notes, the advertisement for the first Disney toy—a Bambi rifle advertised in the *Gangu shōhō* (Toy Trade) journal (later renamed Toys Magazine) in 1952—indicated that it had been authorized by Disney to use its characters. Subsequently, in 1957, Disney product a series of inflatable Disney character shapes and balls, which were also advertised in this magazine. Again, the advertisements prominently featured a "notice" claiming that "the copyright is owned by Walt Disney Production and the products here are the result of a contract engaged with Disney's representative in Japan, Nagata Masaichi" (Steinberg, 2012: 102).

At the beginning of its exploitation of character merchandise, Disney chose a native film firm—Daiei Motion Picture Company—as its film distributor as well as its representative for matters of character merchandising. Nagata Masaichi, as the leader of Daiei, actively led the development of the merchandising of Disney characters, which were described as "fanciful characters" in the contract with Disney (Kayama and Bandai Kyarakutā Kenkyūjo, 2001:186). It is from this particular contract that the term "character" was imported to Japan and it was also the first to include legal references to character merchandising (Odagiri, 2010). In 1952, Nagata licensed the character image of Bambi to the confectioner Ikeda Seika for the production of "Ikeda Bambi" caramel (Ogawa, 2015). However Nagata's exploitation appeared to be less

than satisfactory because the companies that were interested in Disney were almost exclusively small businesses. Because of this, Disney introduced "Disney-model merchandising" into Japan which effectively resolved the situation (Nakao, 1980: 27-29). As a result of this, in 1959 Disney formed a branch company in Japan and began to cooperate with big Japanese corporations, such as game company Nintendo and confectionery company Morinaga Seika (see **Figure 4** and **5**). The Nintendo Playing Card Company signed its first licensing agreement with Disney to produce playing cards backed with pictures of Disney characters, which resulted in a boom in card playing (Inoue, 2009). As a result of its cooperation with Disney, Morinaga Seika launched a new confectionery range branded with Disney character images in line with its licensing contract (*Morinaga seika kabushi kaisha*, 2000).

Figure 4. Disney-Nintendo Playing Card advertisement; Source: *Yomiuri Shinbun* newspaper, 7 December 1959.

Figure 5. Morinaga-Disney Gum advertisement; Source: *Yomiuri Shinbun* newspaper, 15 December 1959.

At the same time, a production company aspiring to be the "Disney of the Orient" (*tōyō no Dizunī*) (Yamaguchi, 2004: 66), Tōei Dōga (Toei Animation), was set up in 1956. Its most extraordinary achievement was the introduction of the advanced American animation production system in Japan, which made it possible to finish production of a feature-length film within a reasonable time (Yamaguchi, 2004: 67-68). In the words of Ōkawa Hiroshi, the head of Tōei, "…we shall progressively produce and give birth to American-Disney's professional standard of animated film" (*Eiga nenkan*, 1960: 332, quoted from Hu, 2010: 91). Indeed, this system not only improved the efficiency of production but also contributed to early outstanding animated features such as *Hakujaden* (The White Snake Enchantress, 1958), *Shōnen Sarutobi Sasuke* (Magic Boy, 1959), and *Saiyūki* (Journey to the West, 1960). Tōei's capacity to imitate the Disney pattern was manifest, in terms of both art and technology, which greatly inspired young would-be animators all over Japan. It is worth mentioning that *Saiyūki* was based on the manga *Boku no Songokū* (My Songokū, 1952) by Tezuka Osamu (1928-1989), who was later hailed as the "god of manga" (*manga no kamisama*). This was Tezuka's first real involvement in producing animation and actually launched his animation career. One year after the release of *Saiyūki*, in 1961, Tezuka formed his own animation studio—Mushi Production (the company was initially called Tezuka Osamu Production, but was given its current name in 1962). It was Mushi Production that produced the first character merchandising star in Japan—Atomu.

Before turning to Atomu, it is important to note one more key element in the rise of characters: the mass communication environment of postwar Japan. Due to procurement of goods and services by the American military during the Korean War, the Japanese economy received a boost in the early 1950s and this ushered in the first period of high growth (Kosai, 1986: 70-74). With the economic recovery, televisions, washing machines, and refrigerators, the so-called three sacred treasures (*sanshu no jingi*), quickly became popular in Japan and became common items in households (Yoshimi, 1999: 155). The mass media, including newspapers, magazines, radio programmes and films, also flourished in Japanese life and a diverse mass communication environment gradually came into being (Ivy, 1993: 247-248). In this environment, the development of manga was remarkable. After the war, poverty and hunger had compelled the Japanese to explore new spiritual handholds to assuage their fear of an uncertain future. At the time, manga, as an easily affordable form of entertainment, was a favourite with most Japanese people. Thus, in the postwar years there was a boom in *shinbun manga* (newspaper-published serialized manga), manga magazines, *akahon* (literally, "red book"),[11] and *emonogatari* (graphic stories). By the 1950s, children's manga was particularly popular. Many manga masterpieces targeted children, such as Tezuka's *Tetsuwan Atomu* (Mighty Atomu, 1952), the tale of a child robot, and Fukui Ei'ichi (1921-1954) and Takeuchi Tsunayoshi's (1922-1987) *Akadō*

[11]*Akahon*, literally meaning red books, was mainly the picture printings for children since the early Meiji period. It was always cheap, easy and made by red paper.

Suzunosuke (1954),[12] the tale of a child swordsman. These manga accompanied children as they grew up and greatly enriched their lives. Meanwhile, influenced by the mass communication environment, they also took advantage of other media, making their characters mass media stars.

The first mass media character star was Akadō Suzunosuke who was also the first manga character to be turned into other media (Kan, 1968: 109-110). He comes from the manga work of the same name which depicted a young swordsman who was not afraid of difficulties and insisted on his faith about sword. The peak of his fame came in 1957, as a result of the success of his radio show and television dramas. By the end of his radio show, according to Honma Masao, the character had been known by "90 percent of boys and 80 percent of girls" (2000: 76-78, quoted from Steinberg, 2012: 229). While the boom was much promoted by his transmedia movement (something to which I will discuss in chapter 2), more importantly it benefited from character goods—Akadō toys.

According to Allison, since the early 20th century, the toy industry had grown to be a vital part of the Japanese economy. Based on their "high quality, low price, and detailed design," Japanese toys (mainly metallic products) had quickly won a reputation around the world (2006: 36-40). By the middle of the 1930s the industry had welcomed its golden age: its products were exported to international markets such as the U.S., Britain, British India, Australia, New Zealand, and the Philippines, and the value of the trade reached 42 million yen in 1937, taking fourth place in Japanese exports at the time (Saitō, 1971: 228-231). However, with the outbreak of the war between China and Japan, the whole industry sank under dim prospects due to the fact that the materials needed were too precious to use for playthings. At first the production of metallic toys was only limited, but by 1938 production for the domestic market was prohibited (Saitō, 1989). Production remained constricted after the war due to shortages. The makers tried everything to produce toys, including using empty food tin cans discarded by the Supreme Command Allied Powers (SCAP), the offices of the occupation led by General Douglas MacArthur (Saitō, 1971). With these they primarily produced Jeep models that imitated those of the American soldiers; this contributed to the revival of the whole industry. Because these toys were not only popular with Japanese children but also with the American soldiers, many of them were exported by SCAP officials for American children. In this way, Japan's postwar toy trade was revived and it not only gradually returned to prewar levels but also contributed considerably to rebuilding the national economy. By 1953, the value of exports had reached 8.2 billion yen (Saitō, 1971: 311). With the rise of the mass media in the postwar period, the toy industry also paid close attention to the stars of the mass media.

Allison (2006) also notes, since the late 1950s mass media characters were increasingly transformed into toy merchandise under the influence of manga and television on children's mass culture. This toy merchandise was known as *masukomi*

[12]Fukui was the original creator who suddenly passed away after finishing the first episode and then Takeuchi took over the work and developed it.

gangu (mass communication toys) and was very popular with children. According to Japanese toy specialist Saitō Ryōsuke, a popular item among those *masukomi gangan* was the Akadō sword, which was made into a toy by Takayoku Gangu KK, "the first maker to use the term *masukomi gangu* in its promotions" (1978: 279-282). Following the popularity of the Akadō sword many other mass media characters such as Gekkō Kamen (Moonlight Mask, 1958), Maboroshi Tantei (the Phantom Detective, 1957) and Hakuba Dōji (the White Horse Boy, 1960) were transformed into the production of the related toys, most of which were swords, knives, guns and watches modelled on the characters' accessories or attributes.[13] These props realized the children's dream "to *be* the character" in real life (Steinberg, 2012: 103; emphasis in original). And they actually increased the intimacy and interaction between the toys and the children, and immersed the children in the world of characters and became an effective means of entertainment. Children liked to spend their pocket money on these toys, as evidenced by the fact that "several hundred thousand Akadō swords were sold in the first three years" (Saitō, 1978: 279). Their direct motivation for this was very much based on a desire for characters, which was further magnified with the coming of the next media star, Atomu.

Since its introduction in 1953, television had rapidly become popular all over the country. According to Japanese scholar Fukishima Akira, the national broadcast of the crown prince's wedding in 1959 facilitated the growth in the coverage rate of television: "10.4% in 1958, and 23.6% in 1959, but 44.7% in 1960" (2008: 41). In 1960 colour television became available and soon caught up with Japan's newspapers as the major form of mass media. Television also attracted the attention of many children, so much so that there was "at least one among five children watching television for five hours a day" (Fukishima, 2008: 41). At this time, many Japanese creators chose to attempt the challenge of creating a television animation series.

Despite this enthusiasm, the production of television animation requires both time and money. For example, according to Yamaguchi Yasuo (2004: 75) who used to be an animation director of Tōei, at Tōei, using the imported American production system, it took 200-300 staff one and a half years and at least 60 million yen to produce a feature-length animation. By this gauge, to make a 30-minute television animation would take 100 people half a year and 20-30 million yen. When Tezuka decided to make the animated TV series, *Tetsuwan Atomu* (see **Figure 6**) based on his manga stories, he spent an average of 2.5 million yen per episode, despite trying to adopt the limited animation method which minimizes the number of drawings and maximizes their utilization (Yamamoto, 1989).[14] However, after considering the balance between the production costs of the television programme and the desire to dominate the

[13]According to Steinberg, all of these toys were unlicensed because at the time "it was still rare for toy makers to pay royalties either for the use of the character image or for producing items based on the character" (2012: 236).

[14]For example, comparing with the method of full animation that projects the work at 12 to 18 frames (distinct images) per second, Tezuka's limited animation method does it at 8 or less frames per second. Being developed by Tezuka, such a limited animation method becomes an important feature of Japanese animation.

market, he ultimately sold each episode at a price of 550,000 yen (Tezuka, 1999: 242).[15] 550,000 yen versus 2.5 million yen, such low price did not cover the huge production costs and Tezuka himself recognized this. Hence, he expected to rely on the royalties from character merchandising, in the same way as Disney, and on the income from his manga to guarantee the production of the TV animation.

Figure 6. Atomu manga advertisement; Source: *Asahi Shimbun* newspaper, 18 March 1964.

In fact, as Tezuka mentioned in interviews and his autobiography, Disney had influenced him in many ways: when he was very young, he was fascinated by Mickey Mouse; after Disney films could again be seen in Japan, he went to see *Snow White and the Seven Dwarfs* over 50 times and *Bambi* over 80 times; and he was not only inspired by the way Disney earned money through licensing the use of characters, but by the style it used in its character designs (Tezuka, 1973; 1978; 2000). According to Yamamoto Ei'ichi, one of the six original members of Mushi Production, the company's goal in the early years was "creating interesting commercial animations to make a profit to finance experimental work" (Yamamoto, 1989: 63). After the first

[15]There is a debate about the price. The official price published by Tezuka was 550,000 yen. However, according to the memory of Yamamoto Ei'ichi (1989: 94) who was an early member of Mushi Production, the price was 750,000 yen. Tsugata (2007: 122-126) suggests Mushi Production received an additional 1 million yen, a total of 1,550,000 yen for each episode.

experimental film *Aru machikado no monogatari* (Story of a Certain Street Corner, 1962), Tezuka focused on profitable work in the form of the *Atomu* TV series. When Tezuka made a deal with Fuji Television, one of the premises of the agreement was the participation of a sponsor. Thus Tezuka contacted Morinaga Seika and Meiji Seika the two foremost confectionery companies in Japan. Perhaps because of the prior experience of cooperating with Disney, or because Atomu was an untested character, Morinaga hesitated, but Meiji agreed to come on board. Thus Tezuka linked up with Meiji Seika as the sponsor, and this company utilized Atomu's image on the premium (Atomu stickers, see **Figure 7**) in its product Marble Chocolate, which later came to be "the most desirable of food premiums available at the time" and helped Meiji to become number one in the chocolate market(Steinberg, 2012: 58).

Figure 7. The advertisement of Atomu stickers of Meiji Marble Chocolate; Source: *Yomiuri Shinbun* newspaper, 11 August 1963.

When the *Atomu* TV series was broadcast, it was a major success, with an average rating of 30 per cent, and this increased Mushi Production's royalty income. Tezuka set up the copyright department of Mushi Production especially to handle its merchandising career (Kitano, 1998). According to an article of *Asahi Jānaru* (Asahi Journal) magazine, "The group that signed the agreement with Mushi Production was called the Atomu Committee and included both regular and associate members, a total of 50 companies. They represented many industries, including food, stationery, clothes, shoes and toys, and according to Yimayi, the manager of Mushi Production, the number of related products totalled over 800" (24 May 1964, quoted from Takeuchi, 2008: 231). The market was soon inundated with Atomu character goods. Because of this, *Yomiuri shinbun* newspaper (22 August 1964) commented that Atomu was the "top manga star," who had followed the trend for character merchandising led by Disney and had made a huge profit for Tezuka's Mushi Production. *Shūkan Gendai* (Modern Weekly) magazine pointed out that Mushi Production "used to be a small company with funds of only 2 million yen, but it has now grown to be a medium-sized enterprise with 150 staff and annual sales of 120 million yen" (30 January 1969, quoted from Takeuchi, 2008: 231). Atomu's extraordinary popularity and commercial success

enabled Tezuka to eliminate Mushi Production's debts and sustain its further development.[16]

Atomu was indeed the first character merchandising star, but he was not the first to practice merchandising in Japan. In addition to the above-mentioned Akadō Suzunosuke, as far back as the 1920s when modern manga was just germinating in Japan,[17] a character called Shō-chan (little shō) became a favourite with many businesses. Shō-chan came from the manga book *Shō-chan no bōken* (The Adventures of Little Shō, 1923) drawn by Kabashima Katsu'ichi (1888-1965) and authored by Oda Shōsei (1889-1967). He first appeared in the pictorial magazine of the publisher of the *Asahi Shinbun* newspaper, the *Asahi Gurafu* (Asahi Graphic). According to Takeuchi Osamu (1995), the work was inspired by Austin Bouen Payne's comic strip, *Pip, Squeak and Wilfred* (1919-1956), which was being serialized in the British newspaper the *Daily Mirror*. This was confirmed by Suzuki Bunshirō, then chief editor of the *Asahi Gurafu* magazine. Because of this, the style of Shō-chan was in line with Western aesthetics. What is more, the realism that was also embedded in this work contributed, as Ōtsuka Eiji suggests, to building a regular and recognizable character, potentially making *Shō-chan no bōken* the "first character manga" in Japan (2013: 95). More and more readers thus began to notice the character—Shō-chan.

Like Ally Sloper, the British character discussed in last section, the written correspondence between *Shō-chan no bōken* and its readers played a special role in its development. However, in contrast to Sloper's letters, which mainly exchanged humorous materials for gifts or prizes, most of the letters to Shō-chan were to express the readers' wishes to be his friends. Their concerns were about the more specific details (the setting) of the character. For example, readers would take note of slight changes to Shō-chan's face and would express concern in their letters that he might be sick; if Shō-chan's leg seemed shorter, they would ask whether he had been hurt in his adventures; if Shō-chan was wearing a knitted cap with a large pom-pom on top in summer, they began to ask whether he was likely to get heatstroke or where he had bought the hat (Takeuchi, 1995, quoted from Ōtsuka, 2013: 78-96). It was at the moment when readers were wondering about the hat that some merchants saw a business opportunity and launched the Shō-chan-bō (little Shō's hat). As a result, the popularity of the Shō-chan-bō swept the nation and became a social phenomenon. The Osaka branch of the *Asahi Shinbun* newspaper gathered all the local boys called Shō-chan near Osaka city and provided them with free food and free Shō-chan-bō, sponsored by the hat merchants; pictures of the boys wearing hats and meeting (see

[16]According to Kitano Tai'itsu (1998: 28), the income that character merchandising of Atomu brought out supported the subsequent Tezuka's anime works such as *Janguru taitei* (Jungle emperor, 1965) and *Wandā surī* (W 3, 1965). However, Tezuka did not suggest that anime works should aim at creating a successful character with much commercial potential. He later said, "if only Atomu was not that successful."

[17]In *Nihon mangashi*, the earliest history of manga in Japan, Hoseikibara Seiki argues that manga originates from the Japanese traditional painting, *chōju-jinbutsu-giga* in 12th century and is deeply impacted by the traditional painting. Such influence continues to the early modern era, for example, Katsushika Hokusai's creations in late Edo period. However, Ōtsuka (2013: 17-18) suggests that from then on manga was gradually separated from the tradition and deeply influenced by Disney, which spawned the development of modern manga.

Figure 8) were published in both the *Asahi Shinbun* newspaper and the *Asahi Gurafu* magazine, to great promotional effect (Tsurumi, 1984). The Shō-chan-bō was not only seen as the earliest example of a character product that created a precious memory for the young generation of the time (see **Figure 9**), but also as another name of this kind of bobble hat, which gradually became an indispensable part of Japanese daily life (see **Figure 10**).[18]

Figure 8. The New Year Party for "Shō-chans" who wore Shō-chan-bō in Osaka; Source: *Asahi Grafu* magazine, 28 January 1925, 12-13.

In this period another key manga character was Norakuro who, as Ōtsuka (2013) argues, embodied the structuralism and the artistic influence of Disney. In fact during the prewar development of Disney in Japan, its greatest contribution was creating shocks in the art and technique spheres that encouraged many Japanese creators to engage in manga and anime careers. Norakuro's creator Tagawa Suihō (1899-1989) was a member of the avant-garde structuralism movement in Japan that tended to interpret Mickey Mouse in terms of geometry, and this was reflected in Tagawa's style. In this sense, Ōtsuka argues that Norakuro "did not inherit the characteristics of Japanese traditional painting so much as Disney's Mickey Mouse" (2013:12). Although the artistic form was in line with Disney's creations, the character merchandising was not. After his serialization in children's magazine *Shōnen Kurabu* (Boys' Club), Narakuro soon became popular with children and his image appeared on various Japanese children's goods, including stationery, clothes, bags, lunch boxes, musical instruments, and toys (Katō, 1968). However, most of these products were unlicensed because there was still little sense of profit and still less legal protection around character merchandising. It was rare for the creators to require manufacturers to pay royalties for the use of their characters. Tagawa even stated, "There is nothing wrong

[18]For example, according to Ōtsuka, "People of a similar age to my grandmother still call a knitted hat with a bobble on it a Shō-chan-bō" (2008: 116); a textile businessman recalls his of production line in the 1970s and writes in his biography, "At that time I wanted to produce a small number of ladies' hats and a large number of Shō-chan-bō" (Yamaguchi, 2004: 96).

because these products are so good that they make everyone happy to use Norakuro; rather than receiving royalties, it promotes Norakuro at no cost" (Katō, 1968: 104-105; Yamaguchi, 1990: 248). As Odagiri Hiroshi (2010) argues, aside from the individual personality of the creator and the lack of a strict legal framework, this is indicative of the initially different attitudes between Japanese creators and American creators. Nevertheless, after Disney's re-launch in Japan with its character merchandising, everything changed.

Following Disney, Tezuka Osamu pioneered the ideas of character merchandising, marking his characters with copyright symbols and receiving royalties through licensing the use of his characters (Yamamoto, 1989; Tsuchiya, 1995; Yamaguchi, 2004; Schodt, 2007; Steinberg, 2012). Tezuka then exported his most successful character, Atomu, including the TV series and toy merchandise to the United States (TV series aired in the U.S. in September 1963) and other countries, which opened up the overseas market for future Japanese TV anime series. Furthermore, Tezuka chose to use a contract instead of a buyout, which guaranteed an income of about 200 million yen for Mushi Production (Yamamoto, 1989), and he even went to the United States himself to sign it. In this sense, Tezuka and his character Atomu really paved the way for the development of character merchandising in Japan. It was with Atomu that character merchandising in Japan stepped into a new era.

Figure 9. A poster of the exhibition of *Shō-chan no bōken* held by Hankyū-men's (department store), Osaka, ©2014Kabashima /Oda/ HIROKEN Co., Ltd All Rights reserved; Source: Hankyū, "*Ima mo furubinai modan na gafū: Nihon hatsu no kyarakutā manga 'shō-chan no bōken ten*'" (Until today still fresh modern drawing style: the exhibition of the first character manga in Japan), 8 September 2014.

Figure 10. The hat brand *Kashira* (CA4LA) launched the Shō-chan-bō collection in 2014 for the 90th anniversary (2013) of Shō-chan; Source: CA4LA Online store.

Conclusion

The overall goal of this chapter has been to locate characters within the system of merchandising, and, by looking at the definition of character merchandising and its history, explore how characters are connected with commodities and involved in consumers' daily lives. In this regard, two hundred years ago through tie-ins with various products Dr Syntax, the British comic character, pioneered the creation of a consumer market for characters, and this was even extended abroad. With the development of advertising, another British character Ally Sloper (1867) became a celebrity endorser of products and services in the late nineteenth century. And beginning with later American character, the Yellow Kid (1895), the importance, especially for the creators, of holding the legal rights to character merchandising to protect the use of the characters became even clearer. The arrival of Buster Brown in 1902 heralded the production of a paradigm for subsequent development; as an early successful case, it revealed the versatility of character merchandising in advertising, branding, and trade-marking. These practices led to Disney's successes, and it created an organized system for character merchandising, a key factor in the success of the whole Disney empire.

Generally speaking, it was Disney that introduced the concept of character merchandising to Japan, including the importation of the term of "character," the first use of contracts surrounding the rights to use a character, and its character promotion strategy. Disney was the enlightener of Japan. This also explains why Disney characters such as Mickey Mouse and Winnie the Pooh are so popular with the Japanese and why they always occupy the top spots in the rankings of character retail products.[19] Moreover, character merchandising balanced the finances for creators, who were able to receive royalties through licensing. Hence, character merchandising in Japan is also known as the "copyright business." The term "character merchandising" did not become well known until the late 1970s, when the boom in Star Wars and the

[19]For example, *Charabiz DATA* (2010: 26) ranked Mickey Mouse and Winnie the Pooh as the fourth and sixth of the best 100 characters of 2009 in Japan in terms of popularity.

popularity of the cinema-complex model laid the foundation for the use of this term.[20] The popularity of this term implies that characters have become part of daily consumption and have attracted more and more consumers to consume them. This implication is a theme that unfolds in the next chapter—in which consumers of characters and character consumption are studied. The chapter will explore in detail the kinds of consumer products that characters are transformed into, what kind of consumption of characters has arisen, and also the kind of culture and society that these items depict.

[20]Although since the 1960s the term character merchandising had appeared in the reports of Japanese newspapers such as above mentioned 1964 article of Atomu being "top manga star," it was followed by the Japanese term, *shōhin keikaku* (commodity plan). Cinema-complexes, known as "cine-con"and usually built with other commercial facilities such as shopping centers, typically have more than one screen. They were developed following the growth of the film industry. According to Odagiri (2010: 40-46), the earliest example of a Japanese cine-con might be the Tōkyū bunka kaikan (Tōkyū cultural center), Shibuya, Tokyo, which opened in 1956. The boom of *Star Wars* promoted the popularity of cine-con further and encouraged people to become more emotionally involved in and have more direct encounters with character merchandising.