

## BANKING/ FINANCE

# Nintendo Switch in High Demand, and There Aren't Enough of Them



KIYOSHI OTA/BLOOMBERG NEWS

Thanks to best-selling (and surprisingly therapeutic) games such as *Animal Crossing: New Horizons*, the Nintendo Switch has become a massive hit during the pandemic.

by Austin Carr

I was late to the whole *Animal Crossing* thing, but a few days ago I, too, decamped for a virtual island utopia, where I can breathe fresh digital air, chase butterflies, plant bright tulips and fish for sea bass (so many sea bass). Thanks to best-selling (and surprisingly therapeutic) games such as *Animal Crossing: New Horizons*, the Nintendo Switch has become a massive hit during the pandemic. There's just one problem for Nintendo Co.: It can't make them fast enough.

The inventory crunch serves as a reminder of how crucial supply chain management is in the COVID-19 era. The disease has decimated many industries, cost millions of jobs and taken thousands of lives, but the companies that sell equipment to enable people to work from or pass idle hours at home have benefited. From PCs and smartphones to tablets and wearables, the current batch of winners and losers of the hardware market will likely be decided by which companies can build enough products to meet demand from sheltered populations.

Nintendo was unprepared for the sales surge and is now said to be scrambling to ramp up production and procure key electronic parts. The big question: Will the Japanese company be able to fix its supply chain woes before demand wanes?

Back in February, as the coronavirus was spreading around the globe, Nintendo started to see early indications of supply constraints. Component shortages in China were reportedly affecting factory output in Vietnam. Switch shipments to Nintendo's home country of Japan were delayed due to supplier bottlenecks, an alarming prospect for the hits-driven business, which had potential blockbuster games like *Animal Crossing* and *Minecraft Dungeons* coming out in the spring.

"We do not see any major impact on the shipment to the U.S. currently, but we will remain vigilant and take steps if necessary," a Nintendo spokesperson told Bloomberg at the time. "It's possible

the supply would be affected by the virus if it becomes more widespread and prolonged."

Spoiler: It did. By the following month, the hardware shortages followed the virus's spread around the world. The Switch was nowhere to be found in North America at Amazon, Best Buy, Target or Walmart. Unscrupulous Switch scalpers, with the aid of bots, began hawking the console on Amazon.com Inc.'s and eBay Inc.'s reseller marketplaces at aggressive markups of 55% or far more. Some crafty gamers even started to build their own knock-off Switch systems from scratch.

Still, sales climbed skyward. Last month's sales outpaced rivals', according to research firm NPD Group, and purchase volume more than doubled from last year. The device is sold out practically everywhere.

Nintendo is now purportedly aiming to boost its production to 22 million units this fiscal year, a remarkable uptick considering the Switch is already 3 years old. That's more than Nintendo sold in the U.S., its biggest market, from the console's debut in 2017 to last year. Yet, these efforts may not sate demand anytime soon: One analyst suggested retail stock might not catch up to demand until June.

While sold-out inventory is a good problem for Nintendo to have, it could fail to fully capitalize on the moment. Many people bored at home may opt instead to purchase a PlayStation from Sony Corp. or Xbox from Microsoft Corp., which said it has managed to resolve its supply chain challenges. Nintendo's Switch constraints raises questions, too, about what impact these issues are having on its online subscription service, which is substantially smaller than rival internet multiplayer portals and currently a target of hackers. And what does this mean for the company's newer and less expensive console, the handheld-only Switch Lite, which is still available in spite of so much public demand for its sister console?

**Austin Carr reports for Bloomberg News.**



## CITY OF DORAL NOTICE OF PUBLIC HEARING

All residents, property owners and other interested parties are hereby notified of a **VIRTUAL LOCAL PLANNING AGENCY MEETING** on **Wednesday, May 13, 2020 beginning at 11:00 AM**, to consider the following text amendment to the City of Doral's Comprehensive Plan, Future Land Use Element. The meeting will be held with the elected officials, administration and City staff participating via video conferencing.

Governor DeSantis' Executive Order Number 20-69 suspended the requirements of Section 112.286, Florida Statutes and the Florida Sunshine Law, that a quorum to be present in person, and that a local government body meet at a specific public place. The Executive Order also allows local government bodies to utilize communications media technology, such as telephonic and video conferencing for local government body meetings.

**Public Comment:** members of the public that wish to provide comments may do so by emailing the City Clerk at [cityclerk@cityofdoral.com](mailto:cityclerk@cityofdoral.com). Comments must be submitted with your name and full address by **Tuesday, May 12, 2020**. The comments will be circulated to the elected officials and administration, as well as remain as a part of the record for the meeting.

The meeting will be broadcasted live for members of the public to view on the City of Doral's website (<https://www.cityofdoral.com/government/city-clerk/council-meetings>) as well as Channel 77 and Facebook Live.

The City of Doral proposes to adopt the following Resolution:

### RESOLUTION No. 20-

**A RESOLUTION OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, SITTING AS THE LOCAL PLANNING AGENCY, RECOMMENDING APPROVAL/DENIAL OF, OR GOING FORWARD WITHOUT A RECOMMENDATION, TO TRANSMIT TO THE LOCAL GOVERNING BODY A TEXT AMENDMENT TO THE CITY OF DORAL COMPREHENSIVE PLAN FUTURE LAND USE ELEMENT, POLICY 2.1.2 ENTITLED "INDUSTRIAL" CATEGORY TO INCLUDE THE "DOWNTOWN ARTS REUSE DISTRICT"; PROVISIONS FOR ALL PROPERTIES DESIGNATED "INDUSTRIAL" IN THE CITY'S FUTURE LAND USE MAP (FLUM), LOCATED NORTH OF DOWNTOWN DORAL WITHIN THE AREA BOUNDED BY NW 87 AVENUE ON THE WEST, NW 58 STREET ON THE NORTH, NW 79 AVENUE ON THE EAST AND NW 54 STREET ON THE SOUTH; AND AUTHORIZING THE TRANSMITTAL OF THE TEXT AMENDMENT ADOPTION PACKAGE TO THE STATE LAND PLANNING AGENCY, THE FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY AND OTHER REQUIRED GOVERNMENTAL REVIEWING AGENCIES, PURSUANT TO THE PROVISIONS OF SECTION 163.3184, FLORIDA STATUTES; AND PROVIDING FOR AN EFFECTIVE DATE**

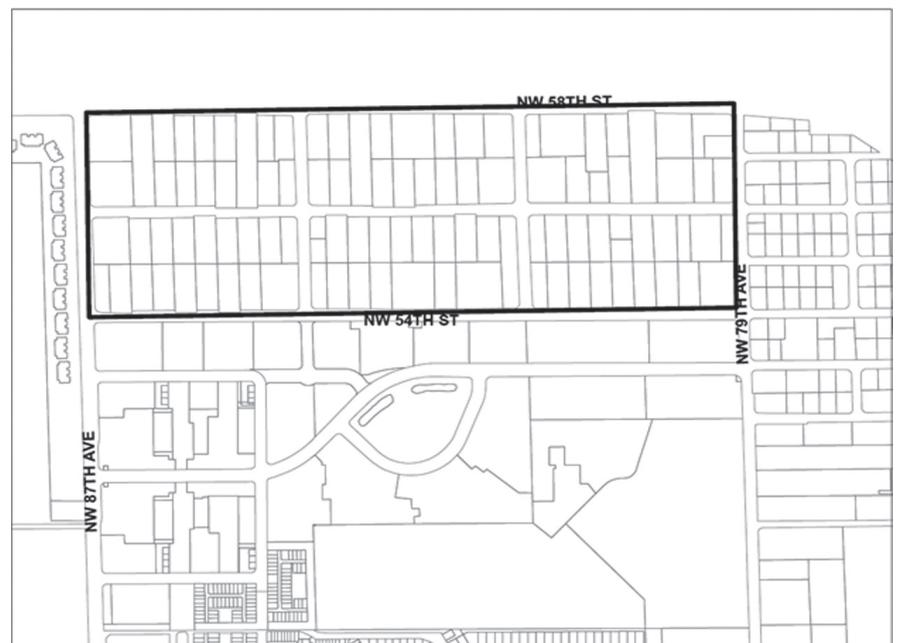
HEARING NO.: 20-05-DOR-02

APPLICANT: City of Doral

LOCATION: Area located north of Downtown Doral, bounded by NW 87th Avenue on the west, NW 58th Street on the north, NW 79th Avenue on the east and NW 54th Street on the south.

REQUEST: The City of Doral (the "Applicant") is requesting Mayor and City Council approval of a text amendment to the City of Doral Comprehensive Plan, Future Land Use Element, Policy 2.1.2 entitled "Industrial" category to include the "Downtown Arts Reuse District" provisions for all properties designated "Industrial" located north of Downtown Doral within the area bounded by NW 87th Avenue on the west, NW 58th Street on the north, NW 79th Avenue on the east and NW 54th Street on the south (as shown in the Location Map below).

### Location Map



Inquiries regarding the item may be directed to the Planning and Zoning Department at 305-59-DORAL.

Pursuant to Section 286.0105, Florida Statutes If a person decides to appeal any decisions made by the City Council with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act, any person who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Planning and Zoning Department at 305-59-DORAL no later than three (3) business days prior to the proceeding.

Connie Diaz, MMC  
City Clerk  
City of Doral

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