

Jan 2009

FULL YEAR 2008

Full year data/ links to announcements will be added for different countries as they become available.

UNITED KINGDOM

BPI press release, 7th January 2009

BPI PRESS RELEASE | UK reports resilient music sales in 2008

New figures released today by UK record labels association the BPI show that, despite challenging trading conditions, 2008's strong release schedule and expanding digital retail sector helped the music market exceed expectations.

A strong final quarter release schedule – The Killers, Now 71, Pink, Girls Aloud, Oasis, Snow Patrol and Take That (which was the third fastest selling album in history) – meant that the UK albums market actually performed better year-on-year than the same period in 2007, up by 0.9%.

The albums market, which some analysts had forecast would experience double digit decline in 2008, saw a modest volume decline of just 3.2% in 2008. The digital albums market grew strongly during 2008; with 10 million sold – a 65% increase compared to 2007 – the format now holds 7.7% of the entire albums market.

Throughout 2008 the UK single tracks market, driven by continued growth in download sales, grew by 33%. With over 115 million single tracks sold across all formats, 2008 was the biggest sales year on record in unit terms. Digital growth, however, was not confined to unit sales with labels benefitting from new digital models such as We7 and Comes With Music entering the marketplace in 2008.

The strong demand for new releases means that although the physical supply chain has suffered serious difficulties due to general economic conditions, with retailers Woolworths and Zavvi, and distributors EUK and Pinnacle falling into administration,

sales have migrated to other physical retailers including supermarkets, and to digital retailers and online stores.

Despite a slowdown in consumer spending and the pressures on the high street, these figures show that demand for new music remains high. The business has further cause for optimism in 2009, with government set to introduce new policies to combat unlawful downloading in the first half of the year.

British music continues to perform strongly at home and abroad. For the first time in Grammy history, UK signed acts achieved a clean sweep in the prestigious Record of the Year category, with Leona Lewis, Adele, M.I.A, Coldplay, and Robert Plant & Alison Krauss in the running. Coldplay were nominated for a total of seven Grammy Awards, while Radiohead's *In Rainbows* was nominated for Album of the Year, and UK talents Adele and Duffy were both nominated for Best New Artist.

BPI Chief Executive Geoff Taylor said:

"Every business and consumer in the UK is having a tough time, and these difficult trading conditions make the resilience of the UK's music market all the more notable. During a recession, people look for purchases that are excellent value for money and bring a lot of enjoyment, and music does just this.

"A strong release schedule and a digital retail market that continues to diversify and grow helped the business confront the challenges of unlawful p2p and disruption to retail supply to deliver what are, in context, encouraging sales figures in 2008.

"The challenge for music companies in 2009 is to ensure that artist investment continues to remain profitable, as the way consumers discover and enjoy music continues to go through a period of unprecedented change."

Kim Bayley, Director General of the Entertainment Retailers Association, said:

"Music performed better in UK stores in 2008 than anyone had expected. The fact that UK retailers sold more albums in the fourth quarter of 2008 than in 2007 is particularly striking. Given that they did so against the background of the collapse of Entertainment UK, a wholesaler supplying around 40% of UK unit sales is a real testament to the work put in by retailers and record companies to put in place alternative supply arrangements.

"The big lesson of 2008 is that if the music is strong enough and retailers work well with suppliers to get that product in-store, music fans will respond and buy in their droves."

- ENDS -

For further information, contact the BPI communications department on 020 7803 1395.

EDITORS NOTES

The BPI represents the UK recorded music business. All figures quoted above are supplied by the Official Charts Company.

a. 2008 Top Sellers

i. Singles

Posn	Title	Artist	DUS	Label	(Corporate Group)
1	HALLELUJAH	ALEXANDRA BURKE	887,933	SYCO MUSIC	SONY BMG MUSIC
2	HERO	X FACTOR FINALISTS	751,243	SYCO MUSIC	SONY BMG MUSIC
3	MERCY	DUFFY	535,664	A&M	UNIVERSAL MUSIC
4	I KISSED A GIRL	KATY PERRY	479,453	VIRGIN	EMI MUSIC
5	ROCKSTAR	NICKELBACK	469,652	ROADRUNNER	WARNER MUSIC
6	AMERICAN BOY	ESTELLE FT KANYE WEST	460,474	ATLANTIC/HOMESCHOOL	WARNER MUSIC
7	SEX ON FIRE	KINGS OF LEON	451,499	HAND ME DOWN	SONY BMG MUSIC
8	NOW YOU'RE GONE	BASSHUNTER FT DJ MENTAL THEO	443,534	HARD2BEAT	MSHK
9	4 MINUTES	MADONNA FT JUSTIN TIMBERLAKE	430,064	WARNER BROS	WARNER MUSIC
10	BLACK & GOLD	SAM SPARRO	429,086	ISLAND	UNIVERSAL MUSIC

ii. Artist albums

Posn	Title	Artist	DUS	Label	(Corporate Group)
1	ROCKFERRY	DUFFY	1,684,944	A&M	UNIVERSAL MUSIC
2	THE CIRCUS	TAKE THAT	1,446,135	POLYDOR	UNIVERSAL MUSIC
3	ONLY BY THE NIGHT	KINGS OF LEON	1,181,640	HAND ME DOWN	SONY BMG MUSIC
4	SPIRIT	LEONA LEWIS		SYCO MUSIC	SONY BMG MUSIC

			1,108,370		
5	VIVA LA VIDA OR DEATH AND ALL HIS	COLDPLAY	1,086,962	PARLOPHONE	EMI MUSIC
6	GOOD GIRL GONE BAD	RIHANNA	820,584	DEF JAM	UNIVERSAL MUSIC
7	DAY & AGE	KILLERS	703,213	VERTIGO	UNIVERSAL MUSIC
8	OUT OF CONTROL	GIRLS ALOUD	591,785	FASCINATION	UNIVERSAL MUSIC
9	FUNHOUSE	PINK	587,984	LAFACE	SONY BMG MUSIC
10	SCOUTING FOR GIRLS	SCOUTING FOR GIRLS	574,630	EPIC	SONY BMG MUSIC

iii. Combined albums (artist and compilation):

Posn	Title	Artist	DUS	Label	(Corporate Group)
1	ROCKFERRY	DUFFY	1,684,944	A&M	UNIVERSAL MUSIC
2	THE CIRCUS	TAKE THAT	1,446,135	POLYDOR	UNIVERSAL MUSIC
3	ONLY BY THE NIGHT	KINGS OF LEON	1,181,640	HAND ME DOWN	SONY BMG MUSIC
4	SPIRIT	LEONA LEWIS	1,108,370	SYCO MUSIC	SONY BMG MUSIC
5	VIVA LA VIDA OR DEATH AND ALL HIS	COLDPLAY	1,086,962	PARLOPHONE	EMI MUSIC
6	MAMMA MIA	ORIGINAL SOUNDTRACK	1,006,563	POLYDOR	UNIVERSAL MUSIC
7	NOW THAT'S WHAT I CALL MUSIC 71	VARIOUS ARTISTS	964,218	EMI VIRGIN/UMTV	EMI/UNIVERSAL
8	NOW THAT'S WHAT I CALL MUSIC 70	VARIOUS ARTISTS	865,333	EMI VIRGIN/UMTV	EMI/UNIVERSAL
9	NOW THAT'S WHAT I CALL MUSIC 69	VARIOUS ARTISTS	832,673	EMI VIRGIN/UMTV	EMI/UNIVERSAL
10	GOOD GIRL GONE BAD	RIHANNA	820,584	DEF JAM	UNIVERSAL MUSIC

b. Market Volumes: Ten Year Trend

	<i>Albums</i>	<i>Singles</i>
1997	109.4	77.8
1998	121.5	73.8
1999	121.5	71.0
2000	134.3	55.7
2001	144.9	51.2
2002	149.2	43.9
2003	159.3	30.9
2004	163.4	32.3
2005	159.0	47.9
2006	154.7	67.0
2007	138.1	86.6
2008	133.6	115.1

* Figures are for all formats. Data supplied by The Official Charts Company.

c. Q4 album sales

2007: 49.4m

2008: 49.8m (up 0.9% on 2007)

* Figures are for all formats. Data supplied by The Official Charts Company.

d. Diversification of Retail

Independent stores, high-street specialists, and multiples have been under pressure, but retail has diversified.

In 2000, independent retailers, specialists and multiples had 86.4% of the UK albums market, compared to supermarkets and online retailers' 13.6%. By 2007, the former had a 67.7% market share to the latter's 32.2%.

* Figures supplied by TNS: Audio Trak Survey.

CANADA

See The Nielsen Company 2008 Canadian Music Industry Report

http://www.marketwatch.com/news/story/nielsen-company-2008-canadian-music/story.aspx?guid=%7BB957E12A-05BF-4760-9BFC-EFFFCCACCB23%7D&dist=msr_5

AUSTRALIA

See ARIA press release, 2nd January 2009:

<http://www.aria.com.au/documents/Release-ARIAEndofYearChart.pdf>

FRANCE

See SNEP website, Jan 2009:

<http://www.disqueenfrance.com/fr/catalogpage.xml?pg=1&id=261975&from=1&to=10>

SPAIN

See Promusicae press release, 27/01/09:

Las ventas de discos caen por octavo año mientras las digitales siguen sin arrancar

<http://www.promusicae.es/espanol.html> (Spanish language)

and English language press coverage in Billboard:

http://www.billboard.biz/bbbiz/search/article_display.jsp?vnu_content_id=1003935104