

Photo: Kevin Mazur/WireImage.com



A Hallmark Of Musical Greetings

BY MARGO WHITMIRE

The Hallmark name is synonymous with card shopping, but it has also turned into a successful music retailer during the holiday season.

This year James Taylor joins a long line of artists to release a holiday album exclusively through Hallmark's Gold Crown stores. "James Taylor: A Christmas Album" is due in the United States and Canada Nov. 1.

"We really set the offers up to be a draw to the stores," Hallmark manager of integrated marketing Ann Herrick says. "Our estimation with James Taylor is that this will be a platinum album." The set sells for \$10.95, but the price drops to \$6.95 with the purchase of three greeting cards.

T.B.A. Network president Teri Brown, who brokered the Taylor deal along with last year's "Christmas Is All in the Heart"

by Steven Curtis Chapman, adds that a 98% sell-through with Chapman prompted retailers to order in excess of 1 million units of the Taylor album.

Grammy Award winner Dave Grusin produced the 11-track set, which features a duet with Natalie Cole on "Baby It's Cold Outside."

"From a business aspect, all the stars seemed to align and it was a great opportunity," Taylor's manager Gary Borman says. He adds that for a free agent like Taylor—who released his final album for Columbia Records, "October Road," in 2002—the partnership is an opportunity to reach Hallmark's massive clientele (*Billboard*, Oct. 2).

Based on the success of the holiday CD, Herrick says Hallmark decided to expand its music promotion to another season.

"Valentine's Day was another natural season for us in that it's about communicating emotions and celebrating love, so it

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was the next holiday that made sense," she says.

RCA artist Martina McBride is featured on Hallmark's first Valentine's Day compilation, "Martina McBride: My Heart," expected in stores Jan. 24, 2005.

The partnership is a way to reach McBride's demographic—women ages 25-54 who listen to country or AC radio, says Jon Elliot, VP of marketing and artist development for Arista Nashville and RCA Records. Hallmark research shows that group is its biggest consumer.

Since artists typically do not make as much on the deals as they do at traditional retail, Elliot says the partnership is more about exposure for McBride in a place where consumers do not expect to see music sold.

McBride's manager Bruce Allen says the partnership was also appealing for its potential to reach those who do not listen to country music, especially as the singer finds more of an audience at AC.

"We've found out over the years that her songs reach such a wide demographic, and this broadens her reach even further," he says.

The album features past McBride hits including "Valentine" (with Jim Brickman) and "In My Daughter's Eyes," as well as two singles exclusive to the project, "At Last" and "Together Again."

Brown, who also brokered the McBride project, points out that Hallmark brings a more extensive consumer database to its research and marketing than labels do.

In the case of Taylor and McBride, marketing campaigns will include network radio, direct mail and TV spots on the Hallmark channel.

There are no returns on the product. Herrick says. "From a buy-in perspective, our retailers are independent owners, so each retailer makes their own buying decisions."

Hallmark, which has more than 4,200 store locations, began releasing holiday albums in the 1980s and has worked deals with several artists, including Amy Grant, Tony Bennett and Vince Gill & Olivia Newton-John, who teamed with the London Symphony Orchestra in 2000.

All deals are two-year exclusives. In the second year, Hallmark often offers the titles to other chains that carry its products, such as Walgreens and CVS.

