Los Angeles Times

BUSINESS

Friday, December 17, 2004

'The response from customers so far has been incredible.'

Teri Brown of TBA Network, who brokered the deal for Hallmark to sell a James Taylor album

Taylor CD Warmly Greeted at Hallmark

By GEOFF BOUCHER Times Staff Writer

James Taylor to Hallmark Cards Inc.: You've got a friend.

In the latest example of the slipping grip of traditional music retailers, the Grammy-winning singer released "James Taylor: A Christmas Album" exclusively through the giftshop company's more than 4,000 Gold Crown stores.

Those shops have been selling the CD, Taylor's first-ever compilation of holiday classics, since Nov. 1. Priced at \$10.95 (or \$6.95 if you buy three greeting cards), the 11-song album, which includes such standbys as "Santa Claus Is

Coming to Town," has been flying off the shelves.

Of the more than 1 million copies shipped, almost all have sold, said Ann Herrick, Hallmark's manager of integrated marketing.

The independently owned Hallmark Gold Crown locations can't return CDs once they've arrived at their stores, so in effect the album has already gone platinum — industry parlance for 1 million copies either shipped or sold.

As Taylor fans shower the people they love with CDs, "the response from customers so far has been incredible," said Teri Brown of TBA Network Inc., who brokered the deal

giving Hallmark a two-year window of exclusivity before the CD goes into wider release. Although the chain's target demographic is women over the age of 45, Brown said, sales indicate that "there's a lot more than 45-plus women finding and buying it."

Nielsen SoundScan, the music industry's sales-tracking service, has no figures for the disc because of its narrow release and the fact that Hallmark outlets don't have enough music titles to qualify for inclusion.

Clay Aiken's "Merry Christmas With Love," with 753,000 copies sold, is the top-ranked [See Taylor, Page C8]

Hallmark CD

[Taylor, from Page C1] holiday CD on the SoundScan tally.

Taylor's alliance with Hallmark is part of a trend, as retailers like Limited Brands Inc.'s Victoria's Secret and Williams-Sonoma Inc.'s Pottery Barn use music to lure customers. Most of those stores' packages, though, have been compilations of previously released material.

Best Buy Co. has partnered on several music releases, including projects with the Rolling Stones.

Starbucks Corp. co-financed "Genius Loves Company," a collection of Ray Charles duets, which has been nominated for a Grammy.

Now, the success of Taylor's Christmas CD has prompted Hallmark to gear up for more original music releases.

Next up: Martina McBride singing romantic hits for Valentine's Day.

For Taylor, meanwhile, the deal is a welcome "side street" to the industry's traditional sales avenues, said his manager, Gary Borman.

"This is an attempt to build a mosaic for reaching the fan base and consumers in any way you can."