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WHAT WE'RE ASTOUNDED BY TODAY

James Taylor's Hallmark moment

James Taylor to Hallmark: 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 gift-shop company's Gold Crown stores.

Hallmark's 4,200 North American outlets have been selling the CD, Taylor's first-ever compilation of holiday classics, since Nov. 1. Priced at \$14.95 (or \$9.95 if you buy another item), the 11-song album, which includes standbys including *Santa Claus Is Coming to Town*, has been flying off the shelves.

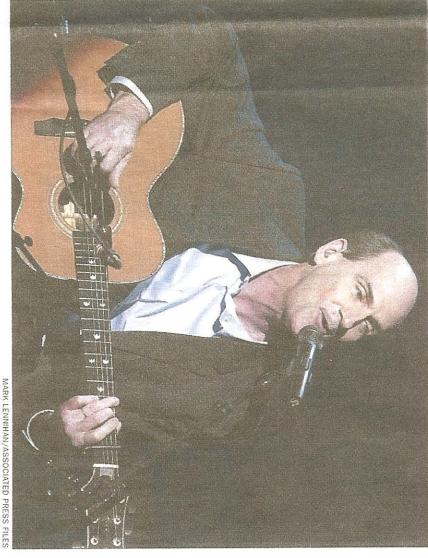
Of the more than 1 million copies shipped, almost all have sold, said Ann Herrick, Hallmark's manager of integrated marketing.

The independently owned Hallmark locations can't return CDs once they've arrived at their stores, so in effect the album already has gone platinum — industry parlance for a 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. While the chain's target demographic is women over 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



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James Taylor has an instant platinum hit with his new Christmas album.

copies sold, is the top-ranked holiday CD on the Sound-Scan tally.

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."

Associated Press