



News release.....

Tesco increases pressure on music industry.

A unique experiment to show record industry bosses that lower CD prices would help expand the entire UK music market has been launched by supermarket Tesco.

In a bold move, it is cutting the cost of top selling albums to just £8.50 – almost £4 cheaper than many other High Street rivals – to show that lower European prices would work just as well in Britain.

It believes that the week long, country wide initiative, which begins on Sunday, will finally provide conclusive proof that millions more customers will buy more CDs - if the price is right.

Said Tesco music category director Steven Garton: " While the rest of the industry talks about lower Cd prices, we want to put them into practice.

" Our customers have told us that the price of CDs in Britain is too high.

" In addition, Tesco wants to cut prices because most music is bought by young people who don't have much money to spend. They're looking to us to provide better value for money.

" We believe that lower prices would enable many more people to buy CDs regularly, helping to support new artists and expanding the entire music market.

" We've been passing that message on to the record companies, but they always say there is no evidence to support our view.

" So Tesco has decided to take the bull by the horns. We're cutting the price of many of our top selling albums to just £8.50 to prove that low prices mean better business for the music industry and a better deal for our customer.

" Someone has to break the present impasse, and since Tesco has a reputation for acting on behalf of the customer, we feel that it should be us.

" We will be almost £4 cheaper than many of our rivals, so this step will certainly have a dramatic impact on the High Street"

The cut price CD deal will last for a full seven days, starting on Sunday (Feb 24th).

Tesco's retail experts will then conduct detailed analysis into how the price cuts have improved sales across all categories of music, before developing a projected trend for the entire music industry.

The results will then be presented to record company bosses for their comments.

Cds on sale at the low price will include :

Stereophonics: " J.e.e.p ."

Dido: " No Angel "

Pink : " Missundaztood" .

Alicia Keys: " Songs in a Minor Key"

Sophie Ellis Bextor: " Read my Lips" .

So Solid Crew : "They Don't Know"

Nelly Furtado: " Whoa Nelly"

Victoria Beckham: "Victoria Beckham"

Said Tesco's Steven Garton: " We believe we could boost sales of CDs by millions of copies every year if the prices were lower.

" High prices mean that customers are restricting their purchases to a handful of well known artists, because they can't afford to risk their cash on an unknown name.

" Cutting the price of CDs would make buying new artists more affordable, opening up the entire music industry to a wide variety of new talent.

" At the moment, new musicians who don't the luxury of a huge promotion machine behind them can't get a look in because no one is willing to pay up to £14 for someone they've never heard before.

" Tesco believes that lower Cd prices would be good for music, good for choice and good for the 14 million customers who shop at our stores every week."

Tesco Corporate Affairs, New Tesco House, Delamare Road, Cheshunt, Herts, EN8 9SL

Telephone: 01992 632222 Fax: 01992 644481 Internet address: <http://www.Tesco.co.uk>



Tesco Corporate Affairs, New Tesco House, Delamare Road, Cheshunt, Herts, EN8 9SL
Telephone: 01992 632222 Fax: 01992 644481 Internet address: <http://www.Tesco.co.uk>

