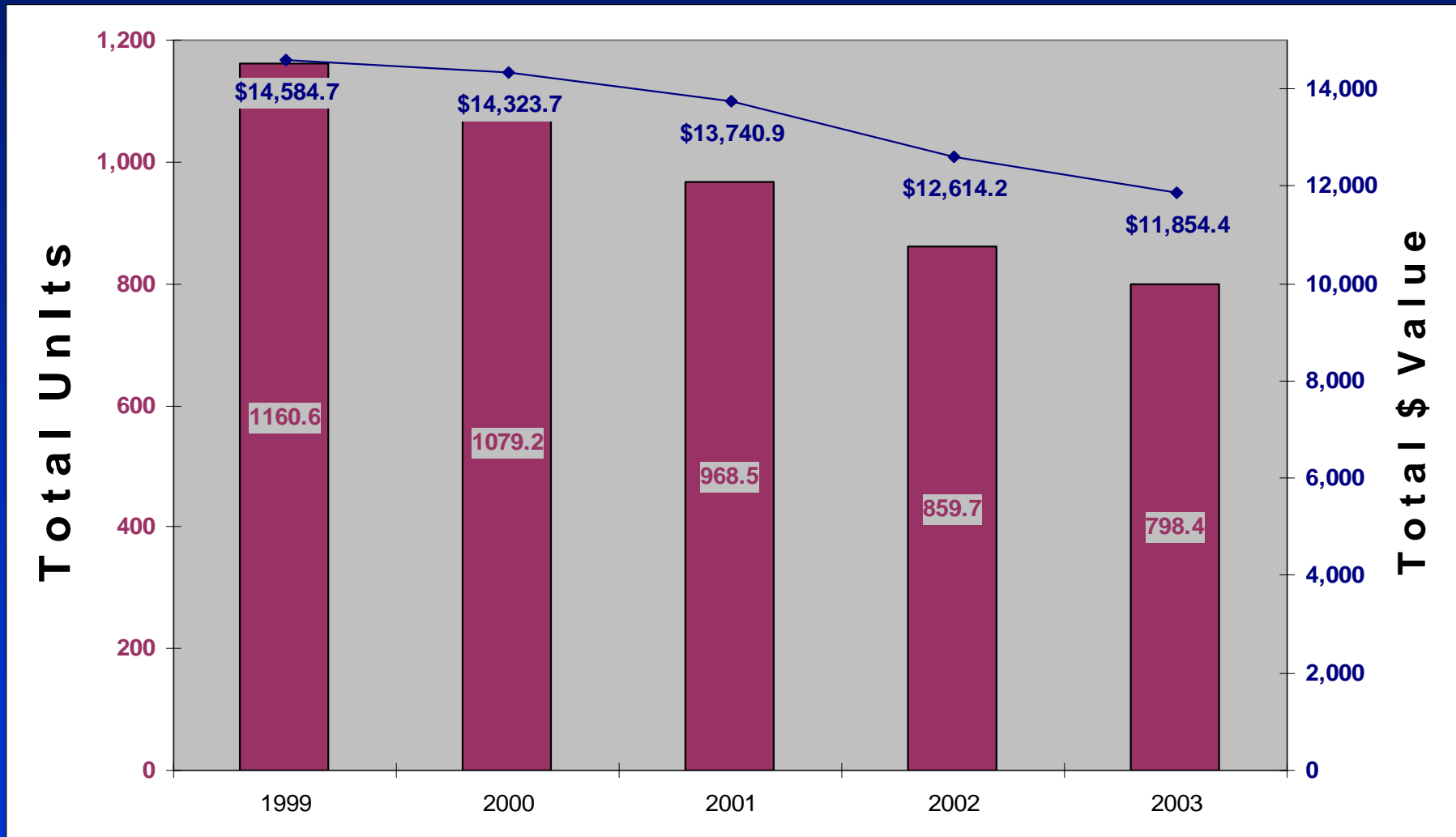


# Manufacturers' Unit Shipments and Dollar Value Decline (in millions)

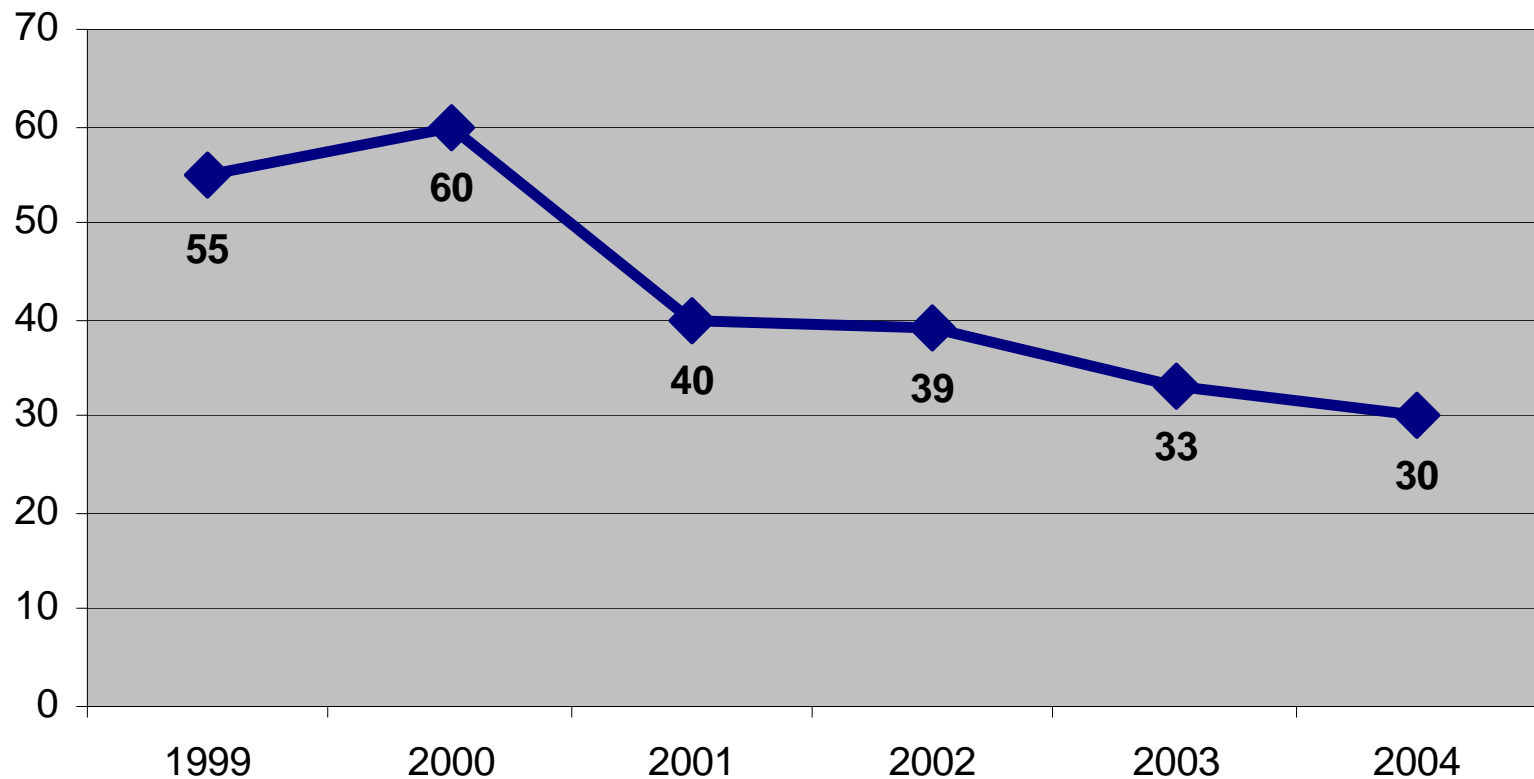


\*Preliminary figures for 2004 suggest a 2-3% increase

# "Top Ten" Albums

## Year-to-Date Soundscan figures

(in millions)



# Promising Users Anonymity

The image shows a screenshot of a web browser displaying the Blubster website. The browser's address bar shows the URL <http://www.blubster.com/v2/index.html>. The website features the Blubster logo and the text "get blubster today!". A prominent callout box with a yellow border and a red arrow points to the word "anonymous" in the text "Experience 100% free, **anonymous**, secure and fast P2P File-Sharing." The callout box contains the word "anonymous," in a pixelated font. Below the main text, there are several blue circular icons: a music note, a list, a speaker, a refresh button, and a search icon. At the bottom of the page, there is a "c|net DOWNLOAD.COM" banner with a "Download now!" button, and a section titled "As featured in:" with logos for CNN, CBS, NBC, YAHOO!, and c|net.

Address <http://www.blubster.com/v2/index.html>

Google Search Web 169 blocked AutoFill Options

**blubster**™  
get blubster today!

**Download Blubster Now!** Experience 100% **anonymous**, secure and fast P2P File-Sharing.  
Download music while you chat with your friends, create playlists, listen to your favourite MP3's and more!

**anonymous,**

more  
send to a friend  
open blubster.com

**DOWNLOAD.COM**  
Download now!

As featured in:

**YAHOO!**

# Legitimate Online Services

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# Legitimate Online Services

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BuyMusic@  
**Buy.com**



**msn.**



**CONNECT™**



**MUSICNOW**

# Legitimate Online Services

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NAPSTER

 *Rhapsody.*

**TOWER RECORDS.COM™**

# Legitimate Online Services

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BuyMusic

Connect

fye Download Zone

iTunes

Lifeway

MSNMusic

Musicmatch

MusicNet@AOL

MusicNow

Napster

Passalong on ebay

Peer Impact

Puretracks

Rhapsody

Virgin Digital

Wal\*Mart

And many more...

“Users are likely to abandon any file-sharing network that restricts their downloading in favor of the many networks that don’t.”

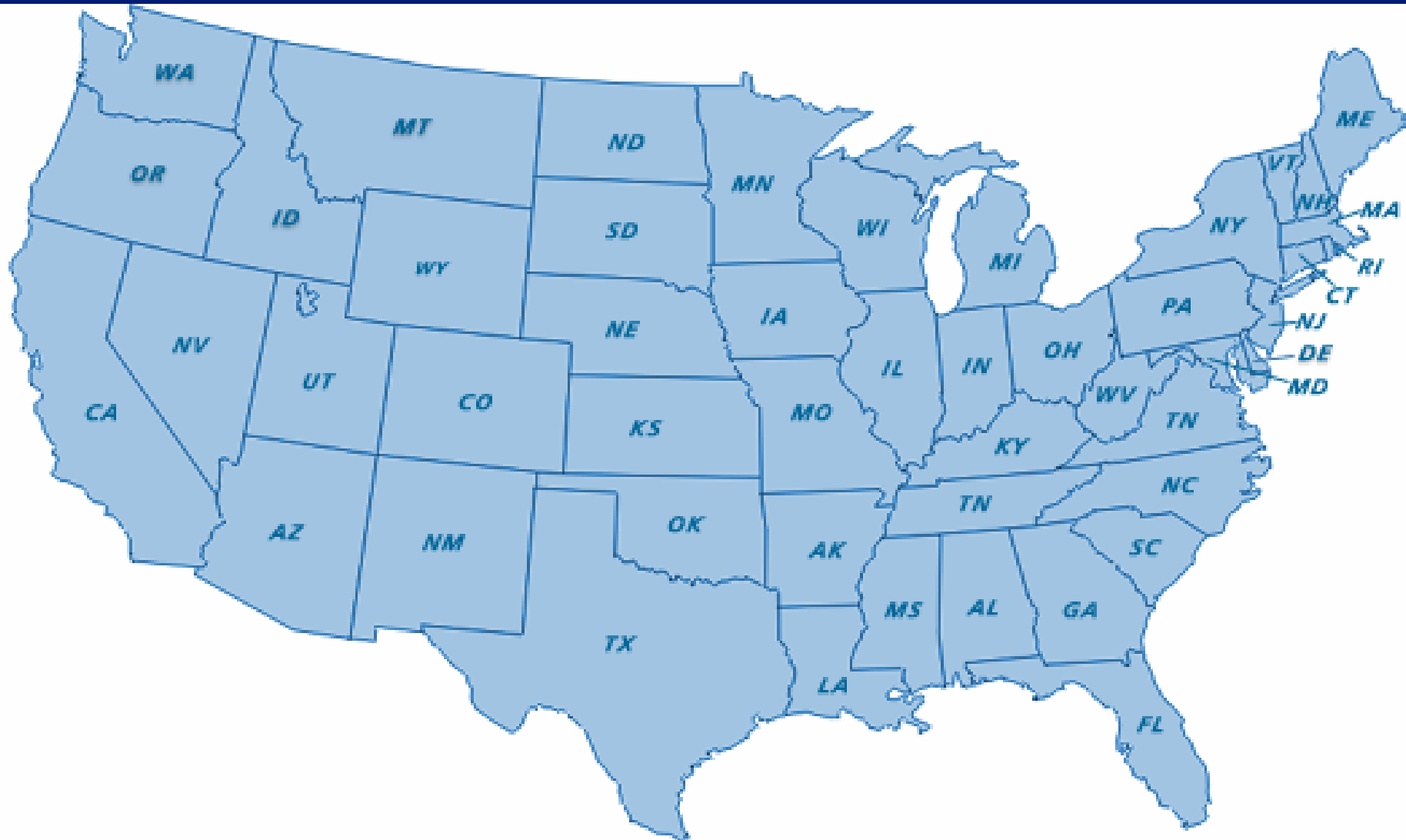
--Michael Weiss, Chief of Streamcast Networks (distributor of Morpheus)



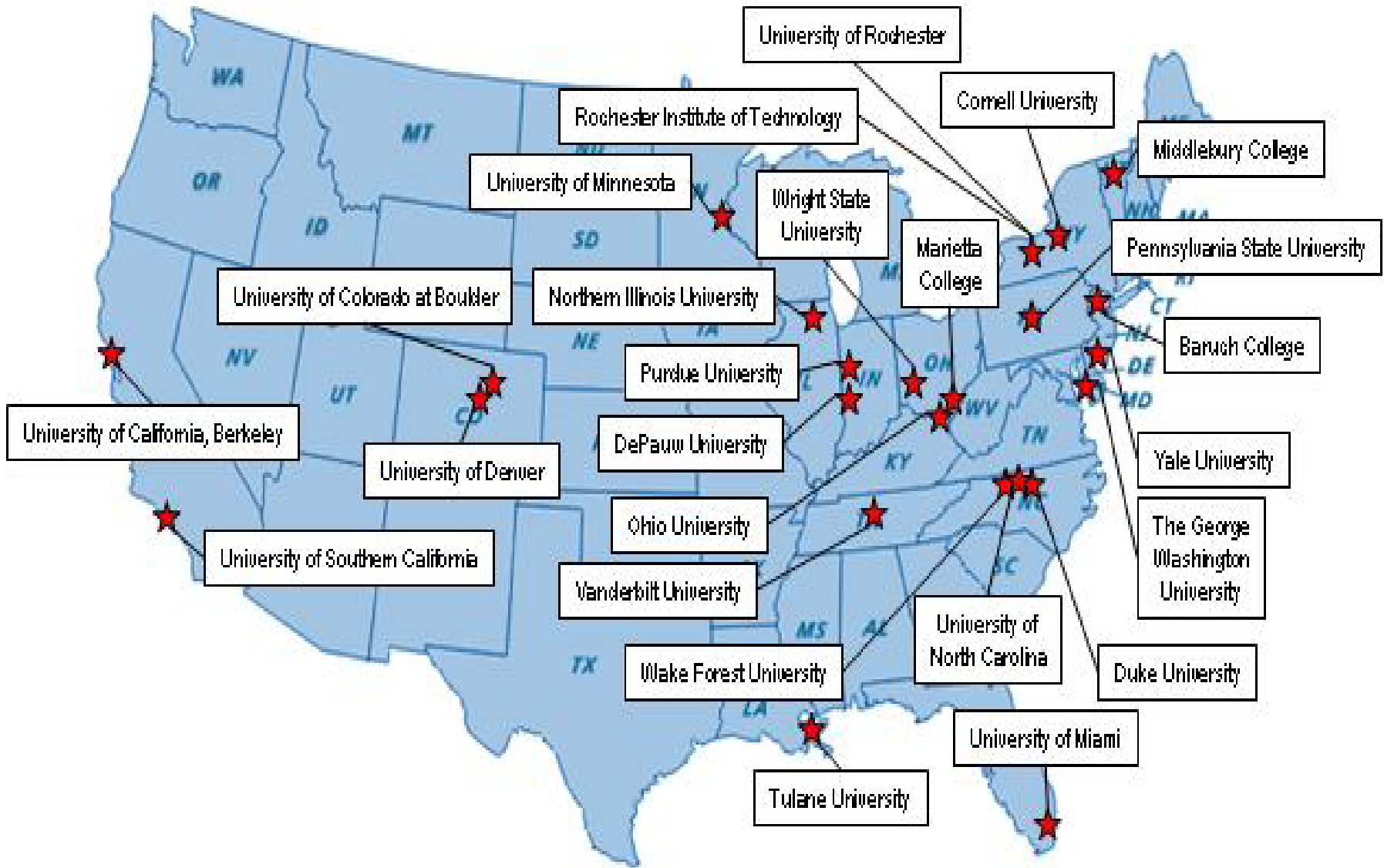
“...the problem is that even though the opportunities are starting to arise now and the record companies are reaching out, many of my colleagues are backing off, afraid that if they play ball they’ll lose their traffic.”

--Wayne Rosso,  
former President of Grokster

# Colleges offering legitimate online music, Fall 2003



# Colleges offering legitimate online music, Fall 2004



# P2P: Which future will we choose?

