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## Ringtone sales ring up music profits

By Edna Gundersen, USA TODAY

Chris Brown's *Run It!*, the Black Eyed Peas' *My Humps* and Young Jeezy's *Trap Star* are alerting cellphone users to incoming calls, but the sound ringing in the ears of the music business is "ka-ching."



*Candy Shop* by 50 Cent was the No. 1 downloaded ringtone last year at 1.9 million sales.

By Danny Moloshok, AP

Ringtone sales are off the hook. And while the revenue stream is only a trickle in the \$12 billion industry, it's growing feverishly as CDs slump.

In 2005, tones pulled in \$600 million, 20% ahead of estimates and more than double the 2004 take. The year's leader, 50 Cent's *Candy Shop*, sold 1.9 million downloads, more than the top-selling digital song: Gwen Stefani's *Hollaback Girl*, with 1.2 million.

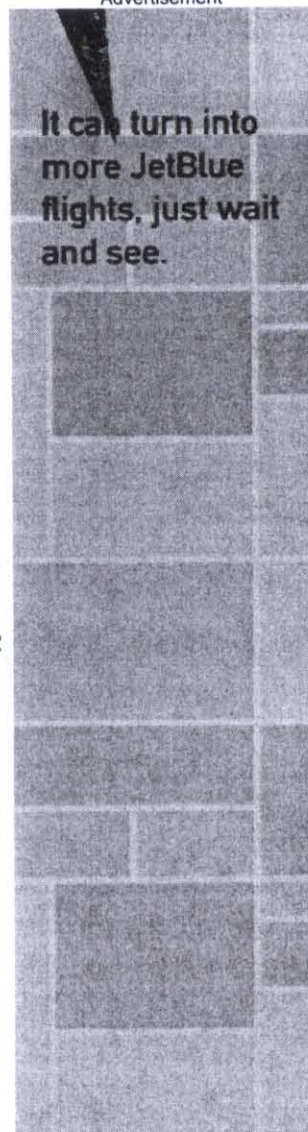
As options build and the cellphone is positioned as a digital command post, growth seems inevitable.

New models support actual recordings of songs, or master tones, an improvement over the tinny "polyphonic" reproductions that have dominated the market.

Nielsen RingScan, which last year began tracking polyphonic sales (generally in the \$1-\$1.50 range), soon will rank the costlier master tones (\$2.50 and up), considered a catalyst for expansion.

"That's where the growth is," says Antony Bruno, *Billboard's* digital/mobile editor. "The chart is dominated by hip-hop, in part because it sounds OK as a polyphonic ring tone. Most types of music don't. With a master tone, that problem goes away. You could bring in soccer moms, Joe six-pack, country fans."

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Artists, labels and carriers, who split revenues, are aggressively promoting ringtones in hopes of luring older users.

"It will be more in-your-face now," Bruno predicts. "It's been a youth-driven thing, because kids are more tech-savvy, and they don't need a credit card to download a ringtone. It can go on the phone bill."

A master tone, especially one braying in a purse or pocket, is hardly an ideal listening experience to anyone other than the user, so is this digital accessory cheapening music?

"It's more like a badge or the audio version of a concert T-shirt," Bruno says. "It tells people, 'I'm a fan of this music.' The real question is, will ringtones maintain the interest of the public, or is it a pet rock?"

"I don't think it's a fad," says Phil Leigh, president of online's Inside Digital Media. "Those who lived without it think, 'Why do we need it?' " But I remember when T-shirts were white. People want to make a statement. And ringtones offer that. I think we'll see growth. You hear complaints from record labels about problems in the digital age, but this is a real net positive."


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