

## IN THE NEWS:

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Taken from Financial Times

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*Taken from Financial Times*

HD DVD sales are currently strong in the States, reports the Financial Times.

The doomed high-def disc format was effectively cancelled by backers Toshiba and co earlier in the year, after the rival Blu-ray format emerged victorious, but "tough economic conditions" have breathed new life into the platform.

Aggressive price cuts for the hardware - said to be around \$60 for HD DVD players, some of which upscale ordinary DVDs - have apparently made them attractive to cash-strapped consumers.

In addition, the cost of discs has fallen to around \$10, and can still be found online at Amazon and Buy.com as well as smaller electronics stores.

"We expected to see a huge increase in Blu-ray sales [with] HD DVD dying but it just hasn't happened", Jeff Wisot, vice-president of marketing with Buy.com, told the FT. "HD DVD sales are still very strong."

Ryan Kugler, president of Distribution Video & Audio, a buyer of excess video and audio inventory, has sold one million HD DVDs that were returned to the studios by big retailers and expects to sell another two to three million for Christmas.

"Cheap entertainment always does well in a recession or depression", Kugler said.