

VIRGIN DIGITAL SET TO OPEN ITS VIRTUAL DOORS

First Real Music Company to offer a Download Service

Virgin's Digital Music Service, **Virgin Digital UK**, launches this **Friday 2nd September** promising UK consumers the most comprehensive digital music offering available, with access to over one million tracks from as little as 40p per day, permanent downloads from 79p and compatibility with a variety of portable devices.

"Virgin Digital UK is an exciting and innovative download service created and designed with the music fan in mind." commented Sir Richard Branson, founder of the Virgin Group. *"With a strong music heritage behind us, as a record label and a retailer, Virgin has a huge advantage, and platform to launch a digital service that will become the ultimate destination to buy, stream, burn and enjoy the best the music world has to offer."*

As the first music retailers to bring the high street experience to broadband, Virgin's preparation has been extensive, including a year of live US service, gathering downloader's feedback whilst developing and trialling the in-house software and technology for the UK. The result of this rigorous research is an environment that delivers the largest online music collection through an intuitive and easy to use site.

The service, available at **www.virgindigital.com**, redefines the digital music experience by combining a variety of features and consumer elements into one robust digital music destination. The service spans a digital music store, music club subscription service, streaming radio, powerful digital music & portable device management tools, and an assortment of exciting music-discovery options.

Backed by the industry experts at Virgin Megastores, the service uses software developed in-house and is a collaboration with US digital music provider **MusicNet**.

"We are very pleased to have Virgin Digital as one of MusicNet's first European partners and are proud to play an integral role in the launch of their eagerly anticipated digital music service," said Alan McGlade, President and CEO of MusicNet. *"As the worldwide demand for digital music continues to grow, services such as Virgin Digital will give people the ability to experience music in an entirely new and exciting way."*

Virgin offers an entire 'Virtual Megastore' to music fans desktops, featuring over 1.2 million tracks covering 21 genres allowing music fans to explore by artist, track or album to find the latest sounds, and rediscover old favourites.

"Virgin Digital is the most entertaining, powerful, and intuitive way for dedicated music fans to find, listen, and manage their music collections. In creating Virgin Digital, we worked directly with die hard music fans around the world, and together we've come up with a digital music service that truly defines the Virgin passion and enthusiasm," states Zack Zalon, president of Virgin Digital US.

Providing users with more than just a download service, Virgin Digital's encyclopaedia of additional facts and musical recommendations are constantly at a downloader's fingertips. Highlights of exclusive features includes phonetic search, extensive biographies as well as a unique **'Related Artists'*** feature giving influence, collaboration and recommendations of similar artists.

Designed for the music fan, Virgin Digital encourages downloader's to customise controls and settings, making the site work best for them. A simple digital tutorial guides new users

through the site, but help is always on hand from a unique **'Ask the Expert'**** service, a first of its kind replicating the Megastore in-store experience online.

Users preferring to put a face to their question can visit a knowledgeable member of staff at the dedicated in-store Digital areas, planned for all major Virgin Megastores nationwide. Teamed with trusted advice, Digital areas will provide a variety of MP3 hardware compatible with Virgin Digital downloads; with brands such as Samsung, Sony, Creative and iRiver all supporting the software.

Virgin Digital users can also enjoy **'Radio Free Virgin'**, a stimulating music outlet offering 60 free radio stations broadcasting a wide range of music, including genre specific channels. Listeners to this exclusive station also have the added option to click on any song played on air, and then view that artist's back catalogue of tracks and albums.

Combining forces with Virgin Megastores, Virgin Digital will also create environments and opportunities for music fans to experience and celebrate live music. To celebrate the launch of the service, on the evening of September 2nd, Virgin will host exclusive performances from **Bloc Party, The Dandy Warhols and The Cribs**.

Over 150 live performances are currently also being planned across London, providing exclusive content to the Virgin Digital site and bringing a face to the world of digital music.

To gain access to all these incredible features, plus free rip and burn software, music manager software and unlimited access to the biggest online music collection, users can choose from two value for money **Virgin Digital Music Club memberships** – a **Basic*** £9.99** Subscription or a **Premium*** £14.99** Subscription. Individual tracks are also available through a pay-as-you-go service, offering easily purchased permanent copies of tracks for as little **79p**, plus album bundles at variable prices.

Virgin Digital have also announced their first strategic partnership with broadband providers **Blueyonder**, whereby Blueyonder customers will be able to get free trials and free downloads from the new Virgin service.

NOTES TO EDITORS

About Virgin Digital

Virgin Digital, part of the Virgin Group Ltd., is a leading digital music company offering consumers the most comprehensive digital music service available. Virgin Digital is responsible for leveraging new technologies and combining them with Virgin's unrivalled heritage in music to build innovative and highly successful digital consumer offerings.

Virgin Digital has created an experience for passionate music lovers that is exciting, fun, dynamic, and the best of breed. Virgin Digital is the first true music-retail driven digital entertainment experience, featuring a massive download store, digital music club, integrated digital radio, music & portable device management tools and the most sophisticated customer service functions ever found in a music service.

***Related Artist**

Users are alerted to a wider choice of music that Virgin Digital is able to select depending on previous track choices:

- Similar to – artists musically similar to the ones users are viewing
- Formal Connections – artists they have performed with in the same group
- Performed Songs by – artists whose tracks they have covered
- Influenced by – artists that influenced them
- Influenced – artists that they have influenced

****Ask the Expert**

Virgin Digital has taken the unique “customer first” mentality of the Virgin brand and created the ultimate online/offline customer service experience: ‘Ask the Expert,’ a customer support and music discovery function available directly on the interface of the product, is like walking into a megastore and asking a highly-knowledgeable salesperson for help. Real-live music and technology experts will answer any questions users may have, finding or recommending music for any music lover, assisting customers in exploring, experiencing and enjoying the world’s largest online music catalogue, or solving any player-related technical issues.

This unique feature provides knowledgeable staff on hand 24 hours a day 7days a week to answer any downloader’s questions. Specialising in artists, audio and technical queries, ‘Ask the Expert’ will acknowledge any question immediately and aim to send a full response within a few hours.

*****Subscriptions**

- Basic For £9.99 users have unlimited access to listen to all tracks from the Virgin Digital music library from up to 3 different PC locations
- Premium – Upgrading to the £14.99 subscription allows users to listen to music from their PC, but also transfer tracks to ‘Play for Sure’ compatible mp3 players, e.g. the Creative Zen Micro.

Portable Devices/Compatibility

Virgin Digital downloads will be compatible with the following MP3 players among others:

- Creative
- Rio
- iRiver
- Samsung
- RCA
- Dell

About MusicNet

MusicNet is the world’s leading business-to-business digital music service provider. The top U.S. and global consumer brands private label MusicNet’s comprehensive suite of digital music services. MusicNet enables its partners to offer their customers a fully customized experience, including the ability to buy music downloads and subscriptions, choose from more than 1.8 million tracks (the industry’s largest catalog of licensed music), explore engaging editorial programming and enjoy an easy-to-use interface. Headquartered in New York, MusicNet is wholly-owned by Baker Capital, a New York-based private equity firm with \$1.5 billion under management. For more information, please visit www.musicnet.com.

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