

Rara revs up price war over unlimited music plans

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(AP) -- A British company has taken the price war for music subscriptions to a new level.

Rara, a startup led by serial entrepreneur Rob Lewis, this week launched an all-you-can-listen <u>music</u> service that gives users unlimited access to 10 million tracks over mobile phones for an introductory price of just \$2 per month for the first three months.

The trial period allows for use on mobile devices for much longer than competitors, including Rhapsody, the market leader in the U.S., which has a free 14-day trial.

Rara also gives trial members access to all of its tracks. Spotify, the world-leading Swedish <u>music service</u>, allows free access to a limited selection of music, but only on computers.

Rara's introductory period also comes free of ads, unlike Spotify. After the trial period ends, <u>mobile users</u> will have to pay \$10 a month to continue listening, which is the standard price among the unlimited streaming plans.

"We're saying, `Let's give consumers the `Rolls Royce' experience," said Lewis, Rara's chairman. "If they get hooked after a few months, then they'll carry on."

The company said it launched Tuesday in 16 countries: the U.S., U.K.,



Ireland, France, Germany, Italy, Spain, Austria, Belgium, Denmark, Finland, Luxembourg, the Netherlands, Norway, Sweden and Switzerland. It plans to launch in Canada, Mexico and five additional markets later this week.

It has the cooperation of the four major <u>music companies</u>, Universal, Sony, Warner and EMI, but not independents represented by the Merlin agency.

Rara's prices vary by country. British mobile users will pay 2 pounds per month initially and Europeans will pay 2 euros per month initially, with regular prices hitting 10 pounds and 10 euros per month respectively.

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