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HEADLINE: Apple's IPod in Short Supply for Holidays

BYLINE: MAY WONG; AP Technology Writer

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BODY:

Retailers expected Apple Computer Inc.'s iPod music player to be a hot item this holiday season but are still struggling to keep up with demand.

The colorful 4-gigabyte iPod Mini and the 20-gigabyte iPod are sold out at Amazon.com. Supplies at Circuit City stores are running out as soon as new shipments arrive every few days.

Shoppers at Best Buy Co. Inc.'s online store are also out of luck on most iPod models, but that's because Best Buy is giving priority of the inventory they do have for shoppers at retail stores, said Brian Lucas, a spokesman for the nation's largest electronics retailer.

Most of the chain's physical stores should still have iPods in stock, though maybe not the exact color or model shoppers want. He recommended consumers call around to first check which stores may have the models they're seeking.

"It's one of the most in-demand electronics gift for the holidays," Lucas said. "So if you're thinking about getting an iPod for somebody, don't wait till Christmas Eve."

The iPod, introduced in October 2001 and the No. 1 selling portable digital music player, has grown to represent about a quarter of Apple's revenues. Sales, which have reached a lifetime total of more than 5.7 million units in the last quarter results, have consistently exceeded expectations.

Apple has not said how many iPods it expected to sell this holiday season, though some Wall Street analysts have projected sales of 4 million units, about double the amount sold in the last quarter.

"To try to meet the high demand, we're making and shipping iPods as fast as we can," the Cupertino-based



company said in a statement. "So, if one store has run out, you may find iPods in another authorized iPod reseller."

Company officials refused to comment further Thursday.

Booming iPod sales have also spurred purchases at Apple's online iTunes Music Store. The two are designed to complement each other: the only portable player that supports songs downloaded from iTunes is the iPod.

Apple reported Thursday it has sold more than 200 million downloads, which cost 99 cents apiece. That's an increase of 50 million songs from just October, said Eddy Cue, Apple's vice president of applications.

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