

# Sony's Walkman to step out on its own

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The Sony Walkman, a symbol of the 1980s technological revolution, is to be spun off in the latest stage of a huge restructuring aimed at rewiring the Japanese giant.

In the face of deepening group losses, Sony said yesterday that its audio and video business, which includes Blu-ray disc players as well as the Walkman, will become a wholly owned subsidiary this autumn.

The break-up of the Sony empire comes as it tries to make up ground lost to Samsung and Apple and to overcome a spate of profit warnings. Apple's iPod usurped the Walkman, but smartphones have since shifted the way people listen to music on to one device.

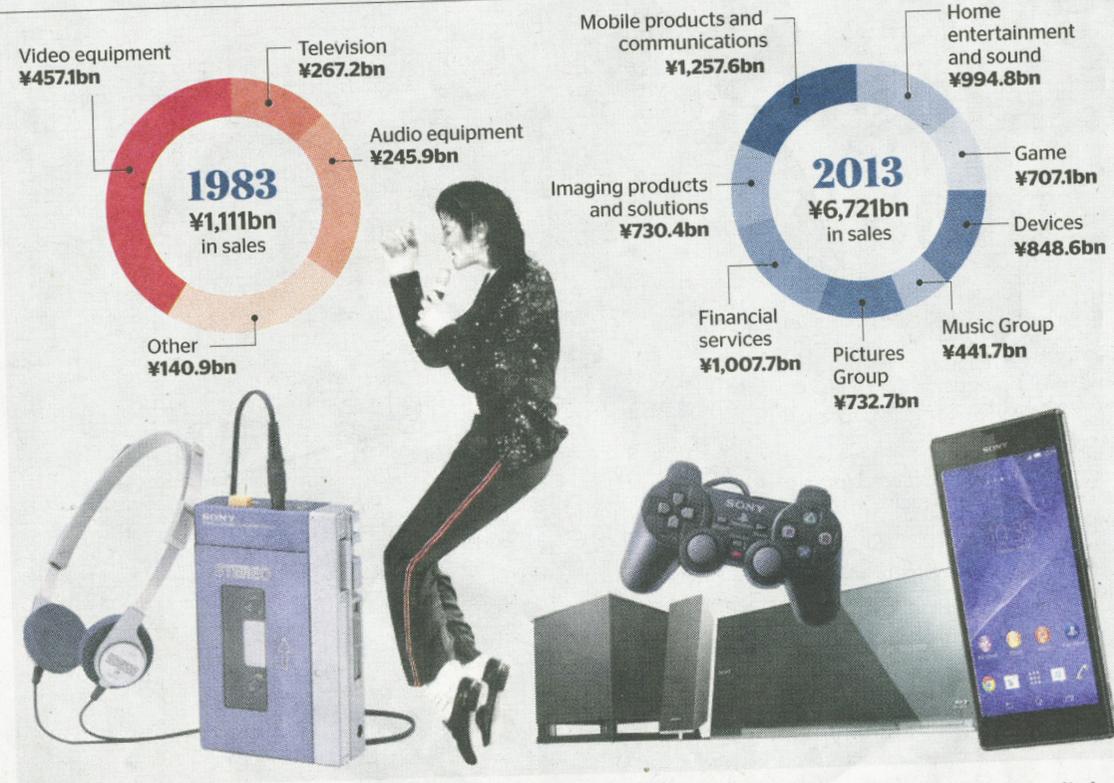
The hiving off of the audio and video business, unveiled by Kazuo Hirai, Sony's chief executive, as part of the company's new three-year turnaround plan, comes after the separation of Sony's unprofitable television business and the sale of its Vaio range of personal computers a year ago.

Sony expects to slump to a 170 billion yen (£925 million) loss in the year to March, worse than 2013's ¥40 billion loss, with an operating profit of ¥20 billion. Mr Hirai aims to propel the group to an operating profit of ¥500 billion within three years by prioritising profits over sales and concentrating on growth areas, such as the PlayStation and camera sensors.

Sony has been trying to resuscitate the Walkman brand, relaunching the device as a high-definition audio player at the top end of the market more than 40 years after it revolutionised the consumption of music. It sold 220 million cassette Walkmans.

The NW-ZX2, which sells for £950

## Changing its tune



and which Sony has described as the "musical equivalent of having a veil removed from your ears", was unveiled at the Consumer Electronics Show in Las Vegas last month.

However, Sony faces an uphill task. Almost a quarter of music listened to on devices was on smartphones in the quarter to May, against 16 per cent on

"portable media players", according to Mintel, the market researcher.

Paul Davies, at Mintel, said: "The Sony Walkman pioneered the age of portable music, transforming the way consumers listen to albums and enabling them to take their favourite music with them on the go. However, the growing trend of device conver-

gence (as more consumers ditch specialist products in favour of multipurpose smartphones) and move to digital formats has outweighed any nostalgia that music fans might have for the Walkman brand."

Shares in Sony, which have more than doubled over the past 12 months, closed up 1.6 per cent to ¥3,174.5.

Source

## Reading

1. According to the newspaper report, what is the main reason why Sony Walkman is set to step out on its own?

- a. It has become an old fashioned device.
- b. Sony needs to concentrate on other devices in order to increase its profits.
- c. Sony has designed a new Walkman.
- d. Listeners prefer listening to music on a Walkman.

*This is a multiple choice question which asks you to choose the best fit meaning for a word or statement based on its use in this passage.*

2. What can you deduce from the figures in the red and blue diagrams which show the developments in Sony's business dealings in the last 30 years?

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3. The author of this article refers to the Sony Walkman as a 'symbol of the technological revolution'. What is he inferring by using this description?

- a. It is the strength of Sony's technological inventions.
- b. It was the best innovation that Sony ever produced.
- c. It was an icon of the changes in technology.
- d. It was a device that everyone wanted to own.

*This is a multiple choice question which asks you to choose the best fit meaning for a word or statement based on its use in this passage.*

4. How is Sony trying to win back listeners to listen to music on a Walkman?

*This is a retrieval question which asks you to find and convey information.*

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8. In a small group, discuss the problems facing young people because of the use of social media.
- Look carefully at the benefits of using social media;
  - Think sensibly about the possible dangers of using Facebook, Twitter, etc.;
  - What steps should parents, schools and politicians take to ensure that young people can safely use social media?