LONDON (Reuters) - The music industry cheered a tripling of digital music sales in the first half of 2005 that was spurred by mobile phone "ringtunes" and online services and offset persistent declines in overall sales.

Digital music now makes up 6 percent of total sales, or about $790 million, according to first-half figures released on Monday by the International Federation of the Phonographic Industry (IFPI) trade group.

Sales of CDs and other physical formats continued a long decline, which the music industry has blamed mainly on piracy, falling to $13.2 billion from $13.4 billion a year earlier.

"It feels as if the decline is lessening," said IFPI Chairman and Chief Executive John Kennedy, who has predicted that full-year sales will be roughly flat.

The IFPI said that lower CD prices, flagging DVD music video sales and competition from other entertainment sectors also contributed to the decline.

The music industry has used a carrot-and-stick approach to reverse flagging music sales by promoting digital music services such as iTunes, Napster and Rhapsody while aggressively targeting illicit downloaders with lawsuits.

"Without the legal crackdown, it would be a different situation," Kennedy said. "You certainly have to have the legal services to make it all work."

Despite the success of the market-leading iTunes service, Apple and the music labels may be heading for a showdown when license agreements expire in the spring. The labels are pushing for the ability to charge different rates for different songs, while Apple is insisting that its flat-price model be maintained.

In recent months the music industry has also won legal victories against peer-to-peer
services such as Grokster and Kazaa and is trying to force other P2P companies to block copyrighted material that is traded on their networks.

In the United States, which is the world's biggest music market, physical sales fell 5.3 percent by value and 5.7 percent by units. In Japan, the second-biggest market, physical sales were down 9.2 percent in value and 6.9 percent in units.

Discounts in France led to a 2.7 percent decline in value but a 7.5 percent increase in unit sales.

The following are first-half physical music sales for the top five markets, by percentage:

Units Value Global -6.6 -6.3
USA -5.7 -5.3 Japan -6.9 -9.2
UK -1.7 -4.0 Germany -7.7 -5.8 France 7.5 -2.7