



907 Tomlinson Drive  
Lutz, FL 33549  
May 24, 2000

Office of the Secretary  
Federal Trade Commission  
600 Pennsylvania Avenue NW  
Washington, DC 20580

Dear Sir or Madam:

As a long-term and avid music consumer, I must admit that the notion of removing Minimum Advertised Price (MAP) policies by the major label distributors appears at first glance to be of benefit to me and other serious music buyers. After all, it will allow the "deep discounters" to lower their prices on Compact Discs (CDs), and isn't that a good thing? Potentially, I can save money. But the more I thought about it, the less convinced I have become that removing MAP will be of benefit to me, all things considered.

As an example, when I want to buy the latest hit CD, I know that one or more "deep discounters" will have it at a low, low price. However, when its time to buy an older more obscure title, I know that I have to go to a different type of store, which is typically one that carries a much greater selection, i.e., the traditional "record store". This is where my true interest in music lies and where my deepest concern for the industry also lies. It has been my observation that the deep discount marketers just sell lots of "hot sellers". They "cherry pick" the retail music marketplace. I am concerned that selling below cost will cause great economic harm to those traditional record stores, forcing many to go out of business. And with them goes my choice of CDs, as the "deep discounters" carry relatively few obscure titles. I can only assume that it will hurt new breaking artists ability to get "heard" as well, as serious music buyers rely on their local "record store" for such information.

I hope that it is your goal to maintain a competitive marketplace for retail music. It seems to me that you should allow the music industry to continue to use a MAP policy. Perhaps you should allow them to maintain a MAP that is at or close to their wholesale price to retailers. It strikes me that this would keep a level playing field and allow all parties to compete while the customer would have both low price and depth of selection too. After all, as I recall from my economic classes, it is also illegal to sell things below cost in order to drive your competitors out of business.

Thank you for your consideration in this matter.

Sincerely,  
  
Ron Stoy