



UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580

Bureau of Competition

Mark D. Whitener  
Deputy Director

OCT 21 1996

David Mount, President  
WEA Corporation  
111 North Hollywood Way  
Burbank, CA 91505-4356

Re: Prerecorded Music Distributing Industry  
FTC File No. 931-0100

Dear Mr. Mount:

The Commission has conducted an investigation involving WEA Corporation to determine whether members of the pre-recorded music distributing industry may be engaging or may have engaged in any unfair methods of competition in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended, and the Robinson-Patman Act, 15 U.S.C. § 13, as amended, by fixing prices or by limiting, engaging in concerted activities to limit, or engaging in conduct to facilitate concerted activities to limit the availability of cooperative advertising or promotional funds, allowances, services, or facilities to retailers who distribute used compact discs or advertise prices of compact discs below specified levels.

Upon further review of this matter, it now appears that no further action is warranted by the Commission at this time. Accordingly, the investigation has been closed. This action is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark D. Whitener".

Mark D. Whitener  
Deputy Director

cc: Sidney Rosdeitcher, Esq.  
Paul, Weiss, Rifkind, Wharton & Garrison  
1285 Avenue of the Americas  
New York, NY 10019-6064