

GO.com: [News](#) [Money](#) [Sports](#) [Family](#) [Check e-mail](#)

[> Privacy Policy](#)

Search for on



- [Win a trip to the Ritual Expo in San Francisco](#)
- [Watch k.d. lang perform and chat with fans](#)
- [Downloads Direct: Alice Cooper, Spinal Tap, and more](#)

NEWS

August 3, 2000

Universal Music Group Buys Rondor, Settling Suit

LOS ANGELES (Reuters) — Universal Music Group said Wednesday that it agreed to buy Rondor Music, the venerable music publishing company founded by Herb Alpert and Jerry Moss, in a deal estimated at about \$400 million.

The price includes settlement of a breach-of-contract lawsuit filed against Universal and parent Seagram Co. Ltd. by trumpeter Alpert and his partner Moss seeking \$200 million in damages for allegedly dismantling their A&M Records label after Seagram bought PolyGram in 1998, sources said.

News of Rondor's acquisition comes one day after Universal Music, the world's largest record label, said it would this week offer songs digitally over the Internet on a trial basis.

"This signifies the high value that Universal places on the importance of songs and the Internet, which will provide more music to more people and will afford those who have the rights to the songs all sorts of new and exciting opportunities to generate revenues." Zach Horowitz, president and chief operating officer of Universal Music, told Reuters.

Industry experts said owning Rondor, with a catalog of more than 60,000 songs from such songwriters as Al Green, Tom Petty, and Leon Russell, helps solidify Universal's position in the \$40 billion music market as it undergoes rapid change due to mega-mergers and technology.

Universal currently ranks third among the five major music companies in terms of publishing, behind Time Warner's Warner Music Group and EMI Group Plc, which are due to merge. Sources said other labels, Bertelsmann AG's BMG and Sony Corp.'s Sony Music were also

RELATED STORIES

BIOGRAPHIES

[Tom Petty](#)

MORE NEWS

[Madonna Dishes: It's a Boy!](#)

[Cyndi Lauper Acts Seriously](#)

[Creed Loses Bassist, Focuses on Future](#)

[Wife Sues Korn Frontman](#)

[Blind Melon, Candlebox Spawn Unified Theory](#)

[Farm Aid 15th Anniversary CD Due](#)

[Ratt Still Going 'Round and Round'](#)

[ABCNEWS.com: Diplomacy and Downloading](#)

[Creed Guitarist Dismisses Bizkit Feud](#)

[Chart Watch: Now, Britney, Nelly](#)

[Stars, Music Biz Resolve Work-for-Hire Fight](#)

[Sound Bites: Eminem, Rage, James Brown](#)

[Iron Maiden Continues to Evolve](#)

[Tunes on the Tube: Aug. 7 to 13](#)

ving to buy Rondor.

EMI and Warner dropped out of the bidding for antitrust purposes due to their pending merger, sources said.

This acquisition was important to Universal in order to solidify its rank as No. 2 in publishing after the Warner-EMI merger, sources said.

"The Rondor catalog represents a whole bevy of cherished memories for me, starting in 1962 with 'The Lonely Bull,'" Alpert said in a statement.

"I'm pleased that we found a good home for the songs, and that they will be reunited with the A&M catalog that Jerry and I built," he said.

A&M, bearing the first letters of the duo's last names, was founded in 1962 by Alpert and Moss and sold to PolyGram for \$500 million in 1989. The duo also founded Rondor in 1962.

Alpert and Moss claimed Universal and PolyGram failed to honor a clause requiring PolyGram to sustain A&M for 20 years.

After Seagram bought PolyGram, making it the world's biggest music company, Universal folded A&M into its Interscope label. Universal on Wednesday said Rondor will operate as a free-standing creative operation in the United States and United Kingdom.

With over 37 percent of the top earning songs in the catalog also appearing on master recordings owned by Universal, the purchase provided a unique synergistic opportunity, Horowitz said.

"TV, film and commercial companies always ask for songs and recordings and this will enable us to be a one-stop shop for them, putting us at a competitive edge," he said.

Lance Freed, president of Rondor, will report to Horowitz and continue to oversee the operation.

Wall of Sound news headlines are featured on [musicNewswire](#)

WALL OF SOUND: [Send us mail](#) | [Advertise on this site](#) | [Privacy Policy](#)
Copyright ©2000. Disney Enterprises, Inc. All rights reserved. This material may not be published, broadcast, rewritten or redistributed in any form. Please click [here](#) for legal restrictions and terms of use applicable to this site. Use of this site signifies your agreement to the terms of use.