

# THE MEDIA BUSINESS; Polygram to Acquire A&M

By The Associated Press

New York Times Published: October 12, 1989

Polygram, the record company owned by Philips N.V., has agreed to buy privately owned A&M Records for about \$500 million, Polygram officials said yesterday.

The acquisition of A&M, founded 27 years ago by the trumpet player Herb Alpert and his partner, Jerry Moss, is the latest in a series of foreign buyouts of American record companies.

Polygram, which says it is the world's third-largest music company, said it would acquire all of the record operations of A&M plus its music video interests, its Los Angeles offices and the A&M recording studio.

The acquisition, which had been rumored for months, does not include A&M's music publishing interests.

Polygram said the two founders of A&M and its president, Gil Friesen, would continue their day-to-day roles at the company after the buyout.

At a news conference, David Fine, Polygram's president, declined to state a precise price for the deal, but he said speculation that it was about \$500 million "is in the ballpark." A&M had sales of about \$300 million last year.

The performers under contract with A&M, one of the last privately held major labels, include Janet Jackson, Sting, Toni Childs, Joe Jackson, Al Green, Brenda Russell, Human League and Suzanne Vega.