

Sheinberg, Samuel I.

From: HSRHelp
Sent: Thursday, August 15, 2024 12:22 PM
To: Walsh, Kathryn E.; Berg, Karen E.; Musick, Vesselina; Sheinberg, Samuel I.; Six, Anne; Whitehead, Nora; Fetterman, Michelle; Burton, June; Larson, Peter
Subject: FW: CONFIDENTIAL

From: Shaffer, Kristin <kshaffer@ftc.gov>
Sent: Thursday, August 15, 2024 12:21:50 PM (UTC-05:00) Eastern Time (US & Canada)
To: [REDACTED]
Cc: HSRHelp <HSRHelp@ftc.gov>
Subject: RE: CONFIDENTIAL

[REDACTED]
We no longer consider rights to royalty streams as cash equivalents. These should be analyzed as contracts to determine whether a premium is being paid. Also, please send these types of questions to HSRHelp@ftc.gov.

Best regards,

Kristin

Kristin Shaffer

Attorney

Premerger Notification Office

Federal Trade Commission

202-326-2388 | kshaffer@ftc.gov

From: [REDACTED]
Sent: Tuesday, August 13, 2024 9:56 PM
To: premerger <premerger@ftc.gov>
Subject: CONFIDENTIAL

Dear PNO Staff,

Company A plans to acquire from Company B certain music rights assets for approximately \$225 million in cash. Assume that the size-of-Persons test is satisfied. Approximately \$34 million of the purchase price is attributable to the acquisition of musical copyrights. The rest, approximately \$191 million, is attributable to the acquisition of contractual rights to royalty revenue streams that do not derive from the copyrights being sold. I believe the acquisition of the contractual rights to royalty revenue streams is exempt as a cash equivalent (see Informal Interpretations 0504006 and 0701017) and, therefore, that the transaction is not reportable because the value of the non-exempt portion is below the Size-of-Transaction threshold. Your thoughts, as always, would be welcome.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

