

UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:

William E. Kovacic, Chairman  
Pamela Jones Harbour  
Jon Leibowitz  
J. Thomas Rosch

_____	)	
<b>In the Matter of</b>	)	
	)	
NATIONAL ASSOCIATION OF	)	
MUSIC MERCHANTS, INC.	)	<b>Docket No.</b>
	)	
a corporation.	)	
_____	)	

**AGREEMENT CONTAINING CONSENT ORDER TO CEASE AND DESIST**

The Federal Trade Commission (“Commission”), having initiated an investigation of certain acts and practices of the National Association of Music Merchants, Inc. (“NAMM”), hereinafter referred to as “Proposed Respondent,” and it now appearing that Proposed Respondent is willing to enter into an Agreement Containing Consent Order to Cease and Desist (“Consent Agreement”) from certain acts and practices, and providing for other relief,

**IT IS HEREBY AGREED** by and between Proposed Respondent and its attorneys, and counsel for the Commission that:

1. Proposed Respondent NAMM is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal place of business located at 5790 Armada Drive, Carlsbad, CA 92008.
2. Proposed Respondent admits all the jurisdictional facts set forth in the draft of Complaint here attached.
3. Proposed Respondent waives:
  - a. any further procedural steps;
  - b. the requirement that the Commission’s Decision and Order, attached hereto and made a part hereof, contain a statement of findings of fact and conclusions of law;

- c. all rights to seek judicial review or otherwise to challenge or contest the validity of the Decision and Order entered pursuant to this Consent Agreement; and,
  - d. any claim under the Equal Access to Justice Act.
4. Proposed Respondent shall submit an initial report, pursuant to Section 2.33 of the Commission's Rules, 16 C.F.R. § 2.33, within fifteen (15) days of the date on which it executes this Consent Agreement and every thirty (30) days thereafter until the Decision and Order becomes final. Each such report shall be signed by the Proposed Respondent and shall set forth in detail the manner in which the Proposed Respondent has to date complied or has prepared to comply, is complying, and will comply with the Decision and Order. Such reports will not become part of the public record unless and until the Consent Agreement and Decision and Order are accepted by the Commission for public comment.
  5. This Consent Agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this Consent Agreement is accepted by the Commission it, together with the draft Complaint contemplated thereby, will be placed on the public record for a period of thirty (30) days and information with respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this Consent Agreement and so notify the Proposed Respondent, in which event it will take such action as it may consider appropriate, or issue and serve its Complaint (in such form as the circumstances may require) and Decision and Order, in disposition of the proceeding.
  6. This Consent Agreement is for settlement purposes only and does not constitute an admission by Proposed Respondent that the law has been violated as alleged in the draft Complaint here attached, or that the facts as alleged in the draft Complaint, other than jurisdictional facts, are true.
  7. This Consent Agreement contemplates that, if it is accepted by the Commission, the Commission may (a) issue and serve its Complaint corresponding in form and substance with the draft of Complaint here attached, and (b) make information public with respect thereto. If such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission may, without further notice to Proposed Respondent, issue the attached Decision and Order in disposition of the proceeding.
  8. When final, the Decision and Order shall have the same force and effect and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The Decision and Order shall become final upon service. Delivery of the Complaint and the Decision and Order to Proposed Respondent by any means provided in Commission Rule 4.4(a), 16 C.F.R. § 4.4(a), shall constitute service. Proposed Respondent waives any right it may have to any other manner of service.

Proposed Respondent also waives any right it may otherwise have to service of any appendices or attachments to the Decision and Order, and agrees that it is bound to comply with and will comply with the Decision and Order to the same extent as if they had been served with copies of the appendices or attachments, where Proposed Respondent is already in possession of copies of them.

9. The Complaint may be used in construing the terms of the Decision and Order, and no agreement, understanding, representation, or interpretation not contained in the Decision and Order or the Consent Agreement may be used to vary or contradict the terms of the Decision and Order.
10. Proposed Respondent has read the draft of the Complaint and the Decision and Order contemplated hereby. By signing this Consent Agreement, Proposed Respondent represents and warrants that it can accomplish the full relief contemplated by this Consent Agreement, and that all parents, subsidiaries, affiliates, and successors necessary to effectuate the full relief contemplated by this Consent Agreement are parties to the Consent Agreement and are bound thereby as if they had signed this Consent Agreement and were made parties to this proceeding and to the Decision and Order. Proposed Respondent agrees to comply with the draft Decision and Order from the date it signs this Consent Agreement. Proposed Respondent further understands that it may be liable for civil penalties in the amount provided by law for each violation of the Decision and Order after it becomes final.

Signed this \_\_\_\_ day of \_\_\_\_\_, 2008

**NATIONAL ASSOCIATION OF  
MUSIC MERCHANTS**

\_\_\_\_\_  
Joe Lamond, President & CEO

**FEDERAL TRADE  
COMMISSION**

By: \_\_\_\_\_  
William L. Lanning

**Approved:**

\_\_\_\_\_  
Melanie Sabo  
Assistant Director  
Anticompetitive Practices Division  
Bureau of Competition

\_\_\_\_\_  
Kenneth Glazer  
Deputy Director  
Bureau of Competition

\_\_\_\_\_  
David Wales  
Acting Director  
Bureau of Competition