

<b>Motion Picture Association of America, Inc.</b>	<b>National Association of Broadcasters</b>
<b>Recording Industry Association of America, Inc.</b>	<b>National Cable Television Association</b>
<b>Newspaper Association of America</b>	<b>Magazine Publishers of America</b>

September 10, 1998

Carlyle C. Ring, Jr., Esq.  
Chairman, NCCUSL Article 2B Drafting Committee  
Ober, Kaler, Grimes & Shriver  
1401 H Street NW - Fifth Floor  
Washington, DC 20005

Professor Geoffrey Hazard, Jr.  
Director, American Law Institute  
4025 Chestnut Street  
Philadelphia, PA 19104-3099

Dear Mr. Ring and Professor Hazard:

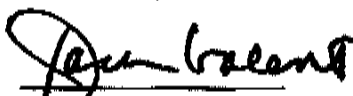
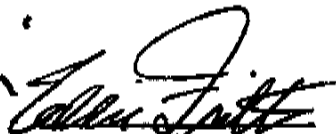

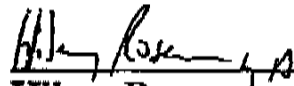
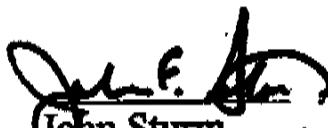
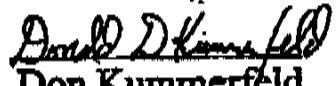
On behalf of our respective trade associations and member companies, we are writing to inform you that after considerable analysis and deliberation we cannot support the current UCC-2B draft. We deeply appreciate your sincere and considerable efforts together with those of the Reporter and the Drafting Committee to fashion an acceptable document. However, we are convinced that the current draft is fatally flawed in its fundamental premise that all transactions in "information" may be governed by a single set of contractual rules. Therefore, we have reluctantly concluded that the draft cannot be reworked to accommodate the breadth and variety of all of our respective and diverse business practices.

Our conclusions are based on hundreds of hours of analysis and attempts to develop and make suggestions to the Drafting Committee

and Reporter over the past several years. It became clear among those of us that are signatories to this letter that our differences involving critical business issues cannot be adequately resolved within the constraints of the present process.

Therefore, we respectfully urge NCCUSL and ALI to table the UCC-2B project. The Motion Picture Association of America, Inc. is exploring an approach to craft limited legislation that would create certainty and clarity in the law affecting some important types of transactions in the information and media industries. If such an approach appears promising, the discussion will be expanded to include many of the trade associations listed below, as well as other interested parties. We are hopeful that the product of our work will be to everyone's benefit. We appreciate your efforts and look forward to your support.

Sincerely,

		
Jack Valenti President & CEO Motion Picture Association of America	Eddie Fritts President & CEO National Association of Broadcasters	Decker Anstrom President & CEO National Cable Television Association
		
Hilary Rosen President & CEO Recording Industry Association of America	John Sturm President & CEO Newspaper Association of America	Don Kummerfeld President & CEO Magazine Publishers of America

cc: Gene Lebrun  
Fred Miller  
John McClaugherty  
Ray Nimmer  
UCC-2B Drafting Committee