

VIVENDI UNIVERSAL
Form SC 13D
May 29, 2003

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

(Rule 13d-101)

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED
PURSUANT TO RULE 13d-2(a)**

ROXIO, INC.

(Name of Issuer)

COMMON STOCK

(Title of Class of Securities)

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780008108

(CUSIP Number)

MICHAEL OSTROFF
EXECUTIVE VICE PRESIDENT
UNIVERSAL MUSIC GROUP, INC.
2200 COLORADO AVENUE
SANTA MONICA, CALIFORNIA 90404
(310) 865-5000

GEORGE E. BUSHNELL III
VICE PRESIDENT AND CORPORATE COUNSEL
VIVENDI UNIVERSAL S.A.
800 THIRD AVENUE, 5TH FLOOR
NEW YORK, NEW YORK 10022
(212)572-7000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

MAY 19, 2003

(Date of Event which Requires Filing of this Statement)

If the person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this Schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box " .

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7(b) for other parties to whom copies are to be sent.

¹ The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

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The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following pages)

1. Name of Reporting Person I.R.S. Identification No. of above person

UMG Duet Holdings, Inc.

2. Check the Appropriate Box if a Member of a Group*

(a) x

(b) ..

3. SEC Use Only

4. Source of Funds

SC

5. Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization

Delaware

NUMBER OF 7. Sole Voting Power

SHARES

BENEFICIALLY 8. Shared Voting Power

OWNED BY

EACH 1,957,262 (see Item 5)

REPORTING 9. Sole Dispositive Power

PERSON

WITH 10. Shared Dispositive Power

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1,957,262 (see Item 5)

11. Aggregate Amount Beneficially Owned by Each Reporting Person

1,957,262 (see Item 5)

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares* ..

13. Percent of Class Represented by Amount in Row (11)

Approximately 8.3% (see Item 5)

14. Type of Reporting Person*

CO

1. S.S. or I.R.S. Identification No. of above person

Universal Music Group, Inc.

2. Check the Appropriate Box if a Member of a Group*

(a) x

(b) ..

3. SEC Use Only

SC

4. Source of Funds

5. Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(e) or 2(f) ..

6. Citizenship or Place of Organization

California

NUMBER OF 7. Sole Voting Power

SHARES

BENEFICIALLY 8. Shared Voting Power

OWNED BY

EACH 1,957,262 (see Item 5)

REPORTING 9. Sole Dispositive Power

PERSON

WITH 10. Shared Dispositive Power

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1,957,262 (see Item 5)

11. Aggregate Amount Beneficially Owned by Each Reporting Person

1,957,262 (see Item 5)

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares* ..

13. Percent of Class Represented by Amount in Row (11)

Approximately 8.3% (see Item 5)

14. Type of Reporting Person*

CO

1. Name of Reporting Person S.S. or I.R.S. Identification No. of above person

Vivendi Universal S.A.

2. Check the Appropriate Box if a Member of a Group*

(a) x

(b) ..

3. SEC Use Only

4. Source of Funds

SC

5. Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(e) or 2(f) ..

6. Citizenship or Place of Organization

France

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7. Sole Voting Power	
	8. Shared Voting Power	1,957,262 (see Item 5)
	9. Sole Dispositive Power	
	10. Shared Dispositive Power	

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1,957,262 (see Item 5)

11. Aggregate Amount Beneficially Owned by Each Reporting Person

1,957,262 (see Item 5)

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares* ..

13. Percent of Class Represented by Amount in Row (11)

Approximately 8.3% (see Item 5)

14. Type of Reporting Person*

HC

ITEM 1. SECURITY AND ISSUER.

The name of the subject company is Roxio, Inc., a Delaware corporation (Roxio), and the address of its principal executive offices is 455 El Camino Real, Santa Clara, California 95050. The Company's telephone number is (408) 367-3100. The class of securities to which this statement relates is the Common Stock of Roxio.

ITEM 2. IDENTITY AND BACKGROUND.

This Statement is filed by UMG Duet Holdings, Inc., a Delaware corporation (UMG), Universal Music Group, Inc., a California corporation (Universal Music), and Vivendi Universal S.A., a societe anonyme organized under the laws of France (VU and, collectively, the Reporting Persons).

VU has its principal business offices at 42 avenue de Friedland, 75380 Paris, Cedex 08, France. VU is a company engaged in the media, communications and environmental services businesses.

Universal Music, an indirect majority owned subsidiary of VU, has its principal business offices located at 2220 Colorado Avenue, Santa Monica, California 90404. Universal Music and its Universal Music Group affiliates constitute the world's largest music company. Universal Music Group's global operations encompass the development, manufacture, marketing, sales and distribution of recorded music through a network of subsidiaries, joint ventures and licensees around the world.

UMG, an indirect wholly owned subsidiary of Universal Music, has its principal business offices located at 2220 Colorado Avenue, Santa Monica, California 90404. UMG has no business operations of its own, and its only assets are the shares of Roxio Common Stock that are the subject of this Schedule 13D (the Roxio Shares) and the retained interest in Napster, LLC described in Item 4.

UMG is a wholly owned subsidiary of Universal Global e, Inc., a Delaware corporation (Global e); Global e is a wholly owned subsidiary of Universal Music; Universal Music is a wholly owned subsidiary of Universal Studios, Inc., a Delaware corporation (USI); USI is a wholly owned subsidiary of Universal Studios Holding III Corp., a Delaware corporation (Holding III); Holding III is a wholly owned subsidiary of Universal Studios Holding II Corp., a Delaware corporation (Holding II); Holding II is a wholly owned subsidiary of Universal Studios Holding I Corp., a Delaware corporation (Holding I); Holding I is owned 7.659% by MHI Investment Corporation, a Delaware corporation not affiliated with the Reporting Persons, and 92.341% by Vivendi Universal Holding IV Corp., a Delaware corporation (VU Holding IV); VU Holding IV is a wholly owned subsidiary of Vivendi Communications North America, Inc., a Delaware corporation (VCNA); VCNA is owned 8.8% by Centenary Holdings III PLC, a company organized under the laws of Scotland and an indirect subsidiary of Vivendi Universal Holding II Corp., and 91.2% by Vivendi Universal Holding I Corp., a Delaware corporation (VU Holding I); VU Holding I is a wholly owned subsidiary of Vivendi Universal Holding II Corp., a Delaware corporation (VU Holding II); VU Holding II is a wholly owned subsidiary of Vivendi Universal Canada Inc., a Canadian corporation (VU Canada); VU Canada is owned 89.8% by Vivendi Universal Holdings Company and 10.2% by Vivendi Universal Exchangeco Inc., a Canadian corporation (Exchangeco); Exchangeco is a wholly owned subsidiary of Vivendi Universal Holdings Company, a Canadian corporation (VU Holdings); VU Holdings is .01% owned by SPC S.A.S. and 99.99% owned by Vivendi Universal Holding S.A.S., a societe par actions simplifiee organized under the laws of France (VU Holding S.A.S.); VU Holding S.A.S. is a wholly owned subsidiary of SPC S.A.S., a societe par actions simplifiee organized under the laws of France (SPC); and SPC is a wholly owned subsidiary of VU.

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The name, business address, present principal occupation or employment, name, principal business and address of any corporation or other organization in which such employment is conducted, and the citizenship of each director and executive officer of each of the Reporting Persons is set forth on Exhibit 1, 2 or 3, as the case may be, and Exhibits 1, 2 and 3 are incorporated herein by reference.

None of the Reporting Persons nor, to the best knowledge of the Reporting Persons, any person listed in Exhibits 1, 2 or 3, as applicable, has been convicted during the last five years in a criminal proceeding (excluding traffic violations or similar misdemeanors) or was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree, final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

UMG received the Roxio Shares as partial consideration for the sale of substantially all of its membership interests in Napster, LLC. See Item 4 for a more detailed description of the transactions.

ITEM 4. PURPOSE OF TRANSACTION

On May 19, 2003, Roxio, UMG and SMEI Duet Holdings, Inc. (SMEI and together with UMG, the Sellers), entered into a Purchase Agreement (the Agreement), pursuant to which the parties consummated the sale by the Sellers to Roxio of 99.6% of the membership interests of Napster, LLC, a Delaware limited liability company (d/b/a pressplay) (the Target). Each of the Sellers retained 0.2% of the membership interests of Target and the right to receive up to an aggregate of \$12.5 million from certain cumulative cash flows of Target.

Target is an online music service. The assets being acquired will serve as the foundation for the launch of Roxio's new legal online music service under the Napster brand.

The total purchase price paid by Roxio for the acquisition of Target (the Consideration) consisted of 3,914,524 shares of Roxio's Common Stock and \$12,500,000 in cash. UMG received 1,957,262 of the shares and SMEI received 1,957,262 of the shares. Additionally, Roxio has granted certain registration rights with respect to the shares issued as part of the Consideration, and has undertaken to register the offering of such shares within 90 days. Furthermore, pursuant to the Agreement, each Seller, so long as it has not sold more than 645,896 of the shares it received, shall have the right to nominate one director to Roxio's Board of Directors.

A copy of the Agreement is filed as Exhibit 4 to this Schedule 13D and is incorporated herein by reference. The foregoing description of the terms and conditions of the Agreement is qualified in its entirety by, and made subject to, the more complete information set forth in the Agreement.

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ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

The Reporting Persons share with each other voting and dispositive power with respect to 1,956,262 shares of Roxio Common Stock, which constitute approximately 8.3% of the issued and outstanding shares of Roxio Common Stock as of immediately following the consummation of the transactions described in Item 4.

Except as described herein, none of the Reporting Persons, nor, to the best knowledge of the Reporting Persons, any person listed in Exhibits 1, 2 or 3, as applicable, beneficially owns, or has acquired or disposed of, any shares of Roxio Common Stock during the past 60 days.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

Except as described herein, none of the Reporting Persons, nor, to the best knowledge of the Reporting Persons, any of their respective directors or executive officers, has any other contracts, arrangements, understandings or relationships with any persons with respect to the securities of Roxio. The transactions described in Item 4 are further described in the Purchase Agreement attached as an exhibit hereto and is incorporated herein by reference.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

- (1) Executive Officers and Directors of UMG Duet Holdings, Inc.
- (2) Executive Officers and Directors of Universal Music Group, Inc.
- (3) Executive Officers and Directors of Vivendi Universal S.A.
- (4) Purchase Agreement, dated as of May 19, 2003, by and among UMG Duet Holdings, Inc., SMEI Duet Holdings, Inc. and Roxio, Inc. (incorporated herein by reference to Exhibit 2.1 to the Current Report on Form 8-K filed by Roxio, Inc. on May 19, 2003).
- (5) There is also filed as an exhibit hereto the agreement to file the Schedule 13D jointly, as required by Rule 13d-1(k).

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After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement on Schedule 13D is true, complete, and correct.

Dated: May 29, 2003

UMG DUET HOLDINGS, INC.

By: /s/ NORMAN
 EPSTEIN

Name: Norman Epstein
Title: Executive Vice
 President

UNIVERSAL MUSIC GROUP, INC.

By: /s/ NORMAN EPSTEIN

Name: Norman Epstein
Title: Executive Vice
 President

VIVENDI UNIVERSAL S.A

By: /s/ GEORGE E.
 BUSHNELL III

Name: George E. Bushnell III
Title: Vice President