

Sean Combs and Warner Music

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Bad Boy Records CEO and rap artist, Sean (P. Diddy) Combs and Warner Music may have worked a deal together after all.

In a last minute reversal, Sean (P. Diddy) Combs has agreed to sell half of his Bad Boy Entertainment Empire to Edgar Bronfman Jr.'s Warner Music Group, for at least \$30 million, reports The NY Daily News.

An eleventh hour handshake is said to have come just days after hip-hop's Sean Combs rebuffed an offer from Warner Music, claiming he wanted to retain full ownership of his company, whose roster includes, Carl Thomas, Mase, and Combs himself.

P. Diddy and Warner declined to comment. No papers have yet been signed, so music insiders cautioned the deal could still fall apart.

Sources said Warner Music and Combs came back to the table just days after the rap impresario turned down a \$30 million bid.

The deal is being spearheaded by Warner Music U.S. chief Lyor Cohen, the hard-charging music exec who built rap powerhouse Def Jam.

"There was no way Lyor would let that go," a source said. "Lyor is relentless."

Warner Music is eager to improve its standing in urban music ahead of a possible initial public offering this year, music insiders said.

With his extensive hip hop clothing and entertainment empire, P. Diddy - who just appeared in a Super Bowl commercial for Diet Pepsi - has become a well known brand name that would resonate with investors, sources said.

The deal would mark the end of Combs' rocky two-year relationship with music giant Universal Music Group. Universal does not own a stake in Bad Boy, but distributes the label's records.

Universal, which boasts a long list of its own hit making artists, is said to be dissatisfied with Bad Boy because of the label's spotty track record.

While Bad Boy had one hit with the soundtrack to the movie "Bad Boys II," releases from Loon, Carl Thomas and Mase fell way short of expectations. Rapper Loon has since exited the label.

Sources said Combs has been distracted by his other business ventures and has not paid enough attention to the label. At the same time, Bad Boy has lost several key execs recently.

Bad Boy is said to be working on several new releases, including a P. Diddy solo album.

Label insiders said they are optimistic about upcoming releases this year from new artists like B5 and Boyz N Da Hood.

Also in the works is a CD of duets that pair the recordings of deceased rap icon Notorious B.I.G. with current artists.

[Source](#)