

[21350001]

Kurzweil Music Systems Inc. said it retained Kidder, Peabody & Co. to study financial alternatives, including the possible sale of the financially struggling company.

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Kurzweil, Waltham, Mass., makes digital electronic keyboard instruments used by professional recording musicians.

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It recently introduced a line for the home market.

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However, Raymond C. Kurzweil, chairman and chief executive, said "The company continues to require additional funding to realize the potential of its technology."

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In the year's first six months, Kurzweil had a loss of \$ 6.9 million on sales of \$ 11.2 million.

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Last month its president, John S. Donnelly, resigned citing "management differences" with Mr. Kurzweil.