UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

June 9, 2008

Mr. Kevin P. McEnery
Wilmer Cutler Pickering Hale and Dorr LLP
1875 Pennsylvania Avenue, NW
Washington, DC 20006

Dear Mr. McEnery:

Re: In the Matter of Gabelli Funds LLC (NY-7220)
GAMCO Investors, Inc.– Waiver Request of Ineligible Issuer Status under Rule 405 of the Securities Act

Dear Mr. McEnery:

This is in response to your letter dated April 28, 2008, written on behalf of GAMCO Investors, Inc. (Company) and its subsidiary Gabelli Funds, LLC (Gabelli) and constituting an application for relief from the Company being considered an "ineligible issuer" under Rule 405(1)(vi) of the Securities Act of 1933 (Securities Act). The Company requests relief from being considered an "ineligible issuer" under Rule 405, due to the entry on April 24, 2008, of a Commission Order (Order) pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 (Advisors Act) and Section 9(b) and 9(f) of the Investment Company Act of 1940 (Investment Company Act), naming Gabelli as a respondent. The Order finds, among other things, that Gabelli violated Section 206(2) of the Advisers Act and requires that Gabelli cease and desist from committing or causing any violations and any future violations of Section 206(2) of the Advisers Act.

Based on the facts and representations in your letter, and assuming the Company and Gabelli comply with the Order, the Commission, pursuant to delegated authority has determined that the Company and Gabelli have made a showing of good cause under Rule 405(2) and that the Company will not be considered an ineligible issuer by reason of the entry of the Order. Accordingly, the relief described above from the Company being an ineligible issuer under Rule 405 of the Securities Act is hereby granted and the effectiveness of such relief is as of the date of the entry of the Order. Any different facts from those represented or non-compliance with the Order might require us to reach a different conclusion.

Sincerely,

Mary Kosterlitz

Mary Kosterlitz
Chief, Office of Enforcement Liaison
Division of Corporation Finance

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April 28, 2008

BY E-MAIL AND COURIER

Mary J. Kosterlitz, Esq.
Office Chief
Office of Enforcement Liaison
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-0506

Re: In re Certain Mutual Fund Trading Practices (NY-7220)

Dear Ms. Kosterlitz:

I am writing on behalf of our client, GAMCO Investors, Inc. ("GAMCO"), in connection with the anticipated settlement of the above-referenced investigation by the Securities and Exchange Commission (the "Commission"). The anticipated settlement will result in the issuance of an order that is described below against Gabelli Funds, LLC ("Gabelli Funds"), a wholly-owned subsidiary of GAMCO (the "Order").

GAMCO seeks a determination by the Commission that it will not be deemed an ineligible issuer under Rule 405 of the Securities Act of 1933 ("Securities Act"), 17 C.F.R. § 230.405, for any purposes, including the definition of "well-known seasoned issuer," as a result of the Order. Relief from the ineligible issuer provisions is appropriate in the circumstances of this case for the reasons given below. GAMCO further requests that this determination be effective upon the entry of the Order. It is our understanding that the Division of Enforcement does not object to the Division of Corporation Finance providing the requested determination.

BACKGROUND

The staff of the Division of Enforcement has engaged in settlement discussions with Gabelli Funds in connection with the contemplated administrative proceedings arising out of the above-captioned investigation, which will be brought pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 ("Advisers Act") and Sections 9(b) and 9(f) of the Investment Company Act of 1940 ("Company Act"). As a result of these discussions, Gabelli Funds has submitted an Offer of Settlement (the "Offer") to be presented to the Commission.

In the Offer, solely for the purpose of proceedings brought by or on behalf of the Commission or to which the Commission is a party, Gabelli Funds agreed to consent to the entry of the Order, without admitting or denying the findings contained therein (other than those relating to the jurisdiction of the Commission, which are admitted). In the Order, the

Commission will make findings that Gabelli Funds, an investment adviser to mutual funds, permitted a hedge fund investment manager based in the United Kingdom to market time a mutual fund managed by Gabelli Funds during a three-year period. The Order further will find that, six months after the market timing started, Gabelli Funds allowed the hedge fund manager to increase its market-timing capacity in that mutual fund in exchange for the manager's investment in a hedge fund advised by a Gabelli Funds affiliate. In addition, the Order will find that Gabelli Funds financially benefited from the market timing in that it earned advisory fees from the U.K. manager's investment in the timed mutual fund and from the U.K. manager's investment in the affiliated hedge fund. Finally, the Order will find that, as a result of the conduct described therein, Gabelli Funds, an affiliated person of the time mutual fund, willfully: committed a non-scienter violation of Advisers Act Section 206(2); violated Company Act Section 17(d) and Rule 17d-1 thereunder; and aided and abetted and caused repeated violations by the timed mutual fund of Company Act Section 12(d)(1)(B)(i).

Based on these findings, the Commission in its Order will censure Gabelli Funds, order it to cease and desist from committing or causing any violations and any future violations of Section 206(2) of the Advisers Act, Section 17(d) of the Company Act and Company Act Rule 17d-1, and aiding and abetting or causing any violations and any future violations of Section 12(d)(1)(B)(i) of the Company Act, order it to comply with the undertakings listed in the Order, and order it to pay disgorgement in the amount of $11,000,000 and a civil money penalty of $5,000,000.

GAMCO is a publicly traded company listed on the New York Stock Exchange and is a reporting company under the Exchange Act. Gabelli Funds is a wholly-owned subsidiary of GAMCO and is registered with the Commission as an investment adviser. GAMCO currently is the only public issuer parent of Gabelli Funds.

DISCUSSION

In 2005, the Commission revised the registration, communications, and offering processes under the Securities Act.[1] As part of its reform, the Commission added a new category of issuer, *i.e.*, a well-known seasoned issuer, that will be permitted to benefit to the greatest degree from the changes to the rules governing the offering process. The Commission defined a well-known seasoned issuer as an issuer that is required to file reports pursuant to Section 13(a) or Section 15(d) of the Exchange Act and that satisfies other requirements, including the

[1] Securities Offering Reform, Securities Act Release No. 8591, Exchange Act Release No. 52,056, Investment Company Act Release No. 26,993, 70 Fed. Reg. 44,722, 44,790 (Aug. 3, 2005).

requirement that the issuer not be an ineligible issuer. The Commission also adopted rules permitting the use of free-writing prospectuses in registered offerings by issuers, including, but not limited to, well-known seasoned issuers and other offering participants. Pursuant to Securities Act Rules 164 and 433, an issuer may use a free-writing prospectus only if it is not an ineligible issuer.[2]

Securities Act Rule 405 makes an issuer ineligible when, among other things:

> (vi) Within the past three years (but in the case of a decree or order agreed to in a settlement, not before December 1, 2005), the issuer or any entity that at the time was a subsidiary of the issuer was made the subject of any judicial or administrative decree or order arising out of a governmental action that:
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> (A) Prohibits certain conduct or activities regarding, including future violations of, the anti-fraud provisions of the federal securities laws;
>
> (B) Requires that the person cease and desist from violating the anti-fraud provisions of the federal securities laws; or
>
> (C) Determines that the person violated the anti-fraud provisions of the federal securities laws.

Securities Act Rule 405 also authorizes the Commission to determine, "upon a showing of good cause, that it is not necessary under the circumstances that the issuer be considered an ineligible issuer." The Commission delegated the function of granting or denying such applications to the Director of the Division of Corporation Finance.[3]

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[2] This request for relief is being made not only for the purpose of continuing to qualify as a well-known seasoned issuer, but for all purposes of the definition of "ineligible issuer" in Rule 405, *i.e.*, for whatever purpose the definition may now or hereafter be used under the federal securities laws, including SEC rules.

[3] Rule 30-1 provides in relevant part that "[p]ursuant to the provisions of Public Law No. 87-592 . . ., the Securities and Exchange Commission hereby delegates, until the Commission orders otherwise, the following functions to the Director of the Division of Corporation Finance to be performed by him or under his direction by such person . . . as may be designated from time to time by the Chairman of the Commission: [Securities Act Functions] (a) With respect to registration of securities pursuant to the Securities Act . . . (10) To authorize the granting or denial of applications, upon a showing of good cause,

GAMCO therefore requests that the Commission or its delegate determine that it is not necessary for GAMCO to be considered an ineligible issuer, now or in the future, on the following grounds:

1. **The conduct to be addressed in the Order does not relate to disclosures and offerings of securities by GAMCO.** The Order will concern market timing of a mutual fund managed by Gabelli Funds.

2. **A determination that GAMCO will be an "ineligible issuer" would be disproportionately and unduly severe.** A determination that GAMCO will be an ineligible issuer as a result of the anticipated Order would be unduly and disproportionately severe, given the lack of any relationship between the findings in the anticipated Order and any disclosure or offering activity conducted by GAMCO. Moreover, the anticipated Order will be the result of intensive negotiations between Gabelli Funds and the Division of Enforcement. Its terms will have been carefully crafted to meet and balance the competing concerns of all involved. Under the anticipated Order, Gabelli Funds will pay large sums in disgorgement and a penalty and implement substantial remedial measures. Applying the designation of ineligible issuer to Gabelli Funds' parent issuer, with the consequences thereof, would, in effect, unfairly impose an additional punishment in excess of the agreed-upon settlement terms negotiated by Gabelli Funds in good faith.

3. **Gabelli Funds has taken significant steps to ensure that the violative conduct found in the Order does not recur.** The Commission will make findings in the Order recognizing that Gabelli Funds, before the entry of the Order afforded cooperation to the Commission Staff during its investigation. Gabelli Funds also has taken remedial steps to prevent market timing, including the imposition of a redemption fee in the majority of the mutual funds that it manages. Pursuant to the anticipated Order, Gabelli Funds will undertake to cooperate fully with the Commission in any and all investigations, litigations, or other proceedings relating to or arising from the matters described in the Order.

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In light of the foregoing, GAMCO believes that any determination that the anticipated Order will render it an ineligible issuer would be unwarranted, contrary to the public interest, and unnecessary for the protection of investors and that GAMCO has shown good cause for a

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that it is not necessary under the circumstances that the issuer be considered an ineligible issuer as defined in Rule 405." 17 C.F.R. § 200.30-1(a)(10).

determination by the Commission, or its delegate, that it will not be deemed to be an ineligible issuer upon issuance of the anticipated Order.

Accordingly, GAMCO respectfully urges the Commission, or its delegate, pursuant to Securities Act Rule 405 or Rule 30-1(a)(10), to determine, effective upon issuance of the Order, that it is not necessary that GAMCO be considered an ineligible issuer for any purpose under the Commission rules. GAMCO has not previously sought or obtained such relief.

If you have any questions regarding this request, please contact me at the above-listed number.

Sincerely,

Kevin P. McEnery

Kevin P. McEnery