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USA INTERACTIVE  
Form 11-K  
June 28, 2002

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(D)  
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001

TRANSITION REPORT PURSUANT TO SECTION 15(D)  
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM \_\_\_\_\_ TO \_\_\_\_\_

COMMISSION FILE NUMBER 0-20570

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A. FULL TITLE OF THE PLAN AND THE ADDRESS OF THE PLAN, IF DIFFERENT  
FROM THAT OF THE ISSUER NAMED BELOW:

USA NETWORKS, INC. RETIREMENT SAVINGS PLAN--COMMERCE

B. NAME OF ISSUER OF THE SECURITIES HELD PURSUANT TO THE PLAN AND THE  
ADDRESS OF ITS PRINCIPAL EXECUTIVE OFFICE:

USA INTERACTIVE  
152 WEST 57TH STREET  
NEW YORK, NEW YORK  
10019

REQUIRED INFORMATION

1. Not Applicable
2. Not Applicable
3. Not Applicable

4. The USA Networks, Inc. Retirement Savings Plan--Commerce (the "Plan") is subject to the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"). Attached hereto as Appendix I is a copy of the most recent financial statements and schedules of the Plan prepared in accordance with the financial reporting requirements of ERISA.

Exhibit

(23) Consent of Ernst & Young LLP

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the Plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

USA NETWORKS, INC. RETIREMENT  
SAVINGS PLAN--COMMERCE

Date: June 27, 2002

By: /s/ Lisa Letizio

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Lisa Letizio  
Member, Plan Administrative  
Committee

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Appendix I

Financial Statements and Supplemental Schedules

USA Networks, Inc. Retirement Savings Plan--Commerce  
December 31, 2001 and 2000 and year ended December 31, 2001  
with Report of Independent Certified Public Accountants

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USA Networks, Inc. Retirement Savings Plan - Commerce

Audited Financial Statements  
and Supplemental Schedules

As of December 31, 2001 and 2000 and Year ended December 31, 2001

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Report of Independent Certified Public Accountants

The Administrative Committee  
USA Networks, Inc. Retirement Savings Plan - Commerce

We have audited the accompanying statements of net assets available for benefits of the USA Networks, Inc. Retirement Savings Plan - Commerce as of December 31, 2001 and 2000, and the related statement of changes in net assets available for benefits for the year ended December 31, 2001. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2001 and 2000, and the changes in its net assets available for benefits for the year ended December 31, 2001, in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedules of assets (held at end of year) as of December 31, 2001 and nonexempt transactions for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

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June 28, 2002  
Tampa, Florida

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USA Networks, Inc. Retirement Savings Plan - Commerce  
Statements of Net Assets Available for Benefits

	DECEMBER 31	
	2001	2000
ASSETS		
Investments, at fair value	\$82,636,985	\$72,939,448
Receivables:		
Participant	317,465	699,704
Employer	98,245	239,871
Total receivables	415,710	939,575
Net assets available for benefits	\$83,052,695	\$73,879,023

SEE ACCOMPANYING NOTES.

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USA Networks Inc. Retirement Savings Plan - Commerce

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2001

## ADDITIONS TO NET ASSETS ATTRIBUTED TO:

### Investment income:

Dividend and interest income	\$ 1,563,981
Net realized and unrealized appreciation in fair value of plan investments	805,778
	-----
	2,369,759

### Contributions:

Participant contributions	10,141,546
Employer contributions	1,912,652
Participant rollover contributions	1,584,602
	-----

Total additions	16,008,559
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## DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid to participants	6,801,374
Administrative expenses	33,513
	-----

Total deductions	6,834,887
------------------	-----------

Net increase in net assets available for benefits	9,173,672
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Net assets available for benefits--beginning of year	73,879,023
	-----

Net assets available for benefits--end of year	\$83,052,695
	=====

SEE ACCOMPANYING NOTES.

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USA Networks, Inc. Retirement Savings Plan - Commerce

Notes to Financial Statements

December 31, 2001

## 1. DESCRIPTION OF THE PLAN

The following description of the USA Networks, Inc. Retirement Savings Plan - Commerce (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

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### GENERAL

The Plan is a defined contribution Plan covering substantially all employees of certain affiliated companies of USA Networks, Inc. (the Company). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

### CONTRIBUTIONS

Participants can make contributions through payroll deductions ranging from 1% to 16% of their compensation as defined in the Plan, subject to Internal Revenue Service limitations. Participants can direct their contributions to any of the Plan's fund options and may change their investment options on a daily basis.

The Company contributes an amount equal to 50% of the first 6% of compensation that a participant contributes in each payroll period to the Plan. The Company may also make a discretionary contribution of funds which is set annually by the Company's Board of Directors. For the year ended December 31, 2001, the Company's matching contribution was \$1,912,652. No discretionary contributions were made to the Plan.

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USA Networks, Inc. Retirement Savings Plan - Commerce

Notes to Financial Statements (continued)

### 1. DESCRIPTION OF THE PLAN (CONTINUED)

#### VESTING

Participant contributions are fully vested in the Plan at the time of contribution. A participant is 100% vested in the Company contribution portion of their accounts plus actual earnings thereon after four years of credited service

#### ELIGIBILITY

Participants must be 21 years of age or older and have completed at least one year of service, as defined in the Plan document.

#### PARTICIPANTS' ACCOUNTS

Each participant's account is credited with the participant's contribution and allocations of the Company's contributions and Plan earnings. Allocations are based on participant account balances as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

#### FORFEITURES

Company matching contributions that become forfeitures are first made available to reinstate previously forfeited account balances of qualifying participants who have left the Company and have subsequently returned. The remaining amount, if any, is used to reduce the Company's matching contributions. Forfeited non-vested accounts totaled \$2,036,636 and \$1,411,530 at December 31, 2001 and 2000, respectively.

USA Networks, Inc. Retirement Savings Plan - Commerce

Notes to Financial Statements (continued)

1. DESCRIPTION OF THE PLAN (CONTINUED)

PARTICIPANT LOANS

Participants may borrow from their fund accounts a minimum of \$500 up to a maximum equal to the lesser of \$50,000 reduced by the highest outstanding loan balance within the last 12 months or 50% of their vested account balances. With the exception of loans used to purchase a primary residence which can have terms up to 15 years, loan terms are limited to a maximum of five years. Loans are secured by the balance in the participant's account and bear interest at a rate commensurate with commercial prevailing rates as determined by the Plan administrator. Principal and interest are paid ratably through biweekly payroll deductions.

PAYMENT OF BENEFITS

Upon a participant's retirement, death, disability or other interruption of continuous service, his/her entire vested account balance will be distributed in the form of a lump sum unless the participant's vested balance is at least \$5,000 and the participant elects to leave such amounts in the Plan.

PLAN TERMINATION

Although the Company has expressed no intent to terminate the Plan, in the event that the Plan is terminated by the Company, all amounts credited to the participants' accounts would become 100% vested and the assets would be distributed to participants.

ADMINISTRATIVE EXPENSES

Substantially all of the administrative expenses are paid by the Company. Participants are responsible for certain transaction fees related to their respective account, such as loan set-up fees and hardship withdrawal fees. These participant fees were \$33,513 for the year ended December 31, 2001.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The accompanying financial statements have been prepared on the accrual basis of accounting.



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USA Networks, Inc. Retirement Savings Plan - Commerce

Notes to Financial Statements (continued)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates that affect amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

### INVESTMENTS

The Plan's investments are stated at fair value. The shares of registered investment companies are valued at quoted market prices which represent the net asset values of shares held by the Plan at year end. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the Plan year. The participant loans are valued at their outstanding balances, which approximate fair value.

Purchases and sales of securities are recorded as of their trade date. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

## 3. INVESTMENTS

During 2001, the Plan's investments (including investments purchased, sold and held during the year) appreciated (depreciated) in fair value as determined by quoted market prices as follows:

Investments in mutual funds	\$ (5,021,439)
Investments in USA Networks Stock, Inc. Stock	5,827,217
	-----
	\$ 805,778
	=====

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USA Networks, Inc. Retirement Savings Plan - Commerce

Notes to Financial Statements (continued)

## 3. INVESTMENTS (CONTINUED)

The Plan's investments are held in a bank-administered trust fund. The following are investments that represent 5% or more of the Plan's net assets.

DECEMBER 31  
2001 2000

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American Century Ultra Fund	\$ 6,771,388	\$ 6,142,863
American Century Strategic Aggressive Fund	5,535,517	4,727,690
JP Morgan Diversified Fund	4,799,138	4,598,716
JP Morgan Smart Index Fund	13,546,230	15,126,772
American Century Stable Asset Fund	11,678,641	10,744,300
USA Networks, Inc. stock	19,286,784	14,959,379

4. INCOME TAX STATUS

The Plan has applied for but has not received a determination letter from the Internal Revenue Service stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code. However, the plan administrator believes that the Plan is qualified and, therefore, the related trust is exempt from taxation.

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USA Networks, Inc. Retirement Savings Plan - Commerce

E.I.N. 59-2649518 Plan No: 001  
Schedule H, Line 4i

Schedule of Assets (Held at End of Year)

December 31, 2001

(a)	(b) IDENTITY OF ISSUE, BORROWER, LESSOR, OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR OR MATURITY VALUE	(e) CURRENT VALUE
*	American Century Ultra Fund	Mutual fund	\$ 6,771,388
*	American Century Value Fund	Mutual fund	2,587,669
*	American Century International Growth Fund	Mutual fund	2,185,373
*	American Century Strategic Conservative Fund	Mutual fund	867,291
*	American Century Strategic Moderate Fund	Mutual fund	3,203,319
*	American Century Strategic Aggressive Fund	Mutual fund	5,535,517
	Schwab Composite Fund	Mutual fund	678,863
	JP Morgan Diversified Fund	Mutual fund	4,799,138
	JP Morgan Bond Fund	Mutual fund	1,597,605
	JP Morgan Smart Index Fund	Mutual fund	13,546,230
	Lord Abbett Developing Growth Fund - A	Mutual fund	3,517,046
	Legg Mason Value Institutional Port FI	Mutual fund	2,642,485
*	American Century Stable Asset Fund	Collective trust fund	11,678,641
*	USA Networks, Inc. Stock	Common stock	19,286,784
			----- 78,897,349
	Participant Loans	6.0% to 10.5%	3,739,636
			----- \$82,636,985 =====

\*Party-in-interest.

Note: Cost information has not been included in column (d), because all investments are participant-directed.

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USA Networks Inc. Retirement Savings Plan - Commerce

E.I.N. 59-2649518 Plan No: 001  
Schedule G, Part III

Schedule of Nonexempt Transactions

Year ended December 31, 2001

(a) IDENTITY OF PARTY INVOLVED	(b) RELATIONSHIP TO PLAN, EMPLOYER, OR OTHER PARTY-IN-INTEREST	(c) DESCRIPTION OF TRANSACTIONS INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR OR MATURITY VALUE	(d) PURCHASE PRICE
Precision Response Corporation	Employer	Late remittance of participant contributions for May 2001 made June 27, 2001	\$127,389
Precision Response Corporation	Employer	Late remittance of participant contributions for June 2001 made July 26, 2001	119,795

Note: Columns (e) through (j) are not applicable.

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