



WORD SALES CONVENTION — Over 30 representatives from the U.S., Canada, New Zealand and the United Kingdom were on hand when Word, Inc. of Waco, Texas recently held its major summer sales convention at the Crown Center Hotel in Kansas City, Missouri. Pictured standing (l-r) are: Ian Hamilton, marketing assistant for Word/United Kingdom; Norman Miller, A&R for Word/United Kingdom, and Dan Johnson, marketing and promotion director for Word. Shown seated (l-r) are: Roland Lundy, national sales manager for Word; Peter Harris, managing director for Word/New Zealand; Bill Hamilton, managing director for Word/United Kingdom; Gerry Scott, managing director for Word/Canada and Stan Moser, vice president of marketing for Word.

Capitol Magnetics Increases Lacquer Disc Prices 62½%

(continued from page 36)

profitable business" and that the company has been "working on a margin.

"The business of selling lacquers has been on a plateau for years," Mays claimed. "There is simply no room for expansion."

Thus, in June the lacquer industry found Capitol Magnetics announcing an increase in prices as of July 1.

"We invested two years ago in a new \$1 million lacquer disc facility in Virginia," further explained Harry Preston, director of marketing for Capitol Magnetics. "Now we need capital, but in order to get capital from our board of directors we must show a return on our investment.

"We built this plant, not to increase our volume, but to improve the quality of the product. A disc cutter's time is valuable, and everybody wants the perfect lacquer. Already we have been able to improve our signal-to-noise ratio, and decrease problems in the surface condition of the lacquers. (Lacquers are prone to collect surface debris in manufacturing.)

These explanations have failed to assuage outraged owners and operators of mastering facilities. "I'm not in the business of supporting Capitol Industries to do research," said Mac Evans, president of Masterfonics here. "Transco is a nice little company and we are a nice little company, and they treat us very well," Evans said, noting that he deals primarily with Transco and will continue to do so.

Business Windfall

Comments from other mastering plants indicate that the Capitol increase may mean a business windfall for Transco. (Preston estimated that at the time of the price increase Capitol supplied about 50% of the U.S. market for recording lacquers.)

"It will be a natural consequence for us to shift to Transco," said Snoddy of Woodland. "We do not necessarily want to deal only with Transco; we like to deal with more than one supplier, but we are not supposed to underwrite their research and development."

George Ingram of Nashville Record Productions here also indicated an unwillingness to deal with only one supplier. "We've told Capitol we don't like the price increases, but there are only two suppliers, and what if Transco burned down?"

Norbert Wood, engineering supervisor of recording operations for Columbia here, states that the Nashville operation already uses Transco products exclusively, but that the New York division has used Capitol

products. "Any negotiations on price increases will have to be done by New York," he said.

Sticking With Transco

Dave Ellsworth, studio manager of KM Records in Los Angeles, which does mastering primarily for Disney and Polydor, said they will stick entirely with Transco due, however, to quality problems they have had with Capitol's products in the past. Highlighting Capitol's research dilemma, Ellsworth said, "Everybody out here laughed quite a bit at the price increase. It goes back to the quality problems. When you talk to Audio dealers, they say they have a good product, but when you get their discs in the studio, they wear out the tools faster. To raise their prices is just adding insult to injury.

"This is not to say they can't make a fine disc," Ellsworth stressed. "We have used hand-picked Audio Discs in direct-to-disc sessions, and they can make a fine disc when they set their mind to it."

Further irritating the resentment against Capitol is the fact that Capitol has a less lenient policy than Transco concerning return of defective discs. "Capitol takes an argumentative posture," Snoddy said. "You experience difficulty with all discs and always have to reject a certain percentage," he explained. "When we feel uncut discs are not up to quality, with Capitol it is discretionary at their end as to whether they will take them back. With Transco, it is discretionary at our end."

Only Place

All parties concerned seem to agree that the constant increase in aluminum prices is a legitimate reason for increase in lacquer prices — but only to reasonable levels. According to Ingram at NRP, "Alcoa aluminum in this area is the only place you can buy aluminum centers suitable for mastering blanks." Due to this monopoly, he added, "the master disc industry pays more per pound of aluminum than any other industry."

The outcry from mastering plants has only arisen of late due to the fact that many plants had stockpiled or still had materials bought at the old prices, which they have just now begun to exhaust. The mastering plants are now becoming concerned that they, in turn, will now have to raise their prices to record companies. (Temmer at Gotham Audio describes Capitol's \$4 disc increase as giving the "disc mastering outfits a glorious opportunity to raise prices \$5-10.")

Top Spiritual Albums

- 1 **WONDERFUL** EDWIN HAWKINS & THE EDWIN HAWKINS SINGERS (Birthright BRS 4005)
- 2 **LOVE ALIVE** WALTER HAWKINS & THE LOVE CENTER CHOIR (Light 5705) (Word)
- 3 **THIS IS ANOTHER DAY** ANDRAE CROUCH & THE DISCIPLES (Light 583) (Word)
- 4 **JESUS CHRIST IS THE WAY** WALTER HAWKINS (Light 5705) (Word)
- 5 **I FOUND JESUS AND I'M GLAD** MYRNA SUMMERS & COMBINED CHOIR OF THE REFRESHING SPRINGS COGIC (Savoy SGL 14407) (Arista)
- 6 **FIRST LADY** SHIRLEY CAESAR (Roadshow RS 744 R) (UA)
- 7 **RIDE THE SHIP TO ZION** THE GOSPEL KEYNOTES (Nashboro 71772)
- 8 **JESUS IS THE BEST THING THAT EVER HAPPENED TO ME** JAMES CLEVELAND & CHARLES FOLD SINGERS (Savoy 7005) (Arista)
- 9 **GONNA FIND A BETTER HOME** THE ANGELIC GOSPEL SINGERS (Nashboro 71778)
- 10 **SEE YOU IN THE RAPTURE** THE SENSATIONAL NIGHTINGALES (ABC/Peacock 59)
- 11 **WHAT IN HELL DO YOU WANT** REV. W. LEO DANIELS (Jewel LPS 0110)
- 12 **WHEN I GET HOME** ANGELIC CHOIR (Savoy 14416)
- 13 **WHY WAS I BORN** SLIM & SUPREME ANGELS (Nashboro 71777)
- 14 **THE DONALD VAILS CHORALEERS** (Savoy SGL 14421) (Arista)
- 15 **TAKING GOSPEL HIGHER** THE SENSATIONAL WILLIAMS BROTHERS (Savoy SGL 14436) (Arista)
- 16 **TOUCH ME** JAMES CLEVELAND AND THE CHARLES FOLD SINGERS VOL. II (Savoy DBL 7009) (Arista)
- 17 **LIVE!** THE DIXIE HUMMINGBIRDS (ABC/Peacock 59231)
- 18 **ALL GOD'S CHILDREN** THE JACKSON SOUTHERNAIRES (Malaco 4352) (T.K.)
- 19 **REACH OUT** THE GOSPEL KEYNOTES (Nashboro 7147)
- 20 **SAVED!** HENRY JACKSON COMPANY (Birthright 4008)

Top Inspirational Albums

- 1 **HOME WHERE I BELONG** B.J. THOMAS (Myrrh MSA 6571) (Word)
- 2 **MIRROR** EVIE TOURNQUIST (Word WSB 8735)
- 3 **LADY REBA** RAMBOW (Greentree R 3430)
- 4 **GENTLE MOMENTS** EVIE TOURNQUIST (Word WST 8714)
- 5 **HEY! I'M A BELIEVER** DALLAS HOLM (Impact R 3441)
- 6 **THIS IS ANOTHER DAY** ANDRAE CROUCH & THE DISCIPLES (Light 583) (Word)
- 7 **FOR HIM WHO HAS EARS TO HEAR** KEITH GREEN (Sparrow FPR 1015)
- 8 **ME & MY OLD GUITAR** NANCY HONEYTREE (Myrrh MSB 6584) (Word)
- 9 **SOMETHING BEAUTIFUL** THE BILL GAITHER TRIO (Impact R 3337)
- 10 **BIRTHPLACE** THE DOWNINGS (Impact R 3431)
- 11 **LIVE MIKE** WARNKE (Myrrh MSA 6561) (Word)
- 12 **ESPECIALLY FOR CHILDREN** THE BILL GAITHER TRIO (Impact R 3214)
- 13 **I'M A PROMISE** THE BILL GAITHER TRIO (Impact R 3344)
- 14 **COVENANT WOMAN** JANNY (Sparrow 1011)
- 15 **EVIE** EVIE TOURNQUIST (Word WST 8628)
- 16 **PRAISE BETO JESUS** THE BILL GAITHER TRIO (Impact R 3408)
- 17 **ALLELUIA** THE BILL GAITHER TRIO (Impact R 3408)
- 18 **THINGS WE DEEPLY FEEL** ARCHERS (Light LS 5679)
- 19 **KIDS OF THE KINGDOM** ANNIE HERRING (Sparrow BWR 2002)
- 20 **HAVE YOU HEARD** BARRY MCGUIRE (Sparrow 1013)

Ingram states NRP has already gone up roughly 8% on prices across the board. (To the mastering plant, Ingram said, the lacquer itself constitutes about 15% of their cost, with the remainder invested in labor and other materials.)

Getting Vicious

Evans at Masterfonics said, "We will be raising our prices soon. Our 14" discs, now priced at \$60 a side will go to \$70. They are already priced at \$70-75 in New York and L.A. It's gotten rather vicious — the price increases," he noted.

"There's no way the industry can absorb this kind of price increase," Snoddy said of the Capitol raise. "We will be forced to go up some. Fifty-two percent of all singles are cut here, and we feel we have been a leader in bringing people to Nashville and holding prices down.

"The cost of a lacquer is probably insignificant to a million-selling record," he commented, "but it's going to be hard on the independents who have to watch every penny."

New Label Formed

NEW YORK — Big Sound, a new label with offices at 175 Thompson St. Suite here, is set to release its first LP, "Bionic Gold," a collection of Phil Spector tunes performed by artists on the label's roster.

Big Sound is managed by Jon Tiven, Thomas Cavalier and Doug Snyder. Included on the label's roster are The Scratch Band and The Nelsen Adelard Band.

QCA Opens New 24-Track Studio

CINCINNATI — QCA Records recently hosted more than 100 record distributors, deejays and members of the news media to celebrate the opening of the label's second 24-track studio and to introduce its new Red Mark pop music label.

Entertainment for the reception was provided by Jim Nabbie and The Ink Spots and Joe Wieland's Amazing Grace Band.

Serving as chief engineer for the two studios is Chuck Seitz, who previously was senior engineer at the RCA studios in Nashville. Before joining RCA 14 years ago, Seitz was associated with King Records. Assisting Seitz will be Ric Probst, Son Schepmann, Mike Fuller, Steve Vining and Dave Ashbrock.

QCA, which has been in the gospel music business for 27 years, recently entered the country and pop music fields.

Truck Driver's Poem Becomes Grove Single

CINCINNATI — Gospel/country artist Bobby Grove has recorded "The Tragedy Of Beverly Hills," a poem written by Charles Martin, a truck driver, following the Beverly Hills, Kentucky night club fire of May 28 which claimed the lives of 164. The narrative recording has been released as a single on QCA Records.