

New Budget Cold to FTC, FCC Needs

WASHINGTON — The budget picture for fiscal 1961 is an eloquent reminder that low-budget agencies such as the Federal Trade Commission and the Federal Communications Commission will remain low, regardless of mammoth workloads added by payola and TV fraud disclosures in 1959.

The budget requests a modest 10 per cent increase for FTC, to \$7,600,000, with funds for investigation and legal action on deceptive practices (including the payola area) up only \$350,000 over fiscal 1960 estimate. The FCC will gain \$2.9 million to reach \$13.5 million, but an allocations study of the use of ultra high frequency for television will take most of the increase. The hard-pressed broadcast processors at FCC will get a mere \$150,383 over the 1960 pre-payola estimate. (Fiscal 1961 runs from July 1, 1960 to June 30, 1961.)

In contrast, Chairman Harris (D., Ark.) of the House Commerce Committee, had no difficulty in getting new money required to bring his legislative subcommittee funds up to \$410,000 for its payola investigation. Congress voted the funds last week.

Federal Trade Commission appears confident that most of its payola investigation and complaint will have been settled via consent agreements, according to its workload breakdown. In fiscal 1961, it expects to issue formal complaints in only 290 cases of deceptive practices (payola included), up only 10 cases from fiscal 1960. It expects to issue only 10 more cease and desist orders in this area—300 in 1961 as against 290 estimated for 1960.

The magic increase of 10 is again expected for cases in litigation in 1961, in both anti-monopoly and deceptive practices: a possible 360 cases out of some 4,500 investigations begun, pending or completed in that year. FTC expects its negotiation rate to be the same in fiscal 1961 as in this year's estimate—about 150 cases. It looks to accept 1,800 "assurances" from statute violators who agree to go and sin no more.

Another budgetary stepchild is the President's International Program, which has sent the country's top performing artists to the far corners of the world. Sum asked for the cultural exchange program, admittedly more vital now than ever before in U. S. history, will be increased about \$490,000 to a total of \$2.9 million in fiscal 1961. The program hopes to send 32 pro-

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Raker UA Sales Mgr. in Midwest

NEW YORK — United Artists Records has pegged Jerry Raker as their Midwestern district sales and promotion manager. He will headquarter out of Chicago and will cover the Minneapolis, Milwaukee, Cleveland, Detroit, Cincinnati, Buffalo and Pittsburgh areas. He will report to Andy Miele, the label's national sales manager.

Raker has had an extensive career in retailing and promotion. Prior to that he was a producer, writer and director for New York's WPIX.

Syd Nathan Blasts Off

NEW YORK — Syd Nathan, King Records chief, issued a blast last week relative to a Billboard story quoting testimony by ASCAP President Stanley Adams before the Federal Communications Commission. Adams, to support the contention that payola was rampant as a result of "collective activity of broadcasters thru their wholly-owned publishing and licensing organization, BMI," had referred to a New York Times story which in turn referred to King Records. Adams quoted the article as stating King allegedly paid "between 12 and 15 deejays around the country" to play its records.

The Billboard story noted that Adams tied this in with the Otto Harbach affidavit, which had pointed out that King-owned Lois Publishing received a subsidy in the form of an advance from BMI "in excess of \$100,000 annually." This affidavit found it conceivable that the subsidy "may then be distributed or made available to jockeys or stations as a BMI service."

Nathan, in his blast, attributes the last statement to an affidavit by Adams, rather than by its true author, Harbach.

Nathan, apparently attributing the statement to an Adams affidavit, termed it "untruthful, vicious and erroneous." He added that neither King nor Lois have ever had a BMI guarantee. "We are compelled to earn every cent that we receive from BMI and our agreements so state. The amount that we earn is grossly exaggerated..."

Nathan added that whether a song was ASCAP or BMI did not enter into the selection of material to be recorded; that this attitude is common in the record business.

HOT 100 ADDS 12

NEW YORK — Twelve new sides appear for the first time on this week's Hot 100 chart. These are:

70. **Midnight Special**—Paul Evans, Guaranteed
77. **Forever**—The Little Dippers, University
79. **Baby (You've Got What It Takes)**—Brook Benton & Dinah Washington, Mercury
84. **On the Beach**—Frank Chacksfield, London
86. **Harbor Lights**—The Platters, Mercury
89. **My Little Marine**—Jamie Horton, Joy
90. **I Can't Say Goodbye**—The Fireflies, Ribbon
94. **I Was Such a Fool**—The Flamingos, End
95. **Mediterranean Moon**—The Rays, XYZ
96. **I'll Take Care of You**—Bobby Blue Bland, Duke
97. **Living Dangerously**—The McGuire Sisters, Coral
100. **Secret of Love**—Elston Henderson, Mercury

He also noted that King initially was primarily a country label, and that this type of music "was openly frowned upon by ASCAP officials..." Nathan cited figures to support his contention that the percentage of ASCAP tunes on his disks are high. He stated his firm's payola payments to deejays came about "because we were informed by our salesmen... that we could not get our records played... in important areas." He concludes:

"I want to say to Mr. Adams that I have never seen or heard of the New York Times article from which he quotes. If there is such an article then in all fairness he should produce it and if and when he does, we will have more to say to those concerned. If the article does exist, then why would anyone quote from it without finding out how much of it was truth, half-truth or lies before accusations are made, such as appeared in The Billboard?"

Editor's Note: It is the function of The Billboard to present the testimony as it was given before the FCC. This was done in the January 1 issue.

New Chipmunk Single on Way

HOLLYWOOD — Ross Bagdasarian's Alvin is entering the disk derby once again, this time in the form of a Liberty single called "Alvin's Orchestra." Cast includes Alvin's fellow chipmunks, Simon and Theodore. Threesome are backed by a 50-piece ork under Alvin's baton. Release follows closely the sales harvest reaped by the "Chipmunks" album and singles.

A full-scale promotional campaign will herald the new David Seville (Bagdasarian's nom de disk) Chipmunk entry, including dealer displays, streamers, point-of-sale material. Single will be wrapped in a four-color jacket spotlighting the Bagdasarian character creations. Another Bagdasarian original, "Copyright 1960," backs the "Alvin's Orchestra" side.

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Jan. 6, 1960

The Billboard
1564 Broadway
New York 36, N. Y.

Gentlemen:

Recently we opened a record department in our place of business. We are doing very well with record sales...

I would like to add that we subscribe to The Billboard, and that I would be lost in this new venture without it. It is an excellent guide...

Sincerely yours,

(Mrs.) Frances M. Holland

Mrs. Frances M. Holland
Asst. Manager