MCA, Warner Bros. Applaud Tests Of Antiduping Chip

BY STEVEN DUPLER

NEW YORK Private tests of CBS' antiduping Copycode system by MCA and Warner Bros. Records have so far yielded "very positive" results, with most producers, engineers, and ad personnel unable to differentiate consistently between encoded and nonencoded music.

Says Ed Outwater, executive director of quality assurance for the Warner Communications Inc. Records Group: "For all intents and purposes, the system is inaudible. That's my opinion as well as that of people here who have heard it in action."

The CBS system works by slicing a notch in the music's sonic spectrum at an upper-midrange frequency of about 3,000 hertz. When the presence of the notch is detected by a sensing chip placed in a tape recorder, the machine's recording ability is temporarily disabled.

The system has been touted by CBS and the Recording Industry Assn. of America as a method to prevent prerecorded music—especially compact discs—from being copied by digital audiotape recorders.

A federal agency, the National Bureau of Standards, will have the final word on whether the CBS system has any audible effect on the prerecorded music it is meant to protect; its decision will probably come in early 1988.

RCA Records, which also has the system, has not yet performed any in-house testing, although the last page (Continued on page 73)

Pour On The Gravy! Music Sales Up, Despite Worries

This story was prepared by Earl Page in Los Angeles and Geoff Mayfield in New York.

NEW YORK The holiday selling season got off to a promising, yet curious start during the Thanksgiving weekend.

"We're hardly ahead of last year, but it's not comforting when you can't identify what the pattern is," says David Blainie, vice president and general manager of the 26-store Waxie Maxie's chain, based in Washington, D.C. "We are planning what's done (for the fourth quarter) earlier and more efficiently than any of the six years I've been here, but I'm still nervous."

Most chains report increases over the generous sales they enjoyed during last year's Thanksgiving weekend, which led to a booming fourth quarter (Continued on page 72)

Video Stores Feast On Hot Titles

This story was prepared by Chris Morris in Los Angeles and Ed Morris in Nashville.

LOS ANGELES Sales and rental business at video specialty stores sparkled during the four-day Thanksgiving weekend, with some merchants reporting robust increases over last year's holiday season.

A wealth of manufacturers' sell-through programs sparked sharp sales increases for some retailers. The 135-store Erol's chain reports a staggering chainwide sales leap of 81% over the '86 holiday weekend, while Applause Video saw sales soar 30% at its 84 outlets.

The boost in sales was not at the expense of rentals—chains also saw a spurt in rental activity during the long holiday weekend. And discounts (Continued on page 72)

For Melodiya, Glasnost Has Sour Notes, Too

BY VADIM YURCHENKOV

MOSCOW As a Mikhail Gorbatchev-inspired atmosphere of glasnost and perestroika spreads in the Soviet Union, state-owned record company Melodiya has found itself a target of the new spirit of openness.

Under attack is the company's policy on the licensing of Western product for release here. Says a letter in the newspaper Soviet Culture: "Are there experts at Melodiya capable of selecting foreign records for release in our country? Worthwhile records are seldom issued, and even then only after long delays. It seems that Melodiya has been here, but I'm still nervous."

Most chains report increases over the generous sales they enjoyed during last year's Thanksgiving weekend, which led to a booming fourth quarter (Continued on page 72)