Financial Analysis Of 5 Retail Chains
Spec’s Leads In Important Cash-Flow Stat

New York—A financial analysis of five music-and-video retailers shows that Spec’s, Inc., the smallest of the chains, has the highest cash-flow margin, a measurement considered an important indicator of a company’s health and ability to grow.

The cash-flow margin indicates how much money a chain generates to pay off debt and finance growth without taking loans to do so. For this analysis, it has been computed by dividing net cash from operations by total sales.

Pop Artists Celebrate A Busy Week With Hasily Staged Shows

By THOM DUFFY

New York—A host of pop music artists have been tapped for a string of celebrity concerts being held in New York this week, along with a few who are just starting out. Each show is expected to raise millions of dollars.

For the first time, the six-month period from December 31, 1989, to February 3, 1990, analysts say that more than half of the nation’s top retailers are more than ever.”

The New Kids on the Block’s “Step By Step” leads to No. 1 in its second week on the Top Pop Albums chart. It’s the first album to hit No. 1 in just two weeks since Bee Gees’ “Children of the World” entered the Top Pop Albums No. 1 chart in New Jersey.

And the “Step By Step” music videos leap from No. 20 to No. 3 on the Top Videocassettes Sales chart. In one week, it pole vaulted over such boffo titles as “Sexy Lingerie II,” "Playmate Centerfold of the Year 1990,” and “Teenage Mutant Ninja Turtles: Case Of The Killin’ Pizzazz.”

With New Kids’ fast rise to No. 1 on the pop albums chart, M.C. Hammer and Madonna slip to Nos. 2 and 3, respectively. But help is on the way. Madonna’s provocative “Hanky Panky” is the top new entry on the Hot 100 at No. 40, Hammer’s update of the Chi-Lites’ 1971 smash “You See Her” at No. 48. And let’s not make too much of the fact that I’m Breathless didn’t make No. 1. In the top 40 scheme of things, Stephen Sondheim is no match for Maurice Starr.

New Kids Top Albums, Singles Charts; Women Dominate In ’90; ‘Nasty’ Climbs

By PAUL GREEN

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Women ANNihilated men on the charts in the first six months of 1990. Female soloists or female-led groups held the top spot on the top pop albums chart for 18 of the past 26 weeks. They fared even better on the Hot 100, holding the top spot for 18 weeks.

Paula Abdul was No. 1 on the pop albums chart for nine weeks in the first half of 1990, followed by Sinead O’Connor (six weeks) and Bonnie Raitt (three). That’s the best first-half showing for women since 1986, when Whitney Houston, Barbra Streisand, and Sade had the No. 1 album for a collective 19 weeks.

On the Hot 100, O’Connor was No. 1 for four weeks, followed by Abdul, Janet Jackson, and Madonna, each of whom scored their first No. 1 hit in December 1988. Alannah Myles and the female-led Roxette scored each for two weeks; Taylor Dayne and Wilson Phillips each led for one.

FAST FACTS: The furor in Florida over 2 Live Crew’s "As Nasty As They Wanna Be" is giving the album a second wind on the pop albums chart. The album logged six months in the top 40, climbing as high as No. 29 in January. But it had begun to run out of steam, and had dropped as low as No. 83 two weeks ago. Engulfed in media-saturated controversy, the album rebounded from No. 7 to No. 54.

Has the remix album phenomenon already peaked? Milli Vanilli’s "The Remix Album" stools at No. 22 in its third week on the chart; Paula Abdul’s "Shut Up And Dance" dips from No. 10 to No. 16 in its sixth week.

Keith Sweat’s "I’ll Give All My Love To You" is the top new entry on the pop albums chart at No. 33. It’s likely to top the chart by week’s end.

The peak of Sweat’s 1988 debut album, "Make It Last Forever," which yielded the top five pop hits "I Want Her." The first single from the new album, "Make You Mine," spent No. 34 on the Hot 100. Gloria Estefan’s "Cuts Both Ways," the fifth single from her former top 10 album of the same name, enters the Hot 100 at No. 83. The first three singles from the album sailed into the top 15, but pop radio was reticent about adding "Oye Mi Canto," which stalled at No. 48. Estefan was on the cover of last week’s People.

Marian Carey’s highly touted debut album enters the pop chart at No. 89. Carey’s first single, "Vision Of Love," jumps to No. 25 on the Hot 100.

Jeff Lynne’s "Armchair Theatre" bows at No. 158. It’s the first solo album by the man who led ELO to five straight top 10 albums in the late ’70s and early ’80s. More recently, Lynne produced the top 10 album by the Traveling Wilburys and individual top 10 albums by group members George Harrison, Roy Orbison, and Tom Petty.

Barry Manilow’s "Live On Broadway" bows at No. 196. Manilow’s first live album, released in the summer of 1977, debuted at No. 10 and seven weeks later dislodged Fleetwood Mac’s "Rumours" from the No. 1 spot.

We GET LETTERS: Costas Zougris of BMG Greece notes that Sweden has generated more No. 1 pop hits than any other non-English-speaking country. Swedish acts account for five No. 1 highs on the Hot 100—three by Roxette and one each by Blue Swede and Abba.

J.T. Temple of Arnold, Mo., notes that both sides of the Andrew Dice Clay controversy are represented in the top 40. Billy Idol, who sings the theme from Clay’s film, "Ford Fairlane," jumps to No. 10. Sinead O’Connor, who refused to appear with Clay on "Saturday Night Live," dips to No. 35.

Quincy Jones, Time Warner Form Joint Multimedia Cos.

By PHYLLIS STARK

New York—Quincy Jones and Time Warner Enterprises have jointly formed two new companies, Quincy Jones Entertainment Co. and Quincy Jones Broadcasting. Time Warner will own a 50% interest in QJE, which is described as a "multimedia entertainment venture," and will hire an "executing role" in the broadcast company, which has already spent $7 million-$8 million to acquire a Fox affiliate WQNL-TV New Orleans.

Although terms of the deal were not revealed, Time Warner reportedly said Jones more than $25 million to finance the deal, which has been in the works for more than a year. Kevin Wall, QJE’s president/chief operating officer, says, "We have the resources we need. We are a small multimedia entertainment venture backed by the largest media conglomerate in the world, so we have the strength of a tactical guerrilla unit backed by an entire battalion. This company is going to be into everything—radio, theater, music, television, and film," he continues. "We’re looking at acquisitions and new broadcast properties. [We’re interested in] any acquisition that makes good business sense, like music.

Litkei Moves To Creative Side

Racker Forms Label, Pub Umbrella

New York—Ervin Litkei, the long-standing New York audio/video record engineer who sold his company to the Rank Organization last year, has set up a new multimedia music company called Jade Panther Enterprises.

Litkei, also a composer who has dabbled in label and music publishing situations, says he plans to be more active than ever in music publishing, recordings, and film ventures. "I still have two years to go under my terms with Rank to serve as president of Opus, my former company, but I do have more time to devote to other ventures—as long as they are noncompetitive with Rank," Litkei explains.

Litkei will operate Jade Panther Enterprises out of Opus’s HQ. Within this framework, he has a label (Kellit-Aurora Records), Hainai Publications Inc., consisting of two publishing firms, Cosmic Wind (BMI) and Miss Music and Leona Music (ASCAP), and Jade Panther Productions. The latter firm has acquired stage rights to "A Cast Of Hawks," a book penned by attorney Milton Gould that is being adapted as a play by writer Charles Kopp.

Ethel Gabriel, former RCA A&R executive, is head of Kellit-Aurora Records and associate producer, along with Litkei, of "A Cast Of Hawks." She and Litkei were among the producers of a 1989 Broadway production of "The Play." As for Litkei’s former label setup, it is understood that some New York retailers may relocate to Rank’s wholesaling HQ in Pittsburgh.

As a composer, Litkei has penned a number of works, including marches for every U.S. president since Franklin D. Roosevelt, and several symphonic works.

IRV LICHTMAN

Birthday Bash. Country recording artist Lyle Lovett, left, and producer Phil Spector, right, wish songwriter Doc Pomus (Jerome Felder) a happy birthday at the Sony/Ataievalo party in New York for his 71st birthday party. Pomus is the writer of such well-known songs as "Save The Last Dance For Me," "This Magic Moment," and "Teenager In Love."