



SHARON ALLEN

NASHVILLE THIS WEEK

PART II

Label Heads Forecast '87

Last week we discussed what's on the 1987 drawing boards for Capitol/EMI-America, CBS, MCA, and MTM in discussions with the heads of those labels. This week we continue with projections for Mercury/Smash, RCA, and Warner Bros.

Mercury/Smash

Sr. VP/Nashville Operations Steve Popovich said, "You'll see a resurgence of Paycheck's career. Paycheck is a survivor. He's still one of the great voices in country music, and that's the way we feel about Kris Kristofferson, Johnny Cash, Donna Fargo, and Lynn Anderson.

"I'm all in favor of new people, and we have ours. We're always on the lookout for new people. We've just signed this kid David Lynn Jones, who wrote 'The Promise-land.' But you can't just throw out the people who have sold tens of millions of records. We also think there are millions of people that are a potential audience for these name acts. They make exciting records. It's all in the record and the song.

"Right now our roster is full. We're not looking for anything, but we're always listening.

"I think radio people are sincere when they say, 'Give us something different.' They want more interesting product. You give it to them, but it takes a long time for somebody to get off the dime and really move on it."

RCA

VP & GM/Nashville Division Joe Galante said, "It's interesting right now because of the change in the artist development process. You used to have all these established artists that drove the format, and drove everybody else, and it was crazy.

"I see new artists being a fairly sizable portion of our business, but not as big a portion as this past year, when every other record that came out was just gangbusters. It's like anything else — you have a surge of new artists at the beginning, and then a tapering off. I think what will get us through the next year or two is the fact that you're going to see some middle-level acts being replaced by new acts. Right now you have a lot of development at the bottom and no development at the top. You can't keep going out and spending between \$100,000 and \$200,000 every year on an act for recording and marketing and sell 25,000 units. Time has become a factor with everybody.

"We've finetuned a lot of everything we're doing as an industry.

Records are coming out better because everybody's working at it. Everybody's talking. The competitive spirit is still there. You can see guys rolling up their sleeves regardless of the level of their careers. They're going after it, and that's great.

"It's a great business to be in, but all of us realize you cannot raise the price of albums right now in country. That means the revenue opportunities are very limited. Whatever your cost increases are, you can't pass them on. The only way you can do it is by breaking artists. If you can break those new acts, your deal is probably going to be less expensive than those on established acts. A balance of both is what you really need because you can't run a record company based totally on new acts.

"I don't think we've succeeded yet in allowing people to enjoy our music as much as they can, because the negative image is still there to a certain degree. Based on the people in this format and the music that comes out of it that image shouldn't exist, but the music never really gets a chance to speak for itself.



Steve Popovich

"We'll probably cut back on videos to a degree. Instead of doing 24, maybe we'll do 12-16. We're looking at taking longer to develop the acts. We're becoming very realistic about that. You'll see albums out there for a longer period of time. This maximizes what we think are strong albums to start with, and also maximizes the sales potential and the dollars invested.

"We have an opportunity to make great music. I don't care if it's contemporary, traditional, pop, new wave... I don't care what you call it. I'm listening to the acts and the songs, not putting them into a slot. Let's not exclude anything. That's all I'm concerned about.

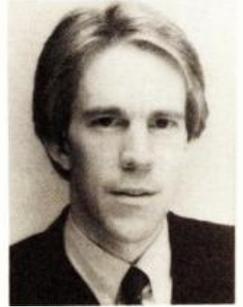


Joe Galante

"Country has an exclusive format. Ninety-nine percent of the records coming out of Nashville are on Country radio. I think that's a point we should be proud of — that we have our own music style. Will it get onto other formats? Later on, I'm sure somebody will crack through."

Warner Bros.

Exec. VP Warner Bros./Nashville Jim Ed Norman said, "I don't think there's any argument about what it is that we're trying to accomplish as an industry. The future of the business is a commitment to the next generation. I don't think that's going to change for Warner Bros. for the next couple of years.



Jim Ed Norman

"The monotony quotient has been very high the last five years. When you look at the new artists coming into the marketplace, it's important that they be repetitive to a certain degree because that's what will give them a firm toehold. There is, however, much more focus on artistry and entertainment ability than on record production techniques.

"In country, the boundaries of the aesthetic tradition are limited. As people began trying to broaden the boundaries there was a tremendous aversion to the notion of doing so. We're the only music format that is trying to cover music that is 25-30 years old within the context of one radio station.

"We also have to recognize that a good many of the radio stations consider themselves very ambitious when they are playing 50% current records on a daily basis out there in the real world. The other half of the music is embracing 25 years' worth of aesthetic tradition. It's a tough job.

"The thing that concerns me is that there is a tendency to trade successes from label to label. There is this historical ceiling of 10-12% of the business that we trade around among ourselves as record labels. What I would ultimately hope for is the success and growth of the entire industry. We want to reach a larger audience, but there is a supposition that we must therefore be contemporary. If you look at the demographic appeal of Dwight Yoakam and Randy Travis, there is the potential to reach a larger audience. I'm not saying that we need to change the word 'contemporary' to fit the successes of Ricky Skaggs, George Strait, Reba McEntire or Randy Travis, but that we might need to change our notion of what the word 'contemporary' means. Definitions are changing. We're trying to broaden definitions and scope."

NASHVILLE IN MOTION

Group Changes On Horizon

By Katy Bee

Twenty Years of Dirt with Partners, Brothers, & Friends has been fun for John McEuen, but the original Nitty Gritty Dirt Band member would rather stay at home with his growing family than keep up a grueling pace out on the road. The band expects to fill his cowboy tennis shoes early this year.

Personnel changes are already in the works for fellow Warner Bros. act Southern Pacific. They have been auditioning new lead singers to replace Tim Goodman... And there are rumblings from Schuyler, Knobloch & Overstreet that one may be off on his own. In any event, SKO will remain a trio configuration.

Talent manager Don Light has signed CBS act Marty Stuart and RCA's Kyle Petty to his company and added attorney Jack Tarver (former journalist, promoter, and owner of

Atlanta's Great Southwest Music Hall) in a "co-management arrangement"... Longtime Don Light client Steve Wariner leaves with MCA labelmates Orleans to join Entertainment Artists for bookings, along with Nanci Griffith. The former pop group teams with Barry Coburn's management.

The Jim Owens Companies announce the addition of Scientific Atlanta System Satellite's downlink hookup for all correspondents for "Crook & Chase" and "This Week in Country Music" to conduct live interviews from remote locations... Nashville's Brookmont Communications, Inc. has become the American Network Group, Inc. The satellite operators of the Tennessee, Kentucky, and South Carolina Radio Networks hope to expand into other general and sports-oriented programming.

Liz Boardo firms up her team with Master Records of Mt. Juliet, TN; management by RWL Consultants of Salisbury, MD; A&R duties to Nashville songwriter/producer Don Goodman; and media activity by Aristo Publicity... Singer T.L. Lee to Complete Records... Veteran performer Carl Perkins signs with Monterey Peninsula Artists, while Barbara Fairchild hitches up with Key Talent, Inc.

Network Ink brings journalist Timothy Weeks on board to assist President Elizabeth Thiels... VP/Operations Randy King announces the formation of Blue Chip Management and Booking, 38 Music Square East, Nashville 37203... Note these new telephone numbers in your 1987 files: RCA Records (615) 664-1200... Tree International (615) 726-0890.