

Retailing

Vid Dealers Paint Rosy Picture VSDA Attendees Report High Increases In Volume

By EARL PAIGE

DALLAS—Video retailers gathering here for the Video Software Dealers Assn. meeting tend to report high increases in volume, often reflected in the growing number of new store openings.

As an example, Jack Grimes of Video Village, Philadelphia, is planning his fourth and fifth stores and reports a 45% increase in volume over a year ago. He opened his second store in 1981, his third in April and launched his business in November, 1980.

Moreover, he is planning to open a separate home computer outlet, believing that this area is a different business and requires specialist sales help on the floor and a different approach.

As key as any ingredient for Grimes has been his stores' access for parking. One outlet has only 48 spaces, but two others are strip stores with nearly unlimited parking.

Grimes' club plan is also potent. "When I opened, my club was totally innovative. Now every dealer in Philadelphia has some version of my club going," he says.

Another dealer, Michael Salomon of Camera Video Showplace in Freehold, N.J., has recently opened his third store, exclusively video. His second was opened a year ago April. Both are 1,200 square feet. His first store, two and a half years old, was originally a camera outlet. Now Salomon does 30% of his business there in photography and the rest in video.

Salomon's two pet gripes are that too many video games are being released, forcing him to rent them, and that there is too much videocassette piracy and bootlegging. "We sold more of 'Star Wars' than anything since we've been in business," he said, noting that for him, as for most video dealers at VSDA, sales play a minor role compared to rentals. "The reason is people were replacing their bootlegs of 'Star Wars' when the original finally came out."

As with other dealers hit by the rise of illegal duplicating, Salomon has suggestions. "The studios and distributors are not doing enough. They should put a watch on any dealer who just stocks one copy of hot titles." He added that he confronted one dealer personally who denied duplicating "Star Wars," only to have a customer come in at that moment demanding his duplicated copy. He says he's seen signs in store windows advertising duplicating services on unreleased product.

Salomon, who is among those video dealers here reporting a recent 30% increase in business, backed into renting video games. He charges \$1.50 and specializes in Atari. "There were seven new ones in one week, and kids just do not have seven times \$30."

Another dealer reporting a 30% increase in business in Gail Pierce of Video Exchange Unlimited in Bran-

don, Fla. She credits this to having punched up her VHS rental inventory from 800 to 1,200 titles. Beta inventory is only 350 pieces.

Pierce, in business two and a half years, sees increasing possibilities for sales despite her own 90/10 rental/sales ratio. She caters to the "collector" and badgers distributors for "onesy-twosy" orders. For club members she charges no premium for digging up "Wake Of The Red Witch" or other obscure titles, and she demands a deposit from non-club members.

"The best-selling movie tapes are not the good rentals," she declares. She sees the collector as more interested in a series, perhaps buying four or five videocassettes a week featuring a single star.

Though surrounded by chain video operations and experiencing more competition from mass merchandisers, Pierce maintains her growth by emphasizing tender loving care. "If a customer finds any little flaw in a tape they can bring it back," she says. "My customers are really spoiled."

Dealers Offer Diversity Of Video Rental Concepts

DALLAS—A diversity of video dealer rental concepts persists, according to an exchange of dealer views at the VSDA conclave here.

Five panelists discussed various topics surrounding rental: Ed Aronowitz, Vibrations Video of Miami; Bob Bigelow, Bigelow Video of Minneapolis; Steve Goodman, Video Warehouse of Atlanta; John Pough, Video Cassette Unlimited of Santa Ana, Calif.; and Richard Railey, Video Spectrum of New Orleans. Bob Skidmore of Video Corner, St. Petersburg, Fla. chaired the session.

As an example of the diversity, Railey explained that he didn't actually rent at all. "We trade. There's a \$20 membership and \$5 fee. When I started, a lot of dealers were going through all this red tape the studios forced on us, and it took half an hour just to explain the plan. Ours was simple.

"Later, as the studios demanded I rent from them, I set up a case for lease stock."

Railey's experience was echoed by many retailers here, who still have exchange club members they might like to convert to conventional club card holders. Others, however, feel it's not worth the bother of converting.

Not everything is rented. Aronowitz said video games were selling too well to bother with renting them. Moreover, he has an arcade in one of his three stores that assists him in getting a handle on the most popular games.

Innovative promotions are the rule. Bigelow had a champagne party for 53 going full-blast when 75 copies of rental-only "Arthur" arrived at his store. "Before it was over, they were drunk and nearly buying me out of a everything."

EARL PAIGE



TAPE TABLEAU—More than 35 suppliers participated in Record Bar's Vendor Day at its recent "Summer Summit" convention. Shown here are Record Bar employees surrounding the Maxell Booth.

New LP/Tape Releases

Continued from previous page

SKYY

Skyjammer
LP Salsoul SA-8555.....\$8.98
CA SC-8555.....\$8.98

SPECTRUM

It's Too Hot For Words
CA Rounder C-1061.....\$8.98

SPRINGSTEEN, BRUCE

Nebraska
LP Columbia TC 38358.....No List
8T TCA 38358.....No List
CA TCT 38358.....No List

SUMMERS, ANDY, & ROBERT FRIPP

I Advance Masked
LP A&M SP 4913.....\$8.98
CA CS 4913.....\$8.98

THOROGOOD, GEORGE, & THE DESTROYERS

Bad To The Bone
LP EMI America ST-1 7076

VANITY 6

Vanity 6
LP Warner Bros. 23716

VARIOUS ARTISTS

The Bluegrass Album, Vol. 2
LP Rounder 0164.....\$8.98

VARIOUS ARTISTS

Deutschland Compilation
LP Burno/Cachalot BUR01

VARIOUS ARTISTS

Guitar Wars

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Billboard® Survey For Week Ending 9/11/82

Top 15 Video Games

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These are the best selling home video games compiled from retail outlets by the Billboard research department.

This Week	Last Position	Weeks on Chart	TITLE	Copyright Owner/Manufacturer, Catalog Number
1	-	1	BEZERK—Atari CX-2650	WEEKS AT #1 1
2	-	1	DEFENDER—Atari CX-2609	
3	-	1	DONKEY KONG—Coleco 2451	
4	-	1	PAC-MAN—Atari CX-2646	
5	-	1	STAR MASTER—Activision AX-016	
6	-	1	FROGGER—Parker Bros. 5300	
7	-	1	YAR'S REVENGE—Atari CX-2655	
8	-	1	CHOPPER COMMAND—Activision AX-015	
9	-	1	EMPIRE STRIKES BACK—Parker Bros. 5050	
10	-	1	SPACE INVADERS—Atari CX-2630	
11	-	1	DEMON ATTACK—Imagic 3200	
12	-	1	COSMIC ARK—Imagic 3204	
13	-	1	ATLANTIS—Imagic 3203	
14	-	1	NIGHT STALKER—Intellivision 5305 (Mattel)	
15	-	1	FREEWAY—Activision AX-009	

Study Finds Rental Still Prevails

DALLAS—Rental continues to outpace sales activity, and VHS is more popular than Beta, according to two studies presented to the Video Software Dealers Assn. here. The studies are examples of the group's resolve to furnish industry guidelines.

The VSDA/A.C. Nielsen pilot program studying five metro Chicago stores found rental activity 95% of business.

The far more elaborate UCLA Graduate School of Management video retailing survey was presented by Felicity Wohltman. It

reflected 650 responses to a mailing sent to 5,200 U.S. stores. Findings: stores' transactions are 13% sales, 83% rental. VHS is 74% of prerecorded videocassette stock.

Of the stores surveyed, 40.7% carry videodisks as of April. Of the 53.3% who did not stock disks, 32.9% of these planned to stock them for sale only, 63.2% for sale and rental and 3.9% for rental only.

A high percentage of the stores' customers—85.4%—are club members, meaning regular return business.

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