

New Age Act Ray Lynch Exits Music West In Pact Dispute

BY DEBORAH RUSSELL

LOS ANGELES—Million-selling New Age artist Ray Lynch has terminated his contract with Music West Records, ending a five-year relationship that generated one gold album and extensive critical acclaim.

Lynch's decision to leave the San Rafael, Calif.-based independent label was triggered by a "difficulty in contractual agreements," says Kathleen Lynch, CEO of the artist's own Ray Lynch Productions.

Lynch, whose contract with Music West was to expire Dec. 31, 1991, legally notified label executives May 31 that they had 20 days to cure a default in his existing contract. When Music West allegedly failed to correct the default, Ray Lynch Productions voided the contract, and the artist's final commitment to the label ended at 5 p.m. June 20.

Citing the advice of their respective attorneys, neither Kathleen Lynch nor Music West president Allan Kaplan would comment regarding the specific default in the contract, but sources indicate it was a financial issue.

The artist's exodus comes in the wake of departures of several key Music West executives who have not been replaced to date, including Jack Bernstein, executive VP/GM; Gary Chappell, VP of sales and operations; and Lin Lacombe, director of marketing communications.

Lynch currently is reviewing options presented by several major and alternative labels, says Kathleen Lynch.

"Most of [Ray's] time is spent in the studio working on an album for release on a new label in the spring [of 1992]," says Kathleen Lynch.

Ray Lynch Productions owns the artist's entire catalog, including 100% of the master recordings, and all publishing and copyrights, she

says.

Sales on Lynch's Music West recordings, "Sky Of Mind," "Deep Breakfast," and "No Blue Thing," total about 1.6 million copies, with "Deep Breakfast" accounting for about 900,000 of those units. "Deep Breakfast" has spent 129 weeks (nonconsecutive) on Billboard's New Age Albums chart, peaking at No. 2 more than once.

"No Blue Thing" received the 1990 Billboard Music Award for new age album of the year, and held the No. 1 position on the New Age chart for 35 consecutive weeks.

"We recognize that the relationship with Music West was very positive for five years," says Kathleen Lynch. "But, it's time to make a change and move on to bigger things," she adds. "We're looking for stronger marketing and promotion and a bigger audience."

Managers of artists on the existing Music West roster say they hope to take advantage of the void created by Lynch's departure.

Melanie Jordin, who manages the label's Jim Chappell, reports that the artist's sixth release is slated for early September with an extensive fall tour to kick off in Indianapolis. Chappell's current album, "Nightsongs And Lullabies" was No. 15 on the New Age chart for the week that ended June 29.

"We're proceeding as though everything is normal," says Jordin. "[Lynch's departure] could mean that Jim is Music West's premiere artist right now."

Similarly, Steve Yanovsky, who manages Oystein Sevag, notes that Lynch's move "clears a space" for his artist. "It might work to our benefit," Yanovsky says. "Oystein could be a No. 1 priority on the label." Sevag's first Music West release, "Close Your Eyes And See," debuted at No. 21 on the New Age chart for the week ended June 29.

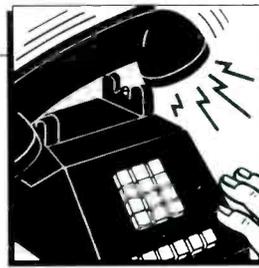
not based on personal opinion.

According to Nichols, he attempted to negotiate a new deal with MTV in which TCA would distribute the channel only to customers who wanted it. "We didn't want to distribute it on basic cable," Nichols says. Instead, TCA proposed that a flier would go out in its billings telling customers that if they wanted MTV, at no cost above basic cable, they could request it. MTV vetoed that proposal.

"That's just not the way MTV is distributed," says Freston. "That's not something we allow in our contracts. That undermines the nature of basic cable." He adds that most of TCA's systems are equipped to block a channel into a viewer's home if requested, but that Nichols did not want to use that option.

Nichols says customer response to the change has been mixed but basically positive. "There's been tremendous support, but there are people who say they want to keep MTV and we respect that. That's why we were hoping to reach some different distribution arrangement."

INSIDE TRACK



Edited by Irv Lichtman

DANNEN RIDES AGAIN: Fred Dannen, the author of "Hit Men," a scathing look at the inner workings of the music industry, has updated his book in the upcoming **Vintage Books** paperback edition, and there are a few new revelations. In the chapter covering last year's payola trials, for instance, Dannen contends that the price of hiring indies to promote top 40 singles "typically runs into the six figures," just as it did before the majors dropped many indie promoters in 1986. He also notes that the New Jersey recording studio (City Lights) purchased by former promoter Joe Isgro in February had previously belonged to Gaetano "Big Guy" Vastola, a mobster who was a co-defendant in the extortion case involving Morris Levy. In the chapter on the fall of Walter Yetnikoff, former president of Sony Music Entertainment, Dannen claims that Michael Jackson lost \$16 million on his monstrously successful "Moonwalker" video, although Sony Music made money on it. He also contends that David Geffen would have stolen Jackson from Sony were it not for the fact that the Gloved One still owed Sony four albums, and that the cost of settling with Sony for those records would have been "greater than the gross national product of Uganda."

WHILE HOT RAPPER Sir Mix-A-Lot is apparently under way with his first album for Def American, he and his former label, Nastymix, are trading charges in legal actions. The rapper, whose real name is Anthony A. Ray, claims in a suit filed June 18 in U.S. federal court in Seattle that Nastymix principal Ed Locke failed to pay the artist properly in mechanical and performance royalties on his song and to make payments after a deal was negotiated. In turn, Sir Mix-A-Lot and Def American are being sued in a superior state court in Seattle by Nastymix for breach of contract and contractual interference. The action was also filed June 18. The artist has had two smash albums, the platinum "Swass" and the gold "Seminar."

A BIG FIRST: Virgin is set to open its first megastore in Italy Sept. 19. At a cost of about \$6 million, the store covers 15,000 square feet off Milan's famed Piazza del Duomo. "We aim to change the small-shopkeeper mentality," says Virgin Retail Italy managing director Pietro Milani.

PAYMENT RECEIVED: London Records in the U.K. finally paid the \$80,000 "hyping" fine imposed by the British Phonographic Industry June 24, three days after the 21-day deadline had expired. Meanwhile, the BPI committee of investigation is still examining the case against AVL, having been presented with copious amounts of documentation by the company. No date is being given for a decision.

MORE PAST BLASTS: The Atlantic Group is launching the Atlantic & Atco Remasters series, a line of single- and double-CD compilations, boxed sets, and original album reissues linked to the company's 44-year history. While a recent 12-CD release of Stax and Volt albums carried the new logo, a full-force launch is due in October with a Ray Charles boxed set and four single CDs featuring LaVern Baker, the Clovers, the Coasters, and Clyde McPhatter. Series is produced by Yves Beauvais, Atlantic director of catalog development.

WITH ITS U.S. distribution under the aegis of PolyGram, Los Angeles-based Morgan Creek Records will be handled worldwide by PolyGram, too, via its sister unit Polydor (U.K.) Ltd.

NARM NEWS: Steve Strome, president and CEO of the Handleman Co., and Bill Hall, president of Sight & Sound Distributing, will both continue to serve on the board of directors of the National Assn. of Recording Merchandisers, even though the Troy, Mich.-based rackjobber acquired the Portland, Ore.-based distributor in late April (Billboard, May 11). NARM's bylaws state that two member companies cannot continue to have a representative on the board if one firm has acquired the other. However, exceptions are made if the two con-

cerns continue to operate separately, as is the case here. Consequently, NARM rejected letters of resignation submitted by both executives.

ON (THE) BOARD: Charles Koppelman, chairman/CEO at SBK/EMI, has joined the board of directors for the T.J. Martell Foundation for leukemia, cancer and AIDS research. He was honored in April as the foundation's 1991 humanitarian of the year for leading a campaign that raised more than \$8 million for the charity.

ACCESSORY SUCCESS: Case Logic's line of cassette and CD holders is generating 60% more sales so far this year than last, says James Temple, president of the Boulder, Colo.-based company. He attributes the gains to new products and increased distribution, while noting that the first product introduced by the company is still the best-selling product in the line. Revenue in 1990, based on business in the U.S., Canada, and U.K., was \$26 million.

SONY CONSOLIDATION? Speculation was rampant at press time, in the wake of published reports, that a reorganization of Sony's multifaceted video empire is in the works. Reports have Sony Music Video Enterprises being stripped of its special-interest product, which would be shifted over to a renamed RCA/Columbia Pictures Home Video once Sony completes its buyout of General Electric's interest in that joint venture. Music video product would stay put under the aegis of Sony's record operation. Sony's own video company, SVS, would be downgraded to a label distributed by RCA/Columbia. Sources inside and close to the company, however, call such reports "extremely premature." One source says the reports "are similar to rumors that have circulated internally" but "they're not even close to making those decisions yet." Another source is skeptical that any reallocation of SMV's product is in the works, noting that SMV has been aggressively acquiring nonmusic product. The source also offers another scenario for SVS, in which it would be rolled into RCA/Columbia and its music video catalog transferred to SMV. SMV president Jon Peisinger, who could be odd man out in any breakup of SMV, could not be reached for comment. Sony and RCA/Columbia representatives declined comment.

PRINCE BACK-TRACK: The Rebecca Blake mentioned here last week in connection with the forthcoming "Cream" videoclip from Prince is actually the director of that video, as well as his previous "Kiss" clip and one for the title track of Prince's new "Diamonds & Pearls" album. Track also has learned that Prince is considering pressing the first 1 million copies of the new album (due in September) in a special package adorned with holographic art.

BACKSTAGE APOLOGY: The North American Concert Promoters Assn. has backed away from its previous position, stated in a letter drafted for agents and managers, that ICONS Backstage Counterfeit passes confuse concert security personnel and pose a risk to promoters. "In fact, NACPA has no knowledge of any incidents in which ICONS' products were used even to attempt a breach of security," states NACPA executive director Carl Freed about the passes sold to fans. Recognizing ICONS' right to market the laminated passes—which have been approved by such superstars as Madonna, M.C. Hammer, and New Kids On The Block—"NACPA wishes to apologize to the ICONS company and its customers and clients for any misimpression" regarding past security breaches and the sale of the Backstage Counterfeits.

COURT DATE? An attorney for Dee Barnes, host of the Fox TV rap show "Pump It Up," said at press time that he was planning to file a suit "in the tens of millions" against Dr. Dre and other members of the best-selling rap group N.W.A. According to Barnes' attorney, Michael Leventhal, the suit will allege that Dre beat up Barnes at a Jan. 27 album-release party at a West Hollywood, Calif., nightclub, and that group members Eazy-E and M.C. Ren subsequently stated in print and TV interviews that the beating was deserved. At press time, Leventhal said he hoped to file the suit, alleging assault and battery, defamation, and infliction of emotional distress, in Los Angeles Superior Court as early as June 27. A representative for Priority Records, which distributes N.W.A.'s Ruthless Records albums, had no comment on the imminent litigation.

TCA Cable Dropping MTV, Citing Viewer Complaints

BY MELINDA NEWMAN

NEW YORK—As of Sunday (30), 420,000 households in six states will no longer have their MTV.

TCA Cable TV has decided not to renew its MTV contract because of viewer complaints about the music channel's alleged violent and sexual content, according to TCA president Fred Nichols. The Tyler, Texas-based TCA operates 52 systems in Texas, Arkansas, Idaho, New Mexico, Louisiana, and Mississippi.

"We operate in mostly rural [areas] and our customers told us they'd prefer not to have MTV," says Nichols. He declined to quantify the number of complaints TCA received.

According to MTV Networks CEO and chairman Tom Freston, "We have received a letter from Nichols complaining about satanism, violence, and sexual activity in music videos. We don't allow demonic depictions on MTV. Our standards are virtually identical to the networks." In response, Nichols says the letter reflected the viewers' opinion and was