

TAPE SQUEAL



INDIANA RECORDING CLUB, INC.
Volume XXIII, Number 6 — June, 1982

Congress To Debate Taxes On Audio Recorders, Tape

NEW YORK—Congressional hearings begin this month on proposed legislation that would slap a royalty tax on audio recording equipment and blank tape.

The proposal, sponsored by Sen. Charles McC. Mathias (R-MD) extends to audio taping the royalty on video recorders and videotape specified in an amendment already sponsored by the Maryland legislator. As such, the so-called "Mathias amendment" (No. 1333) modifies legislation submitted by Sen. Dennis DeConcini (D-AZ) that would amend the 1976 Copyright Act to exempt from copyright infringement any home videotaping for private, non-commercial use.

The DeConcini bill would extend to owners of home VCRs the same implied exemption from liability for copyright infringement traditionally accorded to audio taping under the "fair use doctrine". The Mathias bill, while granting VCR owners the same immunity, amends the DeConcini bill by mandating royalty payments to copyright holders from manufacturers of video hardware and software.

The latest twist to the Mathias amendment comes as a result of efforts by the Recording Industry Assn. of America and its constituents to get home audio taping considered in the same light as home video recording. Audio industry spokesmen angrily denounce the latest development as an opportunistic attempt by the RIAA to ride the coattails of the video wars being waged between the EIA's Consumer Electronics Group and the Motion Picture Assn. of America—the studios' champion.

The opening salvo in those wars sounded six years ago when Universal Studios and Walt Disney Productions sued Sony Corp., its ad agency, retailers and a consumer for copyright infringement—the so-called Betamax case. In 1979, a California district court judge ruled home video recording not infringement of copyright. But last October, the Ninth Circuit Court of Appeals reversed that decision and ordered the lower court to fix damages—possibly in the form of an ongoing royalty scheme.

Sony meanwhile has petitioned the U.S. Supreme Court to hear the case. By the time the high court departs for its summer recess in June, it is expected to announce whether or not it will grant a hearing. Most industry observers think it unlikely the justices will accept the case, and contend the only hope of avoiding royalties is through legislation.

The DeConcini bill (S.1758), submitted shortly after the appeals court decision, would specifically exempt home video taping for private use from liability for copyright infringement.

But last December, Sen. Mathias introduced an "amendment in the nature of a substitute" for the DeConcini bill. The Mathias amendment considers home videotaping an infringement of copyright, but exempts consumers from liability. Instead, it would award compensation to copyright holders by placing a royalty on videorecorders and videotape, to be paid by the manufacturers.

Last month, Mathias submitted a new amendment (No. 1333) that extends the

royalty to audio equipment, and a similar bill was placed before the House by California Democrat Don Edwards (H.R.5705).

Additionally, the revised Mathias amendment threatens prerecorded ~~music~~ by eliminating the doctrine of first-sale. If passed, retailers would no longer be able to rent copyrighted material they have purchased without first obtaining permission from the copyright holders.

The new amendment, which effectively replaces the one submitted last December, adds "audio recording devices and mediums" to the royalty scheme. It further orders the Copyright Royalty Tribunal to determine "appropriate and reasonable" royalty fees on such merchandise to give copyright holders "fair compensation for audio recordings of their works in private homes." Manufacturers and importers of blank tape and recorders would be required to obtain licenses from the Registrar of Copyrights, and file account statements periodically. Should the bill pass, they would begin paying the royalties within 14 months.

Senate Judiciary Committee hearings on the DeConcini bill and Mathias amendments convene in Washington DC April 11; hearings on the House side are slated for April 12-14 in Los Angeles. Spokesmen from every side of the question are expected to testify before the committees. □

*From Audio Times, 1 April 1982.
Thanks to Guy Preston.
SEE TRACK 4.*

Tape Squeal is the monthly newsletter of the INDIANA RECORDING CLUB. Send all news information, photographs, etc. to: Sharon Moore, editor, 4215 North Oxford Street, Indianapolis, Indiana 46205.

For information about membership in the INDIANA RECORDING CLUB contact: Eleanor Davies, secretary, 1729 East 77th Street, Indianapolis, Indiana 46240. Telephone (317)2517048.

Please send all changes of address and directory data to: Eleanor Davies, directory manager, 1729 East 77th Street, Indianapolis, Indiana 46240.

Your INDIANA RECORDING CLUB Board of Directors consists of Dennis Burcher, Pres.; Bill Tillett, Vice-Pres.; Eleanor Davies, Secretary; John Oliver, Treasurer; and Bill Endicott and Gene Scott, Members.

TO ALL NEW MEMBERS (In the United States)

When you receive your welcoming tape please return the accompanying postcard to the committee chairman: William Kearney, 2625 West Jefferson Road, Kokomo, Indiana 46901.

ADDRESS CHANGES --all address changes MUST be sent to the Directory Manager at least one month before the effective date to ensure uninterrupted delivery of the Tape Squeal.

TRADING POST

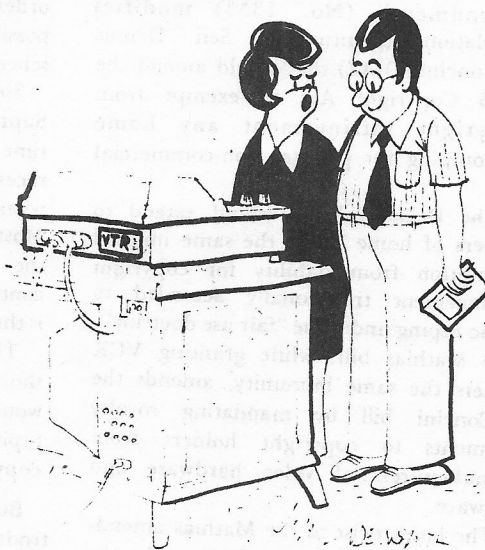
Free notices for IRC members, concerning tape and related items to sell, buy, trade, etc.

Ed Hall, S-50 — is looking for members who have or may know about the cardboard Durium records which existed in the early 1930s. Purpose: exchange of discography information and, if possible, music. Durium in the USA was used for advertising purposes and in Europe for pop music.

Jim Braswell, S-39 — would like almost any Denver Nuggets basketball games from 81-82 season on audio tape. Also, a videotape of 1960 movie "Dinosaurs." Also sports on audio tape from 1960s or before. Willing to buy or trade.

Bob and Mary Ennis, D-7 — would like to exchange cassette tapes of old 78 records of music in the 20s, 30s, and 40s, namely waltzes and operettas, plus singers of that time, such as John Charles Thomas, Richard Crooks, Nelson Eddy, and Jannett MacDonald, as well as other female singers of the long ago. Would also like to contact other blind and handicapped members who enjoy chatting about "this and that," plus music, OTR, etc. on track two of 60 minute tapes.

Pepper . . . and Salt



"TWELVE HUNDRED AND FIFTY BUCKS to preserve Mork and Mindy!!?"

Barb Laatsch, D-66, has available a 22-page booklet on how to find beautiful scenes and interesting camera subjects in New England. Book is filled with directions and tips for good angles and lighting conditions for specific areas, and is available from Barb for \$4.00. A similar book on Nova Scotia is in progress.

Record Business Slumps as Taping And Video Games Take Away Sales

By STEPHEN GROVER

Staff Reporter of THE WALL STREET JOURNAL

The time and money teen-agers spend on Pac-Man is time and money they aren't spending on their record collections.

Add home taping, widespread counterfeiting and a dearth of exciting new artists to that, and you have some big problems in the record business.

Industry experts believe the record business could be losing as much as \$1 billion a year to the video games. While exact figures aren't available, Robert Summer, president of RCA Records, says "the logic of it would suggest that a very measurable percentage of dollars going into video games are former record dollars."

Another \$1 billion annually is being lost to home taping. "When the economy isn't good," says Walter Yetnikoff, president of CBS Records, "people look to cut corners." It's cheaper to buy a blank tape for \$1 or \$2 and record the music yourself than to spend \$8.98 on a new record.

And counterfeiting probably cost the industry at least \$400 million last year, according to Jules Yarnell, special counsel, antipiracy, of the Recording Industry Association of America.

Lack of Interest

Then there's the lack of interest in the new music that's available. Two recent trends—punk rock and new wave—appear to have peaked without causing a ripple. Blondie's Debbie Harry never achieved the superstar status of someone like Mick Jagger or Bob Dylan. The latest trend, New Music, is a throwback to rock-and-roll.

The Recording Industry Association hasn't disclosed industry results for 1981 yet, but industry estimates place total shipments, after returns, at about 650 million units. That's about the same as last year, when shipments, including LPs, cassettes, eight-tracks and singles, had a value of about \$3.68 billion. Both years are down substantially from 1978, when shipments peaked at 726 million units, valued at \$4.13 billion.

"The hits still hit very high," says Ahmet Ertegun, chairman of the Atlantic Records label at Warner Communications. "There are plenty of albums that sell from three to four million copies. Where we're suffering is in the middle range" — meaning albums made by largely new, or developing, artists. Mr. Yetnikoff of CBS Records agrees. "Albums that might once have sold 250,000 copies now do only 50,000," he says.

Some individual record companies aren't doing badly. Warner owns Atari, so it profits from the video-game craze. But last year it also held onto its place as the nation's leading record producer, with sales of \$811 million, up from \$805 million a year earlier.

RCA Records posted a gain, too, moving to the No. 3 position from No. 4. Its success was partly due to such albums as Diana Ross's "Why Do Fools Fall in Love?" and a fluke hit, "Hooked on Classics," recorded by the Royal Philharmonic Orchestra.

But others were less successful. CBS Records retained its No. 2 spot in the industry, but its market share, according to Billboard magazine, declined to 16.9% from 19%. And Polygram sank to No. 5, with 6.7% of the market, from No. 3, with 12.7%, in 1980.

Richard Turk, owner of the Colony Record Store in New York City, says the record

bum in the line. CBS, says Mr. Yetnikoff, is allowing returns up to 100% in certain cases.

Instead of new artists, though, the public seems to be buying old favorites. Barbra Streisand's CBS album "Guilty" was her most successful release ever, with sales last year of more than 10 million. The latest Rolling Stones record, "Tattoo You," released by Atlantic, has already sold three million copies. And Frank Sinatra's three-record "Triology" album had sold a very respectable 500,000 copies as of last year. Such results suggest the record-buying public is getting older, says Douglas Morris, president of Atlantic. "The Stones appeal not only to the younger generation but to people who first admired them a decade ago."

A lot of the younger generation is busy playing video games, of course. But that isn't likely to last forever. "Ultimately," says Mr. Summer, "the record industry will snap back, as it has after every electronic marvel that has been introduced to the public." Records also remain a relatively cheap form of entertainment. "If you plunk down \$10," says Mr. Turk, the store owner, "you still get some change back. You can't say that about very many purchases these days."

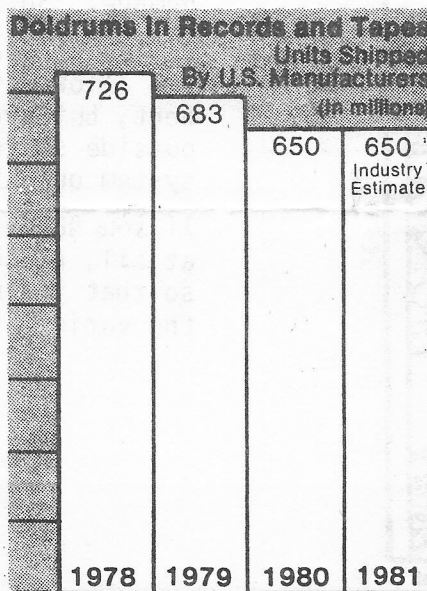
Narrow Targets

Counterfeiting and home taping have to be overcome. Several successful prosecutions have cut into record counterfeiting, Mr. Yarnell says. But home taping has more than offset that success. The industry hopes that Congress will follow the example of several European countries and permit blank cassettes to be taxed, with the proceeds going to artists as royalties.

Mr. Summer also believes that new technology—notably the development of digital recording — will help the industry. "For those who can hang in," he says, "there's a great future. The biggest market in the world of entertainment will be for systems that can deliver pure sound to the total population."

In the meantime, he says, the industry should redefine its goals. "The strategy of going after blockbusters — albums with megamillion sales—became a suicidal strategy," he says. "What we should do now is go after narrow targets with albums aimed at regional or social groups and then aim at widening their appeal to include other groups."

He cites an album called "Private Eyes" by Daryl Hall and John Oates, which is No. 5 on Billboard's list of best-selling albums. It began as a pop record but crossed over to become the No.1 record among black listeners in the country. "What I'm saying," he says, "is that it's now a smaller business, but you can make it work for you if you try."



Source: Recording Industry Assn. of America

companies' failure to promote new artists is partly to blame. Until 1979, retail outlets could order as many records as they wanted, display them for promotional purposes and return those that didn't sell. Then, record companies changed their returns policy, limiting the number of albums that could be exchanged for new titles to 20%.

"When the returns policy was loose," says Mr. Yetnikoff, "we didn't know what sales were or what the returns would be, and that distorted our financial results." But, Mr. Turk says, the new policy meant that retailers "couldn't afford to take a gamble on unknown artists."

Easing Some Returns Policies

Some record companies are looking for a position in between. RCA is bringing out an album line featuring developing artists. The records will have a list price of \$6.98, compared with \$8.98 on most new records, before discounting by retailers. And retail outlets can return up to 50% of any unsold al-

RECORD COLLECTORS' CONVENTION

The second of a series of Record Collectors' Conventions will be held on June 6 at the Atkinson Hotel, Illinois and Georgia Streets, Indianapolis. IRC member GERALD RUARK is coordinating the event, which will feature thousands of phonograph records, tapes, posters, books, and many other music-related items. Dealers from Indiana and other medwestern states will provide the materials which will represent a wide variety of tastes in music.

The public is encouraged to bring any records they wish to sell or trade. Anyone interested in obtaining booth space should contact Gerald.

MR. TWEEDY

By Ned Riddle



"Of course, choosing speakers is a very personal thing. It's whatever sounds good to your ears."

A FEW THOUGHTS ON "TAPES AND THINGS."

Many thanks to Guy Preston and Jerry Johnson for the two articles reprinted (without permission of any sort) in this month's T.S. They point up a very important question for those of us who get a lot of our enjoyment from tapes: Are we really hurting anyone with our recording our own tapes instead of buying pre-recorded ones?

The recording industry says we are, while hobbyists say we aren't. My feeling is that they are both right. I'm sure that some tape sales are lost because someone has recorded something from a friend. But I'm equally as certain that the average hobbyist isn't doing that much damage. So they are both right.

As I understand the current laws, we are allowed to record for our own enjoyment, but are unable to record from outside sources for profit. This is the system our Libraries operate under.

If you have any feelings about the subject at all, please let your Congressmen know, so that you will still be able to enjoy the variety that I.R.C. Libraries offer.

RADIO STAR AND WRITER GOODMAN ACE DIES

Goodman Ace, one of Americas best-known comedy writers is dead, at the age of 83. He died at home in his sleep. Ace and his wife Jane are best remembered for their dialogue and comments on a show called "Easy Aces" which ran for almost 20 years.

After starting his radio career on KMBC, a Kansas City radio station, for \$10 a week, he was asked to fill in for a 15 minute act that did not show. Ace and his wife began a dialogue about current events and with the help of his wife Jane who's off the wall remarks such as "time wounds all heals" and "home wasn't built in a day" soon lead to a contract with CBS in Chicago.

Ace used a special table with a hidden microphone to put his guests at ease. Soon he was up to \$500 a week and national recognition. The show ended after Ace and his long time sponsor Anacin had a difference of opinion in 1944.

Ace then wrote scripts for great comedians such as Danny Kaye, Milton Berle, Sid Caesar and Bob Newhart. He also had several books he had written including "The Book of Oklahoma City" and "The Better of Goodman Ace." His wife Jane died in 1974.

44 Uses for a Recorder

from: NORMAN SALMONS

27. Record Your Local History - Interview the old timers about the good old days; or first hand reports of people in the community who were involved in or witnessed the important events in local or national history; or the prominent and famous citizens and residents of your community.

28. Hunting Vanishing Sound - Every generation has a different sound and every year some sounds disappear--like the awesome sound of the steam locomotive. There are sounds in your community that will not be heard ten or twenty years from now, or which are not heard anywhere else today--the sound of a mule powered sorghum mill, for example. Hunting vanishing sound can be very exciting. A battery powered recorder, or a standard recorder with an inverter so it can be operated from a car battery, and a long microphone cable are the only tools you need.

29. The Sound Picture - It is possible to "paint" a picture with sound and it can be representational or abstract just as a canvas painting, or a sculpture. It is quite possible that sound pictures may become a new art form. Here is a somewhat unexplored medium of self-expression with almost limitless possibilities. Anyone can produce a sound picture of his home or neighborhood by collecting snatches of the typical and representative sounds, and then editing them like a film to produce the greatest impact or to tell a story.

30. The Bird Concert - In the Spring when the birds are tuneful, set up your tape recorder on the porch, patio or yard; play a record on your stereo system, preferably one with prominent parts for the flute--like the Mozart flute concert. Very shortly the birds will gather from blocks around and join the orchestra, some of them will mimic the flute and some will fall flat on their faces trying to keep up with the virtuoso cadenzas and trills of the flute. An ordinary omnidirectional mike that will pick up both the music and the birds is best.

DIRECTORY QUESTIONNAIRES.

A questionnaire is included with this issue of Tape Squeal to be completed and returned to the Directory Manager if you want to change your tape equipment, your hobbies, your wife, or anything else in your listing in the new directory. The new directory will not be published for several months but since Tape Squeal is sent by surface mail to overseas members and sometimes takes three or four months to arrive, we are sending the questionnaires now to give overseas members ample time to return them.

If you do not return the questionnaire, we will repeat your old listing except that if you have more than ten interests listed, it may be necessary to print only the first ten.

And since there is a lot of typing involved in getting the copy ready for the printer, please return your questionnaires as soon as possible so we can get started.

Also, if you have any suggestions for improving the directory, let's hear them. We have received several suggestions, some good, which we will use, and some not so good. We are considering all suggestions and in a later issue of Tape Squeal we will comment on why some suggestions were used and some were not.

Send your completed questionnaire to Eleanor Davies, 1729 E. 77th St., Indianapolis, Indiana, 46240.

31. Strange and Exotic Sounds - Make a collection of the odd, strange, and exotic sounds you run into during your travels or around you. For that matter, a collection of all the different sounds you hear can be exciting and highly useful in making future sound pictures or for sound effects for slides or movies or theatricals.

SCHEDULED MEETINGS

Regularly scheduled meetings of the INDIANA RECORDING CLUB are held on the third Sunday of each month at 2:00 pm in the basement meeting room of the Leppert & Copeland Mortuary (740 E. 86th Street) in INDIANAPOLIS. *GUESTS ARE WELCOME!!!*

MAY 16TH

SURPRISE!! We now know what Bill Tillet's mystery program is going to be. **TWO PROGRAMS!** That's right, Bill Tillet and Bill Kearney will each present a short program. B.T. will present the movie "Circus," then B.K. will host a tape/slide show on the Shelburn Museum in Vermont. Let's **SURPRISE** both Bills with a real really great turn-out!!

JUNE 20TH

Australia and New Zealand will be the destinations for those gathered to go "down under" with **BILL DAVIES** as he presents his tape-slide show "Koalas, Kiwis, and Kangaroos."

JULY 18TH

Carol Horrell, of the Indiana History Project, will present a program. The I.H.P. is a voluntary recording society which attempts to preserve history on tape.

mailed May 8

MAILING LABELS

two color with IRC logo

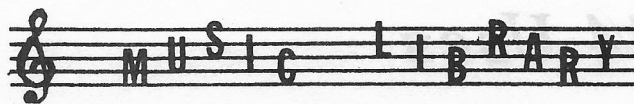
Reel size: 3 $\frac{1}{2}$ x 4 $\frac{1}{4}$
Cassette size: 2 $\frac{1}{4}$ x 4

Price - \$1.75/100 - either size

Order from: **VERN DAVIS**

8805 Madison, #301A
Indianapolis, IN. 46227

When ordering, please specify size.



A 5" reel of tango music was received last month from Angel Morales, #2061:

#478. Met. Star, Spanish tenor, Placido Domingo, Sings Tangos. On side 2 are instrumental tangos. 3-3/4 mono.

A 7" reel of Benny Goodman music was donated by Jim McFarlane, #1105. Jim says there are some scratches, nicks, etc., but the music is great if you are a real Benny Goodman fan.

#479. Benny Goodman Today, Date With a King (with Rosemary Clooney), Benny Goodman in Paris & Hello Benny. 3-3/4. 7".

Part of Music Library tape #185, Roger Williams album, "Love Theme from the God-Father", was accidentally erased by one of our members, and the person who gave the tape to the library ten years ago, is no longer in the club. If anybody has this album and would like to dub it for the library, please let me know. I'll send you the 5" reel and return postage.

---Bill Davies, Music Librarian

The return address of the T.S. has been changed as of this edition to help in delivery of the returned issues. PLEASE continue to address all mail to the editor to the address on track 2.

INDIANA RECORDING CLUB

Sharon Moore, Editor

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