

Probe Told Radio Firm Took Payola

Disc Distributor Says WMEX Got \$100 a Week

By Richard L. Lyons
Staff Reporter

A record distributor told yesterday of making a deal with a Boston radio station to pay it \$100 a week for 13 weeks in return for having one of his records played on the air 56 times a week.

The distributor was Cecil Steen, head of Records, Inc., eastern New England salesman for nearly 100 different record labels. The station was WMEX which each week featured a record on its disc jockey shows as its "Gold Platter of the Week"—billed as a record which its staff felt might become a hit.

"Normal" Promotion

Steen told House "payola" investigators he considered his arrangement with the station "normal" promotion. He also told of paying \$2000 to various Boston disc jockeys in hope it would help get his records "aired." Station WMEX apparently considered its deal with Steen normal, too. It sent out regular bills for payment, and charged Steen and other distributors a total of \$2225 for the "Gold Platter" spot.

Maxwell Richmond, president of WMEX, testified that Steen and others were charged to cover "handling costs" of the "Gold Platter" promotion. He said it brought in a lot of mail and also involved mailing copies of the platter-of-the-week to 50 or 75 listeners.

Richmond is also majority stockholder in Station WPGC in Morningside, Md.

Steen said he gave WMEX records to be mailed out. Robert W. Lishman, counsel for the Subcommittee on Legislative Oversight, said he had been told it cost only 5 cents a copy to mail out the records.

Richmond said the station carried the Gold Platter promotion for more than a year until November, 1958, without charge, and then began asking a handling fee which fluctuated down to as low as \$10 a week. He said the station's staff selected the record. Then the distributor was asked if he would pay for it. No one ever refused, he said.

Disc Distributor Says Radio Station Took 'Payola'

Payment Not Disclosed

The station never announced that the distributor had made a payment to make the Gold Platter spot, said Richmond. It is against the law for a station to accept payment for anything it broadcasts without announcing it.

Most of the day's hearing was taken up with testimony about the Gold Platter and of side payments to WMEX disc jockeys Mel Miller and Arnold (Woo Woo) Ginsburg—so-called because his program is known as "The Night Train." "Before diesels, trains went 'woo woo'," he explained.

Miller is program director for WMEX as well as disc jockey and selects the Gold Platter each week. He told of receiving about \$400 from record companies or distributors. Three times, he said, he received from Coed Records, along with the regular flow of its new records, checks for \$25 with notes of appreciation for "cooperation in the past." Each time he said he played the record accompanying the check.

Ginsburg, who was lower on the ladder than Miller, told of receiving \$2775 on the side last year. He said he assumed it was "good will" money. He said he made no deals to play for pay.

Richmond said he "felt very strongly against" payola and has issued orders that anyone taking money in the future from the outside without the station's knowledge will be fired. He said neither Miller nor Ginsburg have been fired because they promised "never, never to do it again." Richmond said he first learned that some on his staff had been taking money from record interests last December after the Subcommittee started investigating.

Lishman said that a distributor for Atlantic Records once informed Ginsburg that Atlantic had earmarked a fund to promote its records in Boston and said he hoped Ginsburg would get some of it. Ginsburg confirmed that conversation and said he later received six or seven \$100 checks. He didn't say what it was for.

Several times Subcommittee members complained that the WMEX disc jockeys and owner were too vague in their answers. Chairman Oren Harris (D-Aark.) characterized their testimony and the rest he had been listening to for a week as "squirchin." Freely translated, this means bobbing and weaving with the questions.

"If you think we're going to swallow this as just another incident you must think we are pretty naive," said Harris. "Stations have been doing things for which they could lose their licenses. That's the only reason for 'squirchin' back from the facts."

Earlier, the Subcommittee heard Jack Gold, owner of a small record company, testify that he was told by Cleveland disc jockey Joe Finan he couldn't get his records played there because he dealt with the "wrong distributor." Finan was fired by Station KYW last December for taking \$15,000 on the side in two years.