

Record Industry on Coast Shaken by Payola Studies

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LOS ANGELES, July 21—The once free-wheeling pop record industry has grown tense here after two months of publicity about alleged payola and drug scandals.

Although the multiple investigations that began in May after Clive J. Davis was discharged as president of Columbia Records are centered in Washington and New York, they have made a profound impact on the dozens of record companies based in Southern California.

At Warner Brothers-Reprise Records, one of the giants of the industry, top executives have suddenly refused all interviews with the press because the company's accounting records have been subpoenaed by the United States Attorney in Newark, where a Federal grand jury has been investigating payola.

New Talent Affected

At Motown Records, the most successful black-owned music conglomerate, a request from Senator James L. Buckley, Conservative-Republican of New York, for information on drug use by performers has been answered with a one-paragraph letter declaring that the inquiry is "not applicable to our company."

At MCA Records, the chief executive acknowledged in a terse interview that he fully expected to be questioned eventually by Federal investigators.

At Asylum Records, a respected independent label, the company president noted that he had decided not to sign any new artists because he believed that frightened radio stations were cutting back on their play lists and turning a deaf ear to new talent.

Meanwhile, the Los Angeles District Attorney's office has

begun looking into allegation that record companies have used cocaine and other drugs as payoffs to disk jockeys who promote their recordings.

In addition, the Los Angeles County Coroner's office is investigating the death on June 17 of a popular local disk jockey, James F. Patton of KLOS, of an apparent narcotics overdose.

Those music business executives who will still speak with reporters insisted last week that the talk of payola and "drugola" has been grossly exaggerated.

"At Motown, any huge expenses for that sort of thing would immediately be noticed," said Michael Roshkind, the company's vice president. "The only people who might pay off are those with an inferior product," he added.

Nevertheless, many executives are plainly disturbed by the investigations. "It certainly doesn't show the industry's best face; it's a nice way to make headlines," said Mike Maitland, president of MCA, who noted at one point in an interview that "it would be silly for me to discuss this informally when it's going to be the subject of a formal hearing."

"At that time," he said, "I'll have counsel with me."

'We Expected This'

A spokesman for Capitol Records said that, "in light of the Federal investigations, we don't think it is appropriate to comment at all at this time," even though a company lawyer said Capitol had received no subpoenas or informal requests for information from Federal authorities.

"In light of all the publicity, we expected this," Arthur Lyman, a New York lawyer for Warner Brothers, said about the subpoena the com-

pany had received from the office of United States Attorney Herbert J. Stern in Newark. "But we're certainly not interested in leaking anything à la Watergate," Mr. Lyman declared.

Other executives here see the investigations as a threat to the quality of pop music that companies will now be willing to record. "It's made it fantastically difficult to 'break' a new artist," said David Geffen, president of Asylum.

Mr. Geffen continued: "If

Joni Mitchell were just starting out today, she'd have trouble getting radio air play in this climate. Radio stations are afraid to take a chance on new artists unless they have huge hits because they're afraid they'll be questioned about whether they were paid off to play them. The net effect is that the investigations are encouraging the kind of music that proliferated in the nineteen-fifties and nineteen-sixties—nonessential, nonmessage shock rock."