

In On Its Head: Amazon In The Cloud

By Athena Frost



The launch of Amazon Inc.'s new cloud drive and cloud player services has both the tech world and the music industry in a frenzy. Although it was the next logical step in music technology, experts have expressed their surprise that it was Amazon and not Apple or Google to get things going.

The term "cloud" refers to files that have been uploaded to the Internet and are available from any computer. This is the sole function of Amazon's cloud drive; creating one spot for you to host your music files so that they can be accessed from all of your personal and work computers and even your Smartphone. "These are all separate collections you have to manage," said Brian Coley, the Editor of CNET. "What Amazon is saying is keep it all on the cloud, which means just on the internet, and ac-

cess it through any laptop, any Smartphone, any tablet and connected cars. So you're moving it from a bunch of hard drives to one place on the internet."

The first deal Amazon is offering includes 5Gb of free storage space, which is only a little more than 1000 songs. However, with the purchase and download of any one of Amazon's MP3 albums you receive 20Gb storage for the first year. After that deals start at 20Gb for \$20 a year, which is infinitely less than you would spend on multiple external hard drives when backing up your files.

While the cloud drive allows users to upload documents, photos, videos, and music files, Amazon's cloud player allows backed-up music files to be played directly

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MISSION STATEMENT

The Music Business Journal, published at Berklee College of Music, is a student publication that serves as a forum for intellectual discussion and research into the various aspects of the music business. The goal is to inform and educate aspiring music professionals, connect them with the industry, and raise the academic level and interest inside and outside the Berklee Community.

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EDITOR'S NOTE


This, our final spring release, is brought to you with the warmth of summer sunlight peaking over the horizon. Clouds are parting, but not for us at The MBJ. This issue addresses a popular topic in music circles, 'cloud technology'. In our cover, Athena Frost gives us a detailed analysis of Amazon's new music locker service and the conflict it has stirred about its legality. In the meantime, Minden Jones reminds us that venture capital and angel investors are showing much curiosity too.

Understanding live music production is key for any musician, and Tom Jackson is one of its undisputed masters. Micah Deterville records a memorable and though-provoking interview, with Jackson reminding us that the artist-fan relation in concert is not what you might think. Deterville also offers a first-hand account of the New Music Seminar in LA, a symbol of entrepreneurial forward thinking.

Much is written in textbooks about performance rights, but Fred Choquette focuses on the collections and distributions of ASCP and BMI. How should artists choose among them? In the meantime, as the industry continues to evolve, innovative ways of doing business flourish. I've contributed an article detailing the strategic and well meant plans of a new type of record label, tinyOGRE.

Rebecca Black's "Friday" merits discussion, if only for the remarkable exposure she has had on YouTube's platform. Nick Susi doesn't hold his punches, but this a reflective piece for musicians. For them too, the MBJ team is featuring the results of a salary study that was conducted by Berklee's Career Center on industry-wide jobs; we report on business positions, but the reader can look up the entire study online.

Finally, Mariana Ramirez, a Boston University student, discusses, in an interesting submission, the special ethical dilemma posed by Mexican music piracy. Also looking abroad, Jamie Anderson writes about the recent tragedy in Japan and the reaction of US musicians.

It gives me great pleasure to present this issue. Be sure to check out our brand new website at www.thembj.org. 

Thanks so much for reading,



Evan Kramer, Editor-in-Chief

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BUSINESS ARTICLES

Amazon in the Cloud (cont.)

from the hosting site. The player is relatively simple in its design, but has play, pause, and skip buttons. It also allows for the user to create playlists, which will exist on all computers you might use to access the cloud, and all Smartphones with Google's android operating software. It does not have compatibility with the iPhone and other Apple products. This could be due to Apple's own plans to launch a cloud service. Both Apple and Google seem to have cloud projects in the making.

While many bloggers and tech enthusiasts have been praising the cloud drive technology, there has also been backlash from record labels, claiming that Amazon does not have the appropriate licensing rights for what the music locker service allows. And another issue that Record Labels have with this system is that it is impossible for Amazon to distinguish between uploaded files that were purchased legally and ones that were illegally downloaded. Amazon did not even address the issue of licensing until after the new items had been launched, scheduling a negotiation meeting only after an outcry from Sony Music.

"I've never seen a company of their size make an announcement, launch their services, and simultaneously say they're trying to get licenses," said an executive at the scheduled discussions who asked to stay anonymous.

Craig Pape, the director of music at Amazon, has been doing his best to stave off the allegations. "We don't need a license to store music," he argued in an interview with New York Times. "The function is the same as an external hard drive."

At this point, people are unsure of who is in the right. With each new music technology that is introduced, the legalities are less defined. For obvious reasons, music publishers and record labels would prefer that listeners buy a new copy of a song for each system that they would use to listen to it. Most experts have been describing the situation as being legally ambiguous. Either way, when an idea is as potentially profitable as streamlining cloud technology, record companies are going to want a piece of the pie. "We hope that they'll reach a new licensing deal," commented Sony Spokeswoman, Liz Young. "But we're keeping all of our legal options open."

It is not the first time cloud technology has come under legal scrutiny, though it has never occurred before that two heavy-hitters in the music industry have come head-to-head over such an issue. In 2007, EMI sued MP3tunes.com over a similar file hosting technology. Although the 2007 legal battle tipped in favor of those opposing cloud technology, Michael Robertson, founder of MP3tunes, feels confident that record labels cannot halt the advancement of the music tech world any longer. "The labels have engaged in a legal terror campaign over the last 10 years using litigation to try and slow technology progress."

If anyone can take on the majors in this battle it would be one of the three Internet Superpowers: Amazon, Apple, or Google. The licensing agreements decided in the current discussions with Amazon could affect the future of all corporations that have plans to implement cloud technology of their own. Both Google and Spotify have a temporary hold on introducing similar services while they negotiate with the music publishers and labels. The record label executives are smart—they know that whatever bargain they strike with Amazon will be expected by all other parties too. In short, it may all come down to the outcome of this exchange.

Despite the adversity brought on by Sony and other labels, the music locker service has yielded great results. On Nasdaq, Amazon rose 3.1 percent, closing at \$174.62, while Apple fell 0.2 percent. This may not seem like much, but Amazon has been sitting on the sidelines for years now while Apple has been ruling the digital music world. "Amazon needs to establish a strong post-CD role for its music customers, [and] this smartly positioned locker service is an important first step in building a future role," stated Mark Mulligan, a Forrester research analyst. "As logical a next step in the digital music market as locker services might be, they're not an innovation in the music product. They're simply giving people access to the music they have on the devices they own."

It is true, the cloud drive service isn't revolutionizing the future of technology, but it is giving people the convenience of having their full music catalogue at their fingertips wherever they go. There is some worry about whether the music locker technology will also lead to a new variety of piracy.

If people can access their music files from anywhere, what is to stop them from sharing with their friends? Amazon, has not yet addressed this issue directly. Craig Pape, director of music at Amazon seems confident that the service will drive more purchases of digital music, by encouraging people to purchase music files on the go or from secondary computers. "At the end of the day we're trying to delight customers, but we're trying to sell more music too," says Pape.

Experts in the industry are hopeful that when the licensing discussions will come to a close, Amazon and other companies will be able to slowly refine their new technology. It is unclear how long the licensing discussions will last, but it is almost certain that locker services will become more important in time and redefine access to music yet again. **MBJ**

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BUSINESS ARTICLES

Our Essay on Rebecca Black

By Nick Susi



Without dispute, Rebecca Black and the song “Friday” have taken the world by a storm. The video was made in January and uploaded to YouTube on February 10th. Up until mid-March, the video hardly drew attention, receiving only about 4,000 views. The success of the video took a drastic change when comedians Daniel Tosh and Michael J. Nelson posted it to their websites, and overnight, it received more than 200,000 hits. As of April 13th, “Friday” surpassed 100 million views-- a feat that has been achieved by less than 50 videos on YouTube.

“Friday” was created by vanity record label Ark Music Factory (AMF). The LA-based company was founded by producer Patrice Wilson, in an effort to give aspiring singers a taste of life as a superstar: working with a songwriter, recording a song with a producer-engineer, and shooting a professional music video. AMF charges \$2,000-4,000 for their services and keeps the publishing rights, while the singer retains the master recording rights.

While it may seem innocent to provide young dreamers with this opportunity, the glimpse of fame comes accompanied by all of the negative aspects associated with being a celebrity. Black, who is only 13-years-old, was certainly not prepared for the serious cyber bullying and emotional trauma that re-

sulted from “Friday.” During an interview on Good Morning America, she revealed the most hurtful response: “I hope you cut yourself and I hope you get an eating disorder so you’ll look pretty, and I hope you go cut yourself and die.” Ultimately, Black is not a professional, and neither are the rest of AMF’s juvenile clients. They are teenagers who are unprepared for the media attention that could result from their relationship with AMF. “I feel bad that Rebecca has been getting so many people criticizing the song because it was me that wrote it,” said Wilson.

“Friday” is only one of several productions by AMF. Each song utilizes a typical formulaic pop structure, with its main focus on achieving “catchy” quality. Each video strives to create a glam star aesthetic. Most of the other videos have received thousands to millions of views, but nowhere near the 102 million that “Friday” has amassed. If each song and video is based upon the same structure, then what set “Friday” apart?

Wilson recalls, “I remember writing ‘Friday.’ It was on a Thursday night, but I finished it on Friday morning. And I knew it was silly, you know?” Each of AMF’s productions have a similar sound, so why is it that the “silliest” is being offered management and record label deals? Black is pursuing these management and label deals, but the fact that

she purchased the song, the production, and the music video, from AMF makes it difficult to imagine what value she actually provides- other than her current “flavour of the week” status. Yet, some argue that Black’s voice actually holds merit. During Black’s appearance on Good Morning America, she sang a few lines from “The Star Spangled Banner.” Following the performance, Rolling Stone noted, “She did fine, or at least as well as your average 13-year-old theater enthusiast.” Has “average” become the standard for being a profitable musician and superstar? It would seem, from this point of view, that the targeted marketing and glitzy packaging that AMF provides (and that labels desire) outweigh the actual quality of music as an artform.

Lady Gaga defended Black during an interview with Google, although she admitted she had not seen the video. “I think it’s fantastic,” Gaga noted, “I say Rebecca Black is a genius and anyone that’s telling her she’s cheesy is full of sh--.” Unlike Black, however, Lady Gaga did not receive management and label offers after a few weeks. Like most musicians, she struggled to maintain a sustainable career in music. She worked diligently at New York University’s Tisch School of The Arts and was dropped from Def Jam Records before she began receiving any significant exposure for her craft. Granted, it is truly astonishing that “Friday” YouTube plays and digital downloads have earned Black and AMF over \$200,000 in only a few weeks. However, it would seem that Black has skipped several steps and danced around crucial experiences that factor into a more traditional artist’s development. Perhaps Black is serious about turning this success into a sustainable career in music, having announced a follow-up single and a cover on Glee.

Regardless, Black’s future in the music industry will be far from painless. Black and her mother are suing AMF for copyright infringement and unlawful exploitation of publicity rights. Initially, AMF served as a record label for Black. They handled her distribution and promotion, all with her mother’s consent. The extreme success of “Friday,” however, was not foreseen. As soon as the song and video

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Financing the Cloud: In The Air

By Minden Jones

With all the recent activity in the digital music world, it is no surprise that investors have been attracted to the concept of cloud-based services. According to the New York Times, venture capitalists have put \$57 million dollars into the digital music business. Investors are looking for companies who have great service and a substantial portfolio of subscribers. Venture capitalists have confidence that the music business, with consumers spending approximately \$8 billion on recorded music, will only become more profitable in the coming years with the integration of music subscription services.

Most venture capitalists and bankers would not invest in a company that is valued for less than \$25 million; however, new start-up streaming music services seem to have become a popular investment. When investors evaluate a digital music company, they typically inspect the service, earnings, management and potential of a company. The investors envision that streaming services are the new method for people to consume music and, as will be shown, have deemed them worthy investments.

Confidence can largely be attributed to the Swedish music streaming service Spotify, which allows users to stream songs from the catalogs of Sony, WMG, EMI, The Orchard and Universal. Spotify was founded by Martin Lorentzon and Daniel Ek and has become a major music company in the UK with approximately ten million subscribers. Currently most of the users have the free subscription, which has a limited amount of streaming time per month with advertising. Approximately 1 million subscribe to the paid service, which allows users to stream music with no restriction on usage and without advertisements. Recently, the Russian based investment firm DST, valued at \$2.5 billion dollars, tentatively made a deal with Spotify to finance \$100 million in exchange for a 5% stake in the company. This investment makes Spotify's estimated value approximately \$2 billion dollars.

Like Spotify, MOG, founded in 2005 by CEO David Hyman, is an innovative digital music subscription service that gives users on-demand streaming access to its entire catalog for a \$5 monthly subscription fee. The format is similar to an online radio station, like Pandora, except the features are

more interactive than the usual radio format. Users have the ability to create playlists and access other users' published playlists to discover new music. MOG has not released how many users subscribe to their service but some estimates suggest around 40,000 subscribers with a projected revenue around \$14 million. In February 2010, the company raised \$10 million and plans to raise an additional \$25-\$30 million in 2011. The company has attracted loyal investors like Menlo Ventures, Balderton Capital, Simon Equity Partners, Universal Music Group and Sony Music. Additionally, MOG recently recruited high-profile producer Rick Ruben to serve on their board of directors. Investors see potential in MOG and continue to invest in their success.

Rdio, another heavily funded company, is a US streaming music service start-up founded by Janus Friis and Niklas Zennstrom, who were also founders of Skype. Rdio has created a streaming service that integrates music streaming into a social media format. Users can "follow" other users' music playlists and "share" music with others in their Facebook network. Rdio is currently funded by Janus Friis, Atomico, Mangrove Capital Partners, and Skype. Recently, the VC firm Mangrove Capital Partners has invested an additional \$17.5 million and executives have said that "the funding will be used for aggressive expansion of the Rdio platform in 2011." Warner Brothers Records Chairman and Grammy-nominated producer Rob Cavallo is also joining the board of directors at Rdio. Rdio has not released the amount of users they have accumulated but it is believed to be fairly low. Despite the low number of current users, Rdio has strong relationships with major labels EMI Music, Sony Music Entertainment, Universal Music Group and Warner Music Group and Merlin as well as thousands of indie labels. These relationships promise successful negotiations over licensing conditions and make investors feel more confident about the company's growth. The agreement over licensing concerns with major labels continues to be a battle with Spotify, Google and the newly released Amazon Cloud Drive.

Although many companies have received a substantial amount of investment, not all streaming services are attracting investors. Kazaa music streaming service was originally created by programmers in Esto-

nia who later sold the company to Niklas Zennström and Janus Friis, the founder of Skype and Rdio. The company was finally sold to Atrinsic, an Internet marketing firm that sells subscription services, including a music subscription service that allows subscribers to download music files. Kazaa began as an illegal peer-to-peer file sharing application but it is now a licensed music subscription service with approximately 60,000 users. Atrinsic is worth approximately \$19 million but revenue has been shrinking since 2008 when Andrew Stollman became the new president. On February 4, 2008, Atrinsic's share price was \$18.08 and by the time Stollman left his position on February 28, 2011, the share price was at \$2.99. As a result, the company continues to struggle due to not having the strong ties with the record labels. It has announced a future IPO (an initial offering of stock to the public at large)—but under the circumstances, it may wait for better times. It may even have to change leadership. In fact, the company also suffers from accountability concerns. Thomas Plotts, the Chief Financial Officer of Atrinsic, Inc. and VP of Finance & SEC Reporting, failed to submit SEC filings for Q1 on time, dragging Kazaa's name down further.

In the meantime, the growing potential of cloud-based investment is likely to grow. The biggest challenge that these digital music companies face are the licensing fees they have to pay to record labels and publishers. An early agreement cannot be ruled out, but it will depend on how the court system will on streaming dues—which will itself depend on how eager the old music guard will be to leverage content at lower prices. **[MB]**

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LAW SECTION

The Returned Value of PROs

By Frederic Choquette

Performing Rights Organizations (PRO) should be regarded as any artist/songwriter's best friends. Societies such as ASCAP, BMI and SESAC are responsible for collecting all performance royalties and distributing them to their members, which include songwriters and publishers (but not the record labels). The income generated by these licensing deals is crucial for music creators. In the United States, ASCAP and BMI are by far the largest of the three organizations, collecting a combined 96-97% of all performance royalties. SESAC, the only other PRO in America, is much smaller and takes prides in being selective as to whom its members can be. This explains why its share of the performance royalty collection market is so much smaller than the other two, as ASCAP and BMI are open to almost any artist having a commercially released recording, a published printed sheet music, or claimed "evidence of a performance of the composition." SESAC is also privately owned, meaning it is not obligated to publicly divulge any of its financial statements or internal procedures relating to royalty collection and distribution. It is for those reasons that this article will focus on ASCAP and BMI.

Collections

Collections

ASCAP collected \$935 million in royalties worldwide for 2010, a 6% drop from their record high \$995 million in 2009. BMI on the other hand, collected \$917 million, just a slight increase on 2009. Although for both societies the amount distributed is usually around \$100 million lower than what is collected, these two organizations distributed a combined \$1.684 billion to their members in 2010. Deductions are meant to cover operational costs, which seems fair when taking into account the massive amount of computational power it takes to keep track of their enormous catalogues worldwide--and that's not even including all of the litigation efforts deployed to protect those very same catalogues from unscrupulous use. However, the way these outlays are calculated vary slightly between the companies.

ASCAP stands for the American Society of Composers, Authors, and Publishers and the name describes exactly who actually runs the company. Their board of directors is comprised of 12 writers and 12

publishers, each elected by the members for two-year terms. Their president is also elected by the membership and has "traditionally been a writer" himself. This means that the people at the head of this company aren't isolated from the creative side of the business and share common goals with most of their members. BMI, on the other hand, stands for Broadcast Music, Inc. and was originally formed by members of the broadcasting industry. Their board of directors is different from ASCAP's in that instead of consisting of a mix between writers and publishers, it is made up of 13 people closely affiliated with various broadcasting industry corporations. The first thing that comes to mind when one hears about BMI's affiliations is that there might be a conflict of interest, considering that BMI is collecting licensing fees from the same broadcasting companies represented on their board of directors. Many critics also point to the fact that BMI has many more members than ASCAP, 460 000 compared with 330 000, but collects and distributes almost \$100 million less than ASCAP in royalties. However, although these issues aren't completely unfounded, many factors must be taken into account when assessing the reasons for this apparent discrepancy in licensing monies collection.

First of all, a larger pool of members does not necessarily translate into more money from performance royalties, as not all of the members' materials are commercially successful. We must keep in mind that being a member of one of these societies has no effect on whether an artist's music will be played or not, especially since they almost exclusively focus on collecting licensing fees and have very little to do with artist promotion. That being said, it is more than likely that the ratio of artists whose music is publicly performed in BMI's member pool is smaller than at ASCAP, explaining how they could have more members all the while collecting less money. Furthermore, more members do not necessarily translate into larger catalogues. ASCAP has a higher average of songs per member, making their catalogue larger than BMI's and once again explaining why they would collect more money.

Regarding public performance, there are blanket licenses, which are the most popular type of license issued by a PRO. A blanket license in effect gives the licensee the right to play any music that is part of the PRO's cata-

logue for a set period of time, at the end of which the fee is usually renegotiated, making adjustments when needed. These are issued to most radio stations, television networks, bars, clubs, and pretty much anywhere music is publicly performed. It is also important to note that these Performance Rights Organizations do not have the right to license dramatic works, i.e. musical plays, operas, ballets, musical comedies, etc. This is an important distinction because these types of works contain what are called grand rights and are usually licensed by "the composer or the publisher of the work."

The other major type of license issued is called the per-program license and in a way has been the Achilles' heel of the PRO's economic power. A per-program license, simply put, is issued on a per-program basis, meaning that a different license needs to be obtained every time a television station, for example, uses music that is part of either ASCAP, BMI, or SESAC's catalogue. Logically, these licenses are much cheaper than blanket licenses, and in turn tend to reduce the revenues collected by these companies. Many types of broadcasting mediums who previously used blanket licenses have begun to make the change towards per-program licensing, which partly explains the \$65 million drop in revenue collected by ASCAP from the 2009 to 2010.

It is also important to note that although artists and publishers typically rely on the performance rights organizations to handle most of their public performance licensing matters, the agreements signed with ASCAP and BMI are non-exclusive. This means that the writer and publisher of a specific work are free to license the song to third parties at any time, as long as they give proper notification to their PRO. Nonetheless, a writer can only be a member of one Performance Rights Organization at a time. This is explained by the fact that if a writer were to be a member of two or more PROs, he would be getting paid multiple times for the same use of his song, which would count as fraud. Similarly, the writer and publisher of a work must be part of the same PRO. Although this may seem complicated, all major and indie publishers have to create three separate income entities, one for each organization (again, a song can only be part of one PRO's catalogue, or else it would receive double or triple the payments).

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These payments can be a significant source of income for even marginally successful songwriters. In *Music Money and Success*, Todd Brabec, ASCAP's former Executive Vice President and Director of Membership, discusses the specific amounts a writer and publisher can expect to collect in various circumstances. One of his examples, although slightly outdated, is for the number one song of the year on the Billboard pop charts; artist and publisher earnings were each, respectively, about \$2 million a year. Other examples look at a theme song on a hit television series, which can earn \$500,000 for a five year period or for a hit song's lifetime earnings which can average \$7.5 million. These figures represent an important share of a writer's income, therefore explaining the importance of signing with one of these companies.

Distributions

This once again opens the debate as to which PRO is best and leads us to another major difference: the distribution of their collections. The two organizations in fact use very different methods of distributing royalties.

ASCAP uses an extremely complex, yet efficient, way of calculating artist royalty statements by attributing each writer a certain amount of credits based on the different types of airplay each respective song got for a specific quarter. The weight attributed to each play depends on the combination of the type of use, the licensee weight, the "follow the dollar" factor, the time of day when the song was played (for television), and the general licensing allocation. All of these factors are multiplied together to give us a certain number of credits, which are later multiplied by a credit value in dollars, finally arriving at a dollar amount to be paid out to the writer. There are also "premium credits", which ASCAP attributes to songs having reached a certain threshold of plays on radio or for songs used as themes or underscores on "highly rated networks and television series." It is also important to note that with the arrival of new public broadcasting mediums, ASCAP has tailored the above calculation methods in order to accurately represent their market share of the broadcasting industry.

At the other end of the spectrum, BMI has come up with dollar figure amounts for specific types of plays, which also vary depending on the type of use, time of day, duration of use, etc. They basically calculate the amount of plays received for a certain song and then multiply that number with the rate based

on the aforementioned airplay categories. Another important aspect of BMI's payment plan, generally 30-40% of all royalty statements, is called the voluntary add-on method. After much research and multiple phone calls to BMI, the calculation method used for these voluntary add-ons remains nebulous even though they represent a significant chunk of the artist's royalty statements.

Thus, the payment methods employed by the two companies are dissimilar and should definitely be taken into consideration when one is looking to sign with a PRO.

More Benefits

It should be noted as well that total revenues include foreign sources of income. ASCAP and BMI, through the help of affiliate international PROs, collect royalties for performances across the world. ASCAP's international revenue for 2009 was posted at \$301.7 million, roughly 30.5% of their total income for the year. Similarly, in 2009 BMI reported that of the \$905 million collected, \$258 million came from international royalties. A chart included in the 2009 issue of *Music & Copyright* showed that the large majority of the international royalties collected came from Western Europe (68.8%). Asia Pacific came in a distant second with 13.6%. During a recent visit at Berklee College of Music, Seth Saltzman, ASCAP's Senior VP of Member Management, was quoted saying that the Asian market was one of the great, untapped resources of the various performance rights organizations and that with their rapid rate of industrialization and population growth, a large increase in revenues collected from these areas should be expected in upcoming years.

Other differences between ASCAP and BMI include areas such as the writers' and publishers' involvement with the organization. ASCAP, being a membership organization, is very focused on membership involvement in many activities such as voting for the board of directors and selecting the president of the company. BMI is a corporation and does not rely on its members for the selection of the board of directors or president. Arguments for both methods can be made--proponents of ASCAP stating that it is essential for member's voices to be heard in order for the company to keep in line with writer's and publisher's best interests, while proponents of BMI say that most songwriters have very limited business knowledge and that most decisions pertaining to the health of the business should be made by professionals specializing in these specific areas.

These two companies also differ in the way that they calculate airplay time earned for each specific song. Monitoring the roughly 10,000 radio stations in America would be close to impossible, so the two have come up with rather ingenious ways of using representative samples of the total airplay during a quarter, to calculate how many times a song has been publicly performed. Television tracking, on the other hand, is much easier since television stations produce logs for every single song, whether it is the theme to a show or simply a background jingle that appears during a program. These are then compiled and stored in gigantic databases before being used to calculate royalty payments.

A music writer or publisher should exercise due diligence in choosing either. Even SESAC, of which little reference has been made here, can be advantageous if it serves well a niche market in the writer's genre of choice—like, for instance, SESAC does Latin music songwriter. Ultimately, the PROs are a practical response to enforce the collection of performance rights in a variety of old and new media outlets, clubs eateries, and larger entertainment venues—and not just nationally, but internationally. **MBJ**

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INTERVIEWS

Looking at Live Music: Interview with Tom Jackson

By Micah Deterville



Tom Jackson is a live music producer with an illustrious track record that includes work for Taylor Swift, Jars of Clay, Jordin Sparks, and Casting Crowns. He is well known too for his many instructional DVDs, where he showcases his method for improving artists' on-stage presence. Many of the secrets of a good live performance are exposed using his materials, which are analytical and help marry a performer's emotion to her stagecraft. Anyone that has witnessed Jackson's clinics--and he recently was a guest at Berklee--cannot fail to be impressed by the importance of the visual element in a commanding musical performance. This sounds paradoxical, but Jackson is a master at what he does.

MBJ: Where did you get your start musically and what led you into live production?

Tom Jackson: I got my start pretty much like anybody. I lived in Southern California at the time. I liked music, and I picked up the guitar. I played guitar for a while and then realized that I liked the bass more. I played with four bands, toured, and at one point I realized I was

tired of the struggle. And one year I just went through this whole thing trying to figure out what I wanted to be when I grew up. And then I just started realizing that, in tour, I had had a lot of "a-ha" moments. I saw things from the audience perspective. I am often asked: "If there is one mistake that musicians make, what is it?" I say: "There is no one thing". But there is a musicians' mindset. I think that one of the reasons I can do this job is because I understand what the musician is thinking on stage--but I also am tuned into what the audience is thinking. My job is to make that connection. What a band pays attention to is quite different to the way an audience thinks. A band cares about technique, tone, and more ("Oh my god, the drummer is speeding up). The audience doesn't care for the same things.

MBJ: As a musician, do you think being a good performer is something you are born with or is it something you can develop?

TJ: No. I don't think you are born with it. It's like saying are you born a good player. You still have to learn the technique, you still have to learn the theory, and you still have

to practice a lot. I have done this almost twenty years, and the first ten years of my life people would come up to me and say, "You know, you can't teach charisma." And, initially, I would say, "Yeah, you're right." I was too preoccupied with the technical aspects of a performance. But there are things you can do from stage, or places off stage, that are as important as the music. Performing is a craft and that is why I developed my method. After those first ten years I started thinking "What is charisma?" So I broke it down. Charisma comes out of confidence. After confidence comes authority (on stage). And there is a difference between confidence and authority; i.e. someone who takes charge. Charisma comes after that. I make a parallel about performance and music. Things like dynamics, theory, tone, key change, and colors.

MBJ: Could you elaborate?

TJ: I ask this question at every event. How many of you play an hour show? Most people raise their hands. I continue: "In your hour show, do all of your songs sound the same?" And they say, "Well no." Then I ask "Why is it that if your songs don't sound the same, they all look the same?" I can hear a pin drop in the room. The players do the same thing from the same place on stage, every song. I mean there might be a slight variation, but that's what tends to happen. Now, from an audience perspective, it's insane. It makes no sense at all. We are using all of these dynamics in the song to capture the character of a song musically but we don't do it physically.

Now here is the problem: 55% of communication is what the audience sees with their eyes. So if they see the same thing over and over again, the songs start sounding the same. Musicians don't get it. They say "I am doing this and I am doing that". But this is not obvious to the audience because audiences are not music experts. So this is where it all goes back

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to your first question—“Where did it all begin?” “If you have a song that just completely rocks, it needs movement. It is like an action scene in a movie. You wouldn’t in a million years during a movie think about guys shooting up guns and blowing up things in a kitchen. And then again, you would never think of a love scene being in a car driven 80 mph with guys shooting. The dynamics clearly depend on the scene.”

MBJ: What is the difference between a live performance arrangement of a song and its studio production?

TJ: Look at the rules for radio: Intro, verse, chorus, verse, chorus, bridge, chorus. This has been the form for the last fifty years. A song will be anywhere from 2:45 to 3:45. And here is the deal: as musicians, if you don’t want to follow this constraint, you’re not going to get played on radio. Goethe says that when “working within limits, mastery reveals itself.”

On radio, you can only develop a vocal line and a hook up to a point. Live, those rules aren’t there. So you have the ability to develop the themes and the characters (the players on stage) way more than the three and a half minute song that people listen to on the radio.

A couple years ago *The Simpsons* came out with a movie. *The Simpsons* play a 22-minute sitcom (with 8 minutes of commercials). But when you walk into a movie theatre, your expectations are different to when you are sitting in front of your TV set at home. You are used to going to a movie with a set of expectations. If those expectations are not met, people walk out saying “that wasn’t a great movie.” Now if they exceed those expectations, people say, “great movie.” The same thing holds true with live songs. So, my whole theory is built around rearranging the songs for live performance. An intro on radio is, 5-12 seconds at the most, because if it goes on for too long, people will change the station. That is not the case with live music. In fact, an intro needs to be absolutely compelling so that when you start singing the verse, the audience is with you. Too many people play their old intros (the intro that is on radio) to an audience that doesn’t know them, and the audience does not even catch up to the song until maybe the second verse or second chorus because they are paying attention to other things. They are watching, not just listening. So the idea is to develop the characters and the themes within the song to create a live music experience full of moments.

MBJ: When you spoke about this at the New Music Seminar, you were talking about the spontaneity of a performance and especially in regards to the intro, you were talking about “hanging on the one”. I was curious, what should be planned and what should be spontaneous in the arrangement of a song?

TJ: A song is like a football play. We diagram the play, meaning that in rehearsal we rearrange a song, we have a form but we have certain places for spontaneity in it and we know where those places are.

Are we the artist/band dating our audience or the artist/band married to it? It makes a huge difference. If we are dating the audience, all that happens in the first fifteen seconds is that, as we start playing, people will turn their heads and try to figure out whether they like us or not. If you are dating someone, your relationship with him or her is different so the approach to the show needs to be different. And you have to know what to listen to, and what not to listen to, just like when you are on a date. You might use something as a hook, to see if the girl is still with you. You look for little signals, little touches, and little things that give you clues on whether you are on the right track. If you are, you might open up a bit more, if they are not, you try a little harder. Re-arranging a song is key and you should leave space for spontaneity.

MBJ: What are your experiences with college bands and what advice do you have for them?

TJ: Learn everything you can and play your brains off. But just because you went to a prestigious college doesn’t guarantee that you are going to get a gig. In fact, there are probably forty Berklee alumni I know right here in Nashville, and seven of them are doing dry-wall. That is why I think what I have to offer, and I don’t mean to sound arrogant, is so important. Great artists pour themselves into a show and what the audience responds to is not just the music.

Musicians are probably thinking that this is not what they are about. I can certainly sit and listen to Pat Metheny all day long. But the attention span of the general public is quite different, and the music is only one of their interests. Luckily, Pat is so good that every musician on the planet loves him and he sells enough records to keep that going. My recommendation is to learn how to pour yourself into your show, so that when you get called to an audition, you are more than just a great player (there are too many of them around). You also need more than the music when the next platform of the business is playing shows live. **MBJ**



BUSINESS ARTICLES

A Berklee Report on Music Industry Salaries: Business Jobs

In December 2010, Peter Spellman, head of Berklee's Career Development Center, produced a listing of salary ranges for US music positions in performance, writing, business, audio technology, education, and music therapy. Here we reprint, with permission, the business salaries. The complete report can be found, in PDF format, at www.berklee.edu/pdf/parents/music-industry-salaries.pdf, or www.thembj.org. The MBJ staff has not ascertained the accuracy of the data. Sources are listed at the end. [MBJ](#)

CATEGORY	JOB TITLE	SALARY	ADDITIONAL INFORMATION
BUSINESS			
Music Products	Instrument Maker	\$15,000 - \$65,000/year	Training or apprenticeship programs are required. Pay scale depends on the quality of the work, reputation, and amount of experience.
	Instrument Repair Technician	\$9 - \$55/hour	
	Piano Tuner	\$90 - \$95/hour - standard rate (Boston).	
	Music Dealer - Sales	\$13,000 - \$50,000/year	Good salary, often tied to commissions.
	Music Dealer - Manager	\$17,000 - \$56,000/year	
	Marketing/Advertising Specialist	\$28,000 - \$116,000/year	
	Music Instrument, and/or Accessories Distributor	\$19,000 - \$75,000/year	
Music Publishing	Music Editor	\$20,000 - \$60,000	English or Journalism degree helpful.
	Typesetter	\$15,000 - \$50,000	
	Song Plugger (Sales Representative)	\$20,000 - \$50,000	Business marketing experience/education helpful.
	Copyright/Licensing Administrator	\$20,000 - \$60,000	Business/law experience/education helpful.
Record Industry	A & R Representative	\$27,000 - \$175,000	The main duty of the A & R Coordinator is to find talent for the company to sign to recording contracts.
	A & R Administrator	\$25,000 - \$65,000	Responsible for much of the clerical functions of the department.
	Artist Relations Representative	\$25,000 - \$65,000+	Often, responsible for acting as a liaison between company's artists and media, etc.
	Regional Sales Manager	\$35,000 - \$85,000+	The regional sales manager is responsible for supervising the sale of the label's records to wholesalers and/or retail outlets in a specific region, creating sales campaigns and policies, and overseeing sales staff.
	Artist Manager	10% to 50% of artist's earnings	The manager deals with and advises the act of all business decisions and many of the creative decisions artists must make.
	Music Attorney	\$70,000 - \$150,000+	Music attorneys handle all legal issues concerning musicians, particularly issues with copyright, trademark, and contract negotiation.
	Webmaster	\$28,000 - \$150,000+	Individual in charge of creating and managing the company's website.
	Digital Marketing Manager	\$24,000 - \$55,000	Responsible for finding ways to market company's label and its artists via digital channels.
	Website Content Producer	\$28,000 - \$75,000	Develops interesting and unique content for a label's site including artist bios, stories about upcoming tours, announcements about new releases, and features about label artists.
	International Department	Varies	Oversees foreign sales and ensures effective communication between domestic and foreign affiliates.

BUSINESS ARTICLES

CATEGORY	JOB TITLE	SALARY	ADDITIONAL INFORMATION
Concert Industry	Booking Agent	\$20,000 - \$1,000,000+	Secures engagements for musical groups.
	Tour Coordinator	\$35,000 - \$175,000+	The tour coordinator is responsible for coordinating the many facets of an act's tour, including travel, lodging, arranging for services, and budgeting for expenses.
	Road Manager	\$25,000 - \$125,000+	Road managers handle the problems that occur while an act is traveling. They supervise equipment, sound, and lighting personnel.
	Tour Publicist	\$25,000 - \$100,000+	The tour publicist is responsible for publicizing an act's tour to both fans and the media through press releases, press conferences, and special promotions.
	Advance Person	\$23,000 - \$48,000	The advance person is responsible for arriving ahead of the act to prepare for a concert and assisting the tour coordinator or road manager with details prior to the show.
Music Communications	Sound Technician (see also Audio Technology section)	\$20,000 - \$50,000	Sound technicians are responsible for high-quality sound during the live performance.
	Publisher or Editor of Music Books or Periodicals	\$24,000 - \$100,000/year	These positions obviously require strong writing skills, a good contact network and previous experience. Musicians/writers often start by writing for campus publications or by volunteering to cover events for smaller publications.
	Music Journalist	\$20,000 - \$70,000/year \$50 - \$150 for a review \$100 - \$500 for a feature	
Public Relations Specialist	\$20,000 - \$120,000/year depending on size of organization.		
Non-Profit Arts Administration	Administrative Assistant	\$20,000 - \$35,000/year – Entry level arts administration jobs in Boston. Example: \$30,039 - Michigan State University, Department of Music.	Typically, entry-level arts administration positions require organizational, interpersonal, and computer skills; office work experience, and knowledge of music/arts.
	Development Associate	Example: \$36,000 - \$45,000 – Director of Development – Colorado Springs Philharmonic.	Previous fundraising experience is required. Experience in public speaking and database management are also helpful.
	Public Relations	\$30,000 - \$75,000 – Small to mid-size organization. Example: \$36,000 - \$45,000 – Director of Marketing and Public Relations – Maryland Symphony.	These positions require relevant work experience, strong communication skills and computer skills. Salary is based on applicant's qualifications & experience.
	Executive Director	\$20,000 - \$250,000 Example: \$56,000 - \$75,000 – Traverse Symphony Orchestra.	Bachelor's degree is required and a master's degree is preferred. Typically, Executive Director positions require management and fundraising experience. Salary is based on applicant's qualifications & experience.

Sources: 2006 Film Music Salary Rates (Film Music Network), American Federation of Musicians (AFM), American Guild of Organists (AGO), American Music Therapy Association (AMTA), Audio Engineering Society (AES), Career Opportunities in the Music Industry by Shelly Field, Careers in Audio by Jeff Touzeau, Ellen Pfeifer, The HEADS Report, How to Get a Job in the Music Industry by Keith Hatschek, Jean Morrow, Music Educators National Conference (MENC), Music Library Association (MLA), National Association of Music Merchants (NAMM), New England Conservatory (NEC) Piano Services and Music Referral Service (The "Gig Office"), Occupational Outlook Handbook, 2010-2011 Edition (U.S. Dept. of Labor), Salary.com, Shoot Magazine, "Worldwide Music Connection" (NEC).

BUSINESS ARTICLES

Business Meets Talent in LA

By Micah Deterville

The New Music Seminar LA is a forum for music business professionals and artists to discuss the changing industry and the tools that can help musicians engage their fans. The event welcomes the changes to the industry with a sense of optimism and honesty rarely seen in most music business seminars. As Roland Swenson, the managing director of SXSW said, "The New Music Seminar led an insurgency that ushered in a new generation of music business leaders. The 21st century music business sorely needs that spirit again. The first NMS showed us how to hotwire the family Cadillac. The next NMS will show us how to choose the best hybrid on the lot." The industry is changing, and the New Music Seminar strives to make this change one for the better.

The Triumph of Hope

New Music Seminar LA 2011 was broken into five different movements that highlighted various key topics. The first movement set the tone of the seminar and was aptly named: "The Music Industry Isn't Over: It's Just Beginning." The key players in this movement were Michael Doemberg (founder of ReverbNation), Eric Garland (founder of BigChampagne) and Courtney Holt (former president of MySpace Music). They were all very enthusiastic about one component that was ignored in the old music business: the fans. They argued that the growing digital music platforms and social media outlets enable fans to be involved with music and the artists creating it. They also argued that labels must return to focusing on artist development. This will make a stronger partnership and bond between the artist and the label, ensuring that both parties are maximizing profits. Garland noted that fans are the new currency to gauge success in the industry. Bands can better connect with their fans through branding and understanding their niche. Fans don't have a relationship with the album that is released; they have a relationship with the artist. Garland also noted that a band must be patient for success, slowly building up their brand and finally receiving the hard-earned gratification in the end.

Artist Discovery and Customer Service

The second movement was entitled "A&R in the Music Business." Here, the panel was filled with record industry celebrities James Diener (CEO of A&M/Octone Re-

cords), Ron Fair (Geffen Records) and Craig Kallman (CEO of Atlantic Records). The panel gave insight into how record labels discover new talent in this era. Continuing the enthusiasm of the first movement, the panel noted that music has never been as consumed as much as it has in the current climate. Artists must find new ways to monetize this consumption and maximize the experience for the customer. In this way, the music business is becoming like every other business, with its primary focus on customer service. The panel discussed that record labels have been too focused on their own profits, making products that are over-priced, leading the consumer to find alternative ways to access music. Consequently, the label and the artist have lost the ability to connect with fans. In a parting note, the panelists stressed that no amount of marketing can substitute great music that is unique and engaging.

100 Artists On The Verge

The third and fourth movements directed the conversation towards the artist and the music that they create. The highlights of these panels were from Tom Jackson (OnStage Success), RuPaul, and Moby, and their focus was on marketing, branding and how business affects the creative process. The New Music Seminar believes that there is much talent out in the marketplace, and they strive to find the artists about to break. They call this process "The 100 Artists on the Verge." The bands that made these charts were ranked for having a strong base in ticket sales, music sales, video views, music listens and social media attention. With the help of BigChampagne, NMS created one of the most extensive charts dedicated to rising talent. The top three bands from this chart had the opportunity to perform at NMS, and they received constructive feedback from the creative panels. The band that won the Artist on the Verge competition, The Daylights, received a packaged prize worth \$50,000. The Daylights were a prime example of great talent in America, waiting to be discovered and matured, and NMS capitalized on that opportunity.

Breaking Away From The Majors

The New Music Seminar closed with the final movement called "The Breaks," featuring successful artists like Chamillionaire and Moby. All of the artists had varying stories, all with different perspectives on what it means to be successful. They all, however,

were once with a major label and eventually broke their ties to work independently. Chamillionaire broke into the industry with his huge hit "Ridin'," and was quickly signed to a major label with the sole intention of monetizing his success. He said that ultimately, his fans were the only ones who truly cared about him and his music.

* * *

The New Music Seminar was an innovative environment for artists and businessmen to connect and discuss how to make the industry a fair and prosperous enterprise. Contrary to the attitude of many other music seminars, NMS views this change as a revolution. It is a chance to make the industry better and more efficient. The focus will be shifted towards the fans and the artists, not the labels and album sales. Music is only getting more popular, and the revolution begins now. [MBJ](#)

BUSINESS ARTICLES

Music and Poverty in Mexico

By Mariana Ramirez



Famine and colorful cd covers pave the streets of downtown Mexico City. In stand after stand, pirated product is being sold to feed poverty-struck families. Music comprises the largest percentage of such pirated sales, which run the gamut from old American westerns to well-known clothing brands. This creates an ethical dilemma for both the Latin American music industry and the people of Mexico. Is protecting the intellectual rights of artists more important than helping thousands feed their family? Does the well being of a particular trade trump seemingly more important issues, such as the economic survival of the poorest in society?

Piracy is a glooming ghost the music industry is too familiar with. The file-sharing capabilities of the Internet catalyzed an uncontrollable phenomenon, as the lines hazed around the rights of digital intellectual property. Since the creation of Napster, for instance, listeners around the world have loosely evaded copyrights protecting the work and efforts of artists. Besides, Napster is not only an example of copyright infringement, but also a prime instance of the synergetic power of the Internet. Since the file-sharing site was officially brought down and reconfigured, the music industry began to perceive that a future

with digital music also changed perceptions about the value of music.

Yet, can one compare a teenage boy in Minnesota downloading and sharing illegal music files to the pirated mass market of Mexico? The issue easily becomes a matter of politics rather than economics. In a world where digital sales have transformed the recorded music industry, only approximately 23.9% of the global population has Internet access. Whether purchasing music or illegally sharing files, this small percentage of the population represents the future of the music market, as digital sales continue to supersede physical sales. In South America, statistics show that only 42% of the population has Internet access; in Central America the figure is 34%. Needless to say, these nations resort to more traditional forms of piracy to distribute illegal music: copying, burning, and selling CDs. In 2001, the IFPI recorded an astonishing 63% piracy rate for Mexico's music market, where three in every five albums sold was a pirated copy. Mexico was one of the top piracy markets in the world.

Nevertheless, what is the solution? A piracy raid in Guadalajara, Mexico in 2005 seized approximately one million illegal discs

and resulted in the arrest of 25 major "piracy lords;" a small dent in Mexico's massive piracy problem with a surely bigger impact on the families running these operations. World-hunger organizations estimate that 53% of the Mexican population lives in destitution, surviving with less than \$2 a day. A less fortunate 24% lives in absolute poverty, earning less than a dollar a day. Whole neighborhoods devote their commerce to pirated music, such as the infamously violent Tepito barrio in Mexico City, which allegedly produces 70% of the nation's contraband. Sixty-nine blocks of bootlegged material, mostly music and films, make Tepito a mere reflection of the country's intense corrupt and turbulent economy. But drugs and violence are of more concern than music in this no-man's land.

Therefore, music in Mexico--and its war against piracy--is part of a complex matrix of politics and economics. Ethical consideration of a fair retribution for talent and music sellers take a backstage to other priorities. But the stakes are not inconsequential for the Mexican government. It is estimated that 300 million US dollars in tax revenue are lost annually in illegal music sales. This is money the Mexican government could arguably utilize to implement social programs, help fight hunger, and perhaps increase Internet access for schools and youth.

Of course, increased Internet access would also feed more piracy. In 2010, Music & Copyright reported that as Brazil's economy recovered, digital sales plummeted after an initial boom. Brazil, the largest Latin American music producer and market, began to see a critical rise in illegal file sharing as broadband and high-speed Internet subscriptions rose in 2009. Mexico would surely see a mobilization of piracy to the Internet. However, on the upside, it might help rid violent and backward neighborhoods whose livelihood are mainly associated with the sale of pirated merchandise.

Furthermore, increased Internet access would greatly help to promote Mexico's vast array of talented new artists. Music has always been a prominent aspect of Mexican culture, as more than 60% of all music sales, pirated and legal, are comprised of local artists. Social media and viral marketing could mean a brighter future for promising Mexican talent.

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BUSINESS ARTICLES

A 50/50 Partnership: tinyOGRE

By Evan Kramer

The vision and core values of senior players in the record industry can hardly stand out in the recent history of mergers, chronic restructuring, changes in executive staff, and, above all, the overriding need to preserve outdated business models. As the Big Four become increasingly more rudderless, there is an ever-growing disparity between the services they offer and the needs of the individual artist. tinyOGRE, a new label, seeks to fill some of this void offering a value-based partnership model for artists.

Its CEO, Steve Lerner, spent four-year doing his own introspection about the business, after leaving Wind-Up Records' chief executive office in March of 2007. He had witnessed the dissatisfaction of artists and the financial shortcomings of a major. He decided he would realign his focus on what he considered to be the core asset of a music business --the art itself. He built the new label on the principles of trust, transparency, and steady alignment (of interests) between the label and its artists.

In fact, tinyOGRE works on a much more intimate level with its clientele. It forms separate corporate entities with each artist--usually in the form of a Delaware-registered LLC. These are actual business partnerships that are structured as a 50/50 split, giving the option to the artist of buying back, at the end of the contract, the tinyOGRE half of master recording, as well as the publishing rights. "We are really partners with the artist," says Jim Cooperman, COO/General Counsel at tinyOGRE. "We're business partners, and we're partners on virtually everything the artist does in the entertainment industry."

tinyOGRE has partnered with four artists, including the Klaxons and Ian Axel, whose debut albums *Surfing the Void* and *This is the New Year* were released, on January 18th and February 15th respectively. Ian Axel has already secured placement of his title track on MTV's latest reality show, *I Used to be Fat*. More recent signees, Motopony and *The Wilderness of Manitoba* are scheduled for releases later this year.

The tinyOGRE model represents a paradigm shift back to a more wholesome and meaningful motivation for selling music. The company pairs management services with art-

ists that are relatively undeveloped. "In our model, the manager is a quarterback, and we work together to build a team," Cooperman says. "We pull together these teams looking for the best-of-breed on a project-by-project basis." With that in mind, the approach becomes somewhat reminiscent of the 1960's, a time when the record company and A&R reps sided with artists for long term partnerships that aimed to strategically build lucrative and sustainable careers...The notion is [that we] want to pursue avenues of entertainment and creativity with our artists beyond the traditional recording, publishing, or merchandising sense. We want to use our network of contacts to give [artists] opportunities," says Cooperman.

For the time being, tinyOGRE has no plans to push for any sort of expansion past the small-sized startup that it currently is--and for a good reason. While overhead budgets are tight, Lerner's believes, again, in his original mission; i.e. the building of long-term trust with the artist, the offer of more accountability and transparency, and the recognition of an interest shared in common. Revenue growth, for the moment, is taking a backseat. The philosophy is well suited to develop talent too. "We're not in a position where we want to sign an [established] bidding-war artist," he says. "We want to find great, talented career artists...get to them early" and build them.

Given the uncertain future of the traditional record industry, along with the recent surge of online music career-building do-it-yourselfers, the idea of a management partnership service like tinyOGRE seems to fill a logical void. As the Internet continues to enable worldwide promotional exposure to independent artists, demand for professional services on career planning, strategy, organization, and finance will become higher than ever. tinyOGRE may demonstrate over time that artists and business professionals can work side-by-side to produce a truly meaningful and valuable music product. **[MB]**

Rebecca Black

(FROM PAGE 4)

began making a large sum of money, the arguments over exploitation and ownership began. Allegedly, AMF never transferred the rights of the master recording to Black. AMF is being accused of exploiting Black across the Internet and creating a "Friday" ringtone without Black's consent. Of course, Wilson denies the allegations claiming that the original agreement holds true -- Black retains 100% ownership and control of the master recording and video. Still, these disputes over "Friday" have placed a 13-year-old at the center of intense litigation.

As for the entire industry, "Friday" raises the debate over the consequences that the Internet has on music. Granted, YouTube and several other online mediums are great resources for exposure. They increase the potential for management and label deals that would not have been obtained otherwise. However, the most complicated problem with the Internet is that there are little to no filters--allowing anyone to upload a song to YouTube, Facebook, blogs, etc. Consequently, the standards for music have been lowered significantly. There is a vast difference between someone covering a song and posting it to YouTube, and a professional artist trying to make a living playing their music as their sole career. Unfortunately, it would seem the two sides of the spectrum are being smeared together and confused. And it is no wonder that the value of music is plummeting--for, in the marketplace, the work of a professional artist, with a team of managers and agents, seems now equivalent to the efforts of a hobbyist. This is a contributing factor to why less than 30,000 musicians are making a full living, a statistic provided by Topspin creator Ian Rogers.

By no means should the industry double back to save itself. Quite honestly, there is nothing to save -- rather, the industry is evolving and moving forward. Taking a conservative approach and refusing to adapt will surely leave any business in a similar financial debacle as the major labels. The Internet has so much potential for music, but higher standards and stricter filters must be reinstated. Music like "Friday" that is "silly" or "average" made by an inexperienced artist has its place, but that place is not on a pedestal amongst serious musicians. **[MB]**



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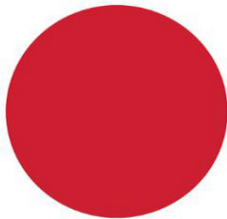


The Music Business Journal will be released three times in the Fall, three times in the Spring, and once in the Summer.

Japan's Catastrophe

By Jamie Anderson

SONGS FOR JAPAN



On March 11th, Japan suffered one of the most devastating earthquakes in world history, affecting many lives, the habitat, and the economy. The Japanese music industry was not immune. After news of the earthquake shocked the world, numerous musicians opted to cancel or postpone their appearances in Japan, due both to the destruction and the danger of radiation. Now, many artists and record labels are joining forces to raise money for Japan.

"Songs for Japan" is a combined relief effort album presented by the four major labels in the US. The labels agreed to work together in order to release the album as quickly as possible. In the words of Columbia Records chairman Rob Stringer "[we wished to include a mix of tunes that] had something for everyone." iTunes also jumped on board with the album, releasing it for \$9.99 on the iTunes store on March 25th. It features an array of songs including Lady Gaga's "Born this Way", R.E.M.'s "Man on the Moon", and Bruce Springsteen's "Human Touch". Accord-

ing to SoundScan, by the end of the week of March 27th, 68,000 copies of "Songs for Japan" had already been sold, with all the profits going to relief efforts in Japan.

According to Japan's Fuji TV news, by April 1, thirteen hundred concerts were cancelled or postponed indefinitely, with hundreds more postponed into the fall. Though many artists haven't given specific reasons, managers have expressed skepticism about the radiation reports. In lieu of the sudden concert pull back, artists who were scheduled to play in Japan have connected with their fans using social media platforms such as Facebook and Twitter. They have also joined support forums online that enable fans to speak with one another and simply express their condolences to the Japanese people.

A few foreign artists have visited Japan recently to spread hope. Acts such as Incognito, Wilko Johnson and Jane Birkin have taken the initiative to schedule a select number of shows in Japan, showing little concern for allegations of radiation poisoning. Showing up reflects generously on their persona and art. As time goes by, we hope more US acts will feel at ease and travel again. Our hearts go out to the Japanese people in this time of crisis. **MBJ**

Mexico (cont.)

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Like many American upcoming artists, they would have the ability not only to increase their public image, but also to release tracks directly to listeners, taking power away from music pirates and diminishing overall criminal activity, of which music is only a part. Internet access could ultimately salvage this otherwise stagnant music market, as artists gain the versatility necessary to connect with audiences.

Piracy in Mexico is a multifaceted problem. Driven by poverty and desperation, pirated music sales have become part of the daily life and business of the Mexican people. Ultimately, however, pirated product hurts not only the Mexican music industry but also the national image and public safety of this lively nation. Though plummeting music industry revenue has been a casualty so far, it has to be said that this is not a war for the music industry to fight alone. It's the Mexican government's responsibility to mobilize technological development and improve living conditions for the population. Sadly, until Mexico begins to advance economically, its music industry will remain stagnant and under the yoke of the pirates. **MBJ**