

## **RESCUING THE MUSIC BUSINESS: FOLLOW THE MUSIC, NOT THE MONEY**

By Scott Matthews

People like to talk about how the music industry as a whole is in the tank. Truth is, the current situation is no radical departure from historical precedent; in fact it's cyclical that our industry has its ups and downs. There are old and new reasons for its pitiful status and, in my humble opinion, it deserves its current plight. The painful decline, decay and deformed artist/label relationship has been ongoing for decades and is now beyond antiquated - it's borderline criminal.

The typical 'old model' record deal consists of the label owning basically 90% of the worldwide rights and demands that the artist be perfectly happy with a thin slice of 10% - and that's with the label doing the accounting - which I have always found to be more creative than the most of the music.

In other areas of the arts there is a fair system in place to value the creative source and provide incentive on the distribution/promotional side as well. For instance, the visual arts, it's a 50/50 model (give or take) - half to the artist and half to the dealer. Call me simple, I understand that split! Art and commerce in harmony - it can happen.

The current slump in the music industry is often blamed on illegal downloads and the free peer-to-peer Internet access to copyrighted materials. I respectfully disagree with that presumption. There is absolutely no data to back up this stuff, in fact more new artists have been discovered through these sources because they are able to reach listeners and build fan bases on their own. New careers are taking flight by virtue of the simple fact that the music is being heard. Where else can you find new music?

The fine folks that are against peer-to-peer based systems are the same people that are denying promotion for untried new artists (usually at the major label level). People always want to hear new music, so let them go and download songs. Truth is, if they really find stuff they love, they will buy it, go to the shows, buy merchandise and everybody gets what they want. In this world where it's next to impossible to get radio play and there are too often only one or two good songs on any given release, why blame consumers for wanting to hear it first, before they buy it? You get to try on the cologne before you go around smelling of it, right? Same thing!

Some may say that sales are down because the music that is being spoon fed through monopolized pay-to-play terrestrial radio is too safe, too redundant and yes, boring. They have a point - quality control is not what it used to be. There was a time when I would have long, in-depth discussions about music with A&R people at record labels - not about numbers, bottom lines, demographics or cosmetic surgery - about MUSIC. A&R does not stand actually for 'afraid and running' as one might assume but you would barely know it by the way some of these terrified execs act.

In 2007, I view the basic problems in our industry as lack of vision, intuition and willingness to follow through with new artists. If a major label signing doesn't post huge numbers for the company's shareholders upon its initial release, there is little to

no chance of a follow up record. Too much money is rolled out for the first shot deal and if it doesn't nail the bulls-eye, the money is gone for that all-important second shot. Talk about pressure - what artists do their best work under these conditions?

For the exact opposite case scenario, think Warners or A&M in the '70s and how many deserving (and sure, some undeserving) artists were given second, third or fourth chances to prove their point and build their followings. Those artists that caught on have never stopped selling because they are timeless. Great music was born and supported - now great sums of money continue to pour in from catalogue sales because the music lives on and those companies own the valuable copyrights. It's time to get back to the long view, not just desperate quarterly sales from cookie cutter trends or year-end superstar releases.

A couple of years ago Bono accepted U2's introduction into the Rock and Roll Hall of Fame with a call to arms for the music industry to believe in and stick with the artists they sign. He firmly stated that if U2 came out today with their first record, they would be dropped and have no chance of a career. The same can be said for most recording artists that have had long, distinguished careers in the industry.

Don't get me wrong, I am pragmatic and understand the need for bean counters in any business. It just seems to me that as long as our business is run by fear-based people that don't know (or genuinely love) music, little should be expected of the music today or in the future. Money management and math is rarely music. So, why is the old model music biz spiralling down? The monkeys are running the zoo!

Call me crazy, but I miss the visionaries that were once sitting in the big chairs. Where are the passionate, modern record company leaders that had taste and guts? You know, visionaries like John Hammond and Ahmet Ertegun who found unknown geniuses that went on to change the world. They knew that quality counted if the beans were to be counted.

A former President of Warner Brothers Records recently told me that his job had nothing to do with music. For instance, he was asked routinely (by the shareholders of his parent company) how many records a particular artist would sell on their next release when the band hadn't even written the songs yet!

So why am I still in the game? Am I helping rearrange the proverbial deck chairs on the Titanic? Sorry, I say let it sink. Somebody's got to stand up for the quality and integrity of the music (as well as the music makers) and I believe it's my job as an independent record producer to do just that. I know first hand that music providers are treated like bottom feeders. Remember several years ago when Universal bought up Interscope, A&M, Geffen and a couple other labels? I had three major projects lined up back to back at that time. In studio time, that amounted to well over one year's worth of bookings (even longer on the production schedule with pre-production, meetings and such). When the big merger went through and one of the labels dropped an artist I was scheduled to produce, I was not even called. Maybe I shouldn't have been shocked by that - what, notify the producer the project has been cancelled? Nah. I guess they just figured I would read about it in the trades. Hhmmm!

After all that, I suddenly redefined my role and shifted my paradigm considerably. I realized the music had never, ever let me down so it was the music I was going to serve if I were to keep on. The business of music would follow the music - not the other way around. No more tail wagging the dog.

It was at this point in time that TikiTown studios came to be. Hit or Myth Productions found a lovely house on the edge of San Francisco Bay that provided the perfect home away from home for artists from all over the world. The building and museum-like interior offers a feeling that both inspires and relaxes people who have spent a lot of their lives in studios that feel like well-appointed caves. Having built studios from the ground up enough times, I decided this time I would find an atmosphere where music could be born and just load in the gear, which is exactly how we did it. Experimenting with different rooms and sounds we eventually hit on the best of both worlds - creature comforts and state-of-the-art acoustics.

Now, after working with most of my musical heroes, I have developed a company that carves out careers with new artists that we believe in. These artists are my new heroes. When it comes to styles of music, we go with the Duke Ellington school of thought: There are only two kinds of music "good and bad". My skills as a music producer allow me to be able to work with a variety of different types of artists and types of music. This year alone, I have produced a hard rock project, an opera and quite a few other genres in between. At our company, we follow and trust our instincts. And as it turns out, our instincts don't stink!

Success for new artists today means getting a fighting chance to make an actual living making music. From that point on, it can grow into something much bigger and more rewarding in other areas. When a new artist proves himself or herself in the studio and provides an incredible product, they are in a position of strength when it comes time for taking their work to the masses. By having the finished goods and not owing a huge recoupable sum to a label, it provides the necessary evidence needed to seek a fair and equitable deal for distribution.

We are always seeking artists who are different, because we believe they stand the best chance of creating their own unique careers. If somebody is doing something different from other people, then they're the sort of artist who might stand the test of time. If you look at my track record, nobody pops up as being a flavour-of-the-month type of artist. They are by and large lifers, much like myself.

Scott Mathews, 2007 Mill Valley, CA

SCOTT MATHEWS is a music producer who has worked on several Grammy and Oscar winning projects and has had Top 10 releases in Pop, Alternative Rock, R&B and Country. He has combined sales of nearly 15 million units. Mathews has worked with such recording artists as; The Beach Boys, David Bowie, Johnny Cash, Eric Clapton, Elvis Costello, George Harrison, John Lee Hooker, Mick Jagger, Patti Labelle, Huey Lewis, Steve Miller, Van Morrison, Roy Orbison, Bonnie Raitt, Joey Ramone, Keith Richards, Carlos Santana, Ringo Starr, Barbra Streisand, Brian Wilson and Neil Young.

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