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TRANSCRIPT



Challenging media

MONEY FOR NOTHING

BEHIND THE BUSINESS OF POP MUSIC

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Behind the Business of Pop Music

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INTRODUCTION

ROBERT MCCHESENEY: Music plays a big part in peoples' lives today it has historically and it's an important vehicle for popular expression, for popular communication to exchange ideas, emotions, feelings. And if you look historically right through the present day its social movements, movements for social justice, movements for peace, for democracy invariably popular music has played a large role in communicating ideas through songs, popular songs, just sort of unifying people, bringing people together. It has a very rich important tradition and legacy that still exists today. But even though music is the popular medium, it's the people's medium, it really isn't the people's medium in our society today, it's the property of four or five companies who have inordinate control over what sort of music gets produced and what sort of music doesn't and it made it much more difficult for it to be the people's medium and this is the problem we face. This is the crisis we face.

MICHAEL FRANTI: The music industry is exactly that – it's an industry. It's all about money.

CHUCK D: Green is the bottom line to them, they treat records and music like somebody would treat Brillo pads or Frito Lays chips.

ADI DIFRANCO: We've witnessed in the last ten years a consolidation of power in the music industry.

KATHLEEN HANNA: It's really scary I think, because as artists, one of the few ways we can make money is to sell our song to like a movie or like sell it to Coke.

MICHAEL FRANTI: So when you hear one of your favorite songs come on, you're thinking of "god I really wanna go get something from Burger King"

ROBERT MCCHESENEY: The larger the firm gets, the more the commercial logic appears: "So what made money yesterday? That's what we want to put our money in, because that's the best chance of making money tomorrow."

THE MUSIC INDUSTRY

NARRATOR: Of the thousands of musicians who perform music today, who do some of them become stars and have their music heard by millions while others don't? While there are obvious differences of talent and ambition among artists, if we only look at the music business from this one perspective – the qualities of individual musicians – then we'll misunderstand in a pretty serious way how the pop music industry really works.

A program like VH1's *Behind the Music* for instance, in mostly sticking to stories about individual musicians and their rise to stardom tends to provide a very narrow perspective on how the music industry actually operates. To really understand what goes on in the world of pop music, we have to go behind "Behind the Music" and focus on the *business* aspect of the pop music industry.

ANI DIFRANCO: The whole idea, I had, about not signing with a record company was about not participating in a corporate system, which I think homogenizes music, commercializes it, co-opts it, and you know, basically takes culture from people and sells it back to them – sucks the life out of it.

MICHAEL FRANTI: As an artist, when you first get into music you get into it because you have this desire either to say something or you have a desire to be one of your heroes, a rock star. As you get into it you realize that you are just one commodity of many that this corporation is trying to pitch to young people.

ROBERT MCCHESENEY: So if you look at the music industry in the world, in the United States today, this is what you find. There are five companies that sell 80% of the music in the world. And four of these five are massive conglomerates, and the fifth one is no small fry in itself. Who are these guys? We'll start with the German company Bertelsmann, which owns RCA and Arista, it's the third largest media company in the world – or fourth largest depending on how you figure it out. And their music interests are all based in the United States. Then you've got Sony, the Japanese electronics powerhouse. Then you go to the United States, you've got AOL Time Warner. Then you've got Vivendi, based in France, which just bought Seagram, which before that had bought MCA, which is another one of the big music companies. Then the fifth and final one, the small fry of the group, is EMI, which only does, you know, \$7 or \$8 billion a year in business – they were trying to cut a deal with Time Warner but it didn't work – but they're on the market now. In all likelihood, EMI will be sold to one of the other companies.

MICHAEL FRANTI: Definitely in the last five years we have seen the globalization of all these corporations, for example Island records which I was on at one point was owned by Chris Blackwell and he started it out of the back of the trunk of his car selling records going back to, My Boy Lollypop, and through Bob Marley, Grace Jones, Tom Waits and U2 and then right as I joined the label they

got bought by PolyGram, which has now been bought by another thing and you know have this whole conglomerate that owns the label. So anytime you do that it becomes like a stock number at the end of the day, it's not like what is this artist singing about, it's like what is the number that is attached to this artist's name on the bottom line. That's how they decide which things are going to be promoted.

ROBERT MCCHESENEY: Bruce Springsteen, the classic case in point, his first two albums with Columbia really didn't do especially well, but they stuck with him because someone there who didn't count numbers but actually knew music said this guy is a genius, this guy has tremendous talent, he's going to eventually catch on because his music is so good.

If someone like Bruce Springsteen came around today and had two albums like his first two albums or two CDs like his first two albums probably the way the current system works is some accountant in some office somewhere would look at the numbers and run them through a computer program and say get rid of this guy. Let's go find a group that's rather going to sell just like whatever sold last year, let's do another 'N Sync or something like that. He would just be dead meat, unless he wanted to get a haircut and would do an 'N Sync number.

DAVE MARSH: You know, the nature of monopoly is to perpetuate itself and its own image, and not to innovate. And also as these companies get bigger, there's more to lose, and that means that you need immediate results, you can't develop talent because talent can't be developed overnight. What you can develop overnight instead of talent is – for want of a better term— sensation. You know, so you get something that's kind of spectacular like Ricky Martin. But something with depth - you can't do that overnight, it cannot be done.

CHUCK D: These companies look to get bigger, solely because they are run by business people, not creative people. They don't give a damn about the creative umbrella that is underneath it. These are business people. So they feel, personally no attachment to the art that's underneath it. Green is the bottom line to them and by any means necessary and you know, they treat records and music as somebody would treat Brillo pads or Frito Lays chips.

NARRATOR: The first consequence of this structure of the industry is that the people who are pulling the purse strings, “the suits”, are essentially accountants who know very little about music. And because of the pressures from the Stock Market the time frame within which these companies operate condensed – so the emphasis now is on the quick sell. And what these accounts have learned is that it is a lot more profitable when they can generate large sales from just a few artists rather than smaller sales from a larger number of artists.

REEBEE GARAFOLO: The music industry is now taking its cue from the success of *Thriller*, and the reasoning goes something like this: If I can sell forty million units of a single artist, and consolidate all of the promotion, etc, all that

promotional machinery into a single artist, why in the world do I want to deal with eighty artists who sell a half a million each? The simplest thing to do is to shop around until I find that one artist who can sell forty million and the heck with the rest of the eighty. And so they are trimming their rosters in the hope of finding the next Michael Jackson.

DAVE MARSH: When you reach monopoly status, which is really what we're talking about, in terms of there only being four major labels, you've really reached a place where there's no incentive for those companies to give you much choice. Ideally I think what all of them would like to do - what each of them would like to do is put out one record make everybody buy it and then maybe another one the next year just to keep it - you know and everybody would buy Celine Dion's duet record with Santana or something.

NARRATOR: Because so few artists actually make it at the level that is deemed successful by the record companies, it actually puts a significant number of them in a very vulnerable position. The few mega artists who are selling millions of albums are in a strong financial position because they'll generate large profits for their record company. On the other hand, artists who sell 50,000 copies of an album, won't generate a significant amount of income for the record company, let alone themselves. But mid-range artists like Aimee Mann, Bjork, or Tom Waits for example, who generally sell in the 200,000 range, are in a precarious position because the company can make some money from them, but only if their share of their profits – their royalties – underwrite a large part of the upfront costs.

MICHAEL FRANTI: What happens is that all the money for the producer, all the money for the studio for the tape and all the costs, about half the money for the videos and all the money for the tour support gets put on your bill. So by the time an up-and-coming artist has done all these things, they owe anywhere from \$300,000 to \$800,000 to the record company which is paid off from the sales of each record. For each record you're making a little more than a dollar. So you have to sell 350,000 or 800,000 records before you even break even

CHUCK D: I had a lawyer tell me once he said, "Chuck you know why artists get the standard 10% royalty rate and have to work their way from there?" He said, "Because one out of every ten artists make it, nine out of every ten artists fail." I said what the hell that got to do wit me? Why do I have to get that rate? To me, business is fifty-fifty. So if you are going to talk about artists barely receiving a dollar per album, that's the usual case.

KATHLEEN HANNA: If you're an artist and you're dealing with a major label you just can't tell what's going on. A lot of the time you don't know that a hundred thousand dollars is being spent on your video and it's going to come out of your end of it. And unless you have twenty-four hours a day to be on top of every single aspect of what you're doing, then you're going to be losing money in all different little pockets without knowing. I think a lot of people who don't make

music themselves, they think of the music business as like this really fun, swingin', jet-set life-style, and they don't realize or they don't conceptualize it in terms of boss and worker.

[MTV interview: Fred Durst] *It's fun to be a rock star. I suggest that everybody once again, forget what they're doing and just be rock stars.*

NARRATOR: There's been growing support among many artists, including Prince, Tom Petty, and Alanis Morissette among others, for the idea of a contemporary musician's union that would provide a better representation and protection against record companies. This would be like the Screen Actors Guild, which negotiates collective contracts with the film studios and provides benefits such as health coverage for all its members. In the same way baseball players, through their union, have a pension plan that ensures that everyone – not just the big stars – have some kind of financial safety net, something that isn't true for musicians.

DAVE MARSH: My observation is always that basically in terms of the American economy the recording industry replaced the cotton industry at exactly the same labor relationship. You know recording artists are mostly treated like sharecroppers. It's the reason TLC filed for bankruptcy.

[TV Interview: TLC member] *We literally did not have anything. And it was really killing us, because we're one of the biggest acts in the world, and we don't have anything to show for it.*

DAVE MARSH: It's the reason PM Dawn sold 3 million records and were still not in the black with the record company - you know you go make a video it costs a quarter of a million dollars you pay for all of it. The record company fronts the money but it all comes out of your royalties. And if you don't do it then the record company says you're not cooperating and they won't even promote your record.

THE GATEKEEPERS: RADIO, MTV, RETAIL, TOURING

NARRATOR: Once a record's been produced, there's three major ways to promote it. Consumers can hear it on the radio, they can see it on video channels like MTV, or they can go to a live performance. If they're persuaded that the music is worth buying, then the CD has to be purchased in a local retail store. Each of these – radio, MTV, touring, retail – functions as a kind of gateway to get to consumers. It takes a great deal of investment to get the music in these places, and the major record labels have the most power to accomplish this. Looking at how songs get to be played on the radio shows how this power operates.

Radio

CHUCK D: You hear the songs that you hear on the radio because they are paid for. Big business does business with big business. And usually big business is in big business's face all the time. So, it's a big financial heavy hard stakes game.

SHIRLEY HALPERIN: It may not always be so plainly obvious, but our radio system is definitely not an open one. The music that you hear is not within listening range because of its quality, it's because most likely someone has sunk a few million dollars behind it, giving it that push, as they call it in radio. It's definitely not about whether a particular DJ likes the song, he may not have even heard the song, most likely the play-list was concocted by someone three or four ranks up, who was instructed by *his* superior to add it to their play-list. And in this kind of environment, truly independent releases or songs will inevitably fight an uphill battle for any kind of mainstream exposure.

ROBERT MCCHESENEY: The situation has reached such a scandalous proportion that Richard Branson, the founder of Virgin records notorious capitalist, he's certainly not a left wing artist, is on record saying that radio is killing the music industry because he can't break new acts in his record labels anymore. He can't break new genres, radio doesn't give him any chance to expose new ideas anymore because these companies have found it so profitable simply to crank out a handful of songs on all their chain stations, the costs are so low, the profits are so high with advertising, but it is death for music, death for culture.

KATHLEEN HANNA: There used to be these like sort of like radio personalities who you at least wanted to believe were like choosing their own music and playing stuff that they really loved. But now it's all pre-programmed, it like "O.K., you have to play, the No Doubt single or the Bush single or the Limp Bizkit single, every hour" and so it just doesn't feel creative or interesting. You know there's no way that these DJs—all you have to do is listen to the sounds of their

voices and you know there's no way that they're going to like go into a record store and like look for something. They don't have any control over what's played, it's just like set out in front of them. It's all like, pre-recorded.

NARRATOR: The passage of the 1996 Telecommunications Act, which removed restrictions on the number of radio stations any one company could own, really accelerated this trend towards a closed system in radio. With a small handful of companies controlling a large number of stations. Clear Channel Communications, for example now owns over 1000 radio stations across the country, which results in a uniformity in the music played. So you hear the same songs in the same order by the same artists announced by the same sounding DJs, no matter where you are in the country.

CHUCK D: There's only three super-corporations that own all the radio stations in the country, and to me, I think that's unconstitutional, misuse of the FCC signal, and criminal.

MICHAEL FRANTI: It's very difficult for independent music to get on to radio because the major labels work very closely with the radio stations to keep their stuff on the air. Major labels buy commercial time to advertise the artist on the air, a lot of different ways, flying program directors out for weekend trips to exotic locations to meet the artist or what ever and that's how it goes. So it's not so much about "is the record good, are the people responding to the record?" as much as it is "how much is this label going to back us if we play this record?"

ROBERT MCCHESENEY: One way to look at the degradation and corruption of music in a society is to look at the issue of payola. Payola refers to the practice where record companies used to pay disc jockeys or media companies to play the music of their artist so knowing this, they got played on the radio and could sell a lot of records. In the 1950's when rock and roll came along this really emerged as a serious issue. It became a huge scandal, disc jockeys were fired, they went to jail, they lost their jobs, because they would accept money under the table to play someone's records and the argument was, where the government made such a serious case, this was so heavily prosecuted was that the listeners had the right to think that the music that they were hearing on the radio was selected by someone who knew music, who picked it because they thought it was good music people wanted to hear but you couldn't buy it. The integrity was at stake of the whole AM radio listening experience.

[US Congressman: Payola Hearings 1960] I know many people are going to say, "well what's wrong with it?" Well we're investigating it because it had occurred over the airwaves, and these are the property of the American people.

ROBERT MCCHESENEY: What is interesting is that payola has returned in current times, but it is much larger than it ever was before, but now it is legal. Now you are allowed to do payola and it has become a big part of it, the

difference: the money doesn't go to disc jockeys anymore it goes to the media companies, the owners, now that makes it okay. But we have now a fully commercialized system when you are listening to music on the air, maybe it is there because someone thinks its good music, but it is usually there for a couple of reasons. One, a marketing department must determine that advertisers can sell products on this to a target demographics and two, in the case of payola, someone has actually paid them to play it. There is money in it for these companies and we don't know how much there is. It is something that is very fuzzy, but a group like Limp Bizkit made their break basically through pay for play or payola type system, this is commonplace.

MICHAEL FRANTI: Culturally, having independent music kept out of the main stream is something that makes music become so homogenous, that people complain all the time, I hear it all the time “all the songs sound the same, all the music sounds the same,” and it is really true. It's all about narrow casting and trying to find the right sound that is hot at the moment and it is not about celebrating diversity of music and culture that exists in our country and the world.

Television

NARRATOR: One way of understanding what's happened to mainstream radio is that it was just trying to catch up with what had already happened in television in the 1980s with the creation of MTV – the development of a centralized national marketing system controlled by advertising. MTV, now a global channel that reaches over 320 million households in ninety countries on five continents, twenty-four hours a day is vital to the marketing of music. And again, the major record labels have extremely close links with MTV.

[MTV TRL] Let's take a break, and when we get back, the two most important music videos in the country according to you at home.

SHIRLEY HALPERIN: MTV's Total Request Live, or TRL, has become a carefully constructed marketing tool. You would think that kids were picking their favorite videos out of MTV's massive library, but that's not the case. Its pre-scripted, pre-groomed selections from MTV's regular to heavy rotation. Of course to get on that regular rotation, you need the promotional money, you need the connections and you need the tie-ins, but with TRL you can really watch the machine at work. It's become a vital promotional stop for recording artists, but most importantly, TRL reaches teens and that is the key demographic for advertisers.

[TV ad: Sears] Come on over to Sears and get three totally exclusive Christina Aguilera enhanced CDs...

ROBERT MCCHESENEY: What MTV has done is they turned the entire twenty-four hour day into an infomercial. Their whole logic is that every nanosecond of time on MTV should be all about pushing the commercial chains, making more money. So, they regard every moment, not just the official ads as somehow selling proposition. They are constantly selling music for a label or they are selling some sort of clothing product, they are selling a life style, but it is a pure commercial, infomercial experience when you watch MTV.

KATHLEEN HANNA: MTV is giving a really narrow perspective of what's really going on, musically. Just so the same exact ideas like, the ideas about how it's really good to be rich, it's really good if you're a woman to have a really skinny body and huge tits and like really want to be looked at all the time, and not need any of your personal space and it's really good if you're a guy to have like twenty different women hanging on you and to treat them all like objects. I think the reason why these ideas are the ones that get played over and over again is because these are the ideas that make really good consumers, you know. If you have a lot of sexist imagery in your videos, then you have a lot of women who feel really bad about themselves and feel like "Oh, I'm not as pretty as Pamela Anderson Lee, so I'm going to spend a lot of money trying to make myself feel better." You know? Then you have these guys who are like "Oh, I'm not cool. I don't have big biceps and I don't have twenty big-busted girls sitting around me so I'm going to spend money to try and make myself cooler and make myself more appealing."

Touring

NARRATOR: The third major gateway to consumers is through touring and live performance. And while there are certainly thousands of small clubs around the country that feature local music, when the arenas get bigger, and there's more at stake, then a similar system of corporate control that characterizes radio and MTV comes into effect.

SHIRLEY HALPERIN: Tours these days are outrageously big. They require eighty-something trucks, hundreds of local crew people and traveling crew people. They have pyro, they have special effects, they have video – they're just massive, massive endeavors these days. They require massive corporate backing – sponsorships – just to put on the show.

ADI DIFRANCO: You have this sort of vertical integration of that corporate structure where, you know now, when a band plugs in to you know, Warner Brothers, they're connected then with all of these corporations; venues are being consolidated and owned by these huge...and as an independent its affecting every aspect of my life. Now that my audience is bigger I'm playing these larger venues, but you know a lot of them have complete monopolies over, like if you want to play in this venue you have to go through this promoter, this corporate

promoter that is attached with all of these companies. To even step on a stage as an independent can be a huge battle sometimes. And one that we have to wage every day.

[NBC News] *Pearl Jam, they're on a crusade against Ticketmaster, which they say have a monopoly on ticket distribution. That monopoly they say is ripping off their fans.*

SHIRLEY HALPERIN: A good example of the corporate control of touring is the case of Pearl Jam in the 1990s. Pearl Jam was an established act – they'd played arenas, they'd sold out arenas, not only nationally but internationally – and they tried to construct a national tour that wouldn't involve Ticketmaster. They did that in order to bring their ticket prices down – they thought their ticket prices were too high for their fans and their audiences. So they tried to get around Ticketmaster, which didn't work because Ticketmaster at the time and certainly more so now, had a complete monopoly over all the ticket buying procedures for venues across the country. What they tried to do was book the tour themselves through non-Ticketmaster venues, and they ran into many problems. Pearl Jam just could not organize a tour without Ticketmaster and it became a logistical nightmare and they had to abandon the entire tour. What they did do the next time around though is they did get their ticket prices lowered after they sort of settled with Ticketmaster, but all of the money that came out of service fees came out of the band's pocket. So the only way that you can get around Ticketmaster and make concert tickets affordable is if you pay for it yourself.

Retail

NARRATOR: Radio, MTV and live concerts make it possible for a musician to be known to consumers but the records still have to be available for sale locally. While on-line sales are growing, most albums are still sold through retail outlets, which act as a fourth kind of gatekeeper to consumers. Large national chains like Wal-Mart, Best Buy, and TransWorld, account today for the majority of album sales nationally. This gives them tremendous power and record companies will sometimes tailor their product to make it more acceptable to these chains.

SHIRLEY HALPERIN: Retail is starting to go the same way as touring and major record labels and radio in that they're starting to consolidate. There are many retailers around the country that are joining forces to have better market representation. A recent example is Best Buy, which recently bought out Music Land, which is not only the Music Land stores but Sam Goody and several others – now they are all under one corporate parent. What happens is that they consolidate in an effort to push out the competition. Usually they do this by undercutting the competitors, which are in most cases mom and pop stores, or

independent stores. When this happens, this completely eliminates diversity in the market.

REEBEE GARAFOLO: So for example a chain like Wal-Mart can exert tremendous pressure on the kind of music we hear, simply by virtue of their refusal to carry a song that they don't like. And Wal-Mart is notorious for censoring records. They have an in-house committee that does nothing but screen records.

[TV interview: Jay Allen Wal-Mart Stores, Inc.] We want products in our stores that a family would be proud to have in their homes.

REEBEE GARAFOLO: And by virtue of the fact that Wal-Mart chain alone accounts for something like 9% of all records sold in the United States, when Wal-Mart tells you to change an album cover or a particular lyric, it carries tremendous weight.

CHUCK D: Well, retail chains could affect what we see and we don't see because a lot of them are major corporations and they like to do business with like major corporations. But retail is pretty much a final frontier for the delivery of art to people.

MUSIC, ADVERTISING AND MARKETING

NARRATOR: Of course, the music industry has always been part of the larger business world and the goal of record companies has always been to maximize profits. But there's also something that's radically new today. The record companies are now owned by much larger corporations that also control movie studios, theme parks, radio stations, television networks and Internet companies, making "cross media marketing", or Synergy, standard practice.

REEBEE GARAFOLO: In terms of the music industry's conception of music as a series of revenue streams cross-media marketing has now become the rule of the road. You can trace the beginnings of this all the way back to Robert Stigwood – this is the man who went on to found RSO Records, which was home to the Bee Gees. And what he did with the *Saturday Night Fever* record was really a master stroke of, what was called at the time, cross-media marketing. If you followed the release plan for that record, they released the first single two months before the movie hit the theatres to create a buzz for the movie. As soon as the movie hit, they released the title song for the record, and so the movie helped to promote the record, etc. And so, they very consciously played the media, in tandem, to create a synergy between the movie and the record. This is now commonplace.

SHIRLEY HALPERIN: Another example of this kind of synergy is the recent onslaught of reality-based TV shows which have a music theme. You might have heard of *Pop Stars*, which aired on the WB.

[TV clip] I wanna be a Pop Star because it's been my childhood dream since I was a little girl...

[TV announcer] As we take off on a nationwide search to create the next all-girl super group. The group will be chosen from thousands of hopefuls. Over the next thirteen weeks you'll witness their transformation to pop-stardom.

SHIRLEY HALPERIN: With *Pop Stars*, you have synergy through all of the AOL Time Warner machine. The show is on WB, which is obviously part of Warner Bros. Their album came out on Sire London, which is an affiliate of the Warner Music Group, which is also owned by Warner Bros. After they did all of that, and after the show aired, their strategic alliances really came into play when they offered the single exclusively on AOL, prior to its release. When that single was offered, it brought it 66,000 downloads in one day. They also launched a "win an Eden's Crush makeover contest" which was offered exclusively on AOL. In addition, they plugged stories in all of AOL Time Warner's magazines, which include *Teen People*, *Entertainment Weekly* and *Time*. So you really see the synergy in play with a show like *Pop Stars*, where it's fabricated but in the end, it becomes the real deal.

[CNN News Interview Jamie Kellner, CEO Turner Broadcasting] *An example of cross-company benefit is what we did with a show called Pop Stars on the WB recently. We've launched a new recording act that's going to get a lot of buzz, and seems to be a very popular act and Warner Records is putting the records out on. I just think there's hundreds of places that we can find where the company can work together and leverage its assets for the shareholders.*

NARRATOR: What's new about the success of Eden's Crush is not simply that bands are created out of nothing, but that the standard relationship between production and marketing has been turned on its head. Now the marketing comes first before there's even a band. Martin Kirkup who works for the company who developed the show is quoted as saying, "We started with the marketing, picking the songs and the preproduction and only then plugged in the artist." Synergy doesn't just happen within one massive company, it can also happen between companies – when individual artists can become the linking point that brings them together, so that every exposure in whatever setting is beneficial to them all.

SHIRLEY HALPERIN: Teen pop has really perfected the art of synergy by using a variety of elements within respective companies to promote other elements of business in a way that makes money for everybody. Take for example, Mandy Moore.

[TV Interview: David McPherson, Senior VP for Epic Records]: *Her voice was just very commercial to me. I mean, some artists have different talents, or different things that make them special. Mandy just has a really commercial tone to her voice.*

SHIRLEY HALPERIN: Here's an artist that signed to Epic Records, which is part of Sony music, who's also a VJ with a three year contract on MTV, who can plug her own videos.

[MTV: Mandy Moore] *Check out the world premiere of my new video from my new single "Walk Me Home" on TRL.*

SHIRLEY HALPERIN: Not only that, but she's also signed on with Neutrogena, whose ads get aired on MTV while she's plugging her own videos. Record companies are no longer looking just for artists, they're looking for artists that can be spokespeople. They're looking for tie-ins, they're looking for demographic reach, they're looking to push their products. And if they do this, they have a higher chance of success in what has become today's commercialized environment.

ROBERT MCCHESENEY: One of the great trends in popular music that follows with what we've been talking about with the hyper-commercialization of culture, has been the sort of point where music is used in commercials, popular music, so

much so its almost a given now it's a natural when your breaking an act now at a music label, one of these big companies, your almost planning what commercial can we get this music into to help promote the band to help make money as well.

SHIRLEY HALPERIN: The clearest example of the direct tie-in between the music and the broader commercial context is probably that of Moby. He's an artist who generated 800 licensing deals from the eighteen tracks off of his album *Play* for use in everything from ads for credit cards, sneakers, department stores, not to mention several movie soundtracks. Moby essentially went from an underground sensation to a pop super-star. And his success is now a model for how to utilize advertising to break new bands.

CHUCK D: Having your songs in ads these days, you say well look I have my song in an ad as opposed to being just signed with Sony. If I'm gonna be signed with Sony, I, I might as well be commercial all the way. So, it was a hypocrisy when artists said well I don't wanna be actually be, have a brand carry my song into the public marketplace. But they would be signed to a company like EMI, you know, which is thoroughly a public music company. So, I think Moby's people got smart enough to say, hey, if our toe is in the water, what's wrong with our whole leg being in the water. And anyway, we are not gonna get played on conventional outlets so, we're gonna actually find alternative outlets to get the music out and bottom line is like, what gets the music out?

ROBERT MCCHESENEY: I think that for people who are in their twenties or in college who are young it might surprise them to hear that as recently as fifteen, twenty, twenty-five years ago this was an outrageous practice and certainly thirty or thirty-five years ago, the idea that music could be used to sell products in this way, they would take popular music and just associate it with something like a product, was considered a real affront to people's sense of the sanctity of music, of culture.

[TV ad: Sears] (song) *Our house, is a very, very, very fine house.*

ROBERT MCCHESENEY: Now it's just simply a given, its just the natural way things are done. Which I think is a real reflection of the hyper-commercialization of our culture and the bankruptcy of our culture.

CHUCK D: But then, somebody might bring up the fact that, okay artists make songs, shouldn't make songs for themselves, they should make them for the public. So that's another train of thought that also figures into that and so you might not go deal with the clown which is McDonald's but, you know, you might say, people wanna hear your music because people also deal with the clown so your song goes with the clown so.

[TV ad: Nike] (Beatle's song) *They say you want a revolution, well you know – we all want to change the world...*

DAVE MARSH: The artistic community, people who thought rock was art, were up in arms when Nike bought the Beatle's *Revolution* to use it, and to defile by the way, the whole idea of revolution, if it comes down to what sneaker you choose to wear, my God, you know, what sweatshop you choose to abuse.

NARRATOR: Today, advertising's power is so great that it can now break new music as well as take older music, and expose it to a whole new audience.

[TV ad: Volkswagon]

SHIRLEY HALPERIN: A good example of this is an artist named Nick Drake who recorded in the seventies and was never popular. He had a small legion of loyal fans that stuck around until today. But in 2000, when Volkswagon used his song *Pink Moon* in an ad, his sales went from 100 units a week to almost 3000 a week overnight, just after the ad debuted. But really it's all about the numbers. And when you total them all up, an ad can actually reach more people than MTV. And it can give exposure to an artist – it can bring them into people's homes – in a way that they never would have been able to do before.

MICHAEL FRANTI: Popular music is amazing because you think of the times when you are a kid and you think of, you hear a song and it flashes you back to when you were twelve years old and having a great time in the park and eating ice-cream and you remember those songs...

[TV ad: Burger King] (song) *Ain't nothing like the real thing baby, ain't nothing like the real thing...*

MICHAEL FRANTI: And that power has been now harnessed and is being used by corporations to do the same thing in attaching those songs to their products. So when you hear one of your favorite songs come on, instead of thinking about when you were twelve years old having a fun time in the park you're thinking of god I really want to go get a Big Mac, or something from Burger King, or I'd really like to be driving that car, and for me it really pisses me off because I have had a few of my favorite songs been ruined by the fact that I don't have the association with them because they are using it in a burger commercial.

ROBERT MCCHESENEY: It's a very different type of logic, and this is the way these music companies work. They're not interested in the ideas behind the music, they're not interested in the spirit that moves the music, the passion. They're just interested in making money and they have no regard for the music otherwise. And with that, it mocks the music, it demeans it, and it demeans the culture.

ADI DIFRANCO: So I mean, you have this corporate infusion into every avenue of culture, and a control, which I think is very damaging to culture. And it's my

desire to not participate in all of that, that leads me to my independence. And I think it's with this consolidation of power in the industry, it's more and more important to devise new ways to counteract that.

ALTERNATIVES

NARRATOR: The compromises involved in this hyper-commercialized system have led many artists to the world of independent record labels, which are less tied to corporate structures. They're also willing to release records that reflect a wider and more dynamic range of musical styles. And while there's no guarantee that independent labels will treat artists any better than the majors, they generally do offer them greater control over their financial and artistic careers.

ROBERT MCCHESENEY: Historically, and until recently, the function of independent labels has been to take the risk that the big labels wouldn't want to do, and much like the film industry, the big labels, the big four of five companies that own music in the United States, they don't want to try out a lot of new genres, it's not a smart investment for them. So what they do is let all these little independent labels try to break new acts, spend a fortune, take all the risk, and then if one of them hits it, you buy them up.

REEBEE GARAFOLO: You have a Sub Pop scouring the Seattle scene, really being in touch with what's going on in alternative music in that locale for years, developing all of the local artists. And as soon as Nirvana proves successful in the early nineties, the major labels descend on Seattle like vultures at a burial and just buy up all the talent.

You find the same trajectory in hip-hop. Whereas hip hop clearly started as a grassroots, street-level culture in the south Bronx, originally produced by independent labels using independent distribution like Tommy Boy, Def Jam, very quickly as this music crossed over into the mainstream and proved to be successful, you find these labels establishing either distribution deals or joint ventures with majors. Def Jam very quickly established a relationship with Columbia Records, Tommy Boy was bought out 50% by Warner Brothers.

SHIRLEY HALPERIN: There are examples of record labels that use an alternative economic model. Righteous Babe, run by Ani DiFranco is one, and Dischord Records, which is a Washington DC-based label, run by the members of the band Fugazi, has been around for twenty years. They continue to sell lots and lots of records every year and their records only cost \$10 post-paid. Which means if you send them ten bucks, they're going to send you the CD, postage included and everything. The fact that Dischord is still around after twenty years just goes to show that you don't have to rip off your artists, or rip off the consumers, to stay in business.

[TV interview: Ian MacKaye, Musician Fugazi] I have a lot of contempt for the record industry, and I don't particularly want to be a part of it any more than I have to. The fact that we started our own label is proof of that. When you don't want to be a part of something, you do it yourself, so we did. To exist independent of the mainstream is a political feat, in my opinion.

KATHLEEN HANNA: There's other more grassroots indie labels like Mister Lady, which is what my current band is on and like Kill Rock Stars which is what my former band was on, that are trying to make money so that other people can put their music out. In Mr. Lady's case they also do queer and feminist video so that's the goal. The goal isn't like becoming a huge corporation or something, although there are economic goals, which I think are really important, like employing people and treating them fairly.

CHUCK D: Do artists need the major labels any more? Depends on what kinda artists you're talkin' about. I like to say it's a tier system. You have the majors, you have the Indies and I call the third tier "Inties", which a lot of people get at least a chance to expound upon their art, make their own label, and start from their. Previously, if you didn't have the money to become an independent and you weren't signed to the majors, you did not participate in the recording business. Now you can. It is similar to high school basketball. Yes the high school basketball player in the many high school basketball teams across the country, they don't have any bearing on the Chicago Bulls or the New York Knicks or the Los Angeles Lakers, but, something can come out of that start-up program and rise to the top and I think that's what the Internet gives artists; an option to participate and grow from there.

ROBERT MCCHESENEY: What fans can do, and there's not a great deal, but there is some stuff they can do, obviously support independent bands, independent labels, support the small record store that's not connected to big chain if you can find one, that's bringing out music acts that wouldn't be carried in the big chains necessarily, or get buried there. Also, support your local independent radio stations, if there're any left, community stations, get involved with community radio, or micro radio, something local to get music out, do public access TV, I mean, become an actor, become aggressive. And also educate yourself and organize around this, tell your friends about this, alert them to how the music industry works, why it is that we get a succession of people who all look like Britney Spears, one after another after another.

NARRATOR: While recognizing that our choices as consumers matter, it's also important to remember that there's nothing inherently fixed about the present system – there *are* alternatives. Musicians have already started to organize to change these structures, and citizens could also mobilize politically. For example, existing anti-trust laws could be used to limit the power of these giant companies. The government could also create more low power FM radio stations that would allow local communities greater independence over what's heard. Musicians also have a vital role to play. Presently the idea of profit is the principle that guides the industry. There's the assumption that getting rich is the ultimate goal of creating music. But the future of popular music as an art form, could be very different if young

artists were guided by an alternative set of values, another understanding of why music matters.

MICHAEL FRANTI: And I think that that's an important thing for young people to remember today is that being a song writer, there is a higher virtue there that you can aspire to and there is something really good that you can bring to the world through your music and through your songs and don't forget that. Don't forget that you have that ability and that power to do something that is so incredible that it will be passed on for generation to generation. And you can either say I want to be known for getting rich during my time or you can say I want to be known as the next Bob Dylan or Bob Marley and I want my songs to be heard forever.