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**Getting Signed! An Insider's Guide
to the Record Industry**

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Management: Finding It and Making It
Work for You

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Management: Finding It and Making It Work for You

What do artists and bands want just about as much as a record deal? That's right, a manager. This is because good managers are worth their weight in gold and can have tremendous impact on your career. Unfortunately, good management is rare as an emu. The manager is perhaps the most important member of your team. Therefore, it is essential that you define exactly what your expectations of a manager are, and then choose wisely among any candidates that meet these expectations.

Managers and other members of your team each have a specific role. You don't want to build an infrastructure if you have no use for it, and therefore, no means to support it. In simpler terms, you don't want "dude" hanging around the rehearsal space being "managerial" by drinking your beer and telling you to work on the second verse of the song, while he hits on your girlfriend. Instead, the manager must be actively engaged in furthering your career.

In order for the manager to do this, he needs tools to work with. The first tool is the demo. The second tool is some kind of fan base, which is typically built by playing live. Certainly, there is no absolute order to the progression, and many bands have management that helps guide the band long before they have demos or play gigs. But for the most part, you're going to have a hard time attracting a manager and keeping him busy if you don't have some groundwork already laid.

There are as many types of managers and styles of management as there are types of bands and styles of music. This chapter presents some of the more common ways in which bands connect with management, and what role management plays in the artist's career. It is not a set of absolute rules.

The Three “Must Have’s” of Management

However you and your manager come together, and whatever role the manager finally ends up playing in your career, there are three characteristics that a manager *must* have in order to help your career effectively—both before and after you get a record deal. Those characteristics are passion, connections, and funding. If your manager has passion, he *may* be able to succeed without the others. However, if your manager is without passion for your music, your chances of long-term success will be reduced. The best-case scenario is, of course, having all three.

Beginning-Level Managers

At a certain point—after you’ve made a demo, played some gigs, and started to develop a following—you may be approached by someone who is interested in managing you. Most likely, the people approaching you at this early stage of your career will be friends, family, fans, or people who work at the venues where you perform. Some of the most successful managers in the business originally came from this pool. Bertis Downs, for example, began working with REM when he and members of the band were college students together in Athens, GA. Brian Epstein worked in his family’s furniture store that had a little music division in it when he was asked to go see a band. That band was the Beatles, and he became their manager. Rusty Harmon was a college student and an intern at a management firm, who showed a young band around when they came through town. You may have heard of this band, since they’ve sold about a gazillion records and won two Grammys under Rusty’s management: Hootie and the Blowfish.

Why Passion is Important

Friends, fans, and families who become managers typically have one massively important thing in common: they all are extremely passionate about the artist they work for. Typically, they feel that the artist is great, and while they often don’t have a surplus of connections or capital, they believe they can make up for this through sheer force of will fueled by their passion, which they have in abundance. As mentioned above, this can and does happen. Passion, combined with energy (often youthful) is a very potent mix that often knocks down many barriers and allows an artist to experience real career growth. Managers in this type of situation often believe that lacking the experience, knowledge, connections, or money actually allowed/forced them to try things that other more “experienced” managers would have dismissed. In so doing, they create

innovative strategies that further the idea of career development. Necessity is the mother of invention, and I would add, it is also the stepmother of innovation. The beautiful thing about the record business is that there are very few rules. When a manager is passionate enough to make the artist succeed—no matter what rules they have to ignore, break, or rewrite—that is often the best type of manager to have.

Such relationships force the band and management to work much more closely than they would in a more traditional management/artist role. This can create an open and honest relationship from day one. In other words, because a beginning-level manager is not going to be able to say, “I’m going to get you touring with this other artist I also manage, and I’m going to set up a showcase for you to perform in front of my A&R friend from Sony,” he or she must involve you—the artist—in the decision/planning. Instead, they must say, “Listen, let’s figure out what our resources are and begin building something in an organic fashion.” This method, while perhaps being a slower route, is a good one, as it directly and closely involves you, the artist, in the process of your career development. A close relationship often has the positive side effect of being an *honest* relationship. Closeness and honesty are imperative, and will give you a far better chance of avoiding the all-too-common litigating over accused improprieties, resulting from the artist not knowing what the manager is doing, but believing that, whatever they’re doing, they ain’t doing it honestly.

Professional-Level Management

Passion is the key ingredient to making an artist management relationship work. If you find someone who has real and genuine passion and isn’t a complete derelict, you will be better off than many. Ideally, however, your manager will also have the connections and the funding.

The Importance of Connections

While it is fine (and often refreshing) for a manager to have a low-key persona, they *must* be able to sell themselves and, more importantly, the artist. In so doing, they will build connections. The record business is one where you live and die by how connected you are. You can make the greatest music in the world, but unless you can get it heard, it doesn’t much matter. Simply put, at all stages in your career—from getting an A&R person to listen to your demo, to getting your video played on MTV, to getting a gig to perform at the Super Bowl Halftime Extravaganza—it is often connections that make the difference.

The reality is that the strength of the connection is frequently as powerful as the strength of the music. There are many examples of someone who makes mediocre music but is well connected getting a record deal before an artist who makes great music but has few connections.

To get a record deal, you often must develop your connections from the ground up. The process can be accelerated if someone on your team, in this case the manager, has connections.

A fundamental role of the manager is to expose his artist to more people. Therefore, managers spend much of their time casting a wide web around all the corners of the industry. In so doing, they develop relationships with booking agents, record labels, radio stations, press, and so on. When you partner up with a manager, you are not only getting this person's individual expertise, energy, and hopefully, passion. You are also gaining access to their connections and relationships. It is this quality that will catapult your demo from the bottom of an A&R person's pile to the top. These connections help in many similar ways, from having your music heard by music supervisors at advertising agencies to introducing you to a music publisher to securing you an opening slot on a coveted tour.

Connections are built over time and must be maintained. You need to carefully examine any potential manager in order to determine just how broad, good, and most importantly, applicable their connections are to the music you are making. Much in the way that you research appropriate labels for your music, you must do the appropriate diligence when you are considering your manager. Understand also that connections can and do come in organic fashions. It is perfectly acceptable for you and your manager to have a symbiotic relationship in which your manager benefits from his association with you, and vice versa. The trick is being able to make connections that have real meaning to your career. If you have a manager who is very well connected but not in any way that is appropriate to helping advance your career, they might as well not have any connections.

If this is the case, make sure they at least have ... money.

The Importance of Money: How Management Gets Paid

This brings me to my last essential management criteria: capital. First, you need to understand a bit about how managers make their money. Typically a manager will receive a commission—usually 15 to 20 percent—of all of the income that you generate (the gross). This includes money from gigs, money paid to you from a record label as a personal advance against

royalties (typically, not from money advanced by a label for you to record your record), money from merchandise, income from your music being used in movies or commercials, and any other source of income you generate as an artist. It is therefore in the best interest of the manager to leverage all of those connections I mentioned above to help you generate as much money as you can, which of course, generates more money for them. This is capitalism at its finest, and when it works, it works great for everybody.

The problem is that young or unestablished artists typically take quite a while to generate any revenue. Also, these artists typically don't have any money of their own, so the management is left to spend their own money in order to develop the band before any money comes in. Because of this, you will occasionally see management securing other pieces of the artists' potential income as a kind of collateral against the money and time they are putting up. Sometimes, for example, management will acquire some part of the artist's publishing—in other words, a piece of the equity in the copyrights of the songs.

Managers and Publishing

This means that when these songs begin generating royalties, the manager will be paid a percentage of the money. Managers do this because they often defer their commission while spending their own money. They have no guarantee that they will ever recover their investment. This practice has largely been frowned upon (by both artists and managers), and was seen only occasionally in the past. However, I'm seeing it happen more and more, and I believe it will become even more of a common practice in the future.

As an artist, you must seriously debate whether parting with your publishing, in order to provide a sort of insurance to a manager, is the right thing to do. My opinion is that it is usually the wrong thing to do. As we will see in the publishing chapter, I do not believe that you should hold on to your publishing at all costs. Rather, I feel that giving up some part of your publishing is frequently essential to building a successful career. With one caveat: Whoever you assign any part of your publishing to must be able to do something with it. By this, I mean they must be able to “work” your publishing to generate awareness about you and money for you. If they cannot do this, do not assign any part of your publishing to them. Therefore, if a manager is requiring you to assign some portion of your publishing to them, you should only do this if you feel the manager is going to actively engage in working your songs.

Of course, it may not be this simple for you, especially if you don't have a lot of options. You may feel that the prospective manager can help your career in many ways, and that it would be foolish to miss the opportunity to have him or her represent you by clinging too tightly to your publishing. You may be right.

Your publishing is valuable. Part with it with caution, and only if you're getting something of real tangible value in return.

It's Money that Matters

Money is a significant factor in creating effective artist/manager relationships. The manager is spending money, hoping for a return on investment. Publishing is one way to hedge that bet. Of course, managers who have no money will not be able to offer you much for your publishing.

Managers who have no money have a hard time being effective. There are always expenses involved in getting a band signed: recording costs, gas for the van, fan mailings, travel, guitar strings, and so on. It all adds up. Of course, management doesn't have to pay for any or all of these things. But remember, they can't make any money unless the band is making money, so they usually opt to pay for these things and others so that the band has a better chance of getting signed.

Even after you get signed, management is often the fountain of money. For instance, an artist and manager may determine that they need an independent publicist because they feel the label's publicist (if it has one) can't do an effective job due to workload, the label's priority scheme, or whatever. The label is not obligated to pay for this (though often they do), and so the band and management are left to decide whether or not the potential added exposure they would get from a publicist is worth the out-of-pocket expense. Many times, in a situation such as this one, the band itself is not generating enough income to pay for something like this, so the management foots the bill. Theoretically, management will be reimbursed for these costs once the band does start generating some money. If neither the band nor the management can afford to pay, it really is the band that suffers.

Good managers understand that new and developing artists are much like startup businesses. The first couple of years (or records) typically are money losers. The hope is that after the painful initial period has ended, there will be a financial reward that will recoup all the early losses and then some. This is why managers will fund an artist's career at the early stages—and, in fact, sometimes well into an artist's career.

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