



MANAGING EXPECTATIONS

AN EXPLORATION INTO THE CHANGING
ROLE AND VALUE OF THE MUSIC MANAGER

PRODUCER &
SONGWRITER
MANAGER
EDITION



INTRODUCTION

MUSIC MANAGERS HAVE ALWAYS REPRESENTED 'BEHIND THE SCENES' MUSIC MAKERS, AND SOME MANAGEMENT COMPANIES SPECIALISE IN THIS AREA. HOWEVER, MANY ARTIST MANAGERS ARE NOW EXPANDING THEIR ROSTERS TO REPRESENT SONGWRITERS AND PRODUCERS IN ORDER TO DIVERSIFY REVENUE STREAMS. THIS WIDENING SCOPE OF MUSIC MANAGEMENT COMPANIES TO INCLUDE MORE PRODUCERS AND SONGWRITERS AS CLIENTS REFLECTS HOW CREATIVE ROLES HAVE BECOME BROADER IN THE MUSIC INDUSTRY, FACILITATED BY TECHNOLOGY AND COLLABORATION.

While our 2019 'Managing Expectations' report focused on the role, value and experiences of modern day music managers, this report centres our inquiry on the managers responsible for shepherding the careers of songwriters, producers, engineers and mixers. Through interviews with a selection of managers operating across various sizes, stages of career and genre, we aim to explore the key issues, challenges and evolutions of this section of music management. This report will also present updated data from the 2021 survey, identifying any trends and shifts across the respondents, informing our future work.

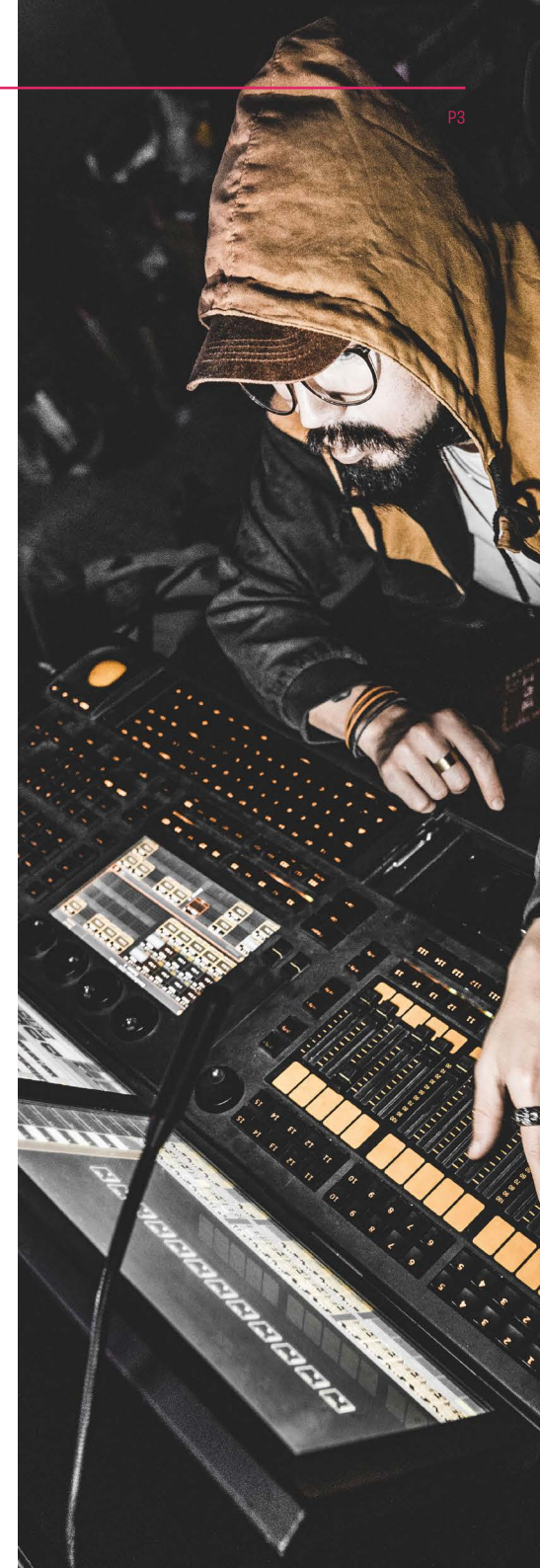
The survey results that accompany this report demonstrate the high number of MMF members managing both songwriters and producers, with 62% of respondents managing at least one songwriter (up from 42% in 2019), and 40% representing at least one producer (up from 33%).

The aim of this report is to provide a snapshot of the current experiences of producer and songwriter managers, exploring how these entrepreneurial, business-minded individuals facilitate the creative and commercial workloads of their clients and how they are adapting to current industry trends. Through gathering the perspectives of these managers, alongside data generated through a quantitative survey, we hope to highlight this segment of the

management community, understand its greatest challenges and opportunities, and improve ways to better represent them through MMF advocacy, education and innovation.

Ironically, while these individuals and their clients have often been the hidden heroes of the music business, named only in the liner notes of vinyl sleeves or CD booklets, the shift to digital further anonymised the identities of songwriters and producers. Though often overlooked throughout history, acknowledgement of the importance of songwriters and producers and their role in music has never been more pertinent. Whether that's because of growing disquiet about how songwriters and producers are recompensed for use of their work online, how recorded revenues are split between those who perform and those who create, or in the sky high valuations of songwriting catalogues being purchased by investors, the spotlight is shining on songwriters and producers as the industry continues to evolve.

We hope this report helps educate readers on the role of managers who represent producers, songwriters, mixers and engineers, and expands our awareness of the important debates taking place around fair compensation and the value of songs within the music industry.



SURVEY AND REPORT METHODOLOGY

THIS REPORT HAS BEEN INFORMED BY TWO METHODS. A SURVEY WAS DEVELOPED IN PARTNERSHIP WITH MUSIC ALLY WHICH MMF DISTRIBUTED TO ITS MEMBERSHIP AND THE WIDER MUSIC INDUSTRY VIA PARTNERS, TRADE BODIES AND SOCIAL NETWORKS. THIS WAS FOLLOWED BY A SERIES OF IN-DEPTH INTERVIEWS WITH LEADING MANAGERS BOTH FROM WITHIN AND OUTSIDE OUR MEMBERSHIP.

Thank you to the 216 managers who responded to this survey and gave a wide range of perspectives. Also thanks to the 7 managers who were interviewed at length for this report. Interviews were conducted by Paul Bonham, and were based on a set of questions which focused on their role and the relationships managers had with their clients and music industry investors. Further transcripts were used from a discussion facilitated by The Future Is. The interviewees were intentionally selected to hear the voices of those primarily managing producers, mixers engineers, songwriters and composers. Those with a cross-section of clients including artists, songwriters and producers were also consulted. For this piece of research we focused on managers' own businesses and did not interview their clients (music makers: such as artists, composers, producers, musicians) or select specific case studies. Our aim is to use the findings of this research to start discussions and find common themes across the management profession.

The full findings of the survey and previous report can be found here:

themmf.net/managingexpectations

INTERVIEWED MANAGERS

Chris Grey, Problem Child, Guv Singh, Catalyst Management, Hannah Joseph, Decibelle Management, Harry Knyt, Milk & Honey, Jay Mistry, JMC Music Services, Jill Hollywood, Echo Beach Management, Jordan Jay, Karma Artists, Molly McNulty, Senior A&R at Kobalt Music Publishing / Manager of Producer 169, Paul Kennedy, 1 2 ONE Entertainment, Will Blake, Sound Collective, Will Gresford, TripTik Management & Zita McHugh, Z Management

Report authored by Paul Bonham and edited by Annabella Coldrick, Adam Webb, Jayne Stynes

With thanks to THE FUTURE IS for use of transcripts from your panel hosted by SayNadaa at Boxpark Wembley, 3.06.21



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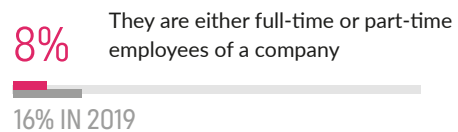
ARTS COUNCIL ENGLAND

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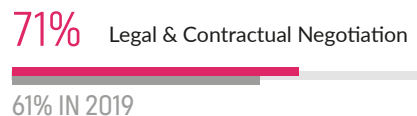
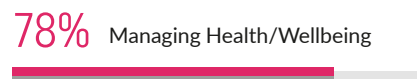
I'M A VERY INVOLVED MANAGER. I PROBABLY SPEAK TO MY CLIENT AS OFTEN AS I DO MY PARENTS! TOGETHER WE GO THROUGH SONGS, LYRICS, SESSIONS, AND ANALYSE EVERY ARTIST HE'S WORKING WITH. YOU'RE ON THE SAME TEAM THINKING 'HOW CAN WE MAKE THIS THE BEST IT CAN BE?' YOU'RE THE PROTECTIVE BARRIER FOR YOUR CLIENT FROM THE WORLD OF THE INDUSTRY. YOU HAVE TO FORM A RING AROUND THEM AND ONLY LET THINGS IN THAT RING WHEN THEY NEED TO BE LET IN. YOU HAVE TO ALLOW THEM TO BE CREATIVE AND NOT LET DEALS OR INDUSTRY POLITICS GET IN THE WAY OF THAT.

MOLLY MCNULTY
SENIOR A&R AT KOBALT MUSIC PUBLISHING
AND MANAGER OF PRODUCER 169

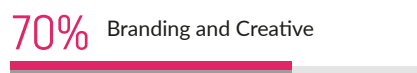
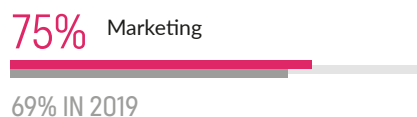
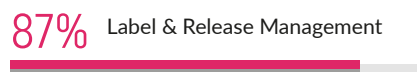
2021 MANAGING EXPECTATIONS MMF MEMBER SURVEY



SKILLS (IN TERMS OF IMPORTANCE)

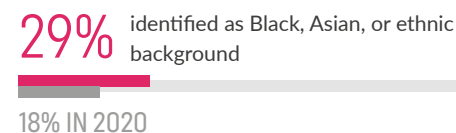
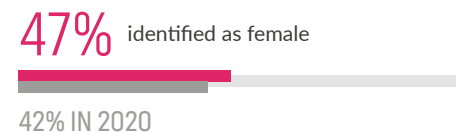


TASKS DONE

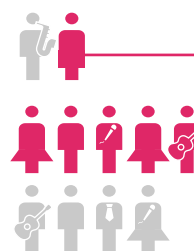
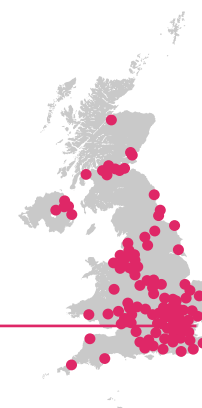


Key issues - Transparency Barriers (up from 2019), Early Stage Artist Finance and Access to Manager Growth Investment

WHO ARE MUSIC MANAGERS?



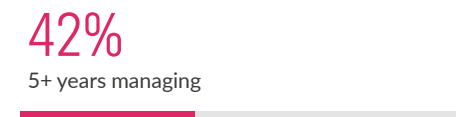
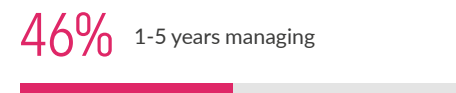
Most are based in London or the South of England - with significant pockets in Scotland and the North of England.



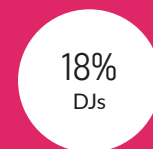
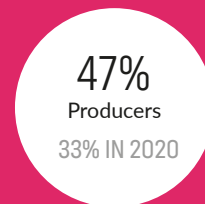
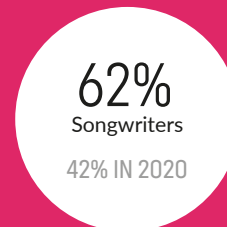
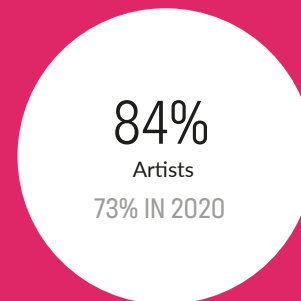
Most manage 1 or 2 clients...However



They have a vast range of experience:



WHO DO THEY REPRESENT?



CONCLUSION

“MANAGING EXPECTATIONS” PART TWO INTENDS TO DOVETAIL WITH OUR PREVIOUS IN-DEPTH REPORT ON THE CHANGING ROLE AND VALUE OF MANAGERS WITHIN THE MUSIC INDUSTRY. OUR SURVEY INDICATES THE SHEER GROWTH AND DIVERSITY OF MUSIC MANAGERS BUSINESS IN THE UK. THE TWO REPORTS HAVE DRAWN PARALLELS AND DIFFERENCES WITHIN THE COLLABORATIVE NATURE OF MUSIC MAKERS AND HOW THEY ARE ADAPTING TO A FAST-CHANGING COMMERCIAL ENVIRONMENT THAT HAS CLEARLY ELEVATED THEIR ROLE. IT IS A HUGE EXCITING TIME IN OUR PROFESSION.



Due to a multitude of factors, the role and skills of the specialist producer/writer manager has never been so prominent or so important:

- + In the streaming era, the process of composing and recording music has become increasingly collaborative - with a definable trend of ever more writers, producers and guest performers contributing to the most successful tracks, and with more recording work taking place outside of traditional studios. According to Music Week research, it took an average of 4.77 credited songwriters to write the 100 biggest UK hits in 2019.
- + As a consequence, there is greater competition for the services of hit songwriters and producers, and also greater focus on where they sit in the value chain, how they are paid, and the revenue split between recorded and publishing rights.
- + Additionally, new disruptive businesses are changing the “traditional” music publishing business, enabling music managers to exert greater oversight of publishing rights and offer new services to clients.
- + Wider market developments (eg multi-billion-dollar investments by Netflix, Apple and Amazon in audio-visual content, the recognition of songs as an “asset class”, the evolution of streaming and social platforms including Twitch and TikTok, demand for music in computer gaming, the greater affordability of music-making software) are also opening significant new opportunities for songwriters and producers.

- + More generally, due to fundamental changes in the business of recorded music, the roles of early stage investment and talent development are increasingly being assumed by music managers.

In short, the industry remains in a state of flux. Business practices are fluid and constantly evolving; varying between genres. And there are greater demands for the expertise of writer / producer managers across all career stages.

These demands have only been accentuated by the pandemic, as artists and music makers looked to diversify their revenue streams and compensate for the shortfall in live performance income.

The purpose of this report has been to outline these changes, to highlight the key skills and shifting business models, and present some of the challenges and opportunities pertinent to writer / producer managers.

1

DIVERSIFICATION OF SKILLS AND EDUCATION

This research has informed our thoughts on further work and education in areas including:

- + Understanding royalty statements
- + Audits & accounting
- + Technology and new tools for payment
- + Composing for film/TV/gaming
- + Splits and negotiations
- + Credits Due - ensuring accurate registration of song data
- + Legacy and catalogue management

Going forward, all these will be essential skill sets for a growing proportion of the music management community.



Prompt Payment Code

2

TRANSPARENCY ON INCOME STREAMS AND PAYMENTS

We also hear a clear call from managers across all specialisms for prompt payment from their business partners, both labels and publishers, as the current absence of this damages theirs and their clients' businesses. As a result the MMF calls upon all these companies to sign up to the government's prompt payment code.

It will also help inform the MMF's ongoing advocacy work, and help build on existing initiatives such as our Dissecting The Digital Dollar project and \$ong Royalties Guide calling for:

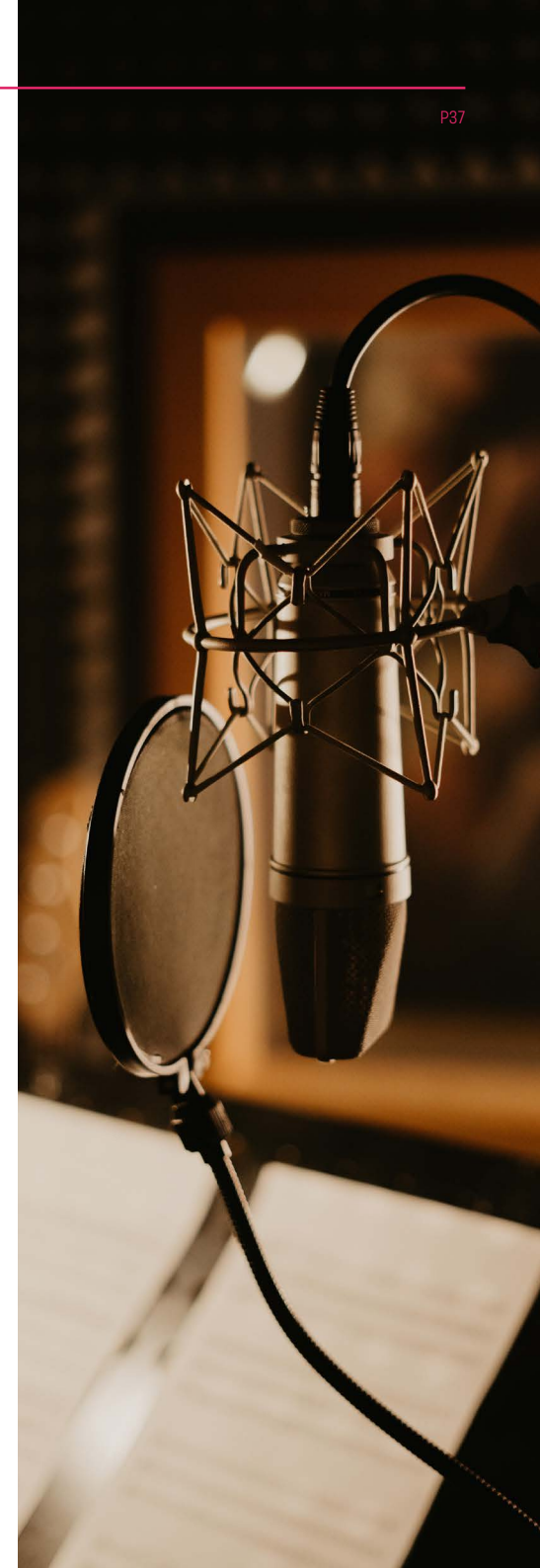
- + The agreement of a music industry 'contract transparency code of practice' in 2022 through the IPO working group.
- + Reforms of archaic and inefficient industry infrastructures, such as the unfair system of "black box" distribution for "unattributed" songwriter revenues
- + The dismantling of the overly complex territorial "royalty chains" that unnecessarily reduce streaming payments for songwriters and producers and negotiation of global licensing leading to more accurate and faster payments.

3

NEW COMMERCIAL MODELS AND SUSTAINABILITY

Once again our interviews and surveys have indicated the need for strengthening sustainability for music managers. In 2019 we made a commitment to explore commercial models and the structure of the relationships they have with their business partners and clients. Discussions within our membership have already begun to explore the experiences of managers regarding new models and efficiency of so called sunset clauses. These will be further explored with sister organisations within the Council of Music Makers (the Featured Artists Coalition, Music Producers Guild, Ivors Academy and The Musicians' Union).

For the first time in our annual survey we asked respondents to identify if they had a private pension. Only 6% of respondents indicated they had made pension provisions in this way. With by far the majority of managers either self employed as freelancers or running their own businesses it appears managers are somewhat limited in preparing for their long term futures. The MMF has begun working closer with its Associates in wealth management through the ReBuild project and will continue to advocate for strong financial planning and security for its membership.





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