



Excerpts from  
**HOW TO MAKE A LIVING IN THE MUSIC  
BUSINESS**

by Vince Wilcox, Esq. © Copyright 2020

*From Module I: Making & Marketing Records*

**I.C.14 *What Are Labels Looking for in Prospective Artists?***

A hobby is something you do for fun; a business is something you do for money. Record labels are in the *business* of monetizing music. The music business is extremely speculative and not too far removed from legalized gambling. If you're an artist looking for a label deal, you need to acknowledge that the vast majority of label releases don't make money for the company or the artist. That said, the few that succeed often make

enough to cover the losses from the underperforming projects. I reiterate this to emphasize that record labels are looking for any reason *not to sign an artist*. So, aspiring performers shouldn't take it personally when an A & R rep passes on them. Their job is on the line each time they sign a new act because they're probably going to risk tens of thousands—maybe even hundreds of thousands—of dollars before they'll know if their investment will turn a dime in profit.

So, what do labels look for in prospective artists? I've had dozens of conversations about this with label executives over the past four decades and here are seven common themes:

**1. Extraordinary Talent**

Millions of people can play a musical instrument, sing, and write music. Thousands of those people can make a living in music, but relatively few will be successful as label artists. That's why labels are always on the lookout for jaw-dropping talent. I've witnessed A & R reps at a showcase actually push each other out of the way to get to an unsigned artist with undeniable talent.

If you're not extraordinary, it's okay—there are still plenty of places for you to use your talent. And if God has gifted you with some exquisite skill that you've developed into something remarkable, just remember that you're the recipient of the gift, not its source. But talent isn't everything...

**2. Relentless Work Ethic**

Like the "natural" athlete blessed with great genes, years of hard work are still required to ascend from the ranks of amateur to semi-professional to professional. It's hard and

thankless work—mostly done beyond the adoration of the crowd. There are plenty of extremely talented athletes who don't make the big leagues, in large part because they rested on their talent rather than exercising the discipline required to move from good to great. Likewise, there are plenty of modestly talented athletes—and artists—whose self-discipline and sacrifice took them far beyond their natural abilities.

Recent research by psychologist Angela Duckworth and others has shown that “grit” (defined as “perseverance and passion for long-term goals”) is a better predictor of success than intelligence or other factors. Ideally, record labels are looking for artists whose undeniable talent is matched by an unrelenting work ethic.

### **3. Audience Connection**

Music connects the heart of the artist with the heart of the listener. It's a conversation. Whether in the studio or from the stage, labels are looking for artists who can write and perform music that resonates deeply with their audiences.

Taylor Swift, for instance, started out as a competent singer/songwriter whose producer created great studio records. From her very first album, however, her audience felt instantly and intimately connected to her. Even though Taylor's first public performances were shaky and unimpressive, with time (and the talents of live performance coaches and choreographers), she became one of music's most accomplished live performers and highest grossing touring artists.

Labels are looking for artists who are authentic and accessible from the stage, because they know this intangible quality is difficult to teach but critical to success.

### **4. Developed Fan Base**

Disciplined artists not only have a plan to develop their talent, they also cultivate a base of fans who love their music. They constantly refine their live performances. They find new places to “play out” in ever-widening circles. They draw other talented songwriters, singers, and musicians into their creative network. Even if it's just using the software on their laptop computers, they record music and post songs on social media platforms and streaming websites. They don't wait to be discovered; rather, they figure out how to build a fan base. They're naturally contagious—building Facebook, Twitter, and Instagram followers by the hundreds and then by the thousands. They frequently engage their fans with meaningful content—not just because they want big social media numbers, but because they're grateful that other people genuinely care about their music. Record labels are always impressed by prospective artists who are building their own followings.

### **5. Self-Awareness**

I've signed young artists with loads of talent but who lacked the maturity required to be good stewards of it. Beyond becoming rich, famous, and adored by millions, they had little idea *who* they wanted to be. If an artist isn't sure about *who* they are, *what* they

want to say, *to whom* they want to communicate, and *how* they want to express themselves, then they're not ready for a label deal. That's what the process of artist development is all about—helping artists become worthy of the platform to which they aspire.

In my experience, true artists have a passion for expressing their worldview through some specific medium. There's a story in them burning to be told. They have a distinct point of view, a unique *voice*, if you will. And this unique voice resonates with a specific audience. Their sense of self-awareness is evident in the material they choose and how they perform it, even in what they wear and how they engage others. Labels are looking for artists for whom the next step is a national platform, or at least those who are on their way to becoming that caliber of artist.

## 6. Coachability

While it's essential for artists to be unrelentingly committed to their vision, labels are looking for artists who are coachable. Most record companies are staffed by teams of professionals with decades of combined experience in the music business. They've seen what's worked and what's failed. Likewise, many artist managers can offer sage direction about what priorities to pursue and what pitfalls to avoid.

The coachable artist surrounds himself or herself with an experienced team and trusts their advice. Like a marriage, a healthy business relationship will have some give and take, but the aspiring artist who constantly disregards the insight and direction of manager or label will soon be looking for a new manager and label. New artists need to realize that most recording contracts give the label the last word on just about everything, so it's vital to find a label that shares a common vision and then be responsive to the label's direction to achieve those goals.

## 7. Character

Even if an artist has all of the above attributes in abundance, labels are wary of signing artists with self-destructive character issues. No matter their talent or financial potential, artists who lie, cheat, and betray trust are simply a bad investment. Not to mention artists who engage in reckless, addictive, and illegal behavior that could result in criminal prosecution or expensive civil lawsuits. Most artist managers, booking agents, and record labels trade on their good reputations and figure it's just not worth the risk to add such artists to their rosters.

A few artist contracts still contain "**moral turpitude**" clauses that allow the label to terminate the agreement if the artist engages in some egregious behavior that offends social sensibilities or exposes the label to ridicule or legal liability. Even though this is a very high bar in this age of moral relativism, even best-selling artists like R. Kelly can lose their record deals when the public outcry grows louder than the label wants to hear.

Whatever an artist's moral or religious outlook, the music business will require them to do their best to keep their word. If an artist can't do that, then why would anyone want to sign them to any kind of contract?

## **From Module II: Songwriting & Publishing**

### **II.C.20 *What's the Future Look Like for Songwriters and Publishers?***

Song publishing took a huge hit at the turn of the millennium. The music industry has yet to fully recover from millions of consumers illegally file sharing all the songs they wanted and the subsequent transition to legal downloading and streaming. Since then, the number of **“pure” songwriters** decreased dramatically as **“album cuts”** evaporated and online revenue failed to replace lost CD income. Because of the shift away from albums to singles, many publishing companies downsized, shuttered, or sold. I have a number of songwriter colleagues who are still bitter about their inability to pursue the calling they love.

With all due respect, we have to remind ourselves that no one is “owed” a living in the creative arts.

Yesterday’s norm may vanish overnight. Likewise, new technologies and opportunities are emerging as you read this. If we want to make a living in a given industry, we ultimately serve at the pleasure of the marketplace.

Hundreds of millions of consumers have now chosen to consume music a song at a time through on-demand streaming. That’s our current and future reality.

When I started in this industry four decades ago, virtually no one could have imagined today’s reality. And even when it became apparent where consumer habits were going, those in leadership reluctantly—if not belligerently—resisted the inevitable. Today, for better or worse, the old guard is gone, replaced by those who are creating a vibrant new infrastructure for the creation and monetization of music.

More people than ever are subscribing to both interactive and non-interactive streaming services. Slowly but surely, legislation and negotiation are resulting in incrementally more income per stream for writers and performers. Though year after year growth seems to be slowing as we approach market saturation, music platforms continue to be more innovative, competing for the ears and pocketbooks of billions of people. At some point in the near future, music income from paid and ad-supported listening platforms will surpass the worldwide music revenue peak of 1999-2000.

The good news for publishers is—while there aren’t the same number of superstar artists as there were when a few labels dominated the landscape—there are more people listening to more music than ever. Large publishing companies with deep catalogs are now seeing record profits. Unfortunately, this hasn’t yet trickled down to smaller publishers or new and developing artists whose millions of streams only translate into hundreds of dollars.

Nonetheless, writers continue to write meaningful music and publishers continue to monetize their works.

Hit songs are coming from bedroom studios as well as from established publishing companies. While big songwriter deals are fewer and farther between, more people have access to the technology and distribution platforms necessary to create and promote meaningful art.

My advice to aspiring songwriters and industry professionals is to find a way to do what gives you joy. You may not generate all the income you want—either initially or ultimately—but wealth could never buy happiness anyway. The trick is simply to make a living.

The truly creative person will find a way to underwrite their creativity. This will probably mean wearing many hats. This will probably mean working an outside job. This will probably mean learning to live with less so that you can be involved with music more. But as you become a more proficient artist or businessperson, the more the market will notice. Your “big break” will likely come as the result of hundreds of seemingly insignificant, incremental steps you took along the way.

If you love the creative process, then create. If you love helping other people create, then create an equitable business with them. Don’t be fooled into thinking that the rare “overnight success” is more common than it is; because it isn’t. To become great at something will require you to fail along the way. Prepare yourself for the marathon of your career by filling yourself with knowledge, submitting yourself to worthy mentors, and surrounding yourself with joyful sojourners.

There’s something sacred about crafting words and music that resonate with the soul of another person. The inability to immediately monetize it doesn’t mean it’s failed. Worth and money aren’t the same thing. Make every song as great as it can be, even if it’s only for an audience of one. Learn the business of songwriting and publishing; not so that you’ll have to do it all, but rather so that you’ll know when it’s being done well.

Here’s my parting advice for songwriters who aspire to make a living from their calling:

- Keep your publishing as long as possible. As your catalog grows in size, it may become valuable to an outside publisher who’s interested in signing you to a substantial deal.
- Or, rather than signing away 100% of your compositions, consider a co-publishing agreement with an established publisher.
- Or, start your own publishing company by retaining an administrator to handle licensing, collection, and royalties
- And don’t forget to consult an experienced entertainment attorney when significant time or money is involved.

And for those who are interested in working as music publishers:

- Develop a reputation as someone who understands what makes a great song.
- Under-promise and over-deliver with respect to your business commitments.
- Consider offering songwriters a co-publishing deal in lieu of significant advances or draws.
- Keep up to date on changing music laws and emerging technologies.
- Never lose your love for a song that gives you goosebumps.

## **From Module III: Managing & Booking Artists**

### **III.D.8 How Do Effective Artist Managers Manage their Teams Toward their Goals?**

The right priorities have been identified, the goals have been set, the resources assembled, and the assignments made. Now, the manager manages the team toward these goals through a four-step process I call “*inspire, inspect, correct, and repeat.*”

- **Inspire**

Here’s where a great manager really shines—**not necessarily by doing everything personally, but rather in helping other people get things done.**

Let’s face it, many of the people required for an artist’s success technically don’t work *for the artist* but rather *with the artist*. It’s a challenge to get and keep everyone on the same page. I’ve found that much of this coordination can be accomplished through timely encouragement rather than through last-minute harassment.

Music businesspeople can be lumped into two categories: those *you want to work with* and those *you have to work with*. [Actually, there’s a third category: those *you’ll never work with again!*]

It always pays to stay in the first category. If you want other people to put your artist’s needs first, then be the kind of person who everyone appreciates and respects, regardless of whether or not they love your artist. When you lose their hearts, then engaging their minds and hands becomes far more difficult.

Learning to inspire others is critical to leading. Because when all is said and done, artist management is really about leadership.

- **Inspect**

But inspiration alone is insufficient. Effective managers must communicate the agreed-upon expectations and then inspect the progress of each task and team member. When people expect their work to be inspected, they do their work for all to see. **Expect, then inspect.**

It’s helpful to discern between strategy and logistics.

**Strategic goals** are *what you want to have happen*; the **logistics** are *how you make them happen*. Effective managers continuously evaluate their logistics in light of their strategic priorities. They challenge the status quo and the tyranny of doing things the way they’ve always been done. They go back and forth between macro and micro; from the 30,000-foot-high global view down to the three-foot close-up view.

- **Correct**

Effective managers constantly evaluate progress toward their goals and carefully make the necessary adjustments to achieve them.

A human hair is about one thousandth of an inch wide. If the rocket that launched men to the moon was off by even one thousandth of an inch—by the time it reached its destination—it would miss the target by a thousand miles. **Mid-course corrections** are inevitable, necessary, and good. So, managers shouldn't be afraid to make them.

In my experience, only about a third of your plans will actually play out the way you envision. Another third doesn't turn out at all like you'd hoped—either because you set our sights too high or because of some unexpected complication. The last third, however, is where the magic happens. These are the **unforeseen opportunities** that can take your artist to new heights. It's essential that artist managers not be so focused on their to-do lists that they miss big opportunities when they come knocking. Even the best managers can't anticipate these serendipitous events, but they recognize and exploit them when they happen, setting up the next big success for their artists, continuing to move them "up and to the right."

For example, we managed a faith-based band called NewSong that had been modestly successful over the course of their career. In 2000, they were wrapping up production on a studio album, *Sheltering Tree*, when, at the last minute, someone on their team suggested they add a Christmas song they'd been writing as a bonus cut on the project. Label president John Mays thought it was a great idea and offered to hold up manufacturing of the CD if the band could record the song in the next week. NewSong delivered the master and it was added to the project. Soon afterwards, "The Christmas Shoes" single was premiered on the talk show of the St. Louis radio station personality who supplied the story on which the song was based. After it aired, the station's switchboard and Internet server were swamped. The label took this response to their mainstream distribution partner, BMG, who helped get the song mainstream airplay and retail placement. Six weeks after release, the song was #1 on the Billboard Pop Singles Chart. *Sheltering Tree* went on to sell hundreds of thousands of units, as did a dedicated *Christmas Shoes* holiday album that was released the next fall. "The Christmas Shoes" song inspired a series of novellas which have collectively sold millions of copies, several made-for-television movies for the Hallmark and Lifetime networks, an award-winning musical, and many successful Christmas tours for NewSong and their guest artists. All of this happened because the artist and their team were faithful to this unanticipated yet providential opportunity. They were bold enough to change course—even at the very last minute.

- **Repeat**

At their best, artist managers keep their team's eyes on the prize, especially when victories are few and far between. No matter the artist's status, the process is ongoing and unending. There's always another single, another album, or another tour. There's always the next mountain to climb, problem to solve, or relationship to build (or repair).

In order to keep their teams motivated, managers must keep themselves motivated. Although they return to the same process again and again, they find ways to keep things new and fresh. Otherwise, they'll burn themselves out, along with everyone around them.

It's also helpful to have a life and hobbies outside of work. While I was an active artist manager, one of my favorite weekend activities was to simply mow my lawn. In contrast to managing, mowing wasn't mentally or emotionally demanding and—after I was done—I could relish actually having completed something.

One way to succeed in keeping things new is to set short term goals and celebrate their completion. And then, after major milestones are met, celebrate even more! Recognize your team's creativity and commitment, even if it's just with a quarterly recognition luncheon.

In the music business, commercial success is more often the exception than the rule and achieving some level of viability usually takes longer and is more challenging than expected. I've often thought that the artist/manager relationship is a lot like marriage: looking back—if you really knew how hard it was going to be—you might have been more cautious about jumping into it! That said, helping artists expand their income and their impact can be extremely fulfilling, especially when doing so helps you realize your own financial and vocational goals.