

MMF-US – E-NEWSLETTER (August 2011) - *Extra MMF-US FEATURE*

MEMBER/MANAGER ANNOUNCEMENTS

A MESSAGE FROM THE PRESIDENT

Aug 01, 2011



Message from Barry Bergman, MMF President:

***It's a New Dawn, New Day at the MMF—
THE RELAUNCH OF WWW.MMFUS.COM
Let's Embrace It!***

Ever since our formation in 1993, the MMF has stood for progressive, enlightened approaches to problem solving within our constantly evolving industry. We've tackled every challenge with enthusiasm and dedication and I want to take a moment to thank each of you for your unwavering support. We've traveled a long road together, but our journey is, in many ways, just beginning...

As we move forward, I want to let you know we're going to continue our mission with trademark passion, but we're going to have some new tools at our disposal to help us get our important message out to both our valued membership and the public at large.

Specifically, I'm referring to our newly created interactive web site, designed and built by Craig & Heidi Lyons. It features a private forum, RSS feeds along with FaceBook, LinkedIn and Twitter capabilities as well as up-to-the-minute news from Billboard, Pollstar, The R.I.A.A., ASCAP, BMI, SESAC and

others. We'll be able to communicate with each other, and the world, more effectively—and instantly—than ever. That's an important key to our continuing to have a significant impact on the creative community we serve.

We're proudly emphasizing our respected MMF Spotlight and are launching this section with a profile of veteran Paul Geary of Azoff, Geary, Paul & Smith Management. As many of you know, Paul was a key member of the Grammy-nominated band, Extreme, for whom he also cut his management teeth while serving as their drummer. The Boston native was responsible for building Extreme's national profile which resulted in their 1987 deal with A&M Records.

After his playing days, he refocused his energy on bringing new talent to the world and quickly helped turn Godsmack into a multi-platinum phenomenon that have already earned four Grammy nominations. After folding his Global Artist Management into L.A. based Azoff Music Management (with the legendary Eagles' manager), he partnered with Jared Paul and has taken Smashing Pumpkins, Creed and Godsmack to dizzying new heights. His management philosophy is enlightened and candidly refreshing: "I work for each artist and take direction specifically from them," he says. I'm sure our membership will be edified by the comprehensive profile/Q&A of Paul which we present in our new MMF Spotlight.

The MMF wouldn't have achieved the distinction or success we've enjoyed without your help and contributions, so we want to know what's on your mind—what you'd like to see/discuss on the MMF site. We're going to highlight your responses to our newly launched MMF Poll and think you'll agree with us that this section will be viewed as a vital cog in our future growth. And please don't forget that your dues and important news items are vital to our continued growth.

As part of our expansion, I'm pleased to announce the addition of well respected accountant, Steve Zelin, CPA, and veteran publicist, David Budge of Red Rooster Publicity to our team of pro-bono specialists. Steve will be helping us deal with our fiscal challenges and operating needs. David, a former Editor-in-Chief of Cash Box Magazine, worked for Columbia Records and headed EMI's Publicity department before opening his own company in 1987. He's represented Etta James, Taj Mahal, George Thorogood, Fabulous Thunderbirds and John Mayall in addition to a plethora of stars during his record label years (Springsteen, Dylan, Bowie, Red Hot Chili Peppers, etc). Steve and David are excited about assisting MMF members with whatever fiscal management and PR/media needs they may have. Please let me know if you'd like their contact information.

So, it's with a sense of personal excitement and urgency that I say to all of you, let's get busy! We have demonstrated our collective strength and proven our capabilities many times, but let's not rest on our laurels. The next big challenge is coming with the new dawn and we have to be ready for it. Branch Rickey, who was responsible for breaking baseball's color barrier by bringing Jackie Robinson to the Brooklyn Dodgers said, "Luck is the residue of design." Let's re-dedicate ourselves to ensuring that we do everything in our power to establish a climate favorable to making sure the MMF's luck is good luck.

Sincerely,

Barry Bergman
President, MMF

The apps: Skype, GoogDocs || The user: Justin Seidenberg, owner, Kiqstart Music

Aug 01, 2011

By: *Steve Hendershot*



Justin Seidenberg is accustomed to crises erupting at odd hours. Mr. Seidenberg manages a stable of musicians through his Chicago company, Kiqstart Music LLC, and it's when his artists are at performance venues that they are most likely to require his help. In other words, he needs to be ready for action at 11 p.m. on a Saturday night. "I'm out having dinner with my wife, but my artist gets to the venue and gets into a debate with the production manager. I need be available and prepared," he says.

Mr. Seidenberg uses two iPhone apps to meet the challenge. The first is Skype, a free app from Palo Alto, Calif.-based Skype Inc. that allows him to video chat with his musicians, wherever they may be.

The second is GoogDocs from Fossil Software LLC of Austin, Texas. This app allows Mr. Seidenberg's mobile phone to access spreadsheets he creates using Google Docs, Google Inc.'s free, cloud-based office suite. He keeps contract details there, such as the set length, sound-check time and financial arrangements between artist and venue, so he can quickly intervene if a dispute arises.

WHY IT WORKS: "A (video chat) app like Skype provides an extra layer of interaction that helps reinforce your message. If you have to air a grievance or a concern, a visual rendering can carry a lot more weight," says Chris Pautsch, CEO of KeyLimeTie LLC.

SOMETHING ELSE TO TRY: For more formal video conferencing, Cisco Systems Inc. offers a free mobile app for users to join meetings that use the company's WebEx Meeting Center. Mr. Pautsch uses the service at KeyLimeTie to stream video and share documents among participants.

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CEC Management Announces Two Major Signings for 2011

Aug 01, 2011

CEC Management is pleased to announce signing back on to manage pianist-songwriter-performer extraordinaire **BEN FOLDS** and signing the legendary **PETER MURPHY**.

CEC owner Alan Wolmark says, "I am very proud to be back with my old friend Ben who has broken down so many barriers in his 17-year career, and who continues to set new standards for musicians navigating the ever-changing waters of the new music world."

Ben is currently on tour and preparing for the Fall release of a 3-CD career-spanning retrospective including many unreleased studio and live performances going back to 1995. Also this Fall, Ben begins his third season as a judge on the highly successful NBC-TV series "The Sing-Off."

Iconic British rocker Peter Murphy joins CEC for worldwide management and 2011 is already shaping up as a banner year with the recent release of his new solo album "Ninth" on Nettwerk Records. Peter, who first attained worldwide recognition as front man for Bauhaus, is now amidst a world tour taking him to the UK, Europe, North America and Japan (SummerSonic Festival '11) with more territories to be announced shortly.

"I am extremely grateful for the opportunity to represent Peter Murphy, a truly and uniquely talented musician, performer, songwriter and poet," adds Alan. "Ninth" is receiving great acceptance and acclaim around the world and 2011/12 will see Peter touring extensively and expanding his career in both music and film. Peter recently appeared in the film "Twilight Saga: Eclipse" and will be featured in a number of independent film projects within the year.

Alan Wolmark
CEC Management

Barry Bergman Management Assisting Billy Harvey Transition

Aug 01, 2011



(NEW YORK, NY)

Barry Bergman is pleased to announce that client Billy Harvey, the well respected Los Angeles based musician formerly from Austin whose critically acclaimed first four albums established him as an

important musical voice is successfully transitioning to acting with starring roles in two upcoming feature films.

Harvey stars in the Mark Dennis/Ben Foster dramatic thriller, **“Strings,”** a film that has already become a festival sensation, scoring the prestigious Ensemble Award, Audience Award and Best Song nod (for Harvey’s original tune, “The Greatest Escape”) at the Breckenridge Festival of Film in Colorado. For a quick look at the trailer, visit <http://vimeo.com/6809479>. The movie explores the life of a musician (Harvey) who submits to experimental psycho therapy only to discover that part of his transformation involves his becoming part of an extremist vigilante group. Harvey’s “Greatest Escape” is featured on his current CD, **“The Everlasting War.”**

Harvey’s other featured role is as an Ex-pat in the Spoonbill Pictures dark comedy, **“Taiwan Oyster,”** directed by Mark Jarrett and shot in part in the exotic capital and other locations on the island. Both films allow Harvey the opportunity to display his impressive dramatic capabilities.

“Strings” will be featured at the White Sands International Film Festival in Las Cruces, NM August 25-28 and at the Tulsa International Film Festival September 22-25.

Commenting on Harvey’s recent activity, Barry Bergman said, “I’ve always known Billy Harvey was a Renaissance artist, capable of succeeding in any field he enters. His work in these two films confirms the belief I’ve had in him from the day we met. He’s a remarkable talent with limitless potential.”

Contact: Barry Bergman at barrybergman@earthlink.net

Steven Scharf Entertainment News

Aug 01, 2011

SSE recently signed L. A. based film composer Zain Effendi for representation. Zain apprenticed for four years under Hans Zimmer, at Remote Control Productions, contributing credited score cues on such blockbuster films as "Pirates of The Caribbean 3: A Dead Man's Chest", Transformers", "Madagascar 2: Escape From Africa", "Frost/Nixon", and "The Dark Knight". Zain is currently scoring cues for the Documentary "The Prophecy". Upcoming films include "Rwanda" and "Roadside".

SSE Producer management client Julius "Juice" Butty recently produced the "Scurrilous" album for Canadian artist Protest The Hero for Vagrant/Universal Records and the upcoming Kobra And The Lotus album due next year.

Michael Vail Blum has recently produced the latest album by seminal Brooklyn punk rockers Japanther for release in the Fall. Michael is currently producing L.A. based artist Danni Rosner.

Miles Wilkinson has finished producing the pilot for his upcoming live radio series "Troubadour Sedan" with co-hosts Meg Griffin (Sirius XM) and Rita Houston (WFUV Music Director) with a 2012 launch.

SSE has had a very successful 2011 with music licensing placements in such Feature Films as the Blockbuster film and soundtrack "Fast Five"; "The Change-Up", "SWAT 2: Firefight" and various Television Shows such as "The Protector", "Franklin & Bash", "Childrens Hospital", "Friends With Benefits", "Criminal Minds: Suspect Behavior", "NCIS: Los Angeles", and the upcoming Fall Series "Death Valley".

For more info go to: www.stevenscharf.com

Yes Dear Entertainment - Simon Lyng

Aug 01, 2011



Los Angeles, July 15, 2011.

Simon Lyng, the Greenlandic singer/songwriter managed by L.A. based Yes Dear Ent. (Mike Gormley, Jolene Pellant) has broken through in the UK in a big way. After a year of touring with the likes of Morcheeba, The Secret Sisters and most recently a triumphant tour of Europe with Emmylou Harris, Lyng has had his new single "If You Go" added to the BBC Radio 2. The single is from his debut recording on the UK-based Lo Max Records, "The Future".

Picked personally by Ms. Harris for the tour, Lyng performed for over 23,000 fans and had Ms. Harris praising her new find from the stage. Dates included the Royal Festival Hall in London.

Lyng went from the Harris tour to be the first Greenlandic artist to play the famed Glastonbury Festival in the UK.

YDE will have Simon touring the U.S. in September before returning to headline dates in the UK and Scandinavia.

MUSIC INDUSTRY NEWS & ANNOUNCEMENTS OF INTEREST TO MMF-US MEMBERS:



Apple Posts Monster Q3

Posted: July 20, 2011

NEW YORK (AP) — The iPhone is conquering Asia, the home of its strongest competitors. Sales there nearly quadrupled from a year ago and helped Apple Inc. trump analyst expectations for yet another quarter. Apple also said iPad sales worldwide nearly doubled from a quarter ago, a sign that it has left the worst of its supply problems behind. Apple's stock surged nearly 5 percent after the results came out. Net income in the fiscal third quarter, which ended in June, was \$7.31 billion, or \$7.79 per share. That's more than double the \$3.25 billion, or \$3.51 per share, a year ago.

Analysts polled by FactSet were expecting earnings of \$5.82 per share. Revenue was \$28.6 billion, up 82 percent from \$15.7 billion a year ago. Analysts were expecting \$24.8 billion. The results were lifted by the sale of 20.3 million iPhones, millions more than analysts had expected. The phone's popularity in Asia, particularly in China, is helping. So is the fact that Apple keeps expanding the number of carriers that sell the phone. It was the first full quarter in which the phone was sold by Verizon Wireless, the largest carrier in the U.S. Before, only AT&T sold the phone in the U.S.

Apple usually has the year's new iPhone model out by early July. That hasn't happened this year, and analysts expect the new model to come in September instead. Apple executives didn't provide any specifics on a call with analysts.

Executives also resisted questions on whether Apple will produce a cheaper iPhone to compete against phones powered by Google Inc.'s Android software. Asian competitors like Samsung Electronics, LG Electronics and HTC Corp. are selling tens of millions of Android phones every quarter at prices that undercut the iPhone.

"We will only make products that we are proud of, that are the best in the world. And if we can do that, and the price is lower, then we are great with that," Chief Operating Officer Tim Cook told analysts on the call. iPad sales came in at 9.25 million units, also above analyst expectations. Last quarter, the company was struggling to make enough of the new iPad 2. Apple has sold nearly 29 million iPads since they first went on sale in April 2010. In other product categories, trends were less impressive. Sales of Mac computers were 3.95 million, up 14 percent from a year ago. That's the lowest quarterly growth rate in two years.

Cook said some people were probably buying iPads instead of Macs in the quarter, but he said more people were buying iPads over Windows PCs. He said he was pleased with 14 percent growth compared with overall PC market growth of 2.6 percent, as measured by research firm IDC.

Some buyers may also have been holding off while waiting for Lion, the new version of the Mac OS X operating system. Apple had said it would go on sale this month, and Apple confirmed on the call that it will go on sale Wednesday. Lion will cost \$29.99 and mimics some of the features of the iPhone and iPad interface. iPod sales were down 20 percent at 7.5 million, as the music and video players continue to lose out to iPhones and iPads. It was the fastest quarterly decline yet.

Cook is running day-to-day operations while CEO Steve Jobs is on indefinite medical leave. The quarter was the first full one since Jobs went on leave in January. Jobs remains involved in major decisions, including announcements of new products. Analysts don't expect Jobs' leave to affect the company much in the short term. All the company's major products have still been shepherded by Jobs.

Chief Financial Officer Peter Oppenheimer said he expects earnings of \$5.50 per share and revenue of \$25 billion in the quarter that just started. Both figures point to a decline from the third quarter. However, the company usually lowballs its financial forecasts, and analysts are unlikely to take the forecast seriously. Apple's stock surged \$18, or 4.8 percent, to \$394.85 in extended trading after the company announced results late Tuesday. In the regular session, it hit a 52-week high of \$378.65, before closing at \$376.85, up nearly 1 percent.



Spotify Has Arrived Stateside: Here's What You Need To Know

July 2011: courtesy of NPR.org

The music streaming service Spotify, which was launched in Sweden in 2008 and has been eagerly awaited by tech-savvy music fans in the United States for the last year, has launched its U.S. version. The service has won over users in Europe — and generated anticipation here — by offering a simple service: a huge catalog of music that can be streamed, combined into playlists and accessed from any computer with an Internet connection, all for free. That four letter word — F-R-E-E — is the major difference between Spotify and other streaming services that have taken hold in the U.S. with varying degrees of success while Spotify was growing in Europe. Rhapsody, Rdio, MOG and other services that offer subscription access to large databases of music all charge a fee for access. In order to offer its free version, Spotify has spent the last year negotiating licensing deals with the four major labels in the U.S.; *The New York Times* reported yesterday that it just finalized a deal with the fourth, Warner Music Group, on Wednesday afternoon. Ease of use and catalog size are the second and third tentpoles for Spotify. Ken Parks, the company's chief content officer, describes the service as "dead simple."

"Picture a shelf of music in your house with 15 million records and with one click you can sort of pull down any record and start listening to it within a fraction of a second," Parks says. You'll deal with some restrictions if you want to use the free version. It comes saddled with a few advertisements, as well as limits on the number of hours you can listen each month — 20 for the first six months of your membership, 10 after that, and you can listen to each song only five times per month*. More importantly for the time being, it will also require an invitation from the company, which you can request at its website.

***Update (7/14/11 at 5:30pm):** The limitations will actually work a little differently than we originally reported, according to Spotify. If you manage to get an invitation, you'll have unlimited PC access for six months, with ads. After six months, the limit will be 10 hours per month and 5 plays per track. After the invite-only phase ends, Spotify will offer the regular free service to everyone, but at that point the introductory six-month offer will include a cap of 20 hours per month. And of course, while Spotify's new ads tout "free!" as the service's biggest selling point, what the company actually wants is paid subscribers. Indeed, users who want to skip the ads and the wait for an invitation can sign up for one of two paid plans right now: "Unlimited," for \$4.99 per month, gives you the service ad free and without time limits; "Premium," for \$9.99 per month, adds features like mobile access, an offline mode that allows access to stored playlists when you're not on the Internet, and "enhanced sound quality." Spotify calls the step up from free streaming via the web to premium usage on mobile devices a "freemium" model. Mark Mulligan, a U.K.-based journalist who writes the Music Industry Blog and has used Spotify for a year and a half, says at the lower end, the service "strips down digital music to the bones." It's particularly good, Mulligan says, at using technology to make the complications of the business invisible. "You click, it plays, and it's just there."

The question that remains is whether the limitations on the free plan, once they're in place, will act as an impediment to free users or prompt them to buy into the fee-based plans. Mulligan says that in the U.K., both things have happened. "Spotify went from having a highly engaged user base of coming over 10 million users," Mulligan says. "By the start of 2011 they reported that they had converted 1 million people to the premium subscription, which was a huge achievement, but that their active number had fallen to 6.7 million. They'd essentially lost about a third of the user base as active users." All of the plans in the U.S. version of Spotify include integration with Facebook — you can make playlists with friends and see what other people like — as well as the ability to import the music you own into your library.

Even the "Premium" service isn't completely comprehensive. Spotify has made deals with the four major labels, but there are some big indie holes. Searches revealed that recent albums by Gillian Welch, Shabazz Palaces and Ty Segall haven't made it into the service's catalog yet. If you own those albums, you can have Spotify search your hard drive and add them to your library, but you can't go to Spotify to sample anything from, say, Sub Pop**. Not yet, anyway. If the demand for the service matches the anticipation, there probably won't be many holdouts for long. Spotify says it's currently got 15 million songs in its database, and claims to be adding 10,000 each day.

****Update (7/13/11 at 5:30pm):** Spotify clears this up as well. They do, in fact, have a contract with Sub Pop. The fact that a number of albums from the label weren't available this morning is due to the fact that they're still in the process of loading many songs into their digital catalog.

Glenn Peoples, a senior analyst for Billboard magazine, says that the combination of catalog, ease of use, and flexible pricing might attract the audience that has eluded streaming services in the past.

"I think that Spotify's freemium model is an acknowledgment that not everybody puts the same value on music," Peoples says. A truly attractive streaming service is "something the market hasn't seen yet. Something that really attracts not just hard-core music people but mainstream people and price-conscious people and people who were pirating music before." Peoples says that Spotify will test the question of whether the U.S. audience will ever use a subscription model. We'll keep using the service, and offer updates later, but if you're using Spotify now, let us know what you think. What do you want from a music player?



Artists, Venues And Promoters Form Fans First Ticketing Coalition

July 21, 2011

LOS ANGELES (CelebrityAccess MediaWire) -- Dozens of major artists have joined with industry professionals and more than 60 venues to form the Fans First Coalition, a nationwide, not-for-profit with a stated goal of protecting fans from fraudulent and unscrupulous ticket practices.

The coalition claims that the organization was launched in response to an increasing number of unscrupulous or outright fraudulent practices, which the coalition plans to raise awareness of these practices and advocate for industry or legislative changes to prevent such abuses.

Some of the issues raised by the coalition include:

- Fans are routinely misled into purchasing tickets from websites that masquerade as being affiliated with artists, teams or venues. These phony, non-sanctioned sites trick fans into believing they are buying tickets directly from the artist or venue rather than the resellers who operate them.
- Scalpers use software and other illegal means to secure as many of the best seats as possible the second tickets go on sale, just to sell those tickets back to fans.
- Many ticket resellers do not inform fans that their websites are resale sites, and that prices often exceed face value.
- Fans are not aware of the true cost of their tickets until after they have made a purchase.

• Many resale marketplaces and companies sell tickets they do not have in-hand, and do not disclose this to the ticket buyer. Fans are often unaware that the tickets they purchase are “speculative” in nature – that is, they may be unable to see a game, concert or show if the ticket seller cannot fulfill speculative orders, even after paying for tickets.

Members of the coalition include: Live Nation Entertainment; the Carolina Panthers (NFL); JAM Productions; Red Light Management; the Carolina Hurricanes (NHL); Verizon Arena (Ark.); Ticketmaster; Durham Performing Arts Center (N.C.); Target Center (Minn); The Recording Academy; and more than 30 recording artists ranging from Anthrax to Kenny G and from Maroon 5 to Megadeth. “We need to make sure that fans get the tickets, and not scalpers. Fans First is fighting to do just that. Our band wants our tickets to be sold at the face value that we set, so that the real fans can get the tickets -- not scalpers.” said Maroon 5 frontman Adam Levine in a statement.

Ironically, Live Nation's ticketing division Ticketmaster, was accused of some of these very practices before merging with coalition member Live Nation. In 2009, Ticketmaster paid a fine of \$50,000 and was forced to close more than 100 ticketing websites that were described as deceptive as a part of an agreement with Illinois Attorney General Lisa Madigan. Moreover, the coalition says that it will seek to oppose legislative efforts in the U.S. Congress and several states to ban venues from requiring identification at ticket will-call windows and that institute restrictions on paperless ticketing, a move that will strengthen Live Nation's own secondary ticket market. Without a physical ticket, ticketholders who wish to resell their ticket will find themselves forced to use secondary sites affiliated with the primary ticket vendor such as Live Nation's TicketsNow subsidiary.

"It's not perfect. We just have to get started. It's a ridiculous conundrum that they [Live Nation and Ticketmaster] have a ticket scalping business on the side. But we have to start somewhere. We just want to get more tickets in fans' hands at face value." Randy Levy, Treasurer, Fans First and President, Rose Presents, Minneapolis said during a press conference.

The coalition's website is located at www.standwithfans.org
-CelebrityAccess Staff Writers

2010 Was A Very Bad Year For Trying To Sell Music

The Record – Music News from NPR

By Jacob Ganz

According to a report from Nielsen SoundScan, the best-selling album of 2010 was Eminem's *Recovery*. No surprise if you took even a cursory glance at the charts last year; *Recovery* topped the *Billboard* album chart for seven weeks last summer and was described to me by one critic as being cockroach-like for its ability to scuttle out of stores despite making its nest in a sales climate devastated by free downloading, a bad economy, and a consumer base indifferent to the struggles of the industry (to put it generously).

But at 3,415,000 copies sold on CD or digital download, *Recovery* actually sold more in a single year than any other album since 2007, when Josh Groban's *Noel* won the sales title. Katy Perry's inescapable "California Gurls", featuring Snoop Dogg, was the most-downloaded song of the year.

For the second time in three years, Taylor Swift holds the crown for the top-selling artist of the year, based on sales of all albums.

If you're looking for good news in 2010's numbers, you can stop reading now. In just about every other category, sales figures skidded. You'll see these statistics combined every which way, but here's the bottom line: (1) CD sales are plummeting, (2) digital album sales rose slightly (but the percentage doesn't come close to making up for the physical album sales), and (3) digital track downloads flattened, which means they're not making up for any of the losses in CD sales.

A few big picture statistics (all courtesy of Nielsen SoundScan):

- The total number of albums sold in 2010, 326.2 million, was the lowest since SoundScan began compiling the data in 1993.
- Total album sales dropped off nearly 13% when measured against sales in 2009. That's the same rate of decrease sales saw last year over 2008.
- Digital track sales grew just one percent. This category, which saw stratospheric growth in the early part of the last decade yet never made up for the decline in physical album sales, has essentially plateaued.
-

For the first time ever, overall music sales — that's the accounting of every unit of sales for each physical format (CD, LP, cassette) plus digital tracks and music videos — declined. Nearly every genre faltered. Classical, jazz and Latin all saw 25% declines in sales. The only holdout was rap, which saw sales grow by 3%. It's tough to draw widespread conclusions about what people like based on these numbers. Still, SoundScan provides a ton of data, so we thought we'd zoom in on some particular statistics to see what conclusions we could draw.

Some people still buy physical albums. Like, for example, people who buy Susan Boyle records.

Another name for these people might be *older* purchasers, but it's hard to know and we wouldn't want to make anyone upset, since they're basically single-handedly keeping the music industry afloat. Whatever the demographic of her audience, Boyle sold 1.852 million copies of her Christmas-themed album *The Gift* in 2010. Of those sales, 1.820 were CDs, cassettes or LPs (we're just being formal; it's all CD, since *The Gift* wasn't issued on cassette or LP). That leaves **just 32,000 copies** sold digitally, a tiny 1.7% of the album's total sales. Compare that with 488,000 digital copies (16.5% of the total sales) of Taylor Swift's *Speak Now* or 852,000 (25%) for *Recovery*.

The highest digital-to-physical sales ratio of the albums in 2010's top ten? Ke\$ha's *Animal*; 35.6% of that album's 1.143 million albums sold moved through Internet tubes.

There's still no such thing as digital platinum.

In addition to nabbing the trophy for the year's number one-selling album, *Recovery* also sold more digital copies than any other album. Currently it's second on the all-time list of top selling digital albums behind Lady Gaga's *The Fame*. The bad news for both records: neither one has cracked a million in digital sales.

The much-discussed "return of vinyl" has hit the brakes.

LP lovers have scored plenty of coverage in major publications over the last couple of years for bringing the vinyl record back from the brink of extinction, despite the fact that vinyl sales still make up less than one percent of total album sales. If 2010 is any indication, we may soon see an end to such stories.

Blame the economy or just call it a small market nearing its saturation point; in 2010, growth slowed significantly. Where sales jumped by 33% in 2009, last year that number was 14%.

Note to future anthropologists who use vinyl sales to uncover truths about the schizophrenic mind of early 21st century music purchasers: the best selling vinyl album of 2010 was a 41-year-old record that made more news for finally making a digital debut. The Beatles' *Abbey Road* sold nearly twice as many copies on vinyl as did its nearest competitors, new albums by Arcade Fire and The Black Keys.

Business Matters: World Coming Around to U2 Manager Paul McGuinness' Piracy, ISP Views

July 12, 2011

By Glenn Peoples (@billboardglenn), Nashville

Visionary or Apostate? U2 Manager Paul McGuinness

Paul McGuinness has a guest column in The Telegraph titled "The Age of 'Free' is Coming to an End." It's a well-timed article. Last week, U.S. entertainment companies and ISPs announced they had created a "copyright alert" system intended to educate and deter copyright infringers.

He may be lambasted - again - by tech bloggers and media pundits, but the fact is the vision McGuinness has publicly outlined for over three years is actually taking shape all over the world. McGuinness has long argued that ISPs need to be a part of a piracy solution. A few years ago it was hard to imagine ISPs either coming to the negotiating table or being forced to act by governments.

But both have happened and will happen even more in the future. Piracy is no longer a music industry problem. It's just about everybody's problem. And it's no longer a moral issue. It's an economic issue. A country that relies on and values the cultural and economic impact of their intellectual property sees the fight against piracy as a matter of national importance.

In January 2008, McGuinness attracted worldwide attention - and a fair amount of ridicule in some circles - for his speech at Midem that called on ISPs to take an active role in helping content owners fight piracy on their networks. "For ISPs in general, the days of prevaricating over their responsibilities for helping protect music must end," he said. He has continued to speak out on the issue ever since that Midem speech. In a guest article at The Guardian over two years ago, McGuinness called the debate over ISP involvement "a critical debate that I believe will shape the lives and the working conditions of creative professionals for years, even decades, to come." And in a GQ article last year, McGuinness noted that the momentum had already begun to change. "Today we take a far more sober view as we see what damage 'free' has done to the creative industries, above all to music." As I noted last week, the U.S. agreement could inspire similar actions elsewhere. Some countries will let the government take the lead. Other countries will see market-driven solutions preempt the less favorable option of legislative interaction. McGuinness also recognizes the impact of the recent developments in the US. "The ISP agreement in the US is good news for music and the creative industries," he wrote in the Telegraph article over the weekend. He called on parties to "stop the thumb-twiddling and the soul-searching" and encourage ISPs to become partners in shaping the Internet. "In the US they have made a welcome voluntary step in that direction. Elsewhere, it will need the pressure of government and legislation to make it happen."

Call it what you want - a level playing field, a fair shake for the creative industries - but the truth is countries' responses to digital piracy are following the advice laid out by that speech at Midem three and a half years ago. Free was once considered to be the ultimate weapon in fighting piracy and was seen by some as the foundation for new business models (give away the music, sell the T-shirt and ticket). But free has lost its luster. Instead of giving away music, companies increasingly want to get paid and have a fair chance at operating a sustainable business.

-The Telegraph



China's Baidu, Music Labels Launch Online Service

July 19, 2011

BEIJING (AP) -- Baidu Inc., which operates China's most popular search engine, said Tuesday it will distribute music from three global labels in a deal that its partners say could help clean up China's piracy-plagued music market.

Music companies have sued Baidu twice over accusations it profited from unlicensed music copying by maintaining "deep links" on its search engine directly to sections of pirate websites.

The venture steps up Baidu's rivalry with Google Inc., which closed its China search engine last year but still operates a music download service in this country, which has 485 million Internet users. Baidu said it will distribute music from One-Stop China -- a joint venture between Universal Music, Warner Music and Sony Music -- and pay them for the content. The downloads are available only to computers with Internet addresses in China. Baidu and the music companies also agreed to end outstanding litigation between them.

China is seen as a major potential market for online music and video but legitimate suppliers have been hampered by rampant piracy.

In what the music companies see as a key part of their agreement, Baidu promised to eliminate "deep links" to pirate music sites, said Andrew Chan, One-Stop China's chief representative. "That means all traffic will be directed to legal links," he said.

Chan expressed hope the commitment by such a prominent Chinese company to legal music would cause other websites to stop using pirated copies. "We believe many medium and small-size companies that have infringed our music rights for a long time will think they have to change," he said. "They will see their big brother, Baidu, is changing to be a legal music service provider."

In the legal settlement, Baidu agreed to donate an undisclosed sum to the anti-piracy fund of a global music industry group, the International Federation of Phonographic Industries, according to the IFPI's Asia regional director, Leong May See.

Baidu had 75.9 percent of China's search market in the three months ending in June, while Google was in second place with 18.9 percent, according to Analysys International, a research firm in Beijing.

About 500,000 songs from the music companies' global, Mandarin and Cantonese catalogs will be made available through Baidu at the start and expect that to rise to 1 million titles as new releases are added, according to Chan. A Baidu spokesman, Kaiser Kuo, said the company was not releasing revenue forecasts. Chan said he expected One-Stop China's digital music revenues in China to double or triple in a short period, though he had no financial details. The venture was created in 2009 and has a separate agreement to distribute music through China Unicom Ltd., one of China's three mobile phone carriers. Baidu's music downloads will be free to users through its advertising-supported ting! platform. But Chan said the company also is looking at creating a pay section that will offer additional services.

MySpace Purchased By Specific Media



by **Jon Freeman**

June 29, 2011: News Corp. has reportedly sold social-media site MySpace to ad network [Specific Media](#). The [Wall Street Journal](#) says the sale was valued at \$35 million in cash and stock, considerably less than News Corp's \$100 million asking price. News Corp. will also retain a small stake in the site going forward.

MySpace was purchased by News Corp. in 2005 at the height of its popularity for \$580 million, but has since seen its usage dwindle after the rise of Facebook. MySpace now has about 157 million active users, compared to Facebook's 600 million. Following the sale, Myspace CEO **Mike Jones** will be vacating his post though he plans to work with News Corp. and Specific Media to help the transition. Additionally, MySpace will begin laying off a significant number of its employees. Specific Media has not revealed any plans for MySpace's future. Specific Media was founded in 1999 by brothers **Tim, Chris and Russell Vanderhook** and assists marketers in buying web, mobile and TV ads. The company's advertising network is now one of the country's biggest, and since 2007 it has acquired digital advertising companies, an online video company, and an ad technology company.



MIDEM New Director To 'Reinvent' The Event

July 19, 2011

CANNES, France -- International music conference and tradeshow MIDEM has a new director who is taking big steps to, as he puts it, "reinvent" the event. Due to take place in Cannes, France, January 28 to 31, the 2012 edition of the long-running conference will have an increased focus on tech companies -- both music and non-music related -- artists and brands, says Bruno Crolot, director of music markets at Paris-based organizer Reed MIDEM. Crolot replaces Dominique Leguern who stepped down as MIDEM Director following this year's event.

Faced with a decline in attendance, "My mandate when I joined was a blank page and to reinvent MIDEM and that's what we have tried to do in collaboration with our customers," Crolot tells [Billboard.biz](#).

"MIDEM used to be more of a B2B music market with what I would call the regular music industry: the publishers, producers, labels and distributors," continues the former VP of digital sales and business development at Sony Music Entertainment France. "Today we are following the evolution of the music business and we definitely want to target a much broader ecosystem [that includes] brands, technologies and artists."

Key among the new audience targets are tech companies, both music-related and non-music related. Microsoft, Intel, European telecoms giant Orange and Spotify are several companies that Crolot identifies as fitting within the revised demographic, although no guests have currently been confirmed.

The Innovation Factory area will be an onsite zone within Palais des Festivals dedicated exclusively to digital offerings and new technologies. Music branding partners and artists themselves will also feature more heavily at next year's MIDEM, which Crolot says will greater reflect today's fragmented and multi-layered music industry.

"We are not moving away from music. I think we are moving with the music business to a broader ecosystem, where music is the glue and where technologies are used by brand, artists or labels to re-engage with audiences on a direct to audience basis," Crolot said. "This eco-system is much wider than the traditional industry so we want to bring to the industry all these new players," he adds citing social media platforms as tech organizations that are not specific music services but bring massive benefit to the music industry. By expanding MIDEM's audience to incorporate non-music related companies alongside more traditional representatives of the record industry, such as labels, publishers, managers

and distributors, Crolot hopes to grow footfall and arrest the steady decline in attendance that MIDEM, like many international music conferences, has suffered in recent years.

The 2011 edition attracted 6,850 delegates and 3,120 companies from 77 countries, according to Reed MIDEM. **Attendance in 2010 stood at approx 7,200**, according to official MIDEM figures. As recently as 2006, when the confab celebrated its 40th anniversary, reported footfall was close to 10,000 attendees.

Crolot, however, is confident that the changes instigated for next year's MIDEM can reverse the trend. "We have new targets so we have new potential people to bring to MIDEM. We also have a better value to propose to the historical customer, so I think they will come and they will come in higher numbers," he says. "We want to have more people in 2012 than in 2011. That's the goal. Even if the industry is not in that terrific shape that she used to be, there is still business to do and if the value is good people will come," adds Crolot. "The testimony we got after the last MIDEM was of people saying: 'This is the right place to go if you want to do business around music.' I strongly believe that this is still true and it will be even more true in the coming years."

Among the Announced MIDEM 2012 Changes:

- Retiring of the MidemNet brand. The tech-focused conference, which was previously a separate event taking place on the Saturday before the main market, will be amalgamated into MIDEM, with technology keynotes, workshops, seminars and conferences now spread throughout the four days.
- Up to 30% fall in pricing. Tickets for music artists and students will be priced at €295.00 (\$414.00). Early bird tickets cost €495.00 (\$695.00) - the same entrance price as for start ups. The most expensive ticket will cost €795.00 (\$1,116.00), down from over €1,000.00 in 2011.
- A new layout within MIDEM home Palais des Festivals. Beginning 2012, the Rivera will form the conference entrance and main hub of activity, replacing the ground floor, which will now contain conference rooms, a VIP club and the MIDEM suite.
- The introduction of an artist-focused Direct-2-Fan Camp, which will host workshops and seminars on D2C marketing and breaking into the wider industry
- A new tech-focused area entitled the Innovation Factory, where established tech companies and start ups will showcase new products and services.
- An increased live music provision, including the launch of a three-night music festival, held at an as-yet-unconfirmed location in Cannes, Jan. 28 to Jan 30. Set to feature name international artists, the event will be open to delegates and ticket-holding members of the public.

According to Billboard

MMF-US DUES

MMF-US Members:

MMF-US membership dues for 2011 are due. Please send in your payment today so the MMF can continue the vital work it done for the past 18 years on behalf of managers and artists worldwide.

To renew your MMF-US membership, please fill out all fields of the Membership Application online at <http://www.mmfus.com/join-and-renew/application> and send a check for \$75 payable to “Music Managers Forum-US” and mail it to **THE NEW MAILING ADDRESS:**

**MMF-US
PO Box 419
New York, NY 10156**

If you wish to pay by credit card using PayPal, please use the following link from the MMF-US website.

<http://www.mmfus.com/join-and-renew/application> (PayPal account needed, but application not needed for renewals)

In addition, please fill out the Membership Submission Form with your PayPal payment.

If you have any questions regarding payment of dues, please contact President Barry Bergman at barrybergman@earthlink.net

The MMF-US is an all-volunteer organization with no paid employees, so your prompt payment of membership dues is vital for us to continue this important work. Please contact us if you would like to get more involved in MMF-US activities. Thank you for your support.

NOTE TO MMF-US MEMBERS:

For consideration of your news posts at the newly re-launched www.mmfus.com and MMF-US’s official social network pages established at Facebook & Myspace, MMF-US members are always welcome to submit press releases and news announcements concerning their management companies, special events, and artist achievements by sending an email to info@mmfus.com

WELCOME TO SOME OF OUR NEW MEMBERS OF MMF-US!:

Colin Willis, Daniel Savage, Civia Caroline, Paul Surdi, Mickey Hernandez and Angel Hidalgo,

Special thanks for contributions by:

Barry Bergman, Justin Seidenberg, Steve Garvan, Alan Wolmark, Steven Scharf, Mike Gormley, and compiler/editor Jack Bookbinder.

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