

Music BC's Phoenix Program & The Need for Music Business Education

By Michael Raine

There is no shortage of educational programs and events for musicians hosted or supported by the various provincial music industry associations (MIAs). Canada, it's often noted, does a pretty good job of supporting musicians' career education and development. But what about those who work with musicians – the managers, agents, labels, and others who play crucial roles in the music industry? These professionals, whose decisions can make or break a musician's career, are often left out of this educational focus in our national music industry. That's who Music BC wanted to empower with its intensive Phoenix Training & Professional Development Program.

Launched in 2017, Music BC's Phoenix program was created with support from Creative BC, FACTOR, and the Beedie School of Business at Simon Fraser University. It's based on a very successful program that has run in Australia and New Zealand for about the last 10 years and accepts just a handful of promising mid-level music managers and indie label owners. Through two intensive workshops, plus one-on-one mentoring and group work, it gives them the skills and insights needed to maximize their artists' careers and their businesses' potential.

"I look at the systems in Canada and obviously we're all super supportive of artists, but if you don't have the infrastructure in place to nurture those artists and be able to take them from one step to the other, we're almost doing a disservice to them," says Music BC Executive Director Alex Grigg, a former concert promoter and artist agent and the co-founder of Source Events, a special event management firm.

One of the music business advisors involved in the program is Terry McBride, the CEO and co-founder of Nettwerk Music Group, a Vancouver-based management firm, indie label, and publisher who works with Father John Misty, Mike Posner, fun., Ria Mae, and others. Prior to the Phoenix program, McBride instructed at Control, the Australian program it's modelled after. "After coming out of [Control], after four days, I'm like, 'Holy fuck!' and now I understand why the Australian music business, as a business, is far more successful than the Canadian business," he says. "Canada should be more successful being that we're right next door to the biggest marketplace in the world and I went, 'We don't have the infrastructure. We don't have this community of managers and label owners who all know each other, communicate with each other, and have this young group of people who have gone through this training to give them the tools to run a successful business.' It became obvious watching this process, just how everyone there was working *in* their business and probably 90 per cent of them by the end of the course were working *on* their business, not in it. They weren't lost in the weeds or lost in the fact that they must do everything for the artist. They changed their perspective to build a sustainable business ... with business principles and with tools and things to help them succeed."

Though it's said so often it's now cliché that "Canada punches above its weight," in terms of creating commercially successful musical talent,

McBride doesn't buy it, at least not when you look beyond the artists themselves. "I do think we hit above our weight because we're right next to the U.S. But I also look at how many Canadian artists are not managed by Canadian businesses and aren't signed to Canadian labels, but are viewed as being Canadian and, as such, come into that metric of us hitting above our weight. Take those out and I don't think we hit above our weight."

The missing piece, McBride and Grigg say, is that there is a significant lack of specialized training for music business owners in Canada. McBride says he sees firsthand with his Nettwerk roster the difference the Australian and New Zealand program has made compared to Canada. "I have a number of Australian artists on our roster who do really well from a worldwide point of view. I mean, that alone can be much, much better than what our Canadian roster does because there are artists on our Canadian [label] roster that we don't manage, so the expertise in how to manage just isn't there. The strategies just aren't there," says McBride. "A really good example from last year is the one that was in Australia. The managers for





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Tash Sultana were there. What they got out of that has had a huge impact on that artist's career and now you have an artist who can sell out 1,500- to 2,000-seaters almost anywhere in the world and has done maybe 100 million streams. An indie artist from Australia! You know, the only success that Canadian artists mostly have is that they are managed by managers who aren't in Canada, get signed to a major label, and have top 40 success elsewhere."

The Australian and New Zealand program was created by Mariel Beros, a film producer who first created a program for the film sector before a government bureaucrat familiar with the music industry told her that it needed something similar. "We're also targeting mid-career [professionals], not entry level and the things that we focus on are not about the nuts and bolts of the music industry; it's how to do what you're doing better. We examine the various business models that occur within the music industry, but also the other great creative industries and outside of that, too," explains Beros. "The main question I get the advisors to ask everybody is, 'Why are you doing what you're doing and why are you doing it that way?' Then the final one is, 'What if? What if you're doing it differently, how is it going to impact your bottom line?' The final one is on financial modelling and we differentiate between financial statements and financial modelling. One is about the present state of affairs and the past, and one is about the future. What if you tour on this, this, and this date, and this number of venues and stuff, how is that going to affect your bottom line?' We also do a lot of reverse engineering, looking at where you want to be in two years' and five

years' time. So work backwards, what are you going to have to achieve to get there in that timeframe? So we look at the milestones you need to hit, as well. So it's not rocket science; it's common sense, but the thing is it's like, in the music business or any other small business, you're so busy working *in* the business that you often don't have time to work *on* the business."

Young Canadian managers and label owners, according to McBride, are "all focused on working in the business. They're stuck in the weeds and they're not working on any strategy. They're being reactive versus being proactive and they really don't understand what their business is, what the potential of their business is, and where they should be spending their time, effort, and energy that not only benefits the artist, but also benefits them. They've had no formal training. They've had no one sit down and mentor them." He says the Phoenix model is what's needed across Canada as it's the equivalent of an executive MBA program tailored to music professionals that covers everything from business development plans to financial management and data analytics to psychology.

"It gets into the strategies and it also gets into the data, so you basically know where to put your energy," says McBride. "There's a way within the streaming world to see an outlier and to create a hit and have it travel the world. Right now, that expertise, frankly, sits mostly inside the major labels, but it doesn't need to. I mean, if I think of what [Nettwerk] did with Passenger, it was that exact same strategy. As managers, what we did with Mike Posner. That's someone that Universal did not give a rat's ass about

and we had streaming in Norway and we had Shazaming in Russia and 18 months later we had a number one hit [with "I Took a Pill in Ibiza"] with 2 billion-plus streams around the world. But it took that knowledge inside my company to know exactly what to do with it. That usually does not exist outside of the major labels."

Taking that type of knowledge outside the major labels and across the country is the goal for Grigg and Music BC. "I do think nationally that there should be some cohesive plan to say, 'OK, it doesn't matter if you're in Toronto, Vancouver, or Halifax, we're all working within the same industry.' We're a big country and can you imagine if this was brought nationally and you start to intertwine with someone from Vancouver and someone from Halifax?" Grigg says. "Piecing all that stuff together will only make the industry stronger from a professional level. Again, we can produce as many acts as we want, but if the infrastructure is not there from the industry's standpoint, then we're doing ourselves a disservice not to be able to train them to take things to a global level. I think it's great that some artists make decisions to have heavy-hitter managers in the U.S. because they think that's the answer, but it doesn't have to be the answer. It could be happening right in our own country and these days it doesn't really matter where you are; the world is too small. All you need is a desk and a phone. But, you know, the mission and the goal here is to have a strong industry, which we do, but I think we could do a lot more to enhance and keep those professionals here. There are lots of transplant Canadians around the globe doing amazing things and it's ironic that there are a lot of heavy promoters and agents everywhere but imagine if we were to keep those all in our home country."

For McBride, he imagines that if Phoenix launched 10 years ago, "I think you would have 40 or 50 more managers and record labels that would be more successful, more focused, all helping each other, and you'd have a much better business community underneath those artists as the support system. The impact upon the artists could be profound."

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Michael Raine is the Senior Editor of Canadian Musician