

# NATIONAL SERVICE

—BY JAMES HANLEY—

**Check the label:**  
Orbital partnered with Believe on their 2018 LP *Monsters Exist*

As label services have continued to change the music business, the competition has become ever more fierce. Here, *Music Week* speaks to some of its key players to check the pulse of this vibrant sector...

**SPECIAL REPORT**

PHOTO: Kenny McCracken

When CBS Records committed the cardinal sin of releasing The Clash's *Remote Control* as a single without the band's blessing, the punk icons channelled their fury into the raging *Complete Control*. "They said we'd be artistically free when we signed that bit of paper," sneered Joe Strummer on the 1977 polemic. "They meant let's make a lot of money and worry about it later."

Mistrust of the industry's gatekeepers has been a recurrent theme through rock and pop history, as documented on tunes such as the Sex Pistols' *EMI* and The Smiths' *Paint A Vulgar Picture*. But fast-forward to the present day and the avenues to creative freedom are much more open, most notably in the form of label services deals.

"A services deal puts the artist at the centre of the process, determining where spend is directed and to what level," Proper Music Group MD Drew Hill tells *Music Week*. "It also often allows them to retain master rights. If done in the correct manner, you get the same promotional, marketing and sales opportunities that existed under the old model, but a better return on income generated."



*"Artists value having control of their overall release strategy"*

**CHRIS MANNING**  
THE ORCHARD

"Label services were around a long time before they were called label services," recalls Paolo d'Alessandro, CEO of Motion Agency, which delivers multi-territory PR and marketing campaigns. "They used to be called independent distribution and the distributors would have a label manager handling the relationship with the repertoire owners and, on occasion, would offer promotion services."

D'Alessandro has worked with the likes of BMG, Concord Music Group and RCA on acts such as Kylie Minogue and The Prodigy.

"Today's label services are no longer just distribution routes with a couple of extra perks, they have become a complex ecosystem built to allow repertoire owners to focus entirely on their creative mission and have very few entry barriers to the business," he says. "Fewer overheads mean more flexibility to put the investments where they ultimately belong which, in our opinion, is still A&R."

Participating artists get to work with minimal unwanted interference, according to PIAS sales and distribution director Richard Sefton. "Most label service companies now offer the infrastructure which gives artists all the background support that a traditional label would," he says. "It often depends on the act, but the



**Mac and me:**  
Absolute  
has enjoyed  
success with  
Jane McDonald

growth of label service companies gives a viable alternative option for many acts.”

PIAS enjoyed a consistent run of success in 2018 with releases as diverse as Idles’ *Joy As An Act Of Resistance* (Partisan Records) and the King’s College Choir’s *100 Years Of Nine Lessons And Carols*, which spent nine weeks at the top of the classical charts. The firm also worked with Domino on Arctic Monkeys’ *Tranquility Base Hotel & Casino*, the fastest-selling vinyl of the last quarter century.

“The move towards streaming and the decline of physical could be seen as a challenge *and* an opportunity,” notes Sefton. “As the market develops, how we market releases and manage campaigns will change. Staying relevant and ahead of the pack is key.”

**L**abel services firms can also work hand-in-hand with the majors. “A services deal is often based on a split of profits after costs are deducted as opposed to a traditional royalty on PPD [published price to dealer],” says Hill. “But there is scope for a major label to inject extra cash and take a bigger punt that an act might not be able to take on their own. The model allows a greater range of options for releasing and promoting.”

“We are absolutely complementary to a major label – one size does not fit all,” nods Caroline International’s UK label head Nicola Spokes. “We are dealing with the creation of art and bringing that art to an audience – it’s not a cookie-cutter process and what suits one artist may not work for another. Major labels and services companies can also work together in a very complementary way – there are lots of ways to innovate in this sector and offer artists very future-facing deals.”

“Traditional labels will always have their place in the market,” adds Absolute Label Services director Mark Dowling. “Absolute counts some great independent labels among its clients [Ear Music, Ram Records and Cherry Red



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PROPER MUSIC



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CAROLINE INTERNATIONAL



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**MARK DOWLING**  
ABSOLUTE LABEL SERVICES

to name but a few] – we work with them to boost their infrastructure as and when they need it.”

Universal Music Group-owned Caroline, which picked up the 2018 Music Week Award for Label/Artist Services Company, has teamed with indies such as Because, Communion and Glassnote.

“The model is evolving very rapidly,” continues head of international label and artist marketing Ed Scott. “From where we started five years ago, Caroline is now a fully-formed multi-functional global company with extensive operations in all the key markets that cover off marketing, promotion, sync, radio and marketing support.

“The clichéd arguments against the services model regarding reach and punch in multiple markets and being able to deliver on every aspect of a campaign are completely bankrupt at this point.”

Spokes highlights Caroline’s work with Van Morrison after partnering with the legendary star on four albums. “We’ve seen how much an artist of his stature values the increased level of control, both creatively and strategically,” she says. “A services deal gives an artist like Van the freedom to set the pace of their release schedule, engage in planning the roll-out, appointing their team and overseeing how their money is spent, all of which can be very appealing for established artists.”

“It gives them a chance to try something new,” adds Scott. “Too many established artists are stuck in a rut, of traditional release cycles. A label services operation approaches every release plan with a completely clean slate and will always give the support required to make an artist and management’s ideas work in the marketplace.”

As a result, the notion of complete independence has become increasingly viable.

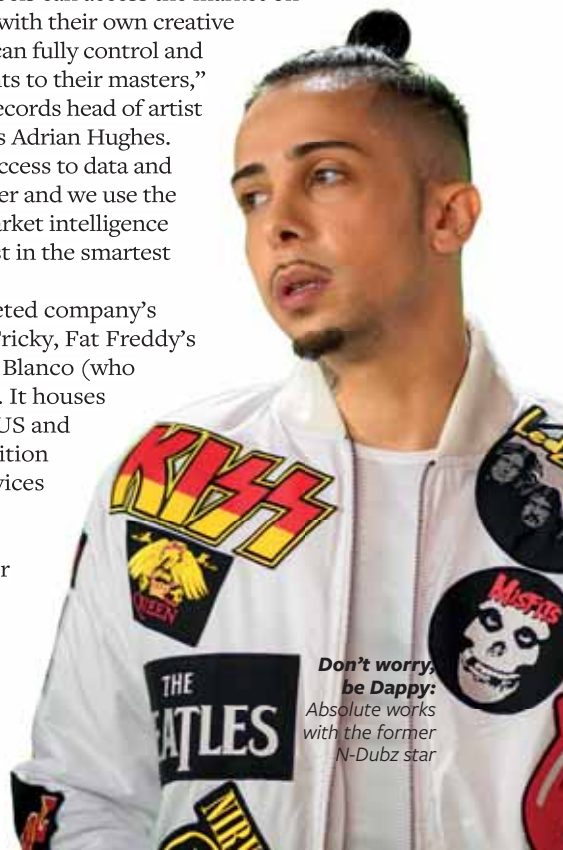
“If label services are about anything, they’re about empowering independence,” smiles Dowling. “We have seen more artists wanting to run their own businesses alongside their managers. That’s entirely possible because of the removal of many of the gatekeepers on the route to market.”

Dowling stresses that working independently doesn’t have to mean working in isolation. “The huge amount of music being released every week means you have to be creative with a campaign – everything from when and how you release, to how you engage with your audience can make a huge difference,” he says.

“Artists and labels can access the market on their own terms with their own creative vision that they can fully control and retain all the rights to their masters,” points out !K7 Records head of artist and label services Adrian Hughes. “There is more access to data and analytics than ever and we use the wide range of market intelligence available to invest in the smartest way we can.”

The multi-faceted company’s clients include Tricky, Fat Freddy’s Drop and Mykki Blanco (who it also manages). It houses the !K7, Strut, AUS and 7K! labels in addition to running a services operation.

“Being a label services provider that also houses four in-house record labels and an artist management



**Don’t worry, be Dappy:**  
Absolute works with the former N-Dubz star



**Label mates:** (L-R) Caroline International’s Ed Scott, Motion Agency’s Mike Bartlett and Colin Young of CC Young



**Uptown punks:** PIAS teamed with Partisan Records on Idles' acclaimed debut

division gives us a unique advantage in the market," says Hughes. "We can use this broad wealth of experience to provide advice and insight to our label and artist partners across the global market."

Digital distributor and services provider Believe prides itself on delivering bespoke campaigns, from hands-on project management and digital marketing to international coordination. "A good example is the recent comeback of Orbital, who signed a label services deal with Believe in 2018," says senior marketing and international manager Malena Wolfer. "The band worked closely with our team to map out the campaign and saw their first album in six years debut at No.12, achieving the band's highest chart entry since 2001."

Amy Dietz, EVP and general manager of Ingrooves Music Group, which has worked with the likes of Wolf Alice and Pale Waves, explains how the market is constantly evolving. "With simpler routes to market, easier access to real data-led insights and the ability to engage more directly with fans, more and more artists at all levels are seeing the opportunity in retaining control of their masters and audience," she says.

"By working with Ingrooves, labels and artists get the benefit of a highly engaged team of music marketing experts with expertise in local markets around the world with direct relationships with local DSP personnel, along with access to industry leading data insights, world-class technology and tools. And finally, working together with a label services group creates a collaborative team who can push each other for the best possible results. It's a complicated landscape out there and two heads are definitely better than one."

"The Ingrooves model is based on share of success: fees for what is achieved, not for what is attempted," adds Nick Roden, SVP, business and label development. "We do not charge flat fees for any of the services we offer labels and artists: it's all about a shared outcome between us and our partners."

**C**olin Young, director of music, film and entertainment accountancy firm CC Young, outlines the financial potential. "The long-term pleasure is that the margins are strong in the artist's favour, and the copyright reverts to the artist in six and 12 years, respectively," he says. "By way of example, one of our clients had an album release in the spring of 2018 with a marketing spend in excess of £500,000. They will be recouped by March 2019."

"On the whole a services model is going to give an artist a better return than an old-fashioned royalty deal," affirms



*"The growth of label service companies gives a viable alternative for many acts"*

**RICHARD SEFTON**  
PIAS



*"Label services allow repertoire owners to focus entirely on their creative mission"*

**PAOLO D'ALESSANDRO**  
MOTION AGENCY

Proper's Hill. "Most deals tend to be revenue shares where both parties have the same interest in seeing the project turn a profit. The changes in the market have led to changes in artist behaviour and promotional models, costs to promote via social and playlist are negligible in comparison to advertising and hiring promotions companies."

"Artists wouldn't agree the deals with label service companies if they weren't happy with the revenue share," remarks PIAS' Sefton. "There is a wide choice for artists now which can only be a good thing. Of course transparency is key so artists know exactly what they are getting and what they are paying for."

"Rights are not given away in a label services deal so naturally a greater share is retained by the artist," asserts Absolute's Dowling, who counts Steps, Dappy, Jane McDonald and Jake Shears among recent triumphs. "Also, if the artist is acting under their own label, as they are in most cases when it comes to label services, they will also collect the label share of revenues where appropriate, not just the artist share."

"Each deal is different and there are many factors that are taken into consideration," advises Chris Manning, general manager, UK & Europe, of Sony-owned The Orchard, which achieved discernible success in 2018 with Jorja Smith's debut LP *Lost & Found*. Its artist and label services team also played its part in The Xcerts first ever Top 40 record, Sneakbo's Top 20 debut, Passenger's *Runaway*, Ezra Collective's debut LP and singles from Dodie, Nina Nesbitt and Allman Brown.

"We find that artists such as Jorja Smith, Skepta and



**Songsmith:** The Orchard found success courtesy of Jorja Smith's debut album