

# THE BUSINESS

**A HISTORY OF THE BUSINESS  
OF POPULAR MUSIC**

# Overview: 8 x 1 hr documentary series

For 300 years, the music business has been an uneasy partnership of commerce and art. On one side, profit driven corporations, on the other, musicians, songwriters and artists. And on both sides, a fair share of mavericks, visionaries and misfits. Between them, they've built an industry that now grosses 65 billion dollars a year and in doing so they've broken down social barriers and given us the soundtrack to our lives.

The industry's basic conundrum was always the same - how to get people to listen to a new song they don't know. Whether the public would like a new song or not was always luck. To create a system that allows a multi-billion-dollar industry to function on a groundwork of luck is like building a skyscraper on quicksand. How it was done is a story of how the desire to make money (and then make more money), led to copyright battles, royalty scams, crippling contracts, creative accounting, bribery, piracy, payola and gangsterism.

The story starts with the creation of copyright in 18th century Britain. It takes us from sheet music, music hall, vaudeville and the start of records - to jazz, Broadway, the beginning of radio and the dominance of Hollywood. Post war, we move from television and rock 'n' roll to disco, Napster, rap and Spotify.

It was always the technology that led the music; the songs were created to fit. But whatever the preferred technology, the industry's major problem never changed – how to get new songs into the public's ear.

In 1930, music sociologist Dr Isaac Goldberg wrote, 'Everything we ever sing or whistle is the end result of a huge plot involving thousands of dollars, and thousands of organised agents, the efforts of organised pluggery.'

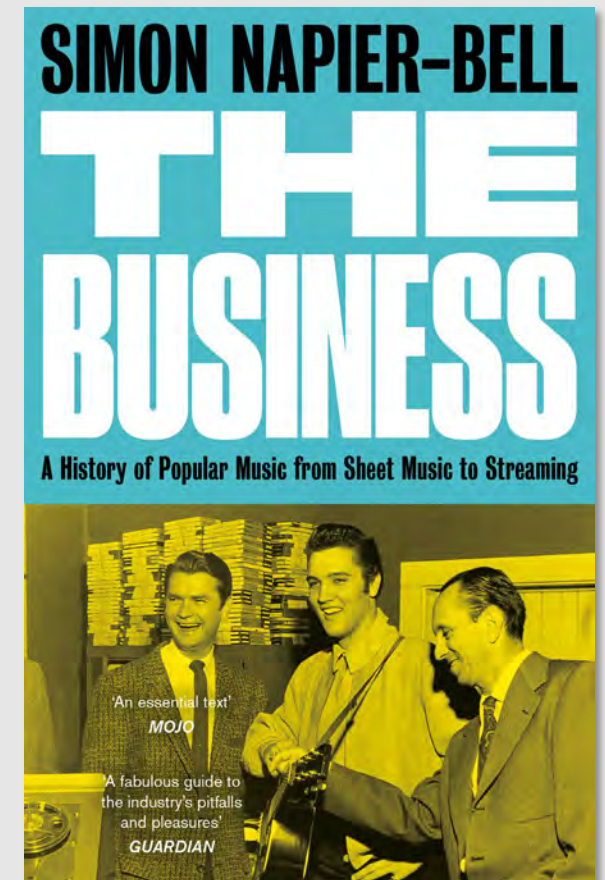
Nearly a century later, nothing has changed.

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This is an authoritative, in-depth look at the business of popular music, based on the best-selling book 'The Business' by industry mogul Simon Napier-Bell. He draws on his vast experience as a music business manager, impresario, producer and musician to give us an insider's view - with fascinating insights and extraordinary anecdotes.

***"An essential text"*** MOJO

***"A fabulous guide to the industry's pitfalls and pleasures"*** The Guardian





[Simon Napier-Bell  
http://www.pierbel.com/](http://www.pierbel.com/)

**SIMON NAPIER-BELL - music manager, author, film-maker, speaker.**

Amongst artists Simon has managed are The Yardbirds, with Jeff Beck and Jimmy Page - Asia - Japan - Sinead O'Connor - Ultravox - T Rex - Marc Bolan - Candi Staton - Boney M - and Wham!, with George Michael.

In the 60s he co-wrote the song You Don't Have To Say You Love Me, a number one for Dusty Springfield, and later for Elvis Presley too.

Simon has also written four best-selling books - You Don't Have To Say You Love Me, about the 60s - Black Vinyl White Powder, about the postwar British record industry - I'm Coming To Take You To Lunch, about taking Wham! to Communist China in the 80s - The Business, a history of the business of popular music from 1710 until today.

As director, he's also made four major music documentaries - 'To Be Frank: Frank Sinatra at 100' (Apple TV) - '27 Gone Too Soon', about the 27 Club (Netflix) - '50 Years Legal', marking 50 years since the UK decriminalised homosexuality, (Sky TV) - 'George Michael: Portrait of an Artist', (Amazon).

He is also the originating producer of 'Raiding the Rock Vault', the No 1 rated music show in Las Vegas.

## PART ONE

In 1710, a new law in Britain gives writers ownership of their work. Songs can now be bought and sold like stocks and shares. Music publishers make money by buying them and printing sheet music. America gets in on the act in 1776 when it declares independence and adopts British copyright law.

By the 1800s, publishers are making big money buying songs outright from songwriters. Buy a song for £5, print 50,000 copies of sheet music. At sixpence a copy, the profit is ten thousand times the investment.

In middle-class homes every house has a piano. The first mega-hit in Britain is 'The Last Rose of Summer'; in America, it's 'It Came Upon a Midnight Clear'. Pubs and neighbourhood bars have pianos too but the songs are less genteel - The Hokey Cokey in Britain, Camptown Races in America. First, though, they have to be popularised.

The song-plugger is invented. He stands on street corners singing new songs over and over again. Or at railway stations. Or in the audience at music hall or vaudeville, singing along with a new song and applauding loudly.



Publishers pay royalties to famous singers who help publicise a song, like Dame Clara Butt, Queen Victoria's favourite. Songwriters ask for royalties too but publishers employ creative accountants to keep them to a minimum.

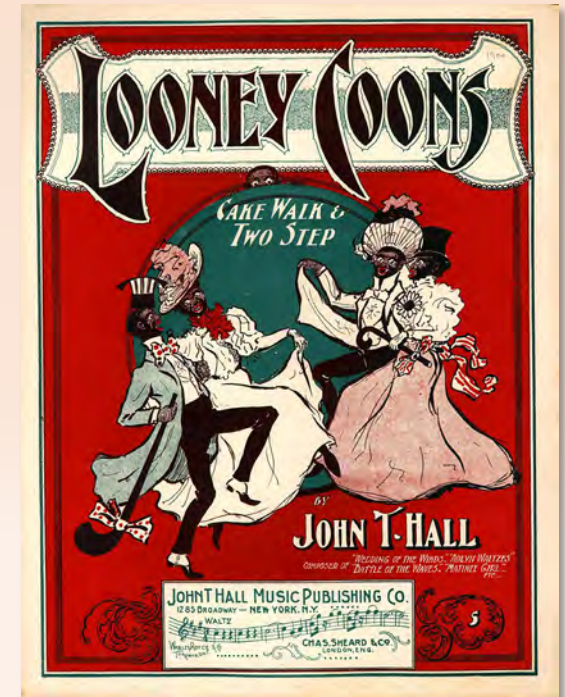
In America, publishers are mainly well-educated Jewish immigrants who can't find work in other industries. One of them, Charles K. Harris, writes 'After the Ball Is Over', publishing it himself. Bandleader John Phillip Souza accepts \$500 to play it at the World Trade Fair once every hour - for six months. Ten million visitors hear it and it becomes the first million seller.

In Britain, light opera has become the rage. A taxi to the theatre means a horse-drawn carriage and the streets are dim, lit by gaslight, as are theatres. A poor show can't be saved by the lighting but Gilbert and Sullivan's operettas have stunning songs. They turn Chappell into Britain's number one music publisher.

In America, the big thing is coon songs - syncopated ditties with derogatory lyrics about negroes, sung by white singers with blacked up faces. But there's an upside to this racism. It leads to a liking for ragtime piano music, the first sign that black music can make inroads into the white market.



Dame Clara Butt

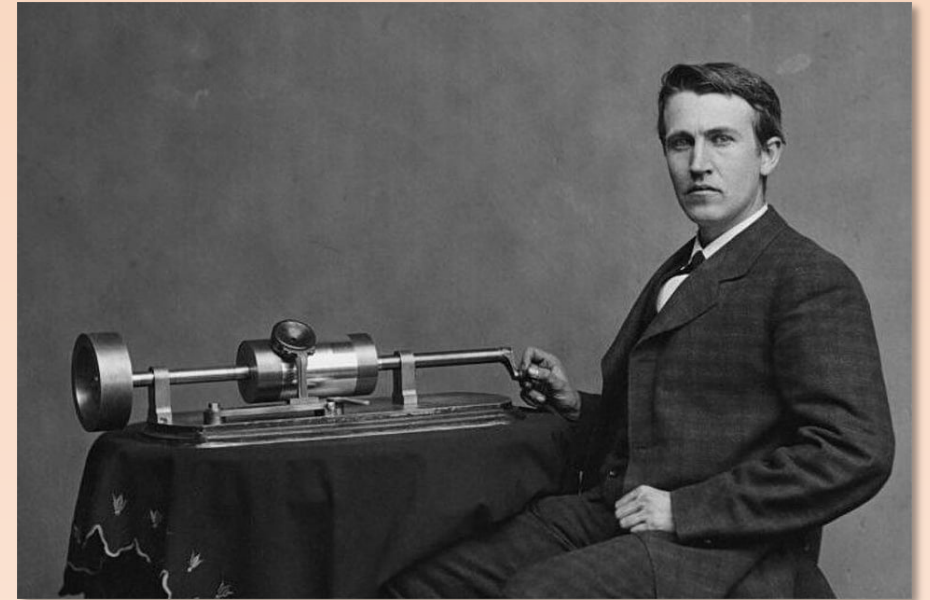


In 1877, Thomas Edison invents the phonograph, followed by Emile Berliner's flat disc. He travels to the UK to set up a company whose first big hit is The Laughing Song, nonstop laughter backed by a military band. Its popularity boosts the sale of gramophones worldwide.



Emile Berliner

Gramophones also boost the popularity of opera and Enrico Caruso becomes the world's top recording artist. The song business is now seen as a proper industry.



Thomas Edison



Enrico Caruso

## PART TWO

The London Underground opens. It means people from the suburbs can get to West End shows. With a larger audience, shows can be made more lavish. Musicals take off and suddenly British musicals are invading Broadway.

Amateur pianists need simple songs with easy chords. A formula is devised - 8 bars followed by the same 8 bars, followed by a different 8 bars, then back to the first 8 bars. During the next hundred years 90% of all hits in the world are written to this same formula.

Irving Berlin writes Alexander's Ragtime Band. It incorporates the offbeat rhythm of jazz, clapping on 2 and 4, and changes dance music forever. It's a hit, from Iceland to Argentina. And because this new style of rhythm needs to be heard to be appreciated, it boosts gramophone sales all over the world.



Irving Berlin



Popular artists realise controversy can create success. Eva Tanguay performs near naked, singing songs about sex, and becomes the best paid artist in America. Bert Williams becomes the first coloured singer to reach the mainstream. In America, cross-dressing Julian Eltinge performs as a woman. In the UK, Vesta Tilley dresses as a man. Scottish singer Harry Lauder sings in a kilt and becomes the highest paid performer in the world.

In the UK, pirating of sheet music is rife. Illicit copies are sold in the street for pennies. Composer Sir Edward Elgar supports a new Copyright Act and the song pirates face prison. Sheet music sales soar in America when Woolworth and Macy's sell millions of copies at discount prices.

But once the sheet music's been sold, how can the song still make money? Publishers come up with the idea of performance royalties. A new organization is formed - The American Society of Composers, Authors and Publishers. Now, every time a band plays a song, it must pay the publisher. The media call it 'the song racket', lumping songwriters and publishers together.



Eva Tanguay

Bert Williams



Julian Eltinge

Vesta Tilley

The First World War creates a music business boom. In the UK, 'It's A Long Way to Tipperary' and 'Keep the Home Fires Burning' sell millions. In the US, 'Over There' sells even more. The war makes the gramophone ubiquitous - there isn't an army barracks in Europe without one.

Alexander's Ragtime Band has popularized black rhythms. Now the public start buying jazz records. For the first time, black artists are becoming household names - Jelly Roll Morton, King Oliver and Louis Armstrong. Speakeasies flourish and are where this music is danced to. In the home, the gramophone replaces the piano.



Jelly Roll Morton

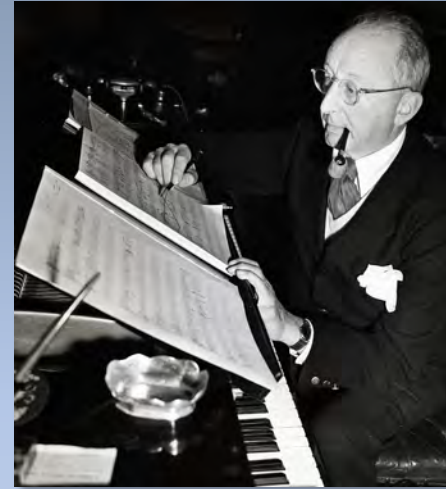


King Oliver



Louis Armstrong

By the end of the war, the American music business is run mostly by Jewish publishers. They tend to like jazz and help promote its artists. Most of the top songwriters are Jewish too - Richard Rogers, Lorenz Hart, Irving Berlin, Jerome Kern, George Gershwin. They all have an affinity with jazz and mix Jewish-European melody with the rhythms of black America.



Jerome Kern



George Gershwin

At Okeh records, marketing man Ralph Peer releases a song by black vaudeville artist Mamie Smith, calling it a 'race record'.

Advertisements say that by buying it people will help integrate the races and it becomes the first million-selling record by a black artist.

Columbia Records, almost broke, copy them and release 'Cemetery Blues' by Bessie Smith. It sells even more and saves them from bankruptcy. 'Race Records' become a staple part of music industry profit.



Bessie Smith

## PART THREE

Radio arrives. Advertising records on it is forbidden by law. To get new Songs played, publishers bribe bandleaders who have radio shows. It becomes known as Payola. The same applies in the UK. Publishers get round the illegality by paying bandleaders to make new arrangements of songs each time they play them. Usually they change just a single note.

The popularity of big bands zooms - Paul Whiteman, Duke Ellington, Fletcher Henderson, The Savoy Havana Band. To play new songs the bandleaders demand to be listed as one of the songwriters and receive royalties. This is known as a cut-in. It's now the bandleader's names that are printed large on the sheet music, not the songwriters'.

The Charleston, a new dance, flash-floods around the world. Originally from the black South, it gestates in Harlem and ends up in a Broadway show - twist the feet, kick forwards, then backwards, then tap the floor. For the next five years that's how the world dances and once again gramophone sales soar.



Marketing man Ralph Peer sets off with a portable recording set-up. For the next two years he travels the southern states, field recording, dressed always in a white linen suit, making records of every unknown black artist he can find.

Jazz thrives in the mob-controlled speakeasies of Chicago's Southside. Louis Armstrong is signed to Okeh Records, who record the best of Dixieland jazz. In New York, Duke Ellington takes a residency at Harlem's Cotton Club. Most of the audience are white, slumming it in Harlem.

Broadway is in its heyday. The way to get a hit is to have the song in a Broadway show. The number one publishing company is TB Harms, owned by two brothers, Max and Louis Dreyfus. Every top Broadway writer is signed to them - Richard Rodgers, Lorenz Hart, George Gershwin, Cole Porter and Jerome Kern. In Britain, the principal writers of musicals are Ivor Novello and Noel Coward, both published by Chappell.



Ralph Peer



Max Dreyfus



Ralph Peer now spends two years recording country artists. This, despite their music never being played on radio. By the end of it he has the biggest song catalogue in the USA, all of it country or black. Then, at last, he gets his first country hit - Jimmy Rodgers singing 'Blue Yodel'.

Western Electric invent the electric microphone and artists no longer have to record in front of an acoustic horn. Licenses are for US companies only so to get one, Columbia UK buy their parent company, Columbia America. The new microphone facilitates the 'talkies' and Hollywood starts filming Broadway musicals. It also buys out all the New York publishers causing their writers to move to California. Now, the way to get a hit is to have the song in a movie.

The great depression arrives and millions are out of work. In the UK, Columbia Records and the Gramophone Company are forced to amalgamate. They become EMI, run by a New York émigré Louis Sterling. In America, no one has the money to go to Broadway shows and the Dreyfus brothers finally sell to Hollywood. Max Dreyfus moves to California to run it, but with the money they receive he sends younger brother Louis to the UK to buy Britain's biggest publishing company, Chappell. The British music business is now dominated by two New Yorkers called Louis – Louis Dreyfus at Chappell and Louis Sterling at EMI.



Jimmy Rodgers



Louis Sterling

## PART FOUR

It's 1933. To boost the economy President Roosevelt repeals prohibition. In the UK, Edward Lewis, head of Decca Records, decides it's the right moment to launch in America. He goes to New York and buys Brunswick Records, re-naming it Decca.

Although the depression is fading, people are still broke. But for a dollar they can buy two beers and still have five nickels for a juke box. That way they can dance. So juke joints become the new big thing across America. Edward Lewis spots another opportunity. He buys into the largest American juke box manufacturer, with machines in thousands of juke joints across the country. The records in them will be supplied by Decca, creating thousands of record sales. And the machines that play them will popularise them.

Soon, Decca is at the top, with artists like Bing Crosby, Count Basie and Al Jolson. Big bands are the now the biggest force in music – both black and white. Count Basie, Harry James, Woody Herman, Duke Ellington, Benny Goodman. On both sides of the Atlantic, this is the era of swing.

Bandleaders dominate the industry and song pluggers go crazy bribing them to get their songs played.



Edward Lewis

1930s Juke box



Benny Goodman

But the real power rests with Hollywood. The purpose of the song is no longer to sell sheet music but to bring people to the film. It gives songwriters a chance to write more sophisticated songs.

People across America hear their daily music from radio, played by resident bands, all of them bribed by Hollywood studios. It's an endless repetition of the same thing - nothing out of the ordinary. The UK follows suit and popular music begins to stagnate.

In America, ASCAP is a monopoly of the elite, both publishers and songwriters. Country and black artists, can't join. Broadcasting companies, upset at the size of their annual fee to ASCAP, start a rival society - Broadcast Music Industries. Because all the currently popular music is contracted to ASCAP, they buy Ralph Peer's catalogue of black and country artists and allow songwriters of any type or status to join the new society. Music in America is revitalised.



Bing Crosby





1939 and the world goes to war again. Songs are either sentimental or jokey. In the UK, 'We'll Meet Again' and 'Who Do You Think You're Kidding Mr Hitler'. In the USA, 'I'll Be Seeing You' and 'When those Little Yellow Bellies Meet the Cohens and the Kellys'. Famous artists entertain the troops in huge numbers.

The amplification technology that Hitler developed for his vast rallies is now adopted by the allies for wartime concerts to hundreds of thousands of troops. Amongst the artists entertaining them is America's most famous bandleader, Glenn Miller. In 1944 he is reported missing presumed dead when his plane disappears.

Back home, the war has created the teenage market. Girls leave school at an early age to fill factory jobs left empty by men who went to war. For the first time ever, teenagers have money. But with the young men at war, they have no boyfriends. They turn to a good-looking young singer, turned down by the army on health grounds – Frank Sinatra. By the end of the war, the best-selling records are no longer selling to young marrieds and over 30s, they're selling to teenagers. The industry has changed forever.



Vera Lynn

Glenn Miller



Frank Sinatra

## PART FIVE

By the time the war ends, Sinatra is America's biggest singer, mobbed by teenage girls known as bobby-soxers. In America the post-war mood is optimistic. In the UK, it's gloomy, and British pop music is just a copycat of America's.

In New York's 52nd street, a new form of jazz evolves – bebop. Midtown New York replaces Harlem as the hot-spot for jazz. Its clubs feature newcomers Charlie Parker, Dizzy Gillespie and the Modern Jazz Quartet. While on Broadway, a new era of musicals is starting with Oklahoma. It's a new era for songwriters too. When their new musicals take off, Rodgers and Hammerstein demand their own publishing company.

Throughout the war, the popularity of country music has been growing. Nashville now consolidates its position as the third pole for the US music business after New York and Los Angeles. Country music is dominating the pop charts with songs like 'You're Cheating Heart' and 'Jambalaya'.



Charlie Parker



Dizzy Gillespie



Richard Rodgers and Oscar Hammerstein

Cleveland too is putting itself on the map with a radio DJ called Alan Freed. He plays black music for a young white audience. The audience grows from hundreds, to thousands, and then to millions and spreads across America. The new music is called rock'n'roll and hits the chart with Bill Haley, Little Richard, and most of all with Elvis Presley.

Teenagers are enamoured of him, adults hate him, and a rift springs up between youth and adulthood. Yet this new rock 'n' roll music is mostly created by the traditional Tin Pan Alley music business, administered by old-time publishers. An adult-controlled industry selling music to newly affluent teenagers. Bill Haley, one of the two giant rock'n'roll stars, is already ten years past being a teenager.

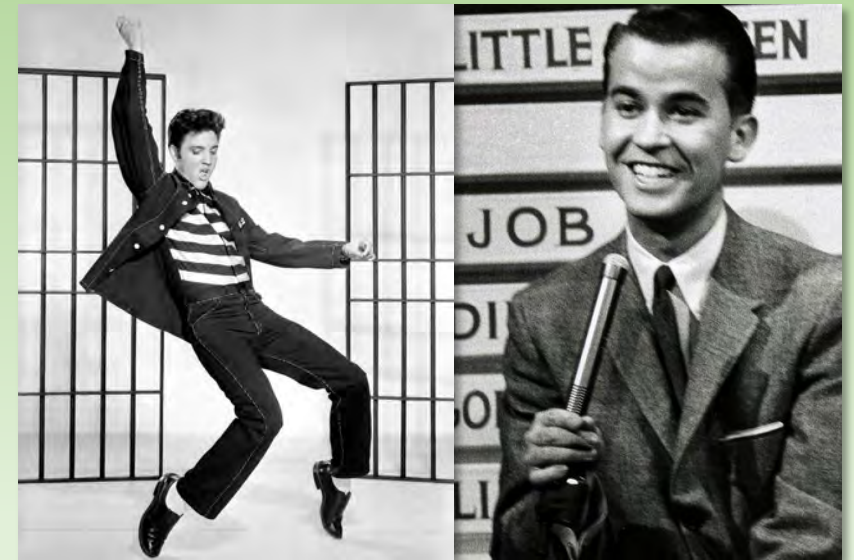
In the US, TV presenter Dick Clark devises a show to present rock'n'roll to a national TV audience, American Bandstand. Youthful and boisterous, adults hate it, but for young people it becomes the most watched TV show in America. For the first time, we hear the term 'the generation gap'.



Alan Freed



Little Richard



Elvis Presley

Dick Clark

## PART SIX

In the UK, something altogether different happens. It starts with the peculiarly British love of trad jazz. When the players take a rest from blowing their instruments, their rhythm sections sing songs. One of these becomes a number one hit - Rock Island Line by Lonnie Donnegan, who sounds American but is actually very British. Almost immediately, Britain is awash with youthful copycats. The year before Donnegan's hit, only 5,000 guitars were sold in Britain; one year later, 250,000 are sold and there are an estimated 50,000 skiffle groups in the UK. Britain's post war teenage generation is defining itself by creating its own music.

As the best skiffle groups begin to earn money, they buy drum kits and electric guitars and morph into guitar bands playing American rhythm & blues. As the number of young musical groups grows, they find new ways of expressing themselves, writing their own songs with the viewpoint of post-war British youth. And a new musical form is created - 'rock' (without the 'roll'). From out of their number, come the Beatles. They become the biggest mass-hysteria phenomenon ever known. They hit a nerve, not just with British kids, but with America, and then the whole world



Lonnie Donnegan



The Beatles with Brian Epstein

In every country in the world there is a copycat Beatles, even in China and North Korea. In America, different styles begin to emerge. Combining the British rock influence with American white folk music are Bob Dylan, Peter Paul and Mary, the Mamas and the Poppas.



Andrew Loog Oldham & The Rolling Stones

The emergence of offshore pirate radio in Britain in 1964 breaks the radio monopoly of the BBC. Their diet of 24 hour a day pop music provides a soundtrack for the Swinging 60s. Radio Caroline and Big L Radio London also help break the duopoly of the two major record labels EMI and Decca. Based beyond British law on radio ships in international waters, they offer a legal form of payola facilitating the growth of independent record labels who launch a slew of new acts and import US soul and R&B releases from the Tamla Motown, Chess, Atlantic and Stax record labels.

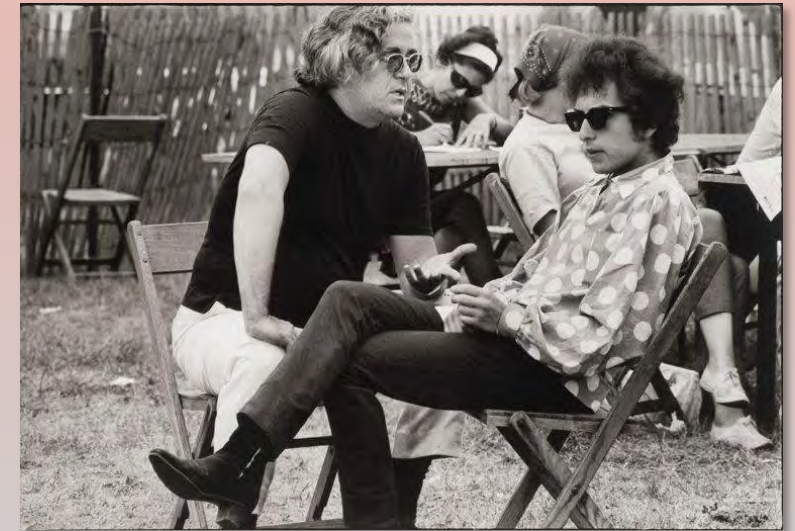


Clockwise: Chris Blackwell (Island Records); Ronan O'Rahilly (founder Radio Caroline);  
Richard Branson (Virgin Records); Terry Ellis & Chris Wright (Chrysalis Records)



L-R: Phil Chess (Chess Records), Etta James and Producer Ralph Bass; Ahmet Ertegun (Atlantic Records); Berry Gordy Jr (Motown Records).

The music industry finds itself controlling the thinking of an entire generation – musical groups selling to under 25s become the principal influencers of young people around the world. The power of the industry is now phenomenal and so is the money it generates. Mostly, the people in charge of the industry are overwhelmed by it. But the people with the real power are the managers of the groups – Brian Epstein of the Beatles, Andrew Loog Oldham of the Rolling Stones, Colonel Parker of Elvis Presley, Albert Grossman, of Bob Dylan. From thereon, rock music becomes the great new artform of the 20<sup>th</sup> Century, responsible for over 50% of all record sales all over the world for the next 30 years.



Albert Grossman & Bob Dylan

## PART SEVEN

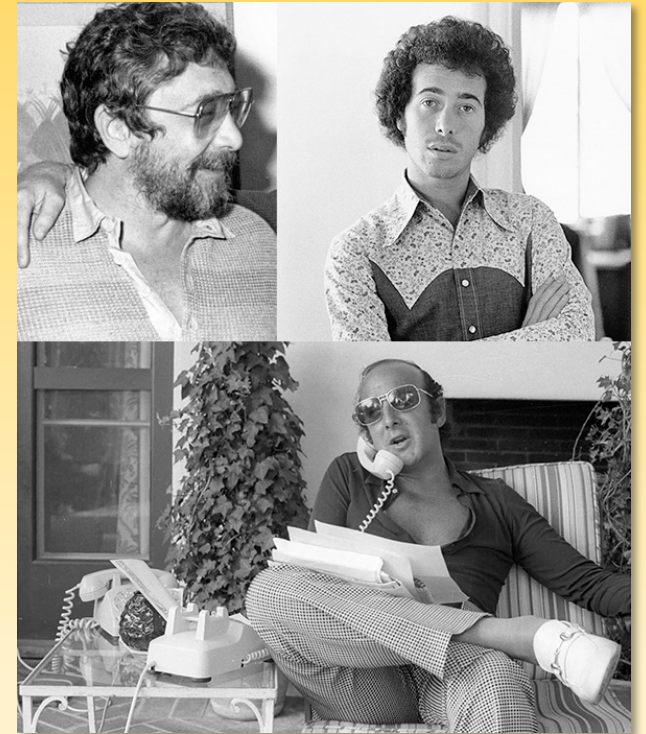
In America, black music too benefits from the youth craze for music. New record labels, Atlantic, Chess and Stax, popularize new forms of R&B, using soulful black singers accompanied by strings, like the records of white artists. Dominating all of these is Motown. Run by a black Detroit entrepreneur Berry Gordy, the first black music executive to reach the top level.

Simultaneously, albums take over from singles as the music industry's most profitable product. Record company incomes increase by five times. And because albums promote singers rather than individual songs, by the beginning of the 70s, the music industry has become an artist driven industry, marketing superstars rather than songs. From this flow huge concerts for these new superstars to be seen live. It's the birth of stadium rock.

The major record companies go to war with each other. Top executives behave with rockstar excess. Using unprecedented profits, they try and steal each other's artists.



Berry Gordy Jr with The Supremes



1970s music industry moguls Walter Yetnikoff;  
David Geffen; Clive Davis.

Artists become bigger than ever, each of them with vast followings. Numbers attending concerts go from thousands to tens of thousands. Fifty thousand at a stadium becomes common place. At festivals, often half a million - Woodstock, Monterey, Glastonbury, the Isle of Wight.

The record industry, so long monopolized by the British and Americans is now being bought up by Europeans. Dutch company Philips buys Mercury; German company Polydor buys Warner. Then the two of them merge to form PolyGram and become one of the industry's top four companies. The Bee Gees sell the public on disco. Saturday Night Fever changes dance music completely. DJs can now get fees as large as the biggest rock groups.



Woodstock Festival 1968

# PolyGram

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Michael Jackson



Bee Gees



Phillips and Sony combine to market the CD. The world re-buys its record collection and for the next fifteen years the amount of cash flowing through the major record companies is almost inconceivable. Sony invents the Walkman. Listening alone through headphones becomes the popular new way to hear music.



Boy George & Culture Club

Then America invents MTV, leading to another British invasion. Young Americans fall for the lively fashions of British artists and their sexual ambiguity. Huge artists emerge, bigger than ever before, selling albums by the twenty and thirty million – Madonna, Michael Jackson, Prince, George Michael.



Madonna

Black music emerges as never before – this time it's not for dancing, it's for expressing youthful anger. Rap sweeps the world like no other craze before, bigger than the Beatles. It breeds disrespect for the law but in the music industry morality is decided only by record sales.



Snoop Dog

## PART EIGHT

In the mid-90s file-sharing arrives. Records can be downloaded for free. By the time the record companies wrestle back control, the standard way of acquiring music has become the internet, by streaming or downloading. The music industry that once gave millions to radio pluggers, now gives its millions to tech staff to penetrate streaming playlists, or to teenage 'influencers' to plug tunes on TikTok.

TikTok becomes the music industry's most powerful promotional tool. Mostly teens and early twenties, TikTokers make their own imagery to accompany songs. Some of the old songs featured in clips on TikTok get up to 100 million streams a day. It causes a remarkable upsurge in success for non English-speaking artists. Korean boy bands play at Madison Square Gardens and the O2 Arena in London. English and American teenagers sing along in Korean.

New artists now need attitude. Lady Gaga, Lil Nas X, Cardi B, Jay-Z, Dua Lipa, Drake and W\*\*knd. They say what they think about everything – social, political and sexual. Where it was once suppressed, it's now a record company requirement.



From major artists, music publishers now start buying what was traditionally seen as the songwriter's pension: residual income. Sting, Bob Dylan, the David Bowie estate, Bruce Springsteen and 50 Cent are just a few who do these deals. Queen receive a billion dollars. After decades of resistance, the USA finally succumbs to electronic dance music. Huge gatherings of happy, uninhibited, young dancers – the DJs on stage worshipped like rock stars, lasers flooding the sky, dry ice flooding the dancers. So where are we? Dance has become more popular than rock. Singles are again preferred to albums. Teenage boy idols are back. The biggest artists create amazing wealth. And live music dominates everything. Bigger and louder, with stunning sound and light systems, going to a gig is now the top event in any young person's life. Taylor Swift proves conclusively that the business of music is alive and well and more profitable than ever before.

But how is popularity created in the first place? But of course, by plugging, bribing, buying influence and paying for plays, as it always was. In 1930, music sociologist Dr Isaac Goldberg wrote, "*Everything we ever sing or whistle is the end result of a huge plot involving thousands of dollars and thousands of organised agents... the efforts of organised pluggery.*" **Nearly a century later, nothing has changed!**



Calvin Harris



Taylor Swift