

# Music Industry Entrepreneurship

Music Industry 188, Summer 2017

UCLA Herb Alpert School of Music (HASOM)

- **Time/Date:** Tuesdays, 10:00am-2:00pm, June 27th – August 1st (July 4th is a holiday)
- **Room:** Schoenberg 1354 - Schoenberg Hall
- **Instructor:** Professor Dae Bogan, Adjunct Professor, Department of Musicology
- **Office Hours:** By Appointment Only
- **Contact:** [dbogan@ucla.edu](mailto:dbogan@ucla.edu)

## About this course

The music industry is an ecosystem consisting of an interrelated network of robust sectors. From recorded music and music publishing to live music and mobile apps, entrepreneurs have been disrupting and innovating across these sectors for decades. In the Digital Age of music, there has been a spike in startups across all sectors of the music industry with new players entering the industry despite cautionary tales of challenge and failure. They've re-shaped how consumers access music, they've challenged the relationships between so-called gatekeepers and aspiring musicians, and they've created niche markets that have grown to become billion dollar sectors. They've launched new talent in innovative ways and they've earned one hundred million dollar valuations within mere months. This is the **entrepreneurial spirit** at work. This is the manifestation of great ideas at work. This is entrepreneurship in the music industry.

In this course, students will learn fundamental principles of entrepreneurship across all phases of the start-up process. Students will analyze case studies and current events and participate in critical discussions around alternative business strategies in music industry entrepreneurship. Course work will consist of group assignments, workgroup labs, and strategic planning; all culminating in the presentation of a fictitious music industry company at the end of the session.

## Learning Goals

Students will finish the summer program understanding:

- Fundamental principles of entrepreneurship.
- The nature and function of strategic business planning.
- Business tools and concepts around market research and ideation.
- Forces affecting the music industry that shape how businesses operate.
- How to develop and execute a lean go-to-market strategy.

By the end of the term, students will have gained a basic understanding of developing and launching a music company.

## Course Texts

Readings will be assigned by instructor in class or via email at least two (2) sessions before they are due to be read. Readings may be in the form of web articles or PDFs. Students are required to have access to Adobe Reader.

## Assignment Information

### Grading

Grading is based on class attendance and participation in class sessions, as well as individual and group assignments:

- Individual Assignments: 30% (30 Points)
- Group Assignments: 60% (60 Points)
- Participation: 5% (5 Points)
- Attendance: 5% (5 Points)

### Assignments

**We will discuss assignment details in class on the first day.**

- **INDIVIDUAL ASSIGNMENTS (30% / 30 points)**
  - Individual Analysis 1.....15 points
  - Individual Analysis 2.....15 points
- **GROUP ASSIGNMENTS (60% / 60 points)**
  - Business Idea One Sheet.....5 points
  - Go-To-Market Strategy.....15 points
  - Lean Business Plan.....30 points
  - In-Class Presentation.....10 points

### Originality and Format

- **Originality:** You will be learning more about original material for the web and rights during the class. Your own research must be original work and not copied from other sources without citation. It must have either appropriate quotation or complete paraphrasing. If you have any questions about what is appropriate, you should ask the instructor in advance of submission. Any plagiarism or cheating must be turned into the Dean of Students Office by the instructor immediately. If confirmed, that activity will be a failing grade for the course, plus have additional recourses with the university.
- **Format:** Any writing for submission (e.g., research, evaluations) must be 12 pt. type Times New Roman, Calibri, or Courier; double-spaced, and 1" margins.

## Class Sessions

In each session, we will cover a portion of a topic or work on a project in class.

**Note on Speakers:** We may have guest speakers in the class, which will be announced at least a few days before but may change due to executives' schedules. Please dress appropriately for an industry speaker on those days.

Week	Key Subjects	Pre-Reading	Graded Activities
<b>Week 1</b> June 27th	<ul style="list-style-type: none"><li>• The Greater Music Industry Landscape</li><li>• Market Research and Market Quantification</li><li>• Forming A Business Entity in the Music Industry</li></ul>	List 1	
<b>Week 2</b> July 4 <sup>th</sup>	--- HOLIDAY / NO CLASS ---		
<b>Week 3</b> July 11th	<ul style="list-style-type: none"><li>• Developing a Business Model &amp; Delivering Value</li><li>• Go-To-Market Strategy &amp; The Startup Marketing Plan</li></ul>		Individual Analysis 1 Business Idea One Sheet
<b>Week 4</b> July 18th	<ul style="list-style-type: none"><li>• Music Publishing and Copyright Administration</li><li>• US Licensing Framework and Royalties</li></ul>	List 2	
<b>Week 5</b> July 25th	<ul style="list-style-type: none"><li>• Business Development &amp; Strategic Partnerships</li><li>• Workgroup Lab</li></ul>		Individual Analysis 2 Go-To-Market Strategy
<b>Week 6</b> Aug 1st	<ul style="list-style-type: none"><li>• Fundraising, Scaling, Pivoting &amp; Exiting</li></ul>		Lean Business Plan In-class Presentation

## READING LIST 1

- **Pre-Reading:**
  - I Saw Great Startups @SFMusicTech, But They Have A Lot To Learn About The Music Business – By Dae Bogan <http://bit.ly/1vHhQK8>
  - The Music Startup Meltdown – By Cortney Harding <http://bit.ly/1UfMDFE>
  - The Music Industry Buried More Than 150 Startups—Now They are Left to Dance with the Giants – By David Pakman <http://bit.ly/1tC63yk>
  - Most Music Tech Startups Don't Know Shit About How Labels Work – A Response To David Pakman – By Jim McDermott <http://bit.ly/25hmvVZ>
  - Why Silicon Valley's Music Startups Have Such a Dismal Success Rate – By Erik Sherman <http://on.inc.com/1Y49Srb>
  - Watch This Investor Tear Into The Music Biz's Treatment of Startups – By Tim Ingham <http://bit.ly/1UEmzWI>
  - Sympathy For The Devil: Why Do So Few Music Startups Succeed? – By Andy Edwards <http://bit.ly/1X0Q8np>
  - YouTube And The Music Business: Sympathy For The Devil (Pt. 2) – By Andy Edwards <http://bit.ly/1V5A4vT>
  - What The Tech Industry Needs To Learn About The Music Biz: Sympathy For The Devil (Pt. 3) <http://bit.ly/28Nh7bP>

## READING LIST 2

- **Pre-Reading:**
  - Are Legacy Revenue Share Deals More Trouble Than They Are Worth? – By Chris Castle <http://bit.ly/1UfRlmy>
  - PwC's 'Global Entertainment' Study Breaks Down the Music and Ad Industries' Present and Near-Future – By Andrew Flanagan <http://bit.ly/1OdwV0w>
  - My Song Got Played On Pandora 1 Million Times and All I Got Was \$16.89, Less Than What I Make From a Single T-Shirt Sale! – By David Clowery <http://bit.ly/1ZYX6sN>
  - Streaming Services Ranked By “Artist Friendliness” – By David Clowery <http://bit.ly/1UfPQoA>
  - A Streaming Music Royalty Primer (Streaming Music Royalties Series Pt. 1) – By Bobby Owsinski <http://bit.ly/1XwoNLx>
  - The Streaming Performance Royalty Rate Explained (Streaming Music Royalties Series Pt. 2) – By Bobby Owsinski <http://bit.ly/25dulcV>
  - Making Sense of Streaming Income (Streaming Music Royalties Series Pt. 3) – By Bobby Owsinski <http://bit.ly/1Y1q9i5>

## Attendance and Participation Policy

*The question springs back to you to answer. If you approach your professor on this question, IF you miss a session, how do **you plan** to make up the participation?*

- **Content:** If you miss class, you will be responsible for finding out what you missed from a classmate and will be responsible for that content. If that student didn't understand, then please email the instructor for an update as well as part of your own responsibility as a student.
- **"Credit":** You will miss credit for in-class presentations unless you make arrangements for different delivery with the instructor. How do you plan to make up for it? Please think about this and come up with a proposal before emailing Dr. Johnson to ask for an alternative.
- **"Sick":** This part of the grade is about participation, not just attendance. If you are sick, how do you propose to make up for Participation?

**Absence for more than 4 sessions will drop your grade by 1 letter grade.**

## Late Work

Late work **can be submitted**; however, it will be graded down, with the grade dropping on average a full letter grade level (e.g., max. grade 90 vs. 100) when late and for each week the assignment is late. Next morning? Grade is out of 90. A week later? Grade is out of 80.

If you have questions or need help due to life emergencies, please talk to the instructor during office hours or by email as soon as you can (not at the end of the term).

## Recommended Readings

- How We Listen Now: Essays and Conversations About Music and Technology by Cortney Harding (Get it at <http://amzn.to/1re74KE>)
- The Economics of the Popular Music Industry: Modeling from Microeconomic Theory and Industrial Organization by Chong Hyun Christie Byun (Get it at <http://amzn.to/1Oe6zM0>)
- Music 4.0: A Survival Guide for Making Music in the Internet Age by Bobby Owsinski (Get it at <http://amzn.to/219tsBi>)
- Return of the Hustle: The Art of Marketing With Music by Eric Sheinkop (Get it at <http://amzn.to/1YaRGfb>)