

The Production Music Business: A Music Source for Screen and Radio Producers

**By Art Phillips
(Founder / Director, 101 Music Pty Ltd)**

This article examines an Australian-based company, 101 Music Pty Ltd®, and its product lines, customers and global distribution agreements – realising the importance and benefits of cross-cultural business relationships.

When we think of music we generally think of the great classical works, popular radio hits of past and present, the classic standards, jazz, country, rock, rap, dance, and the like – and of course, the television and feature film themes that took us on those memorable emotional journeys.

Composing music is a creative art form and can serve a variety of purposes. One very effective medium is to accompany the visual. Have you ever sat and watched a film or television series stripped of its music soundtrack? If you were able to, the show would not have the same impact that is for certain, as music propels stories, like an invisible character, and a 3rd dimension. Music exists in a visual program to move and sway the viewer in ways that are consciously and uniquely designed by the composer, but many times exists subconsciously to underpin the story.

As we say in the screen music industry, music which is not heard but rather 'felt' emotionally, is a good music score. As in these instances, music defines and enhances the viewer's emotions without them actually knowing it. Of course, we do have music that is heard immediately, such as hard-hitting action drama themes, as that was supposed to be its function. But generally the story and script, the acting, the camera angles, editing and production takes the artistic role of being the 'star', like a featured entertainer such as Barbra Streisand. But if you were her pianist and took the limelight trying to be the star on the stage that evening, outperforming her and stealing her spotlight - you would be fired!

A good music score for the screen is one that serves the collaboration well, and it is usually up to the director or producer of the visual production to dictate what they wish the music to do for their product, and for their audience!

Music for the screen is an amazing art form, as its purpose is to pull, tug and underpin emotions to enhance the viewer's experience.

Commissioned Music Soundtracks

Generally, a television or film production company will 'commission' a composer to write music specifically to their project. This music becomes exclusive to the show and generally cannot be used on any other production. Screen music composers, as myself, can make a good living as a commissioned music composer as we are paid a commission fee upfront to write and produce the music, then once the show is broadcast (network TV, cable, Netflix and the like) we also receive additional income called 'broadcast performance royalties'. And further, when it is re-aired again and again, we receive ongoing performance royalties – providing a trailing income stream.

Licensing Existing Music

The other source for visual screen producers to find music is to license 'existing music' - music already recorded and released in the commercial world, such as pop radio hits from past and present, classical music, and the like. This type of music licensing occurs often for TV themes, defined scenes in a show, or for end title 'credit roll' music.

Production Music

The other means for sourcing music is licencing 'production (library) music'. This source of music has been in existence for over 100 years and was called 'library music' up until the late 90s. Our industry then removed the word 'library' as the word insinuates a reduction of its assumed value and quality. We now call it 'production music' - and it's a big industry.

Production Music is music that is created, composed, produced and recorded before we ever know where it will be used. The creator(s) need to be imaginative and know the industry well in order to second guess the possibilities of use. The music is 'licenced' to content producers for their production, but never sold. The asset continues to be licenced by other producers across the globe for years to follow. There is no end date for this asset value, except for a style that may become outdated over time.

It is manufactured specifically for the synchronization or dubbing into audio-visual programs, which can include but is not limited to television series, documentaries, feature films, advertising campaigns (radio or television), websites, online games, music on hold, ringtones, and many other areas.

Statistics from the Production Music Association (PMA), an American industry association, has placed a dollar value on the revenues generated by production music for the first time, citing it as a billion dollar a year industry. As PMA Chairman and Associated Production Music President Adam Taylor says: 'Production music, which is heard in most film, television and video productions, is often hidden in plain sight' (Dillion, 2017).

Since the beginning of reality television, production music has seen a high increase of use and a popular source for licencing music. Television shows such as Survivor, Police Rescue, 60 Minutes, The Today Show, E-Entertainment, Oprah, Crime Story documentaries, and the like use production music extensively. It is fast and efficient to obtain as it's already composed and produced, it is less expensive than commissioning a composer, licensing is simple and smooth, and is generally a quality recording written by renowned music composers from across the globe.

The Company

My company, 101 Music Pty Ltd®, which I am owner and director of, is a local company based in Sydney, Australia. 101 Music exports its product across 85 global territories under some 24 separate distribution agreements. My distributors are my agents, or as we call them in our industry, 'sub-publishers'. 101 Music is the originating music publisher and

record label, where I sub-license my product under a term of 3 years, and renewable, to a suitable foreign sub-publisher distributor. I pick and choose carefully who will represent my product as my 'export market' is my lifeline. *'My distributor list can be found using the territorial flags on this menu'*, <https://101.audio/distributors/> (Phillips, 2021).

My company currently has 63 production music albums in its asset portfolio, encompassing a variety of genres – from drama, sports, comedy, positive feel-good, extreme impact trailer style, travelogue, news themes, calm landscape style, corporate, industrial, and many more. *'101's releases can be viewed and heard as marketing teasers'*, <https://101.audio/releases/> (Phillips, 2021).

Each album, as a digital record release, includes original artwork designed specifically for 101 Music by my art director, Pete White of Twin Pete's Creative. Each album is specific to a purpose, where its title and image are pointing to a genre, style, mood, flavour and intended area of use. Each album release has 12 main track title compositions, along with alternative mix-out versions of each title – sometimes supplying up to 15 alternative mix versions of each track. This gives the user, e.g. the content producer and editor, greater possibilities for use under various storyline situations. For example, the main track theme version and instrumentation would be too heavy under dialogue; therefore, one of my mix-out versions will be just the string section for example, or just the piano chords.

The Product and Exporting

I am a composer as well as the owner and director of 101 Music Pty Ltd®. I don't compose all the albums myself as I spread the creativity out to many other talented composers, which makes my asset catalogue fresh and diversified in style. I do, however, executive produce and oversee each and every album release which keeps the product design consistent, ensuring the company's formula, quality and value are kept at heart. I generally produce and release 8 albums per year, where I compose 2 or 3 albums myself, and commission other composers to write and produce the remainder.

A concept album is devised usually many months before production begins, and is decided on from the feedback I receive from the analysis of previous licensing success from territory to territory. I also take on board suggestions that my global sub-publisher agents identify as a needed style for upcoming client projects.

By the 4th quarter of each year, I plan a production schedule for the following year and decide who I will commission to compose and produce the album product. My composers range from local Australian composers, or they may be from the USA, UK and other areas depending on their strengths of styles and availability. I also contract local workers for everything else I do, including artwork design, marketing, metadata work, website updates, musicians, vocalists, mixing and mastering, etc. I run the day to days for my business which is quite time consuming, as well as create content.

Each album release entails many facets, but the most challenging for me is creating the extensive 'metadata', which is in an excel spreadsheet format, some 110 columns wide by some 99 rows, where each row is attributed to a specific track title and version. The data includes copyright information as well as the ever so crucial 'keywords' for tagging and search, marketing descriptions, style and genre notations, tempo, musical key, instrumentation, and digital coding which later gets embedded into the audio files at release time.

Once this is completed, usually taking 6 weeks per album project, the album is ready for release. I use a distribution company called Harvest Media (based in Australia), and also Source Audio (out of America), where I load my product release and all assets associated with the product ready for distribution. I then simply hit 'distribute' to my archived list of 24 distributor sub-publishers across the globe, who also subscribe to Harvest Media or Source Audio, where my release is ingested into each sub-publisher's website, and within hours their clients have access to 101's latest release for licensing.

Once my material is ingested into their systems, my audio files are converted to the numerous audio formats that they require, tagged with

the metadata provided and encoded from my supplied digital identification codes with fingerprinting information for copyright protection and detection purposes. Technology in the 2020s.....!

Marketing

What's in a name? My business name [101 Music Pty Ltd®](#), was created as it gets my entity on the top of the list with each of my 24 distributor / sub-publisher / agent websites across the globe, as numbers usually come first in alpha-listings. Secondly, it fulfils the '101 ways to _____' – the go-to style of publications, such as '101 ways to teach your dog new tricks', '101 ways to cook the most authentic Italian food', and the like. It also fulfills the one better of 100, where 101 gives the user 'extra value' (subconsciously). The name also reflects the meaning of 1s and 0s being 'binary numbers', which are used in digital and computer technology – keeping a high-tech feel to my label brand name.

The **101** logo is bold and reversible, black on white, white on black. The **0** resembles a spinning vortex to mesmerise, a revolving record or CD, a pumping audio speaker. The **1**s support the **0** firmly, and is inviting like a well-set dinner plate setting. The logo and name is trademarked ® across numerous territories.

I also use a short sales 'slogan' to sit with the business name and logo: emotional solutions through music.

101 emotional solutions through music, and also incorporate it into the logo design:



I'm very hands on with marketing materials that I feed my foreign distributors, being aware of the various cross-cultural differences. I treat each territory as a unique market. I also pay close attention to the many forms of e-commerce and more recently artificial intelligence for marketing advantage. I'm also very closely watching the upcoming 'metaverse' platform.

As the Single Grain digital marketing website quotes: 'Artificial intelligence is the biggest commercial opportunity for companies, industries, and nations over the next few decades. A.I. latecomers will find themselves at a serious competitive disadvantage within the next several years' (Dave, 2021).

As also noted in the Single Grain web publication, 42 Digital Marketing Trends You Can't Ignore in 2021: 'At one time, artificial intelligence, data-driven marketing and voice search engine optimisation (VSEO) were ambitious concepts bordering on the ridiculous. Today, these innovative digital marketing trends are among the top priorities for most business owners in 2021' (Dave, 2021).

We are also about to witness some amazing new methods of high-tech marketing platforms coming in the 2020s, in particular, Metaverse – using alternative digital realities where people work, play and socialise.

As the Forbes, July 2020 web-edition published: *'Imagine walking down the street. Suddenly, you think of a product you need. Immediately next to you, a vending machine appears, filled with the product and variations you were thinking of. You stop, pick an item from the vending machine, it's shipped to your house, and then continue on your way'* (Hackl, 2021).

In late June 2021, Mark Zuckerberg, CEO of Facebook, told his employees about an ambitious new initiative, saying: 'The future of the company would go far beyond its current project of building a set of connected social apps and some hardware to support them. [Instead], Facebook would strive to build a maximalist, interconnected set of experiences straight out of sci-fi world, known as the **metaverse**' (Zuckerberg, 2021).

The company's divisions focus on products for communities, creators, commerce, and virtual reality. He then continues saying: 'that we would increasingly work to realize these visions, and what I think is most interesting is how these themes will come together into a bigger idea. Our overarching goal across all of these initiatives is to help bring the **metaverse** to life' (Zuckerberg, 2021).

Money

I trust and depend on my sub-publisher distributors to charge appropriate licence fees for my product as they see fit for their local community. It is in their best interest to charge a license fee that works well for them in their market. They market my product, provide audition playlist platforms for their clients, negotiate the deals, collect the licence fees – then distribute to my company every quarter. My distributors are on a very good commission that works as a standard in our industry.

My strengths are in 6 main regions: Scandinavia, Germany, USA, Japan, South Korea and China / Taiwan – so I very closely nurture those relationships as with the many other territories. Australia brings in just under 8% of my global returns and is probably 10th on the list of income earners.

Music copyright receives two types of income flow: licensing income, also called mechanical / synchronization – generally a one time fee, and broadcast performance income, a much longer lasting and greater source of income as it's continual / repeating every time the music is aired (e.g. broadcast) in each territory. The performance fee's vary depending on the time of day it's aired and if it's on a network, cable, or a streaming service. Music does have the long tail effect – income from one asset that grows from reuses and lasts a lifetime, which we count on as creators.

The long tail is a statistical pattern of distribution that occurs when a larger share of occurrences occur farther away from the centre or head of distribution. This means that a long tail distribution includes many values that are far away from the mean value. In an economic context, this signifies that more products are purchased that are different from the most mainstream products' (Anderson, 2004).

Local Market

I don't distribute or license myself in Australia / New Zealand, as I use a large sub-publisher agent who has greater reach to the television networks than I.

Most territories and 'Performance Right Organisations' around the world, such as APRA / AMCOS here in our country, have a suggested 'music licensing rate card, where ours in Australia can be found', https://assets.apraamcos.com.au/images/PDFs/Production-Music/2021-PM-Rate-Card_AU.pdf



Figure 1

Figure 2

COVID-19 Pandemic

The effects from the global pandemic have been critical to my company as with so many other businesses across the world. The situation with a production music company is a little different than most, as we don't see returns from a music license for some 6 ~ 12 months after the agreement is made with a content producer.

And with respect to broadcast performance income, unfortunately we don't receive that income stream from anywhere up to 9 ~ 18 months after the show is aired.

In light of these facts, I am now just realising the effects of the downturn in television production from around the globe, such as Los Angeles, New York, UK, Japan, Germany, South Korea, and locally. Hence, a depletion of sales revenue.

I did, however, plan ahead for this contingency, by realising a way to cut my manufacturing costs without affecting the quality or quantity of new products being released. I achieved this by creating a sub-label for 101 Music, called **101 Music Compilations**, whereas, rather than spending some AU\$10,000 per release on manufacturing production costs, I could cut this back to AU\$2,000 by repackaging existing music into a new release album title, such as the Best Ofs _____. I have since released: Best of Home, Best of Summer, Best of Calm, by reusing music from previous releases, repackaging with fresh artwork, a different brand look and feel, sort of like a music 'playlist' that one would create of their favourite pieces from the 60s or 70s so to speak. However, these 'Best Ofs' are all about repackaging music of defined emotions and feelings – summer, home, calm,next will be mystery, then sports.

I realised that if I stopped releases completely to save manufacturing costs, my company would lose its optimal algorithms, and search results would deplete substantially in each territorial website. With the 'Best Ofs', I am able to continue with new releases, achieving a savings of 80% in direct costs, which increases my Gross Profit Margin considerably as with my bottom line Net Profit.

As from the start of 2021, I decided to intersperse a new original album release (normal productions and costs) with every second release being a 'Best Of' compilation, therein giving only a savings of 40% – but this way, I am not diluting 100% of new innovation for the company. I have forecasted that my company can survive on a 55% depletion in sale licenses – but not too much further, and probably only for another year if need be or I will have to go with all Best Ofs.

All industries, businesses, as mankind, are hoping the COVID-19 pandemic and health effects will subside soon across the globe.

From my catalogue content analysis, from the 63 album releases to date, I could continue this trend for approximately 2 years before the compilation approach would become overcooked.

Conclusion

Businesses need to find ways to survive in the greatest of storms, or get swallowed-up! A business plan has always been necessary for action, and being aware of 'change' is essential.

I also lecture part-time in Entrepreneurship at the Universal Business School Sydney, teaching two classes a week. I am passionate about sharing my knowledge and experiences with students.

I teach postgraduate students how to write an effective business plan, being the only assurance in running a business smoothly. I also talk about the importance of change, and how necessary it is to positively embrace 'change'.

Learning never stops and teaching masters level students gives me the opportunity to continually learn, research, and to employ new ideas into my business daily which keeps me fresh.

As I quote to my students:

'Effective entrepreneurs are exceptional learners. We learn from everything.'

We learn from our clients, our customers, our employees, our associations, our suppliers.

We learn from other entrepreneurs.

We learn from experience, from doing, and importantly – we learn from our competitors, and to closely watch new technologies and how other businesses are engaging with them.

BUT most importantly.....

We learn from making mistakes.

The core to success is how you will engage with change' (Phillips, 2021).

I always conclude my final week 12 lecture with:

'Hurdles are our friends.....

Disappointments are never our enemy' (Phillips, 2020).

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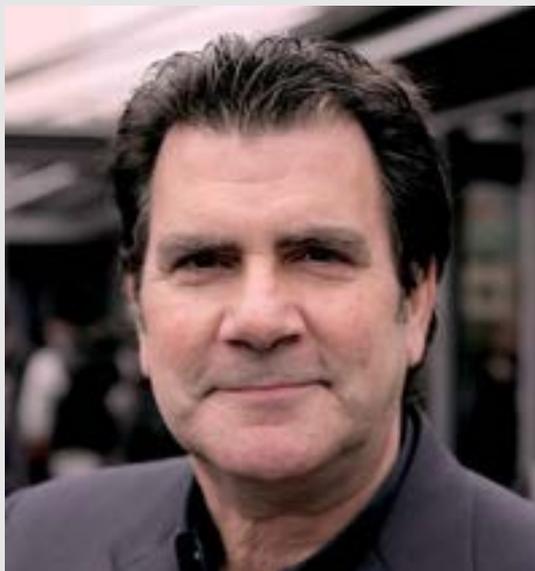
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About Art Phillips

Art Phillips is the owner, director and executive producer of 101 Music Pty Ltd® and a multi-award winning composer, including two Emmy Awards, plus gold and platinum RIAA record awards, scoring over 1,500 hours of original music for broadcast television series, films and documentaries.

Art launched his music career in the mid-70s as a guitarist in Los Angeles, where he made a name for himself as one of LA's top recording session guitarists, working and performing with the likes of Barry Manilow, Minnie Riperton, Burl Ives, The Carpenters television specials (NBC), The Love Boat (score recordings and on-camera appearances), Dory Previn, Demis

Roussos, The Lettermen, Burl Ives, Ron Seggi, and a long list of television series and feature film soundtracks.

Art was musical director, conductor, arranger and orchestrator on live concert tours for Demis Roussos, Dory Previn and John Rowles. He toured as a guitarist for Barry Manilow for over 3 years and produced recordings for Demis Roussos, Barry Manilow, Sally Kellerman (hot lips from MASH, the movie) and John Rowles, achieving a Gold Record Award for his production work on John's renowned album 'Another Chapter' (EMI Records).

His early composition credits include writing incidental music for the US television series The Love Boat, penning the top 10 R&B single Here We Go for recording artist Minnie Riperton, and the Motown Records release Now That I Have You for recording artist Teena Marie from the album Lady T. Both Here We Go and Now That I Have You have been re-recorded and sampled by a multitude of Rap and R&B recording artists, including The Roots, A~Z, and others, and continue to achieve chart positions and record sales.

Art is the music composer of over 60 successful production music albums for companies such as FirstCom Music, Sonoton, 5Alarm Music, Universal Production Music, Bruton, Chappell Recorded Music Library, One Music, Groover's Music Library, Access Music, and EVO. He is also the composer of thirty two album releases for his own production music label 101 Music Pty Ltd®, now with over fifty eight album releases in the 101 Music catalogue.

