

REPORT OF THE GOVERNOR'S TASK FORCE ON MUSIC AND THE RECORDING ARTS INDUSTRY

INTRODUCTION

On October 2, 1984, Minnesota's Governor Rudy Perpich held a meeting with Minnesota's music creators and leaders in the areas of popular music and the recording arts. He announced the creation of the Governor's Task Force on Music and the Recording Arts Industry. He said he was excited about the growth occurring in these fields in Minnesota. He asked the task force to develop a report and recommendations on ways this growth and Minnesota's national reputation in these fields could be nurtured.

On November 1, 1984, David Speer, co-chair of the Governor's Commission on Economic Vitality in the Arts, convened the initial meeting of the task force. The Governor appointed Ira Heilicher of Great American Music Company and Tom Bartel, publisher of *City Pages*, as co-chairs of the task force. The Task Force adopted the following mission statement:

Mission Statement

To identify ways to promote and encourage music and the industry of music in Minnesota. Contemporary music, in whatever form--white, black, pop, folk, country, rhythm and blues, rock, jazz, music theater, new music and other forms--must be encouraged to grow and continue to be based in Minnesota. The state must build on the recent momentum achieved by Minnesota-based artists.

The 24-member task force created four subcommittees--Policy Development, Education, Public Relations and Events, and Industry Development. Each subcommittee conducted several meetings, with participation by task force members and other representatives of the music community. The final report and recommendations are based on the reports of these individual subcommittees. The work of the task force occurred from November, 1984, through March, 1985. The following is the Task Force's report and recommendations:

OPPORTUNITIES FOR GROWTH

Minnesota is a major regional center for the production of recordings, film, video, creative services for advertising and music performance. In the past year, Minneapolis and St. Paul have become the focus of major national attention in music recording. Minneapolis-based Prince has become the most important new figure in popular music. His decision to remain in the Twin Cities and base his film, video and recording operations here has provided the Twin Cities with a beachhead for developing into a national center in production in the recording arts. His intention is to create a Twin Cities recording label that, similar to Motown, would serve many recording artists.

The success of Prince has brought the attention of major recording labels to Minnesota recording artists. More new artists from the Twin Cities have been signed to major labels in the past year than from any other area of the country. The *Los Angeles Times* recently termed Minneapolis the hottest music city in the nation. A major segment of radio airplay in Los Angeles is currently devoted to Minnesota recording artists. Much of this recent success stems from a drive within the Minnesota music community to create original music independent of standards set in Los Angeles. Minnesota's music community has long prided itself on its independence and originality. By blazing new new ground in rock and new wave, as well as rediscovering old ground as in blues and folk, the Twin Cities have shown that cities other than New York City, Los Angeles and Nashville can provide strong musical choices for the American public.

This national success has triggered economic growth. Major new recording studios are being built in Minneapolis. Others are being expanded or upgraded. Within six months, the Twin Cities, for the first time, will have full capacity to handle recording and post-production for most national recording. One major New York recording producer has decided to co-locate in Minneapolis. Local music companies have expanded their commitment to developing new artists. Through the presence of Neville Marriner, two orchestras, a locally-based classical recording label and the production facilities of Minnesota Public Radio, the Twin Cities enjoys a strong reputation in classical recording as well.

Growth in music and the recording arts in Minnesota is important. Nationwide, record shipments totalled \$4.5 billion in 1984. Growth means Minnesota would be capturing a share of a national market it does not now benefit from economically. Growth would mean creating a new area for export for Minnesota. Noting that the film "Purple Rain" by Prince brought \$4.5 million into the economy of Minnesota in 1983, the Governor's Commission on Economic Vitality in the Arts in 1984 recommended establishment of a Minnesota council in music and the recording arts and establishment of a center where music creators and performers could sharpen their skills for entry into the popular music fields.

The challenge to Minnesota is to succeed in developing from a temporarily "hot" music area to a long-term national center in the recording arts. Important preliminary steps have already occurred: An active music press, in both the Twin Cities dailies and weeklies, has provided an important sense of identity to the Twin Cities music community. So has the Minnesota Music Awards, which has also helped bring national recognition to Minnesota music.

An important new industry is in the process of being born in Minnesota. The Governor's Task Force on Music and the Recording Arts Industry has identified key ways the Minnesota music community and the State of Minnesota can join forces to help realize this significant opportunity for economic growth and additional national achievement in the arts.

SUMMARY OF RECOMMENDATIONS

1. The following initiatives would enable the state to further its momentum in gaining national recognition in music and the recording arts:

A major exposition of Minnesota's music and recording arts industry

An ongoing publicity effort, both statewide and nationwide, about Minnesota music

2. The following initiatives would aid growth in the music and recording arts industry:

Liaison with state government to insure the ordinary tools that aid businesses are available to this industry, particularly to new ventures

Liaison with the financial community to reduce barriers to investing in this industry

Review of the impact of state and local laws on the business of live-music performance

Strategic planning to identify resources required for industry growth (recording facilities, access to new technology, educational opportunities, service to film and video, professional services to artists comparable to that available in the largest music centers, and other issues)

Promotional efforts to encourage Minnesota advertising agencies to utilize Minnesota music-creative services

Preparation of a study identifying the economic impact of the Minnesota music industry

Promotion of music events by the Minnesota Office of Tourism

Development of a directory of music production services and recording services

3. The following initiatives would aid the education of musicians and music creators

Insuring that public education in music fully includes the American traditions of music and, where possible, offers students access to recording arts technology

Establishment of a college-level music-business curriculum in the Twin Cities

4. Creation of the MINNESOTA MUSIC AND RECORDING ARTS COUNCIL
to coordinate the implementation of the initiatives included in this report

The aims of the Council would be to promote the music of Minnesota, to mobilize public and private resources to aid the growth of Minnesota's music production and recording arts industries, and to aid the professional and artistic development of music creators and performers in the specifically American traditions of music.

The Council would:

Serve as an Arts Service Organization, similar to those organized for playwrights, filmmakers, etc., in Minnesota, to provide workshops, seminars, master classes, internships, equipment access, grants to new works and other services to creators and performers in the American traditions of music and American music theater.

Foster development of non-profit organizations that aid Minnesota musicians and music creators

Insure that public programs in the arts, such as those of the Minnesota State Arts Board and the Regional Arts Councils, support artists in the American traditions of music

Initiate programs to promote and develop the music industry

Encourage development of Minnesota-based independent record labels, serving diverse music traditions

Encourage Minnesota radio airplay of Minnesota recording artists

The board of the Council will include community leaders and individuals from music; for example, music creators and performers; representatives from record labels, publications, studios, commercial and non-commercial radio, music education, non-profit music organizations, record distributors, artist management and other professionals.

The initial projects of the Council would include coordination of the major exposition, publicity promotion, liaison with the financial community, and assistance to artists.

5. The Governor and the Minnesota Legislature should stipulate that \$100,000 of the FY 86-87 appropriation to the Minnesota State Arts Board be designated for regranting to the MINNESOTA MUSIC AND RECORDING ARTS COUNCIL, or its fiscal agent.

The appropriation would enable the Council to become a permanent body with an executive director. The Council would undertake the initial service projects, develop strategies for implementing additional Task Force initiatives, and conduct long-range planning and private fund-raising. The Council would also develop recommendations for future state arts appropriations in this field.

During the current biennium, all the operating grants in music made by the Minnesota State Arts Board went to organizations whose primary mission is the European tradition of music. Under the Arts Board's request to the legislature for FY 86-87, approximately \$950,000 in operating grants would go to classical music organizations. Non-classical music organizations would receive no operating grant dollars.

By providing the appropriation requested for the MINNESOTA MUSIC AND RECORDING ARTS COUNCIL, the legislature would enable the 90% of the public whose first choice in music is not classical to also benefit from the state's tax support to music.

This appropriation would help stimulate important economic growth, bring honor and attention to Minnesota's rich cultural diversity, and help expand opportunities for artists in Minnesota. (From Simmons Market Research Bureau's 1983 Study of Media and Markets: "first choice of radio stations is classical" = 2.3% nationwide; percentage of record purchases in last month that were classical = 4.6%. In Minnesota, classical music holds a valued place and attracts a somewhat higher share of the music audience than the nationwide average.)

BACKGROUND TO RECOMMENDATIONS

1. Generating national recognition for Minnesota in the recording arts

A major exposition of Minnesota's music and recording arts industry

Such an exposition would enable the various segments of the industry to meet each other and become more aware of resources within the state. It would be covered by the national industry press and thus offer the state an important chance to make the national industry aware of resources and developments here. It would introduce new technology and provide professional training. This exposition would take the place of a major exposition formerly held in Chicago. The State should cosponsor the event. The Office of Tourism should aid in publicity and promotion.

An ongoing publicity effort, both statewide and nationwide, about Minnesota music

The Council would monitor developments in Minnesota (studio openings or expansions, new releases, new signings, events, news of Minnesota performers and creators) and keep the national and trade press informed. The Office of Tourism should aid in publicity efforts where appropriate.

2. Fostering industry growth

Liaison with state government to insure the ordinary tools that aid businesses are available to this industry, particularly to new ventures

The State places strong emphasis on providing tools to aid new businesses. Ways would be established for new music businesses to learn of these tools and to receive individual help from the Department of Energy and Economic Development where appropriate.

Liaison with the financial community to reduce barriers to investing in this industry

Much business activity in music is low on tangible assets and high on risk. Banks and venture capitalists give the industry little attention. Forums would be established whereby investors and lenders could learn more about investment opportunities in Minnesota music. New music businesses, in turn, would learn what is expected of them by potential lenders or investors. Specially targeted investment or loan programs (such as ones for women or minorities) should be made aware of opportunities in music. The financial community would be invited to participate in major events so they could learn more about the industry and its impact.

Review of the impact of state and local laws on the business of live-music performance

Clubs are a vital link in nurturing new performers and new music. Live music is an important measure of a city's attractiveness to tourists. Yet, the economic stability of clubs is routinely affected by government actions, specifically liquor taxes, surtaxes on drinks, drinking age laws, dram shop laws and others. Legitimate concerns give rise to such laws. A review would seek ways to meet these public concerns without jeopardizing live music.

Strategic planning to identify resources required for industry growth

What made Motown able to develop into a national label and produce quality so consistently so long? How could the new labels and producers in Minnesota learn from Motown? What professional services will have to be available in Minnesota, at what skill level, in order for new talent to remain here without jeopardizing career development? Is the recent burst of studio development adequate? Is new technology in music finding its way here fast enough? As recording becomes more video-driven, are we keeping pace? Are we exploring the music applications of supercomputers (for video) that will be available in the technology corridor in Minneapolis?

The Department of Energy and Economic Development should conduct this strategic planning. The department should also investigate the successful community redevelopment effort in Nashville where renovation centered around music-related firms has occurred.

Preparation of a study identifying the economic impact of the Minnesota music industry

This information would help sensitize government and community leaders to the industry's impact. Having base information would enable growth to be tracked. The Department of Energy and Economic Development should conduct this study.

Promotional efforts to encourage Minnesota advertising agencies to utilize Minnesota music-creative services

The Twin Cities area is one of the leading centers in advertising and creative production for commercials, industrial films and slide shows. Yet, advertising agencies and large corporations in the Twin Cities still order much of their music production from New York firms. Local music creators and producers would create a special event to showcase their capabilities to the local advertising agencies and corporate buyers.

All state government advertising contracts should be with Minnesota advertising agencies. All subcontracts for music-creative services should be with Minnesota firms.

Promotion of music events by the Minnesota Office of Tourism

The City of Parks Rapids and the Iron Range Interpretative Center are each commissioning historical musical plays as summer attractions for new performance facilities. Detroit Lakes' country music festival is a major event. St. Paul will conduct major summer outdoor music events. The Council, working with the Office of Tourism, would help stimulate other such outlets for Minnesota music and tourism.

Development of a directory of music production services

Such a directory would document the talent and capabilities in Minnesota. It would heighten the interest in recording here and make it easier for film, video makers or record producers to assemble music production resources in Minnesota. Demo tapes showcasing works would also aid. The Department of Energy and Economic Development could assist.

3. Aiding music creators and performers through education

Insuring that public education in music fully includes the American traditions of music and, where possible, offers students access to recording arts technology

Public education in music is currently heavily weighted toward the European musical traditions. Training in America's own musical languages should be given equal support. Recommendations include the Minnesota Department of Education's developing new curriculum fully inclusive of the American musical traditions; secondary schools utilizing the popular music/recording arts teaching model of St. Paul Central High School; expansion of the Inver Hills popular music and recording arts focus; increased emphasis on audio-visual/recording equipment engineering and repair at vocational schools; curriculum improvements at the University of Minnesota's School of Music and its MacPhail Center for the Arts and at other state colleges and universities; and support for private training in popular music and the recording arts.

Establishment of a college-level music-business curriculum in the Twin Cities

In the largest music centers in the United States, colleges and universities have developed special curricula in the business of music. The University of Minnesota and the Community College System should identify ways to implement such curricula in Minnesota.

MINNESOTA MUSIC AND RECORDING ARTS COUNCIL

Need

The Task Force has identified significant initiatives that could bolster the development of music and the recording arts in Minnesota. A coordinating body, Minnesota Music and Recording Arts Council, is required to fully implement these initiatives. Similar nonprofit coordinating organizations serve other art forms in Minnesota. Coordinating organizations in contemporary music exist in other states where the music industry is well developed.

Mission Statement

The mission of the Council would be to mobilize public and private resources to aid the growth of Minnesota's music production and recording arts industries; to foster leadership for artistic, educational and technical achievement in music and the recording arts; and to aid in the professional and artistic development of music creators and performers in the American traditions of music.

Organization and Governance

The Council would be a private non-profit corporation. Its board will consist of community leaders and individuals from various segments of the music community.

Functions

Promote national recognition of Minnesota's music through events and publicity

Coordinate use of music for tourism

Aid new businesses serving Minnesota music and recording arts

Encourage development of Minnesota-based independent record labels, serving diverse musical traditions

Independent record labels are a vital force in the art of music. They provide an outlet for diversity and experimentation. They meet the specialized needs of specialized audiences. Although Minnesota currently enjoys good access to major record labels, this access is limited to a fairly narrow portion of the music spectrum. In jazz, new wave, folk, and many other genres, independent labels provide the sole recording outlet for Minnesota artists.

Encourage Minnesota radio stations to include songs of Minnesota recording artists

The Council, by keeping state radio stations abreast of the national impact of Minnesota recording artists, could help gain radio access in Minnesota for these and other Minnesota recording artists.

Increase the percentage of state support to artists and organizations in the American traditions of music

The Minnesota State Arts Board is developing a Special Initiatives Program to begin aiding the American traditions of music and other segments of the arts world which have been underserved by arts dollars. The Board should set aside each year a significant portion of its operating grant dollars for music to serve the American music traditions. This money would be regranted through the Minnesota Music and Recording Arts Council.

Serve as an Arts Service Organization, similar to those organized for playwrights, filmmakers, etc., in Minnesota, to provide workshops seminars, master classes, internships, equipment access, and to aid the professional and artistic development of creators and performers in the American traditions of music and American music theater through support for new works

Organizations providing these services are non-profit. They serve creators and performers who have completed formal training and are practicing in the field. Corporations and foundations provide principal support. Annual budgets average \$300,000 in the Twin Cities. They help creators reach higher levels of artistic and professional development. Many attain national stature in their field. This organization in American music, operated by the Minnesota Music and Recording Arts Council, would serve creators in those branches underserved by commercial music, such as new works in American Musical Theater, jazz, folk and traditional, blues and other black music, gospel, new wave, experimental forms of rock, performance art, multi-media collaborations and other areas. It would also serve creators wishing to bring strong new voices to the more commercially successful branches of the music.

Traditionally, Minnesota corporations and foundations have been reluctant to aid organizations serving music creators outside the classical or academic fields of music. The vast majority of corporate contributions to music organizations in the Twin Cities go to classical music organizations. Recently, however, a number of foundations have expressed interest in aiding a service organization for those choosing to create in the American musical traditions.

Foster development of non-profit organizations that aid Minnesota musicians and music creators, including existing groups aiding songwriters, bluegrass and traditional music, jazz, women's music, community non-commercial radio and others

Fulfillment of the goals of these organizations has been hampered by inadequate public and private support. The Minnesota Music and Recording Arts Council could serve as a regranting agency for these non-profit organizations to facilitate corporate contributions on their behalf.

Conduct strategic planning for industry growth

Insure coordination between music community and government agencies

Serve as an information clearinghouse

Assist educational agencies in better serving the needs of the American traditions of music

Solicit public and private funds for regranting to individual artists or projects or small nonprofit music organizations

Provide information to community leaders to stimulate heightened commitment to development of the American branches of music and recording arts in Minnesota

Serve as a forum for introduction of new technology and artistic experimentation

Monitor the artistic and economic vitality of Minnesota's music and aid its development

Serve as the vehicle whereby the state assures itself a significant proportion of its arts support in music reaches the non-classical branches of music

Initial Operations

The Task Force will convene an organizing committee, which will develop the Council's articles of incorporation and bylaws and negotiate an agreement with another nonprofit corporation, such as the Minnesota Motion Picture and Television Board, to serve as the Council's fiscal agent until such time as the Council is qualified to receive tax-exempt contributions under its own auspices. The organizing committee will conduct initial fund-raising and hire a director. A board of directors will be established. A general meeting will be conducted with the music community to establish program priorities of the Council. Members of the music community will be invited to participate in task forces of the Council to develop various projects.

Initial Projects

A major exposition of Minnesota's music and recording arts industry

Publicity campaign to promote national recognition of Minnesota's music resources and growth in the recording arts

Development of programs to aid music creators and performers

Organizational development and fund-raising

The initial projects of the Council will be carried out in the six-month period beginning April, 1985. Support from the music community and corporations and foundations, plus earned income, will be sought for the initial six months.

State Appropriation

The State Legislature, to insure state appropriations in the arts serve more fully the non-classical branches of music, would direct that \$100,000 of moneys appropriated to the Minnesota State Arts Board (the Regional Arts Councils' portion would not be affected) be earmarked for regranting to the Minnesota Music and Recording Arts Council, or its fiscal agent. The State Arts Board would issue these funds as follows: \$50,000 would be issued within 14 days of the State Arts Board's being authorized to expend funds for FY 1986; and \$50,000 within 14 days of the State Arts Board's being authorized to expend funds for FY 1987, provided the Council has delivered to the State Arts Board a work plan and budget for use of such funds one month prior to the State Arts Board's date of authorization to expend funds for each of the respective years.

Uses of State Funds

Uses of state funds during the 1986-1987 biennium would include creation, development and operations of the Council; support of services and projects of the Council; contribution to public/private partnerships in new programs to serve the needs of Minnesota creators, performers, and presenters in the American musical languages.

The Council would also prepare a long-term plan for state and private support to this branch of the arts.

MEMBERS OF THE GOVERNOR'S TASK FORCE ON MUSIC AND THE RECORDING ARTS INDUSTRY

Co-Chairs

Ira Heilicher, President, Great American Music Company
Tom Bartel, Publisher, City Pages

Committee Chairs

Public Relations and Events/Paul J. Moe, President, Paul J. Moe Management, Inc.
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