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How Interdisciplinary Collaboration Can Help The Music Industry

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Musicians and technologists need to collaborate on creating the future of the industry. As I argued in a previous article, the way out of the current debate about whether technology is good or bad is for musicians and technologists to create a joint narrative, a common framework for understanding what technology means for music and how all the parties can benefit from the opportunities that new technologies offer.

But how to bring together these two disparate worlds? For the most part, they don't even work during the same hours. They don't speak the same language. They may not even care about the same things. Or at least they don't think they do.

I talked with two people who are spearheading different initiatives for getting musicians and technologists to create the future of the music industry together.

According to Kent Nielsen, a veteran Internet entrepreneur and co-owner of Fort Knox Studios, a giant recording and rehearsal facility in Chicago, the way to get artists to recognize the benefits of technology is for them to work next to technologists. Most of the technology-and-music discussion, he pointed out, has been about streaming. And if losing the traditional revenue stream for royalties is the only exposure an artist has had to technology, then he can't blame them for seeing technology as a threat.

His idea is to create a music equivalent of a technology incubator. "In early stage tech incubation you're developing an idea into a business and it works because you provide density, you provide community, and you provide access to all kinds of people in the middle stage of their business and later who are already in the facility," he said.

Fort Knox is in the process of building its own incubator, modeled after Chicago's 1871 tech incubator. The incubator model relies heavily on

mentorship and mutual learning. The goal is for musicians, music industry insiders, and technology entrepreneurs to co-locate and interact, creating a community and a common language. The ultimate outcome, according to Nielsen, would be a new template for how to develop a business in the music industry.

"The reason tech is better than the music industry," Nielsen points out, "is that you take an incubation of an early stage technology, a concept or idea, and there is a standardized model, both for financials as well as a business plan. A VC who hears four pitches a day can sit down and look at your financials, look at your projections, and look at your business plan and where you're at and he or she can knows the type of investment you're looking for. The deals have a somewhat standardized structure. The music business doesn't have that."

The goal is not to copy the technology incubator model but rather to co-create the right kind of model for the music community.

Tech entrepreneurship has tended to cluster around major academic centers. Silicon Valley has Stanford, Boston's Route 128 had MIT. One unrealized opportunity for the music industry is to partner with academia to facilitate a conversation that won't be overly influenced by those who benefit from the status quo. This is the opinion of Allen Bargfrede, an entertainment lawyer and music industry veteran who is the executive director of Rethink Music at the Berklee College of Music in Boston.

"Tech has had to learn how to deal with entrenched interest in the music industry," he told me. "They've had to figure out how to get the music industry to overcome its reluctance to embrace technology. It's an industry that has been behind the times. In the mid-80s they were decrying CDs then it turned out to be the biggest thing."

To help overcome these obstacles, Berklee launched its Rethink Music program in 2010, and has been fostering collaboration with students at Harvard Law School, Babson College, Harvard's Berkman Center for Internet and Society and MIT's School of Engineering, as well as IE Business School in Madrid.

Most recently, Berklee launched a [joint project](#) with Kobalt Music Group in conjunction with Berklee's newly formed Institute for Creative Entrepreneurship (BerkleeICE). The student-led project will review the ways technology can help address global music licensing issues and bring artists, writers, publishers, label and distributors closer together.

The partnership between music industry and academia is relatively new as compared to the pharmaceutical industry or the car industry, both of which

have looked to academia to help them solve their problems. "It'll have to be a nonprofit institution that helps solve the problem," said Bargfrede, "because there are so many vested interests. Incumbents want to argue with one another about how to make their cut bigger. We think of ourselves of being in a position where we don't have self-interest."

The goal of the project is to use technology "to connect the dots between the person who is consuming and paying for the music and the songwriter and the artist who created that music," said Bargfrede. "There are a lot of things that are unclear about how artists get paid." The current system for registering copyright, which was developed before the advent of streaming, makes it hard to understand who owns content and who should pay for it. The fact that there are so many middle layers between consumer and creator and the lack of transparency regarding who gets paid and how much at any point makes it difficult to know whether artist get paid fairly.

"What artists and writers aren't seeing when they see those statements from Spotify and other services is the cuts that are getting taken out in the middle," said Bargfrede. "The writer gets a check and says, 'I only get this much for being on Spotify and Pandora.' Is it that different from say an artist who sold half a million albums and never made a penny from his record label? I managed an artist who had that exact problem. He sold 600,000 albums but was still in the red to the record label." He adds, " When you have a system that is not transparent money has a tendency to disappear   ."

Bargfrede points out that most major music services have money sitting aside that they can't figure who to pay to because there is no central database or no registration system. Sound Exchange, a performance rights organization that collects and distributes royalties for music played digitally, is sitting on tens of millions of dollars that it doesn't know who to pay, for example. Another goal is to lobby for changes in archaic laws and policies regarding publishing to better reflect the current state of the music industry.

At the heart of both the academic and the incubator models is that an open conversation can lead to creative win-win solutions that are outside of current ways of thinking about the industry and that can help overcome the natural resistance to change by those who benefitting from the way things were.

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