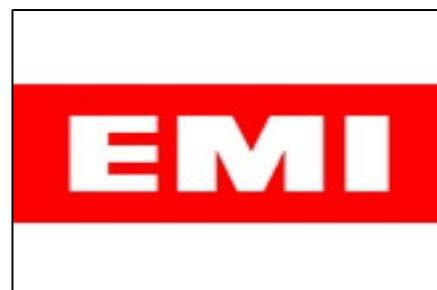
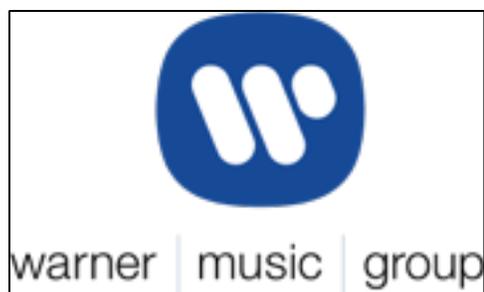




The Decline of A&R:

What Has Happened to the Music Industry's A&R Divisions

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Abstract:

As digital media has come to dominate most of the music industry's fiscal revenue, many record labels have been forced to close divisions that have been essential to the development of quality producing musicians and artists. One of the most essential sections of record labels that has faced a decline since the rise of digital media and the downfall of the music industry's economy has been the A&R division. With the decline of A&R, many label executives have been left with the responsibility of finding new artists for themselves, thus creating a focus based more on fiscal revenue than music quality. Many music fans and music critics question what has happened to the art of A&R and what are record labels doing to possibly bring back such vital influences to the success and nature of their artists.

Keywords: digital media, music industry, fiscal revenue, A&R, decline

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The Decline of A&R:

At its peak, the music industry was known for introducing successful artists and musicians to the world. Artists and musicians were known for producing affluent music that inspired the lives of music fans and critics. Behind the success of these artists, musicians and record labels, were a group of music lovers and experts who took time in developing artists and musicians to become world sensations. These group of people became known as “A&R representatives.” In today’s society, however, the existence of A&R divisions as a part of music record labels has become what seems to be almost close to non-existent, leaving the nature of artist development in the hands of business-focused label executives.

What is an A&R:

With artists at the forefront of the music industry, many music listeners and critics are unaware of the “gatekeepers” behind major labels’ star acts. The backbone of most successful musicians and artists has been the presence of music literate men and women known as A&R representatives. A&R representatives, also known as “scouts,” serve as the liaison between a record company and an artist that is signed to that record label, hence the abbreviation for “artist and repertoire” (wise GEEK). A&R representatives are responsible for supervising the development of new artists, overseeing an artist’s signing with a label, assisting in an artist’s production of quality music released under a label, and developing a marketable brand with a new artist. The main goal of most A&R divisions is to find new talent and guide new talent through the steps from being signed to a label to

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becoming a successful and qualified artist. At the peak of the music industry, A&R representatives were heavily responsible for the music that was being played on popular radio and the influence behind an artist's music management success.

What Has Happened to A&R Divisions:

A&R divisions used to be one of the most essential keys to signing successful quality artists and making profitable fiscal revenues for record labels. Today, however, the existence of A&R divisions has become less of a demand for record labels. A question that many music critics and experts are asking is what has happened to the nature of A&R; why is there a decline in the amount of present A&R divisions and what are record labels doing about it.

As digital media continues to advance, file-sharing and the illegal and legal downloading of music has taken a toll on the incoming fiscal revenue of the music industry, in addition to the economy crisis, causing detrimental outcomes. According to CCN.com, the music industry has reported a fiscal loss every year since 2000, going from a fiscal revenue of \$14.6 billion in 1999 to a decreasing \$6.3 billion in 2009 (Koranteng, 2012). The truth of the matter is CD's are no longer selling the way that they used to; album sales have fallen 8% a year since 2009 (A&R Select, 2010). Most music listeners are using iTunes and/or file-sharing sites as ways of listening to their favorite artists at either cheaper and/or free costs, decreasing the amount of money music providers were making before digital media sources came about (A&R Select, 2010).

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With the decrease of incoming fiscal revenue, many record labels have folded, and/or merged into the dominate conglomerate known as the “Big Four,” consisting of Universal Music Group, Warner Music Group, EMI and Sony Music Entertainment (Rogers, 2010). In addition, many record label executives have been forced to layoff workers and cut fiscal resources from certain divisions of their companies, one being A&R divisions (Rogers, 2010). Renowned A&R’s, like Island Def Jam’s Rob Stevenson and Interscope’s Mark Williams, who was ranked No.1 record man on the World Top 100 A&R Chart in 2005, have all been impacted by the fall of A&R divisions, causing many to lose their jobs and trade their A&R positions for under qualifying job titles. With A&R division investments being down approximately 25% since 2006, the responsibilities of A&R representatives have been left up to industry superior businessmen and women who know nothing about the art of discovering and developing new and qualified music talent (Music Industry Report Press Release, 2010).

What Is the Present-State of A&R Divisions:

The foundation of the original A&R division has changed drastically since the advancement of digital media and the decline of incoming fiscal funding. Before fiscal revenue-focused industry superiors took over most aspects of record labels, the process of signing new talents was predominantly an independent matter with A&R scouts going out and finding new talent in unfamiliar and familiar places, then introducing new talent to label executives, and finally offering acts a contract which would sign a deal (Rogers,

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2010). However, in current time, most existing A&R representatives are now required to seek approval before signing talent from superior committees placed at the top of record label hierarchies, most of which are more fiscal-focused than musically literate and driven (Rogers, 2010). In contrast to the past, remaining A&R divisions and representatives are less independent in the process of signing new acts. As a result, most remaining A&R representatives have become fearful that if the new artists that they sign do not sell millions of records, that they, along with the artists, will lose their job (Rogers, 2010).

Today, record label executives and their superiors are looking for more business ventures instead of talent. The main focus of the current state “artist and repertoire” of the music industry is to discover ways of making money without using a large amount of money and effort on artist development. Consequently, the music industry has produced many successful acts, based on fiscal income and not based on talent and essentially good music. As A&R divisions have continued to decline, the state of musicians and quality artists have declined as well (Deloitte, 2010). A current trend that seems to be common amongst present artists is the need to be a cross-over artist, which not only changes an artist’s original genre, but, too, creates opportunities for acts to present themselves to more than one specific audience, thus advancing their brand and bringing in more fiscal revenue. In the process of becoming cross-over artists, artist creativity then becomes restricted by record label executives and superiors to become more of a brand and less of a musician, producing less music and more brand (Deloitte, 2010). With this dramatic

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shift in artist development, many music critics and experts are afraid that essentially good quality music will not only become scarce, but will eventually die, if record label executives and their superiors do not realize the need for artist development divisions to produce quality music over successful marketing and branding.

Is A&R Completely Dead:

Despite the constant decline of most A&R divisions, the existence of A&R is not completely extinct (Rogers, 2010). A new aspect of A&R has come about through the use of computer technology. Because most record labels are more concerned with signing acts that will produce fiscal revenue than quality music, many dedicated musicians have turned to the use of social media networks to promote and sell their music (Rogers, 2010). Through sites, such as MySpace and YouTube, independent artists are able to share their own produced music with dedicated music listeners who support creatively acclaimed music. In addition to using social media sites, independent artists have turned to ex-A&R representatives for their own development, which has led to some ex-A&R representatives to start their own independent labels and talent scout agencies. Former A&R representatives like Michael Rosenblatt, who is the senior vice president at LP33, an Internet music discovery site, and Paula Moore, creator of Treadstone Music Intelligence, a network 150 talent scouts, have continued to dedicate the art of A&R to assisting up and coming new musicians in becoming successful artists, without the hovering of major record label executives (Rogers, 2010).

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Along with new A&R ventures, live music festivals have become the scene in which record label executives find raw talent, thus becoming a factor in discovering new talent and bringing in revenue (Deloitte, 2010). Festivals like Coachella in Australia and the newly founded Made In America Festival in Philadelphia have contributed to exposing new talent to music lovers and music executives. As the live music sector of the music industry continues to grow and music listeners become more focused on the live aspect of music than the recordings itself, festivals will become more essential in the process of nurturing and discovering new talent, allowing unknown artists to raise awareness of themselves on major platforms (Deloitte, 2010). For most music fans, seeing their favorite artists perform a number one single live is more likely to remain a key selling point, in regards to revenue, while still being able to appreciate the art and creativity of the music being performed. (Billboard, 2010).

What Does the Future Hold for A&R:

Despite the decline from its original platform, the art of finding and developing new artist is still essential to producing and providing quality music to music lovers. Though the state of A&R has changed, it has not completely vanished but rather has taken a different route and has become its own up and coming industry. John Sidel, former A&R for Interscope Records and now head of Sidel Services, an A&R company, defines the current state of A&R to be more about “understanding the context in which an artist can thrive on the Internet....where people search for music.” Music lovers and fans have now become essential to determining what is real talent and what artists will be

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successful in the music industry. However, if major labels decide to take back A&R divisions and refocus the basis of what the definition of quality music and artist development is, label executives will have to find ways to not only fiscally support the existence of A&R divisions but, too, determine a way to include the quality of music and what it means to be a musician, rather than allow the art of music to be determined by business superiors.

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