



**JAZZ.FM91**



# **The Jazz Musician's Business Handbook**

**Highlights from the 2017 JAZZ.FM91/Music Ontario  
Music Business Seminars**

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**Welcome to the first ever JAZZ.FM91 Music Business Handbook.** For the past three years, JAZZ.FM91 has been presenting music business seminars, specially geared to workers in jazz. These events have been well attended and well received, because they fill a particular void in the realm of business education for artists; that of networking and strategizing around the precarious world of making a living in jazz music.

In February and May of 2017, JAZZ.FM91 teamed up with TD Bank Group and Music Ontario to continue this much needed seminar tradition. This document is a compendium of just some of the ideas discussed at the two events. For a deeper look into the concepts touched on below, please visit the music business seminar page on the JAZZ.FM91 website here: <http://jazz.fm/index.php/education-mainmenu-111/music-seminar>

For further information about JAZZ.FM91 in general, please go here: [jazz.fm](http://jazz.fm)

For more about Music Ontario, go here: [music-ontario.ca](http://music-ontario.ca)

For details on the many generous contributions TD Bank Group makes to Canadian music, go here: <https://www.tdmusic.com/>



**JAYMZ BEE**, On-Air Host, Producer & Jazz Safari Tour Guide, JAZZ.FM91

## **Introduction to Good Jazz Business**

- **Community is important!** In our current world, artists need to support each other.
  - It's important to concentrate on your own career, but we should all generate ideas to include and help other artists/other music genres.
- It's tough to make money in music; **You have to do it cause you love it!**
- **“Don't quit your day job” applies especially to jazz.** It's perfectly admirable to have a parallel source of income if you're a jazz musician.
  - “Being a starving artist isn't sexy”; don't be ashamed of having a part time job! There are jobs in the music business, for example (teaching, radio, scoring TV...)
- **Going to Meetings With Industry People**
  - Be punctual! Be dependable! Make an impression; dress well when you go to meetings; this seems super obvious, but musicians and artists often fail in this regard.
  - Do homework before a meeting – find out details about who you're talking to ahead of time. **Tip:** start the conversation with something that isn't business (e.g. “I hear you have a real green thumb!” *be a human being!*)
  - Think of meetings as a date; let them talk! Ask questions; don't completely dominate the conversation, no matter how witty you think you are.

- **Choosing repertoire**
  - Don't be lazy picking repertoire; refresh your set lists often; do research. Turn non-jazz tunes into jazz tunes; choose songs that are surprises; don't bore the audience (pay attention to song order especially in regard to keys and tempos from song to song.)
  - Singer-songwriters should consider doing some covers to draw people in.
  - Band decision-making around repertoire; give everyone a voice, but the majority decision isn't always right (e.g. everybody sings Summertime, but it might not be the best song to put on your record.)
- **Making a CD**
  - Always be ready to get rid of ideas in the name of brevity and excellence; a short CD of amazing material is better than a long CD with filler.
  - There's a big difference between making a record to sell off stage and making a CD to promote yourself/give to press, radio etc; production for the latter has to be high end and professional.
  - Selling CDs off the stage still works well for jazz artists (in fact, it often works better than signing with a record company); make sure you've got great packaging!



- **Representation:**

There are very few affordable managers currently working in jazz in Canada – one suggestion is to make up a fake identity to conduct your business with. But be prepared for honesty! (i.e. people might be more blunt about your music.)



- Real managers: It's smart to have someone help out on a small scale (a neighbour, family) especially because our aspirations in the jazz world should be realistic, i.e. we're not going to make millions, but we might have a viable career.
- Learn to let go of some of the reins; learn to let people help you.
- It used to be that publicists were the most important initial expense (for filling clubs and other goals) but since the deterioration of print journalism they are less effective.
- Avoid publicists who use an “easy button” i.e. the ones that send out to email lists without due diligence; group emails don't work - they often get sent right to spam.
- Spend resources on live gigs, touring, selling CDs off stage.

- **Sending music to radio**

JAZZ.FM91 likes receiving MP3s (two or three songs maximum.)

Try sending stuff via snail mail - people don't do it very often, so you'll stick out. Follow up two weeks later.

Also send Youtube links.

**Tip:** be careful with Youtube; edit your page to only include high quality videos.

## JAE GOLD, Rock and Roll accountant

# Maximizing your Money: An Artist's Guide to Finance

- **The goal** of a good accountant should be to increase your wealth as much as possible.
- One way to achieve this is to understand that Musicians have a list of special, extra expenses they can claim.
- **The Government** needs to understand that there's an extra long ramp-up period in the arts; it takes longer to become profitable (e.g. "an overnight success 30 years in the making.")
- In other industries, multiple years of losses often makes the government want to disallow losses, but the cultural industry is different.
- Typically, musicians starting out have two statements of income in their tax return:
  - T4 from their day job, and a
  - T2125 for other business activities – in the first years of your career, there is often a loss in this category (expenses exceed income), which can lead to tax refunds.
- It's important to have an industry specific accountant, even before you start making money from your career.
- **The proper attitude** is: you're living and breathing your career day and night (even with a day job) **"your life is a write-off"**: when you spend money, it's often deductible. Good examples are internet, car + cell phone:
  - A good accountant will suggest backing out some **internet** expense (don't claim the entire cost),
  - **car**: keep a kilometre diary to prove percentage used for business;
  - as much as 80% of **cell phone** expenses can be claimed.
- The main goal is to keep the government as small a partner in your music income as possible, by keeping track of your deductions properly.
- **Be a receipt pig** and make sure they have the correct name on them.
- A good accountant will also help make decisions regarding:
  - retirement investments, (if there's extra \$\$);
  - Keeping your will up to date;
  - Life, mortgage insurance
- **Ways to be in business:**
  - Self employed
  - Partnership
  - Incorporated







- **Why incorporate?** A corporation is a temporary place to pay a low rate of tax till you need money, which gets paid to you as a “dividend.”
- The first \$500k profit in a corporation is taxed at only 15% each year.
- Corporations are expensive to maintain, but if you are making more money than you need to live on, it might be time to incorporate.
- **Expenses:**
  - An expense is deductible if it has been incurred in order to earn income or in an attempt to earn income (anything from business cards to recording studios...)
  - car expenses; keep a detailed kilometre diary (there are now apps for this) save all receipts for parking, gas, insurance, license fees.
- These days, auditors use Google to track where you travel and other details; keep careful records as backup!
- **Running your business:** there are two basic levels of business for musicians
- **Level 1;** keep track of your income (e.g. save pay stubs); “be a receipt pig”; save all your receipts when you spend money in connection with your business; make sure to separate receipts into categories provided by your accountant.
- **Level 2:** As your career grows, it’s a good idea to create a business bank account and business credit card; make sure to pay off the credit card at the end of each month, due to the high interest rate. Save all the paper receipts; the government doesn’t consider credit card statements as proper receipts. At the end of the month, staple all the month’s receipts to credit card statement and give your accountant the following: bank statement/credit card statement (with receipts)/cash receipts.



- **HST:** 13% harmonized (federal and provincial) tax. If your business has under \$30k of annual sales, registration is voluntary; Over \$30k is mandatory. Once you are registered, you become a collection agency for the government.; every time you bill for services, you must collect HST (an important exception is your royalties, which require no HST)
- HST is also attached to all of your expenses, which means at the end of year, the government is handing you a “13% rebate coupon.”
- Often musicians get an HST rebate at the end of the year because their expenses exceed their income.
- **Everyone should register for HST!** (even if you make less than \$30k)
  - HST registration phone #: 1 800 959 5525
- **SOCAN:** a collective organization that collects royalties based on performance and radio play.
- How it works: a percentage of money from radio ad sales (+ HST) goes to SOCAN, which sends the HST portion to the government and the song royalty portion to the song writer. Because HST isn’t collected by the writer, this leads to an HST refund at the end of the year. **ALL SONGWRITERS SHOULD BE REGISTERED FOR HST!**
- Make sure to collect HST on all non-royalty payments you receive (e.g. payment from a club for a gig) or you will be on the hook for it at tax time.
- **Ways to make a living as a musician in the 21<sup>st</sup> century:**
  - touring/playing;
  - Songwriters can push songs to film, TV, commercials or other artists;
- Music is almost free these days; engage your audience, create fantastic shows to build that audience.
- **CIMA (Canadian Independent Music Association):** check their website for funding deadlines! (cimamusic.ca) Before you apply for grants, make sure you qualify for them; don’t waste your time.





**KEN DRUKER, General Manager, Motéma Music**  
**21<sup>st</sup> Century D.I.Y: Strategies for Success in Music**

- **State of the music industry:** In the last 20 years, things have changed a lot.
  - major record labels are no longer doing much with jazz
  - what makes an artist valuable to a smaller record label (e.g. Motéma in NYC) has changed
- **The future of retail:**
  - **CDs:** There are currently only two outlets for CD sales in the US: Amazon (80% of sales) and Alliance, based in Florida. Practically speaking, only Amazon is significant.
  - **Digital:** Itunes is the only significant source for downloads.
  - **Streaming:** This is a growing concern, but not in jazz for some reason (audio quality is an issue for jazz fans)
- The Motéma label prepares masters for: CD; high quality Itunes; and HD (three separate masters for every release)
- Download sales dropped for the first time last year.
- The future of hi-resolution audio is HD streaming.
- **Maria Schneider and Artist Share:** Bandleader Maria Schneider is an example of an artist responsible for every aspect of her career. Record companies used to pay for recording and marketing of new records, but deals have changed as artists have better access to recording their own music. Now “Licensing” is more common, i.e. artists own their own masters. There are now different funding sources for record-making: Artist Share, grants, crowd sourcing etc.
- The current model has returned to the old notion of “patronage”; artists often approach investors.

- **Audience engagement:** One thing that has become very clear in the last ten years is the importance of engaging with your audience.
- “How many Facebook likes do you have?” Record companies want to see if you have a “built-in” audience.
- The death of print media means the nature of promotion has changed.
- **Assessing the potential of artists:** The quality of an artist’s music is always the most important factor, but their social media presence and willingness to hustle is becoming increasingly significant. Other questions:
  - Is there potential for building an artist’s career?
  - What is their standing in jazz community?
- **Finding new artists:** Record companies generally look to club appearances and recommendations from other artists. Rarely are artists discovered “out of the blue” or through “cold calls.” Record companies rely on gate-keepers (managers, lawyers, trusted artists etc.)
- **What sells?** Sadly, the short answer is “nothing sells.” Example: Joey Alexander, a 13-year old pianist on Motema, was signed with enormous potential for promotion (he received a cover of the New York Times arts section, a Today show appearance and a 60 Minutes feature when his record was released, more than any other jazz artist in recent memory.) 20 years ago, Diana Krall would sell 100k CDs after a 60 Minutes appearance: Joey Alexander sold only 14k.
- To sell records you need “a story”; i.e. the story of the music, the artist; some kind of hook is needed.



Bill Beard - JAZZ.FM91 Volunteer Photographer



**ROBI BOTOS**, Pianist, composer, bandleader

## A Musician's Perspective

- **Making a living in Jazz:** The music business has changed. Most jazz musicians of this generation, no matter what level, have occasional financial insecurity. It's important to develop diverse skills (teaching, session-playing, jingle-playing, film scoring etc.) These days, just playing jazz usually doesn't work, especially if you have to support a family!
- This generation has particular challenges. E.g. artists need to make CDs in order to get into festivals etc, but fewer and fewer people listen to CDs.
- Online challenges: social media takes up a lot of time (and potentially money to buy followers); It all comes down to balancing your time between the art and business activities.
- **Don't get labelled** as strictly a jazz musician; try to be known for other styles too. This will increase your sell-ability (and your fun.)
- **Saying no:** Having diverse skills means you can turn down less pleasant gigs because you can generate money elsewhere.
- When starting out, take any gig, but know when to change standards and stop working for free or "passing the hat." This attitude – that any gig is worth taking - brings the level down for everybody. Better to wash dishes than play for free. Make a decision at a certain point. Be picky!



**Erin Kinghorn, Director, Eek Productions**  
**Online Strategies: a Guide for Musicians**

- **Social Media Facts**
  - Over 50% of world’s population is under 30.
  - 96% of millennials have joined a social network.
  - Facebook has overtaken Google for online traffic.
  - Social media has supplanted email for young people (generations Y and Z)
  - Social media is a revolution that must be engaged with!
  
- **Who is your audience?**
  - First thing to consider is “who is your audience?” I.e. demographics; who goes to your shows?
    - Ages
    - Gender
    - Where do they live?
    - Social habits
    - What similar artists do they like?
  
- Who is your desired/perfect audience? Who are you trying to engage with?
  - This knowledge will help with research and how to reach them on social media
  - This is how you start to define your brand.
  
- It is sometimes difficult for artists to compare themselves to others, but this is important from a social media/marketing perspective, because it helps to direct messaging to new audiences (i.e. sometimes it’s good to put yourself in a “box.”)

- The four important social media platforms are:
  - Facebook
  - Twitter
  - Instagram
  - Youtube
- **Tips:**
  - **Youtube:** It is important to tag videos carefully. In order to show up on sidebars of other videos, tag based on your specific target audience (e.g. “Oscar Peterson” “red wine” as opposed to “Justin Bieber.”)
  - **Facebook:** FB no longer allows direct links to other formats (Youtube etc), so create FB-specific short videos for posting and include links elsewhere in text form.
  - It is important to keep up with changes on social media formats. Facebook and Youtube are constantly changing rules and algorithms. [socialmediaexaminer.com](http://socialmediaexaminer.com) is a good place to keep up with these changes.
  - Youtube is an excellent resource for social media training; i.e. how to use Facebook, Youtube, Twitter...







## Panel: Tackling the Conference World

Derek Andrews, Peter Cardinali, Roberto Occhipinti, Rosalyn Dennet

- **The best conferences for jazz:**
  - The CAPACOA (Canadian Arts Presenting Association) website has a list of all **Contact** performing arts events in Canada.
  - Jazz specific conferences:
    - Europe: Jazzahead! April in Bremen, Germany.
    - USA: Jazz Connect, January in NYC.
- **Contact events;** Across Canada, these conferences present jury-chosen music showcases to buyers in different regions. This nation-wide network will sometimes engage in **block booking**, which creates tours for performers. To register or find out more, go to: [iwanttoshowcase.ca](http://iwanttoshowcase.ca)
- **The Jazz Ahead conference and Preparation;**
- Jazz Ahead is the most concentrated, international jazz conference in the world. It is very tough to get a showcase there.
- Artists need to prepare carefully and know how to present themselves. It takes two or three Jazz Ahead conferences \to develop relationships with contacts. Do homework/research before attending a conference (e.g. collect names of presenters and contacts); **think long-term.**
- Find out who you want to meet and research them.
- **Having a gatekeeper:**
  - It is a good idea to have representation or a filter (record company, agent, manager etc) to get your foot in the door. It is very hard to get anyone's attention without a professional imprimatur. E.g. in Europe it's almost impossible to get a gig anywhere without an agent.
- **Tip:** If you are attending without representation, don't hand out CDs; a business card will do!

- **Different conference goals:** There are other benefits to attending conferences besides getting gigs; e.g. networking with other musicians. These relationships can lead to results later on and can help build your career in different ways.
- **Be market ready;** It's important to have a team in place, to have a release currently on the market, and to have soundcloud samples, good live youtube links prepared.
- **Attending conferences without performing:** It's beneficial to go to conferences to “get the lay of the land;” to meet people and do research.
- **Jazz Festivals Canada:** JFC is a national network of jazz festival presenters. There is no conference, but programmers (e.g. Josh Grossman, Toronto TD Jazz festival) are often open to meeting with artists to offer one-on-one to give advice.





## **Panel: Know your funding & revenue sources & take their money!**

**Julia Train, Meghan Jones, Michelle Holtzkenner, Rich Brown**

- **Factor programs:**
  - **Showcase funding;** assists with costs for performing (won't cover all expenses but will help); to be eligible, applicants must have a full length release (at least 20 minutes in length) It's good to apply to this program, because there's a high chance of success if you meet eligibility. This year there's extra funding for international showcasing.
  - **Artist development grant:** \$2,000, can be used for recording and/or marketing (very flexible.)
  - **Sound Recording:** Funding for a full length album/marketing; \$25,000. This program is much more competitive.
  
- **Ontario Music Fund:**
  - A revenue source directed at the entire Ontario music eco-system.
  - The fund is separated into 4 streams:
    - Music company development; Live music; Music industry development; Music futures
  - **Music company development** supports: record labels, music managers, music publishers, artist entrepreneurs (artists in charge of their own careers)
  - **Live music:** festivals, promoters, agents, presenters
  - **Music industry development:** trade organizations (e.g. seminars)
  - **Music futures:** economic development for already established organizations at a smaller scale.
  - Requirement for funding: company must make at least \$30k per year.
  - Most of OMF funding effects artists indirectly.

- **Applying for funding:** make sure everything is “on point”:
- Budget needs to be specific, down to the penny; music needs to be well recorded, i.e. your best possible representation; wording of application has to be well-written and direct. If one of these areas is not the best it can be, chances are your application will not be successful.
- **Tailoring your application: Toronto Arts Council, Ontario Arts Council and Canada Council for the Arts** are arts funders, so their jurors look primarily to music and artistry. **Factor** is a private/public organization, so their assessments are also focused on business. Applicants to Factor need to show that they know who their audience is and that they have an effective plan in place to reach it.
- **Becoming a juror:** if you have at least five years of experience in the industry, you can apply to be a Factor juror. It can be useful, because you get to see other applications and you can perform the service of engaging with the work of your peers.
- **More Tips for applicants:**
  - Be very clear about your team (e.g. do you have an actual, formal agreement with team members?);
  - Proof-read your application!
  - Be realistic and specific with your goals;
  - Leave enough time for your application;
  - Talk to your project coordinator, they are available to give advice/ask questions;
  - Read the application through before you fill it out;
  - Make sure to answer the questions in the application (don’t just copy and paste)

