

# Billboard

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## Songwriters & Publishers

### Site Helps Build Fan Base Before A Deal

BY JIM BESSMAN

Its motto is "Your fanz are your future," but Ruth McCartney looks to the past to explain her innovative ifanz.com fan development/e-mail marketing service.

"We're trying to reverse the order of the way people think of their careers," says McCartney, CEO of iFanz parent company McCartney Multimedia. "You finish your CD, press a thousand up, go out on the road, get a manager, get signed—then get famous and start a fan list. But with us you start a fan list first."

Since its September launch, following a year of intensive beta testing, the Los Angeles-based iFanz has attracted a clientele of established acts including Clint Black, LeAnn Rimes, REO Speedwagon and James Ingram. These artists rely on iFanz for such services as interactive database management and direct marketing of CDs, DVDs, concert tickets and merchandise.

But McCartney, who learned database management by organizing stepbrother Paul McCartney's fan club when she was 4, notes that the iFanz "virtual fan club" and direct marketing functions are especially valuable for unsigned singer/songwriters.

"If you're a singer/songwriter who dreams of getting signed and have managed to collect 5,000 names over a three- or four-year period, you're in a better negotiating position when you go to make your deal," she says. "You're bringing 5,000 customers with you who will buy your record right out of the box."

A singer/songwriter's database can be employed in other ways, McCartney continues. "One thing our members have done is go to their fan list and say they need to raise 'x' amount of money to make a new album, and ask the fans to pre-order the album now and basically finance the project. Then we press up the album and deliver it. So they're saying, 'People, help me make better music and be part of the dream'—instead of going to a corporation."

iFanz president Andrew Frances notes that the company's "virtual label," iFanz Recordings, is set up to facilitate one-at-a-time, "burn on demand" CD and CD booklet manufacturing, "thus no warehousing costs, no 'can't fills,' etc."

"If you're Clint Black, the record company makes your record and it's a recoupable expense," says Frances, a veteran label executive who managed singer/songwriter McCartney when she was signed to Jupiter/BMG in Germany in the early 1990s. Frances has also been a management consultant for David Bowie.

"If you're REO at iFanz, not only is [the recording] not a recoupable expense, but you don't have to press your own records at your own expense," Frances says. "And you can set your own sale price, out of which we take our piece for manufacturing, and then send the rest to the artist. So there's no cost in advance to the artist, which is a quantum change for artists who want to sell CDs or merchandise but can't afford to buy in quantity from a manufacturer."

All iFanz Recordings artists retain control of their masters and other copyrights, Frances says.

"With the old record company model, masters are owned in perpetuity as a work for hire," he says. "At iFanz, we give artists complete and total artistic freedom, and they retain copyrights to their material."

Frances uses the Knack to illustrate additional iFanz artist promotional rewards.



McCartney: OFFERING 'A BETTER NEGOTIATING POSITION'

Knack vocalist/guitarist and "My Sharona" co-writer Doug Fieger approached the company about digitally distributing the song—which the Knack now owns. The song, Frances says, was not available as a download.

"We added it to our iFanz Recordings roster and within one week of placement with iTunes—and with no promotion of any kind—it was already making hundreds of dollars for the band. A TV executive surfing through iTunes then downloaded it and it became the theme song of

the NBC series 'Hawaii.'

Similarly, iFanz is servicing Orleans' "You're Still the One" at iTunes, Frances adds.

#### BEATING BOOTLEGGERS

Dina LaPolt heads the Los Angeles-based boutique law firm LaPolt Law. As a specialist in intellectual property and entertainment law, she believes the iFanz model can also be an important anti-piracy tool.

LaPolt represents the estate of Tupac Shakur, for which iFanz serves as a "virtual merchandise system" in offering 88 Shakur items.

"We get 180,000 hits on our site a day, average," LaPolt says. "People register with iFanz on the site, and everybody wants to tell us about themselves."

Relating this personal fan connection to file-sharing and bootlegging, LaPolt says, "Fans are fans. If you have an artist who is admired and respected by the fans, and if that artist reaches out and establishes a personal connection with them, they will buy albums."

"The best way to combat piracy, then, is for the artist to directly establish a relationship with the fans," LaPolt says. "They want to read liner notes, see who played on your record, read inspirational messages on how you created it. They want to see that stuff—which you can't get when you file-share or copy the CD."

Plus, LaPolt says, "iFanz gives an indie artist a viable means of marketing and obtaining information on their fans, which they were never able to do before."