

by *George_Varga*

If you want to pinpoint exactly where the music industry is going in this increasingly digital age, good luck. You might fare better if you tried to figure out when aliens will abduct Britney Spears (assuming they haven't already) and whether this will help or hurt her career and the fortunes of her record company.

SEAN KINGSTON - Vocalist Sean Kingston, 17, credits his MySpace page for helping him secure his deal with Sony Records, which led to his ubiquitous 2007 summer hit, 'Beautiful Girls.' CNS Photo courtesy of Mark Mann. PAUL MCCARTNEY - Paul McCartney's latest solo album, this year's 'Memory Almost Full,' marked his debut for Hear Music, the label co-owned by Starbucks and Concord Records. CNS Photo. "The state of the industry is very much in flux," said Anthony Bruno, Billboard magazine's executive director of programming for digital music. "It's in the midst of a transition from a fairly physical world to a much more digital world, and from music as a product to music as a service. So, there's a lot of activity taking place, trying to figure out how to make money from that. Everyone has to re-examine what they do."

That's easier said than done, especially at a time of so much upheaval. On this point, if no other, most experts agree.

"It's a mistake to try to predict the future," said Bob Lefsetz, a Los Angeles attorney and outspoken music industry critic via his blog. "But one thing is for sure: The future paradigm will be more people owning more music for less money."

In fact, that future appears to already be present. With digital music, podcasts and legal and illegal file-sharing now the norm, fans have more ways than ever to sample and obtain music.

Likewise, artists have more ways to be heard, seen and distribute their music. They also have more ways to get lost in the shuffle, with or without an iPod.

Options include MySpace, SpiralFrog, Last.fm, YouTube, TorrentSpy, CD Baby, iTunes, Morpheus, Pirate Bay, Rhapsody and Pandora, to name just a few of thousands of sites available to tens of millions of music-savvy Web surfers. These sites are changing not just the distribution of music, but the entire industry that produces and markets it, if not the musicians themselves.

Arena-rock band Journey, which debuted in 1973, announced recently that it had selected its new frontman, Arnel Pineda of the Philippines, after watching performance videos by dozens of unknown singers on YouTube.

Factor in ring tones, widgets and a music-on-demand market that seems to grow bigger by the day, and it becomes clear the physical world of music has been irrevocably changed by the virtual world.

One notable new development is the integration of the subscription-based music service Rhapsody with MOG.com¹, a Web site where music fans can read, blog, network with each other and index up to 10,000 songs an hour on their individual MOG pages. The multimedia company Nokia, meanwhile, will next year introduce Comes With Music, a new program that offers buyers of select Nokia phones a year of free, downloadable music.

But with more options come more challenges. And, while experts dispute trends and what to make of them, the figures speak very loudly on their own.

Figures like the dizzying 17 percent dip in album sales in 2007, following several years of double-digit declines that have the record industry in a potentially fatal tailspin. And figures like the approximately 8 million solo artists, bands and DJs worldwide who promote their music through their individual pages on MySpace, which bills itself as a "lifestyle portal" that connects people and helps them discover popular culture.

In theory, this suggests the kind of utopian ideal even Karl Marx might have sanctioned - a world in which all bands have equal opportunity to be heard, even if few people have heard of these bands.

Take Frantic Dwarf, an obscure German-American rock band that broke up in 1974, recently reunited and launched a MySpace page.

The group's drummer, Chip Greenman, 55, recorded an album for Epic Records in 1968 as a member of Fuse, which featured two future members of Cheap Trick. He believes Frantic Dwarf would have fared better in the 1970s with the Internet.

"It opens up the creativity right at the band level to let us explore any idea we come up with, as opposed to the old days when the record company dictated what you looked and sounded like," Greenman said, "Now, we can build a fan base without even leaving our living room. We don't need a record contract to be heard."

Members of such major-label bands as Tool and Weezer used live Web interviews on MySpace to preview new solo projects. Younger acts like Malibu's Colbie Caillat and London's Lily Allen credit MySpace with helping propel them to stardom, while pop favorite John Mayer points to fans trading files of his music online as an early key to his success.

But not everyone believes the Web has much artistic, as opposed to promotional, value.

"MySpace is about getting laid, not music," charged music biz veteran Lefsetz. "So, in terms of making it on MySpace and becoming a superstar, as opposed to developing a new act, it's not going to happen."

Sean Kingston hopes otherwise. The 17-year-old vocalist credits his MySpace page for helping him secure his deal with Sony Records, which led to his ubiquitous 2007 summer hit, "Beautiful Girls."

"MySpace played a huge role in getting my career started," said Kingston, whose community of fans includes the 357,610 "friends" on his MySpace page.

"A lot of young artists can get discovered on MySpace. It makes it a lot easier to get connected."

But if social networks like MySpace, Facebook and YouTube are redefining the music industry by creating a more level playing field, that field has become inordinately large.

This may not impact established artists with loyal followings or hot young acts, such as Arctic Monkeys, the English band that credits online buzz among fans for helping it score the best-selling debut album ever in the United Kingdom. But it does suggest how difficult it will be for most unknown bands to distinguish themselves.

"I don't know what bands will do in the future with such a high ratio of songs getting downloaded for nothing. I wouldn't want to be starting a career right now," said heavy-metal pioneer Ozzy Osbourne, 59, who this year gave away all tickets to his annual OzzFest concert tour.

Like Osbourne, Paul McCartney has a MySpace page of his own, although he seems to have little use for it.

"I don't ever look at it," the former Beatle said. "I spend more time looking at nature and fresh air."

But McCartney isn't a Luddite when it comes to advancing his career.

His latest solo album, this year's "Memory Almost Full," marked his debut for Hear Music, the label co-owned by Starbucks and Concord Records. Upon its release in June, Starbucks had the album played 24/7 at each of its 15,000-plus outlets in 29 countries.

McCartney released nearly all his previous solo albums on EMI/Capitol, the same major label for which The Beatles and his band Wings recorded.

He maximized potential sales of "Memory Almost Full," which has thus far sold more than 500,000 copies in the U.S., by signing a deal that also allowed it be sold concurrently in record stores and other more traditional music outlets. McCartney recently released a "deluxe edition" of the album that includes bonus tracks and a DVD with two videos and five live songs.

"What led me to go with Starbucks is that I got a feeling the major labels were floundering," he said. "Downloading, the Internet, YouTube and MySpace had kind of overtaken them. And record shops, unfortunately, were closing, like Tower, which was such a shame to see go."

"So, it was exciting to think differently, with Starbucks, and not be on the same old sort of boring treadmill. I mean, do you know Starbucks has 400 outlets in China? My album is in every one of them."

Joni Mitchell and James Taylor are also signed to Hear Music. But what about new artists struggling to be heard?

"It is more difficult today," McCartney said. "But I still think cream rises to the top and that people will find the good bands. What is a concern for me - and what I'd be worried about as a young band - is getting paid."

"When we started off in the Beatles, you could make a record and get some money off it. Now, so much is free on the Internet that I'm concerned for a young guy or girl in a band; they may not see as much reward. And if they happen to have a mortgage and a baby to feed, I feel sorry for them."

Just how difficult it can be to make money off the Internet is perhaps best demonstrated by the English art-rock band Radiohead. The band dispensed with stores altogether, making its new album, "In Rainbows," available only as an MP3 download (and at whatever price, if any, fans thought it was worth).

More than a million fans ordered the album in the 10 days before its release alone, but a majority opted to pay nothing. And in the first week "In Rainbows" was available, nearly 500,000 people downloaded it illegally, even though it was available for free through Radiohead's Web site. This may reflect the value system of a generation of young, tech-savvy consumers who regard music as free for the taking.

Radiohead, meanwhile, is apparently unwilling to gamble solely on the Internet. The band signed a deal to have "In Rainbows" distributed in stores in CD form.

The members of the Eagles also seem to be hedging their bets. In October, the group released its first new studio album in 28 years, the top-selling "Long Road Out of Eden," not only on its Web site but at all Wal-Mart stores.

Other artists, from Nine Inch Nails to Public Enemy, have also given away their albums free online (the latter as far back as 1998), albeit with less hoopla than Radiohead. And recently the Colorado band Big Head Todd announced it would give away nearly 500,000 copies of its new album through radio stations, as well as offering it as a free download.

But for Carlsbad, Calif., singer-songwriter May Hart, 47, not having a MySpace page or a record deal (or, for that matter, a manager or a publicist) hasn't been a deterrent.

In 2003, she started selling copies of her group's album, "The May Hart Band," exclusively through MP3.com. Several of her songs did well enough to earn spots on MP3.com's Top 10 for rock, blues and country-music, and she calculates that the album ended up selling a six-figure amount over a two-year period.

"The first week I posted my music, I was added to 40 listening stations, and it grew from there," said Hart, who by day works as an investment manager for Pinnacle, a property management company.

"Other doors weren't open to us. With the Internet, anyone can do it."

Those who do

SEAN KINGSTON

AGE: 17

LATEST ALBUM: "Sean Kingston"

CAREER ENHANCED BY: His MySpace page, which he credits as the pivotal tool that enabled him to get signed by Sony records last year.

HANDS ON? Yes. "I set up my MySpace page myself and put four of my songs up on it. It took me a day."

WEB SITES: www.seankingston.com and www.myspace.com/seankingston.

QUOTE OF NOTE: "I'm on my MySpace page every single day; I'm on it right now as we speak. I control it myself. I talk to my fans on my Facebook page, but I don't go on it everyday."

PAUL McCARTNEY

AGE: 65

LATEST ALBUM: "Memory Almost Full"

CAREER ENHANCED BY: Releasing his new album on Hear Music, a record company co-owned by Starbucks. Available at 15,000-plus Starbucks outlets in 29 countries, it's his best-selling release in years.

HANDS ON? Yes, in terms of promoting his career. No, in terms of going on his MySpace page: "Never."

WEB SITES: www.paulmccartney.com and www.myspace.com/paulmccartney.

QUOTE OF NOTE: "Some people say: 'Starbucks? Dear me.' I say: 'What's the difference?' They're all stores. Starbucks, Virgin, Best Buy - they're all places to pick up your music."

MAY HART

AGE: 47

LATEST ALBUM: "The May Hart Band"

CAREER ENHANCED BY: The Web. "We put the individual songs from our CD up for sale on Mp3.com and we got a massive amount of downloads. Then, we put the songs up on similar sites."

HANDS ON: Yes. Is forming a new band and manages her MySpace page.

WEB SITES: www.mayhart.com and www.myspace.com/mayhart.

QUOTE OF NOTE: "We tried to market ourselves for years and years, and it was extremely difficult. Thank God for the Internet."

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