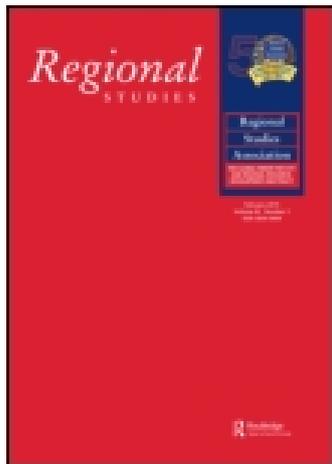


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Cultural Intermediaries in the Digital Age: The Case of Independent Musicians and Managers in Toronto

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Cultural Intermediaries in the Digital Age: The Case of Independent Musicians and Managers in Toronto

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HRACS B. J. Cultural intermediaries in the digital age: the case of independent musicians and managers in Toronto, *Regional Studies*. This paper explores the limitations of the contemporary do-it-yourself model of music production and the recent shift towards re-specialization in Toronto in Ontario, Canada. It argues that freelance managers are re-emerging as key intermediaries who catalyse and facilitate new organizational forms and strategic partnerships between creative workers. Attention is paid to how digital technologies and shifting market dynamics influence and alter the relationships and contracts between these individuals. The spatial concentration of managers and other 'helpers', including fashion designers, photographers and web designers, is also used to explain why music production remains clustered in space despite the decentralizing potential of digital technologies.

Creative economy Intermediaries Musicians Managers Strategic organization Toronto (Ontario), Canada

HRACS B. J. 数码时代的文化中介者：多伦多独立音乐人与经济人的案例研究，*区域研究*。本文探讨当代的独立制作音乐生产模式所面临的局限，以及最近在加拿大安大略省多伦多中转向再专业化的趋势。本文主张，独立经济人的再度兴起，是催化并促进创意工作者之间新的组织形式与策略性伙伴关系的关键。本研究关注数码科技与转变中的市场动态如何影响并改变这些行动者之间的关系与契约。经济人和其他如时尚设计师、摄影师与网页设计师等“协助者”的空间聚集，亦用来解释为何仅管数码科技有着去中心化的潜能，音乐生产仍持续保有着空间集群。

创意经济 中介者 音乐人 经纪人 策略性组织 加拿大（安大略省）多伦多

HRACS B. J. Les intermédiaires culturels à l'ère numérique: le cas des musiciens et des managers indépendants à Toronto, *Regional Studies*. Cet article cherche à examiner les limites du modèle contemporain de la production de musique que l'on peut construire soi-même et la tendance récente à la respecialisation à Toronto en Ontario, au Canada. On affirme que les managers indépendants apparaissent à nouveau comme intermédiaires clé qui stimulent et facilitent des types d'organisation et des partenariats stratégiques nouveaux entre les travailleurs créatifs. On prête une attention particulière à comment les technologies numériques et la dynamique de la fluctuation du marché influent sur et modifient les rapports et les contrats entre ces individus. La concentration géographique des managers et des autres 'animateurs', y compris les créateurs de mode, les photographes et les concepteurs web, sert aussi à expliquer pourquoi la production de musique reste regroupée dans l'espace en dépit de la décentralisation éventuelle des technologies numériques.

Économie créative Intermédiaires Musiciens Managers Organisation stratégique Toronto (Ontario), au Canada

HRACS B. J. Kulturelle Vermittler im Digitalzeitalter: der Fall der unabhängigen Musiker und Manager in Toronto, *Regional Studies*. In diesem Beitrag werden die Grenzen des modernen „Do-it-yourself“-Modells der Musikproduktion und die aktuelle Tendenz hin zur Neuspezialisierung in Toronto (Ontario, Kanada) untersucht. Es wird argumentiert, dass freiberufliche Manager erneut eine Rolle als zentrale Vermittler spielen, die neue Organisationsformen und strategische Partnerschaften zwischen Vertretern kreativer Berufe katalysieren und bereitstellen. Besondere Beachtung findet die Frage, wie die Beziehungen und Verträge zwischen diesen Personen von der Digitaltechnik und der veränderlichen Marktdynamik beeinflusst und verändert werden. Die räumliche Konzentration von Managern und weiteren 'Helfern', wie z. B. Modedesignern, Fotografen und Webdesignern, dient auch zur Erklärung der Frage, warum die Musikproduktion trotz des dezentralisierenden Potenzials der Digitaltechnik weiterhin in räumlichen Clustern angeordnet ist.

Kreativwirtschaft Vermittler Musiker Manager Strategische Organisation Toronto (Ontario, Kanada)

HRACS B. J. Intermediarios culturales en la edad digital: el caso de los músicos y gerentes independientes en Toronto, *Regional Studies*. En este artículo se analizan las limitaciones del modelo actual 'Hágalo Usted Mismo' de producción de música y la

actual tendencia hacia la re-especialización en Toronto, Ontario, Canadá. Se argumenta que los gerentes autónomos están resurgiendo como intermediarios clave que catalizan y facilitan nuevas formas de organización y colaboraciones estratégicas entre trabajadores creativos. Se presta atención al modo en que las tecnologías digitales y las nuevas dinámicas de mercado influyen y alteran las relaciones y los contratos entre estas personas. La concentración espacial de los gerentes y otros 'ayudantes', incluyendo los diseñadores de moda, fotógrafos y diseñadores de páginas web, también sirve para explicar por qué la producción musical sigue agrupada en el espacio pese al potencial de descentralización ofrecido por las tecnologías digitales.

Economía creativa Intermediarios Músicos Gerentes Organización estratégica Toronto (Ontario), Canadá

JEL classification: D21

INTRODUCTION

In the 1980s and 1990s, music production was collaborative and featured cultural intermediaries and a specialized division of labour. Major record labels provided 'signed' musicians with an integrated suite of services, but even independent musicians received supports from alternative networks and underground communities. Over the last decade, however, digital technologies have altered the way music is produced, promoted, distributed and consumed, and this has individualized the majority of musicians. In Canada, for example, 95% of all musicians are not affiliated with either major or independent record labels and operate instead as entrepreneurs who are independently responsible for the entire range of creative and non-creative tasks (HRACS, 2012). Under this literal 'do-it-yourself' (DIY) model musicians can no longer rely on skilled specialists and cultural intermediaries including engineers, producers, booking agents and managers (LEYSHON, 2009) and must have 'the skills of a legal expert, a financier, and a manager to make the most of their artistic talents' (GREFFE, 2004, p. 88). Yet, a decade after the introduction of Napster and the so-called 'MP3 Crisis' the evolving employment experiences, spatial dynamics, and relationships between cultural producers (musicians) and cultural intermediaries (managers) remain poorly understood (BANKS, 2007; THOMPSON *et al.*, 2007). Crucial questions include whether musicians can use digital tools to overcome the demands and risks of the contemporary DIY model and whether managers and their skills have become obsolete in the digital age. Music is an acknowledged site of innovative managerial practice and forerunner of technological change (DEFILLIPPI *et al.*, 2007). Thus, answering these questions is fundamental to understanding the evolving interplay between producers and intermediaries who operate beyond the firm in the digital era (LORENZEN and FREDERIKSEN, 2005) and the organizational structures of the creative economy more broadly (JEFFCUTT and PRATT, 2002).

Drawing on sixty-five interviews with musicians, managers and key informants, this paper demonstrates that intense competition and market volatility in Toronto in Ontario, Canada, and the inefficiencies of contemporary DIY, make managers more important

than ever. It is argued that by curating and connecting collaborators and articulating the strategic vision of their musical clients, managers are re-emerging as key intermediaries in the contemporary creative economy. Instead of articulating the will of major labels, managers perform the more complex and important function of interpreting the marketplace itself and developing specific business strategies for their clients. Managers, therefore, translate the creative economy and shape the production and consumption of creative goods and services.

As these activities are predicated on individuals, knowledge and resources embedded within localized creative fields, this case study of managers and independent musicians in Toronto also contributes to one's understanding of local specificity, regional difference and the evolving spatial hierarchy of specialized services within the North American music industry. In spite of the decentralizing capacity of digital technologies, FLORIDA and JACKSON (2010) demonstrated that the music industry continues to cluster in established centres such as New York and Los Angeles in the United States, but the explanation for 'why' this is the case remains unsatisfactory (VAN HEUR, 2009). LORENZEN and FREDERIKSEN (2005) speculated that such clustering may be caused by the presence of management, but this link has not been tested empirically. The findings presented in this paper suggest that Toronto's position as the national centre of music production is no longer predicated on the attractiveness of its hard infrastructure (recording studios and major labels), but rather because of its soft infrastructure which allows innovative musicians to overcome the limitations of contemporary DIY by providing access to skilled collaborators, contractors and, above all, management talent.

After briefly outlining the research design, this paper reviews the relevant literature on cultural intermediaries and the creative field. This is followed by three sections that contextualize the traditional corporate and independent models of music production, the so-called 'MP3 Crisis' and the rise of a digitally driven model of contemporary independent music production. The subsequent analytical sections highlight the inefficiencies of being literally DIY and outline the strategies musicians develop to overcome these limitations. This discussion features two central arguments. First, that freelance

managers are re-emerging as key intermediaries who catalyse and facilitate new organizational forms and strategic partnerships between creative workers. Second, even as digital technologies threaten radically to redistribute the geography of music production, the presence of managers and collaborators in Toronto reinforces the city's traditional industrial clusters.

METHODS

The analysis presented in this paper is based on sixty-five interviews conducted in Toronto in Ontario, Canada, between 2007 and 2008. Using a purposive sampling strategy, fifty-one independent musicians were asked about their employment experiences. Although these musicians participated in a variety of genres, including classical and hip hop, the arguments presented in this paper reflect evidence from Toronto's broadly defined punk, rock and pop genres. The sample also includes fourteen interviews with key informants who work as managers, producers, studio owners, and executives at major and indie record labels. These individuals provided invaluable information about recent changes in the music industry and the strategies musicians are developing to mediate the demands and risks associated with independent music production. To overcome the difficulty of pinning down independent musicians, who cycle between different sources of employment, a snowball sampling method was used to identify participants (JAMES, 2006). The interviews lasted an average of seventy-five minutes and were recorded with the consent of the participants. Verbatim quotations are used throughout the paper to demonstrate how participants expressed meanings and experiences in their own words.

CULTURAL INTERMEDIARIES AND THE CREATIVE FIELD

In *Art Worlds* (1982), BECKER constructs artistic production as a collective action. Artists form the core, but all related activities to the process must be completed by people in a wider collaborative network. As Becker notes:

the same people often cooperate repeatedly, even routinely, in similar ways to produce similar works, so that we can think of an art world as an established network of cooperative links among participants.

(p. 34)

Although Becker elaborates on this division of labour, subsequent scholarly attention has focused on identifying these participants, the roles they perform and the spatial dynamics of these networks. Much of this research stems from Pierre Bourdieu's conceptualization of 'cultural intermediaries' – the workers who come in between creative artists and consumers, or production

and consumption more broadly (BOURDIEU, 1984; NEGUS, 2002). Yet, beyond brokers who mediate between artists and audiences, cultural intermediaries (also referred to as gatekeepers) are said to function as co-producers, tastemakers, selectors and managers (FOSTER *et al.*, 2011). Intermediaries identify and select emerging talent, co-produce artists' personae, manage uncertainty and shepherd artists through the production process and serve as tastemakers who curate and promote artists and products (NEGUS, 2002; FOSTER *et al.*, 2011). For geographers, the collaborative nature of cultural production is only half the story because this specialized teamwork occurs within and is influenced by specific spaces at multiple scales. Fashion design workshops and film sets serve as laboratories that contain an organized social milieu. In the traditional recording studio, for example:

the interactions between the composer/arranger, individual performers, including studio musicians, the producer, the sound engineer, and other critical individuals, constitute an inherently collective sphere of artistic experimentation and invention.

(SCOTT, 2000, p. 34)

Yet, such studios are also microcosms of a much more extensive field of creative activity that encompasses the entire geographic milieu within which cultural production occurs. For SCOTT (2006, p. 3), this creative field represents sets of industrial activities and related social phenomena which form geographically differentiated webs of interaction and give rise to diverse entrepreneurial and innovative outcomes. Thus, through spatial proximity and integration, the creative field magnifies the power of co-located actors including producers, intermediaries, firms, and specialized institutions such as universities and research associations to generate new knowledge and products (SCOTT, 2006).

It is clear that cultural intermediaries play a vital role in interpreting, translating, and shaping the creative economy and that spatial dynamics facilitate and enhance the interactions between cultural producers and these intermediaries. As critics point out, however, the exact nature of the positions and functions cultural intermediaries perform remains ambiguous and situated case studies are needed to explore their work practices in specific industrial and spatial contexts (NIXON and DU GAY, 2002; LINGO and O'MAHONY, 2010; FOSTER and OCEJO, 2013). As the contemporary creative economy evolves in the face of flexibilization and disruptive digital technologies, research that considers how traditional intermediaries are adapting to the global and digital marketplace is also needed. Indeed, digital production and distribution is said to democratize these processes through disintermediation and close the gap between production and consumption (FOSTER and OCEJO, 2013). In theory, digital tools allow 'creatives' to cut out the middlemen and interact directly with consumers, but the extent and impact of such

disintermediation remains unclear. Interestingly, despite the apparent obsolescence of some intermediaries, FOSTER and OCEJO (2013) believed that digital technologies and restructuring in bricks and mortar industries, including music, are generating new business models and new yet hidden roles for cultural intermediaries. The remainder of this paper considers the evolving role of music managers in an era of rising levels of entrepreneurship, competition, geographic mobility and electronically mediated communication. Yet, instead of focusing on collaborative linkages and intermediation within large firms or established clusters of cultural production such as New York or Los Angeles, the paper interrogates the relationships between independent musicians and freelance managers in Toronto.

SPECIALIZED AND COLLABORATIVE: THE CORPORATE AND INDEPENDENT MODELS OF MUSIC PRODUCTION

Between the mid-1970s and the mid-1990s, music was produced and distributed by two diametrically opposed models: corporate and independent. As the literature on these models is well developed (SCOTT, 2000; AZERRAD, 2001; CONNELL and GIBSON, 2003; TSCHMUCH, 2006; SPENCER, 2008; OAKES, 2009;

BLUSH, 2010; HRACS, 2012), this section aims to provide a relevant context while paying specific attention to their respective creative fields and use of cultural intermediaries. After several rounds of consolidation, the global recorded music industry was dominated by five ‘major’ record labels: Bertelsmann AG (headquartered in Germany), the EMI group (Britain), Seagram/Universal (Canada), Sony (Japan) and Time-Warner (United States) (SCOTT, 2000, p. 114). Motivated by profit, these firms eventually accounted for over 90% of US sales and between 70% and 80% of worldwide sales (BROWN *et al.*, 2000; SCOTT, 2000). The majors reached their zenith in 1999 surpassing US\$14 billion dollars in revenue, more than three times the sales of late 1970s (TSCHMUCH, 2006). Spatially, the majors clustered in New York, Los Angeles, Nashville (Tennessee) and Toronto (in the Canadian context) (SCOTT, 2000, p. 119; HRACS *et al.*, 2011). Organizationally, the corporate model featured a high degree of vertical integration. The majors owned and operated professional recording studios, possessed the technology to mass produce albums, and controlled sophisticated and global marketing, promotion and distribution networks (HRACS, 2012). As SCOTT (2000) demonstrated, through increasing integration and agglomeration the major labels developed a highly specialized division of labour within their own firms and jointly across a

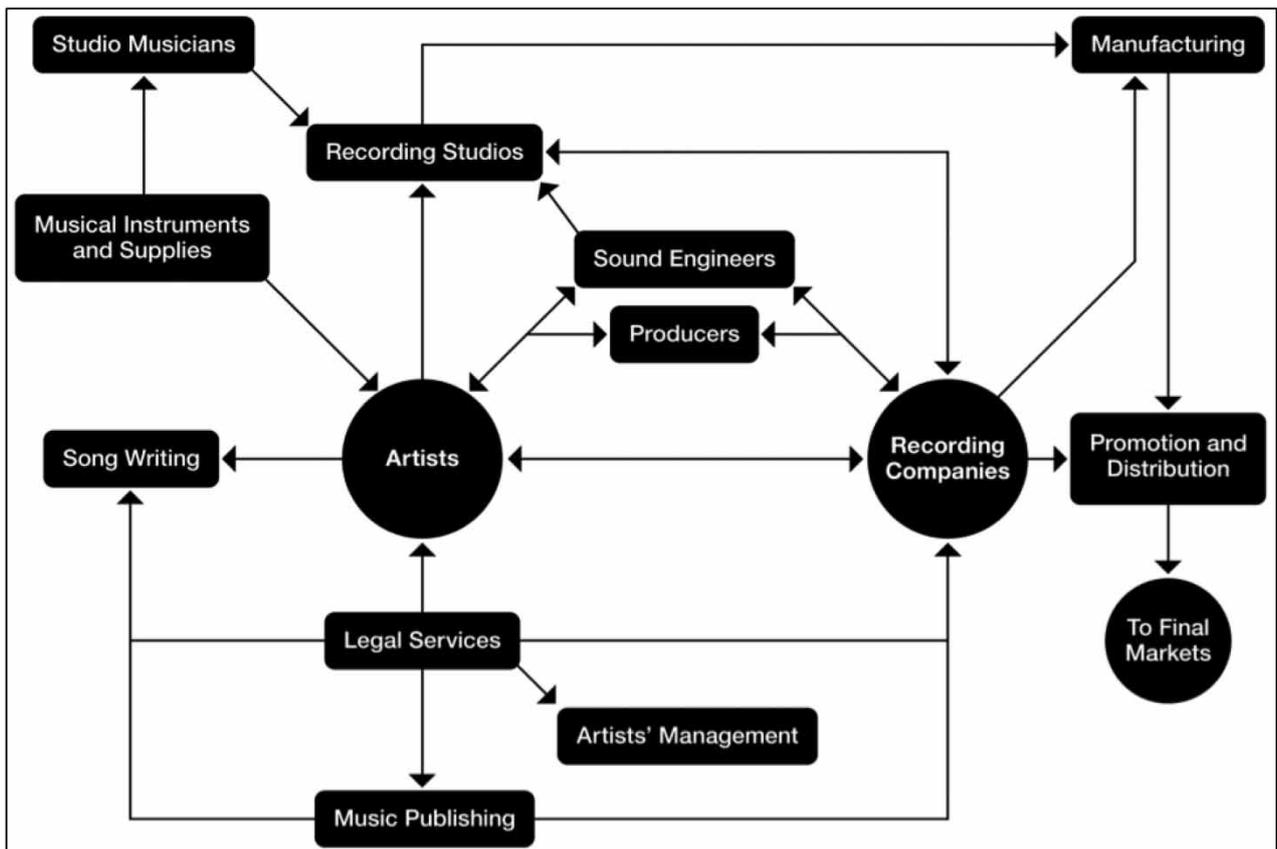


Fig. 1. Traditional model of specialized activities in the music industry
 Source: Adapted from SCOTT (2000, p. 117)

broader creative field. As Fig. 1 illustrates, the majors provided recording artists with a host of specialized business, technical and creative services. Thus, every aspect of the process was collaborative and involved a range of music professionals and cultural intermediaries including music producers, lawyers, accountants, promoters and managers (SCOTT, 2000; LEYSHON, 2009; HRACS, 2012).

For ambitious musicians, the corporate model offered fame and fortune but signing a recording contract and accessing these services required relinquishing spatial, creative, financial and political control. To obtain record contracts, musicians were forced to lock in exclusively with major labels for several years, surrender the rights to their music, and have their earnings deducted from recoupable finances lent to them by their label. To access services and recording infrastructure, musicians were also forced to migrate to the clusters of music production. 'Signing' also implied working within the confines of the major label's creative vision and political comfort zone. This often meant surrendering authority over which songs to record, which producer to use, which studio to record in, which art work to use, and how to package, promote and distribute each album (HRACS, 2012). Thus, signed musicians exchanged power, spatial freedom, creative control and revenues for the opportunity to focus on being creative. Of all the cultural intermediaries in this system, managers played a particularly vital role. Indeed, managers translated and diffused tensions between musicians and their labels and enforced contractual obligations. Over time, managerial roles became increasingly specialized. While the personal manager dealt with the personal, creative and day-to-day affairs of musicians, other roles, such as tour and business management, were delegated to agents, public relations representatives and lawyers. Contractually, it is important to note that during this period, with record sales in the billions of dollars, personal managers collected between 15% to 25% of an artist's income and, just like labels, managers were paid from a musician's gross income (SHEMEL *et al.*, 2007).

Although the corporate model was commercially dominant during this period, an alternative 'independent' model operated at a much smaller and localized scale. This robust and enduring model was founded on the anti-corporate ethos of punk and the desire to eschew commercial interests and maintain control. As SPENCER (2008) argued, the punk ideology encouraged musicians to write music for themselves and their friends, to produce it independently, and personally to manage their own business affairs to maintain control over the creative, political and financial aspects of their own work. Politically, 'choosing' to be independent meant trying to transform radically the relations of music production and break down the dependence of bands on record labels and their specialized division of labour (SPENCER, 2008). Thus, at first independent music production became synonymous with the 'do-

it-yourself' (DIY) structure and punk's assertion that anyone, regardless of training or skill, could make music and manage themselves. Over time, however, the literal 'practice' of DIY evolved into a complex and integrated network of independent actors who shared the 'politics' of DIY. As SPENCER (2008) pointed out, to make a living and continue their work, independent musicians needed to create a wider community and replicate some of the features of the major label model. Independent record labels, distributors, publishers, retailers, and promoters were established and populated by cultural intermediaries. The 'I' had become a 'we' that AZERRAD (2001) described as:

a sprawling cooperative of fanzines, underground and college radio stations, local cable access shows, mom-and-pop record stores, independent distributors and record labels, tip sheets, nightclubs and alternative venues, booking agents, bands, and fans.

(p. 3)

Thus, like the corporate model, the independent model became collaborative and developed its own specialized division of labour. Importantly, however, instead of being a closed system contained within a handful of firms and geographic clusters, the creative field of independent music production featured low entry barriers and spanned a network of small local scenes from Boston (Massachusetts) to Seattle (Washington). As Azerrad argued:

beneath the radar of the corporate behemoths, these enterprising, frankly entrepreneurial people had built an effective shadow distribution, communications, and promotion network – a cultural underground railroad.

(p. 3)

Ultimately, although the corporate and independent models were underpinned by completely different motivations and organizational cultures, they shared a collaborative approach to producing and distributing music and relied on a 'system' or 'community' of specialists and cultural intermediaries. To be clear, though, whereas many intermediaries operated at both ends of the spectrum, sometimes simultaneously, as symbols of major label control managers were completely excluded from independent communities (SPENCER, 2008). From this contextual starting point, the next two sections of this paper briefly review the so-called 'MP3 Crisis' and the rise of a new model of independent music production.

THE 'MP3 CRISIS' AND INDUSTRIAL RESTRUCTURING

In the late 1990s the introduction of new digital technologies sparked a crisis in the music industry, weakened the power of the majors and radically altered the established system of music production, promotion,

distribution and consumption (LEYSHON, 2009; HRACS, 2012). In 1999, Napster popularized an illegal system of sharing music files over the Internet and catalysed the 'MP3 Crisis' (HRACS, 2012). From the vinyl bootleg era of the 1960s and 1970s to the 'home taping is killing music' scare of the 1980s and the CD-R influx of the 1990s, music piracy has always been central to the music industry, but the MP3 Crisis of the late 1990s was unlike anything the industry had witnessed in the past. While geographers have contributed to the now robust literature on the causes and consequences of this crisis (CONNELL and GIBSON, 2003; FOX, 2005; LEYSHON *et al.*, 2005; POWER and HALLENCREUTZ, 2007; LEYSHON 2009; HRACS, 2012), the important point for this paper is that Napster and its successors caused a structural shock to the North American music industry which slowed the growth of recorded music, caused billion dollar losses in revenue, and mass layoffs of musicians, managers and other industry specialists.

In the immediate aftermath, the structures and power dynamics associated with the corporate era began to change. Long-standing practices of distribution, pricing and retailing evolved and the major record labels lost power to a new breed of diversified digital and big-box retailers such as Apple and Wal-Mart (for a more detailed review, see FOX, 2005; and HRACS, 2012). The collapse of record sales also forced major labels to cut costs and layoff large numbers of artists and accompanying staff. According to COOK *et al.* (2009), since the year 2000 more than 5000 record company employees have been laid off, and although there are no exact figures for managers, this contraction has meant layoffs and fewer opportunities to work within the major label system (LEYSHON, 2009). Thus, today, the majors are risk adverse and have shifted away from artist development in favour of extracting profits from their lucrative back catalogues and promoting a small number of proven sellers or 'Cadillacs', including Bruce Springsteen, Celine Dion and Madonna (POWER and HALLENCREUTZ, 2007; HRACS, 2012).

THE RISE OF CONTEMPORARY INDEPENDENT MUSIC PRODUCTION

Whereas the MP3 Crisis reduced the corporate model's ability to make money, the introduction of new digital technologies diluted the political unity of the independent model. For decades independent musicians had chosen to subvert the mainstream by operating within tightly knit anti-corporate communities and rejecting commercial interests beyond a subsistence living. Yet, when the majors terminated contracts, thousands of formally 'signed' musicians, who did not share these political beliefs and aspirations, also became independent. Moreover, digital technologies lowered entry barriers

even further and allowed a new generation of a-political and commercially ambitious musicians to produce high-quality recordings and to promote and distribute their shows, music and merchandise without the help of the established independent networks (BOCKSTEDT *et al.*, 2006; FOX, 2005; MCLEOD, 2005; LEYSHON, 2009). As a result, digital technologies transformed the independent model from a viable but niche alternative centred on the punk ethos of DIY, to the dominant organizational form for up-and-coming musicians. In Canada, 95% of all musicians are not affiliated with either major or independent record labels and are instead literally DIY (HRACS *et al.*, 2011). Much like the rise of punk in the 1970s, digitally driven DIY was initially hailed as an exciting opportunity for artists to reassert control over their careers and to retain a larger percentage of the profits (THOMPSON *et al.*, 2007), but as the next section argues, this new version of DIY also presents new challenges.

THE DARK SIDE OF CONTEMPORARY DIY

For musicians who cannot access the specialized services and supports from either major labels or the traditional network of independent communities, contemporary DIY entails individual responsibility for a traditional and modern range of creative and non-creative tasks. Indeed, digital technologies have introduced new tasks such as maintaining websites, digital distribution and promotion using social media (Fig. 2).

While some may argue that this increased workload is offset by greater autonomy, creative control and revenue share, few scholars have critically analysed the effectiveness of DIY as a model of organization or the extent to which greater freedoms are actually realized by typical independent musicians. Similarly, little is known about how musicians acquire the skills required to perform technical, managerial and business tasks. Although Toronto still features a strong major label presence and a number of established independent communities based around punk-themed venues, because of intense competition and the exclusionary nature of established networks (HRACS, 2010), most of the city's musicians are forced to do everything themselves.

Through interviews with a sample of these musicians, it became clear that DIY is an inefficient system that makes reaching a sustainable level of creative and economic success difficult. Perhaps the greatest problem is the sheer number of demands imposed on DIY musicians. The typical workday is chopped up into tasks which are often spread across space and musicians struggle to find the time to write new songs, maintain their online storefront, apply for grants, book shows and promote their products. Musicians must also acquire the skills to complete this diverse range of tasks. The research indicates that most individuals and bands have strengths and weaknesses based on

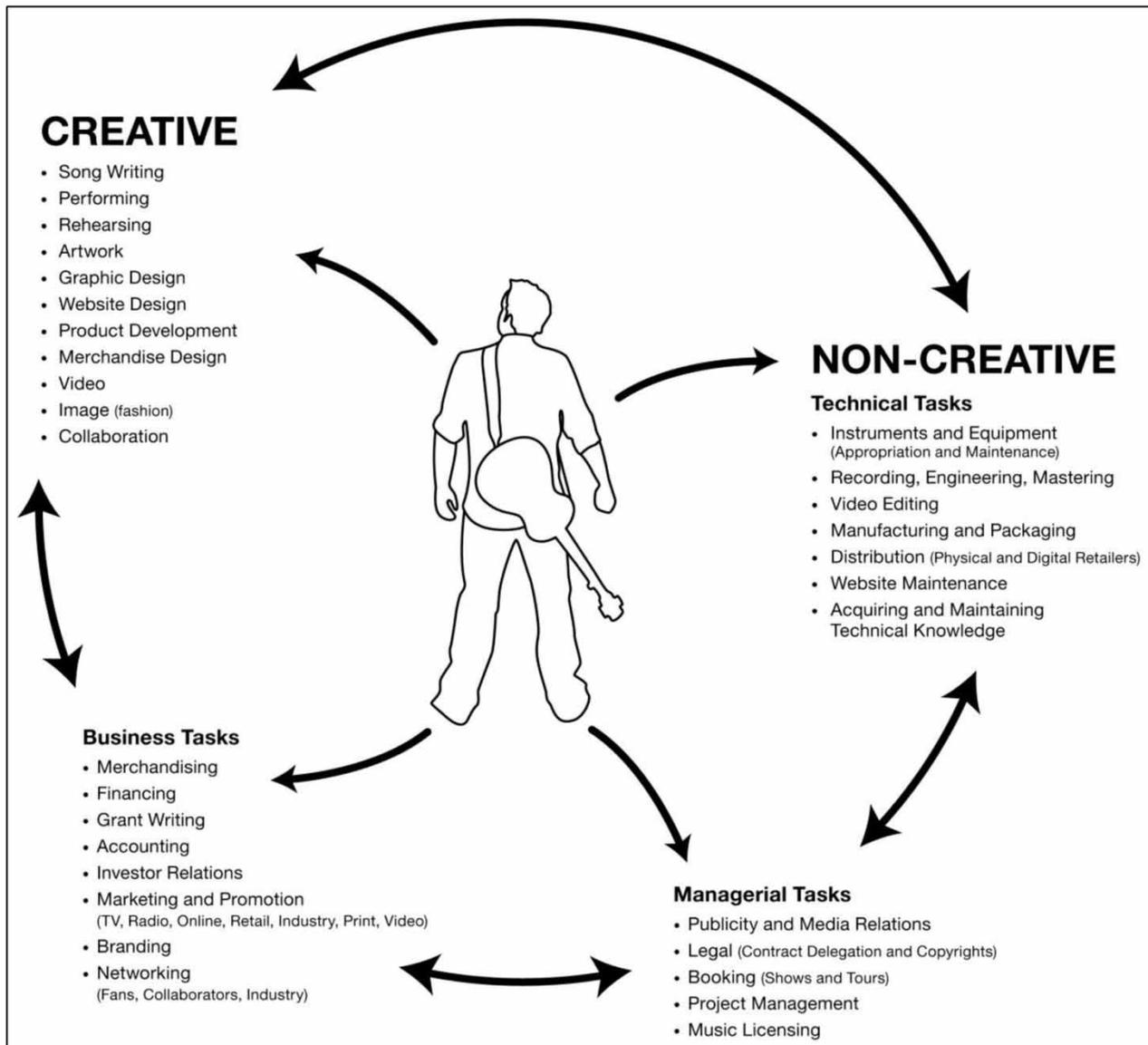


Fig. 2. Tasks associated with contemporary independent music production

personality and training. So, for instance, one band member might be technically proficient enough to handle the recording while other members might be better suited to perform business or managerial tasks such as accounting or scheduling. Ideally, the band contains a diverse skill set and can create an internal division of labour that matches skills with tasks, but in most cases the band has an abundance of creative capacity and few technical or business skills. As one musician during an interview put it:

The major advantage of having a large band is that we can spread the tasks around. One guy manages the MySpace page, the Facebook group and the e-mail. Another is good with Photoshop so he does all the posters and design work. I do all the scheduling of practices. So we are good at some things but one of our biggest problems is that none of us is good at cold calling to get shows or promoting our stuff. So we need somebody who is more

like a manager in that sense, more assertive. [...] We also don't have anybody in the band that is really good at the technical recording side of things. We are learning and getting better but we are not good enough to do it ourselves.

The interviews indicate that the most deficient skill set among musicians is a business acumen and strategic thinking – precisely what managers traditionally brought to the table. While musicians are creative and may become proficient with technical aspects of recording, promoting and monetizing their products proves a bigger challenge (HRACS *et al.*, 2013). Several key informants also reported a general lack of business skills among the musicians with whom they work. As musicians soldier on, the cracks in the DIY model begin to show. Lacking the skills and industry experience of an agent or booker, bands on tour often find themselves working with poor promoters at less-than-ideal

venues. One musician described in an interview a self-booked tour that was an economic failure:

On our first tour out 'West' the first show was cancelled and the second show had like twenty people. We could not book a show in Saskatchewan, despite trying for months, so the real shows started in Edmonton. We played Calgary, Canmore, Kamloops, Vancouver, Victoria and Seattle. So that is a huge distance to travel before hitting a good show. We literally drove for five days before we played our first good show. It is frustrating and when you are relying on that to put food on the table it is really difficult.

It is no surprise that musicians struggle to perform non-creative tasks, but the time and energy that musicians allocate to them also diminish their capacity to perform creative tasks. Writing about the employment conditions of independent fashion designers in the United Kingdom, MCRobbie (2002) argued that the twin processes of de-specialization and multi-skilling result in the corrosion of creativity. For musicians, the myriad demands imposed by the DIY model reduce their ability to produce high-quality creative content, which in turn reduces their ability to stand out in the crowded marketplace and make a sustainable living from music (Hracz *et al.*, 2013). As this music producer argued during an interview, having one's own package down is meaningless if that package is not original:

I saw a band on Queen Street a few months ago. They were really good players and you could tell that they were practicing a lot because the songs were polished. They had all the moves and I thought there is no reason why these guys are not as good as almost any other band out there. Except it was boring because I thought 'who cares?' They're not doing anything new. It just seems tired. You need to be unique and develop some kind of artistic vision.

In Toronto, it is easy to form a band and dabble in basic tasks such as performing and recording music, but becoming a self-sufficient business entity requires mastering advanced functions such as financing, distribution, merchandising, public relations, marketing and branding. Several respondents complained about the creative conundrum in which they struggled to allocate their time and energy to creative and non-creative tasks and end up with mediocre results on both fronts, but how do these musicians overcome the difficulties associated with the DIY model of independent music production?

WORKING HARDER AND WORKING SMARTER: STRATEGIES TO OVERCOME THE INEFFICIENCIES OF CONTEMPORARY DIY

According to Scott (2006), the competitive pressures of capitalism force firms continually to revitalize their

core competencies in the search for production and marketing advantages. To do this firms observe and appropriate knowledge and strategies from other co-located firms and create their own internal solutions through a 'learn-by-doing' process. In Toronto, some musicians use two strategies to compete: becoming more disciplined and professionalized (working harder); and becoming more strategic and specialized by enlisting the support of collaborators, contractors and managers as intermediaries (working smarter).

Professionalization entails moving beyond bohemia and eschewing alternative and anti-market attitudes and practices in favour of professional personas and market-driven entrepreneurial subjectivities (Hracz, 2009). Musicians realize that creativity must be buttressed by a strong work ethic and business savvy to achieve success. As one manager put it during an interview:

Raw talent will be thrown in the garbage if the rest of the pieces are not together. There's a guy who is amazing but he canceled a North American tour two days before because he wanted to stay home and paint. You can't be that flaky and still be successful.

For musicians, professionalizing means abandoning eccentric and erratic bohemian behaviour and outworking the competition. As the imperatives of self-sufficiency take hold, however, self-exploitation, in terms of hours worked, can become a problem for creative entrepreneurs. As Banks (2007) argued:

the popular idea that cultural workers need to suffer to make great art may further encourage individuals to self-exploit to a level beyond that which would be imposed by the most fervent of capitalist employers.

(p. 58)

For this reason, working longer hours and becoming more accountable is not enough to overcome the difficulties of DIY. Indeed, to reverse the corrosion of creativity greater efficiency, re-specialization and subcontracting is needed, but how do musicians, who have been conditioned by the market and neoliberal regimes to do everything themselves, break the cycle and obtain help?

The bohemian ethos provides a framework for support and bartering within local artistic communities. As Banks noted:

it is common to find fashion designers, graphic designers, musicians, artists, promoters and web entrepreneurs undertaking reciprocal and non-monetized exchanges of goods and services.

(p. 171)

Often, these exchanges are facilitated by long hours of hanging out in coffee shops and other third spaces (Lloyd, 2006). Therefore, musicians are accustomed to seeking assistance from family and community members, but this system is inefficient because it

replicates skills – musicians supporting musicians provides more labour but not necessarily new skill sets. In recognition of this limitation, some musicians are replacing the bohemian practice of social networking with more strategic forms of what GRABHER and IBERT (2006) called ‘connectivity networking’ (HRACS, 2010). This represents a shift in time management and an understanding that musicians need to get help from people who can provide complimentary skills and services. A greater number of musicians, for example, are working with fashion designers, web designers, visual artists and photographers (HAUGE and HRACS, 2010). The research indicates that there are two categories of helpers. While collaborators with strong or weak ties ranging from family members to members of the broader artistic community may be compensated with artistic credit, barter exchange or monetary exchange, contractors without ties are paid to perform specific tasks (HAUGE and HRACS, 2010).

‘Getting help’ represents an attempt to re-specialize and refocus on making music and being creative. Musicians can spend a higher percentage of their time writing songs because their website, album artwork, merchandise and tour booking are delegated or outsourced. Asking for help appears to solve the core limitation of DIY, but the research suggests that determining what needs to be done, who will do it, and then coordinating and monitoring this growing enterprise generates new challenges – chief among these is how to afford help on low operating budgets. A musician might have a creative vision and a pool of collaborators and contractors to provide assistance, but translating that vision into an executable operational plan requires managerial acumen.

MANAGEMENT MATTERS: REDISCOVERING THE VALUE OF INTERMEDIARIES IN THE DIGITAL AGE

Very little is known about what happened to managers in the wake of the MP3 Crisis. While COOK *et al.* (2009) suggested that as many as 5000 managers and other employees have been laid off by major labels since the year 2000, it is not known if they left the music industry or tried to remain relevant by altering their business model to adapt to the rise of contemporary independent music production (LEYSHON, 2009). After all, with fewer recording contracts available, the contractual model of paying managers 15–20% no longer made sense. Yet, beyond the need for new pay arrangements, managers were sidelined by the desire of musicians to seize total control of their creative and commercial affairs and manage themselves.

In the Toronto case, however, innovative members of both camps who remain co-located within the city’s creative field have recently reunited for mutual benefit. Disenfranchised musicians are seeking help

and savvy managers are reformulating their business models to accommodate the new market and organizational realities of independent music production. In response to FOSTER and OCEJO (2013), who argued that future work should consider the structural roles, motivations and activities of cultural intermediaries, the following section explains why musicians are turning to managers and the specific intermediary functions managers are performing.

During the interviews, musicians were asked to describe the challenges they faced and what strategies they used to overcome those challenges. In answering this question, several musicians revealed a desire to work with a manager. As one musician put it during an interview:

Making a recording is the quintessential thing that every band tries to do but unless you know what you’re going to do with it, it is not a good strategy. You might think you will distribute your album online but there are billions of other alternatives and most bands don’t know how to promote their music. [...] Right now I am on a manager hunt. We have been struggling to do everything ourselves and we need to turn it over to somebody who knows what they’re doing. [...] This is the first step to not doing everything yourself.

To return to McROBBIE’s (2002) ‘corrosion of creativity’, respondents also explained that working with a manager allowed them to re-specialize on making music while also appearing more professional in the marketplace. On respondent stated during an interview:

Hiring somebody to help has been a good strategy. I have my own little time and money equation so it made sense for me to hire somebody to do some work for me. My manager has experience so things are easy for him and it takes a lot less time and effort because he has all the contacts and a good reputation.

These quotes illustrate the realization that producing goods and services without a plan is not enough to succeed in the competitive global marketplace. Indeed, managers are attractive because of their ability to identify, assess and drive market trends, and translate creative content into marketable products. As FOSTER *et al.* (2011) explained, music managers play a critical role as brokers who mediate between artists and audiences and determine what creative content reaches the marketplace. Yet, unlike their firm-based counterparts, who were constrained by the major label system, these contemporary managers operate on the open market and have the flexibility to leverage any resource available within Toronto’s creative field.

In asking managers what they perceived their function and value to be, several described the important coordinating role they played between musicians, collaborators and contractors. As this manager explained during an interview:

You can find a web designer and you can find a photographer. All these pieces are out there but without a plan it is all a crashout. So that is why they seek management. We guide those decisions and even though the manager does not perform all of those tasks we can facilitate their completion by connecting bands with the right people.

Although managers were not doing anything that musicians could not do on their own, they felt that their skills and experience generated better and more efficient results for musicians who would otherwise have to invest time and energy to find the right people for the job. Thus, as BILTON and LEARY (2002) argued, managers added value to the creative process by ‘directing the traffic of ideas and resources, and by “matching” ideas, individuals and organizational tasks’ (p. 62). Without attempting to generalize beyond the research sample, to conceptualize better the value and role of cultural intermediaries, Fig. 3 summarizes the key functions that managers perform for contemporary independent musicians in Toronto.

At first glance, the functions appear similar to traditional characterizations of brokers and gatekeepers, but they serve the needs of a distinct group of cultural producers who are grappling with Toronto’s highly

competitive labour market and the demands of the digital age. As ‘consultants’ managers translate the demands of this marketplace for musicians and translate their creative visions and career goals into operational plans. After ‘curating’ the appropriate collaborators or contractors, the manager also ‘connects’ musicians to individuals including fashion designers and local resources including rehearsal space. Once the plan is in place and a specialized team of ‘helpers’ has been assembled, managers ‘coordinate’ the project by managing contractual relationships and monitoring the progress and completion of specific tasks. Knowledge of market trends also enables managers to serve as ‘co-producers’ who help musicians to develop not only their sonic style, in the traditional music producer or A&R (artists and repertoire) way, but also a corresponding visual style and unique persona or brand. One manager explained this function during an interview:

I translate the musician’s art into marketable language but I also ask the fashion designers to translate the musician’s sonic style into a marketable visual style.

As argued elsewhere, producing a whole package of original content including live shows and merchandise

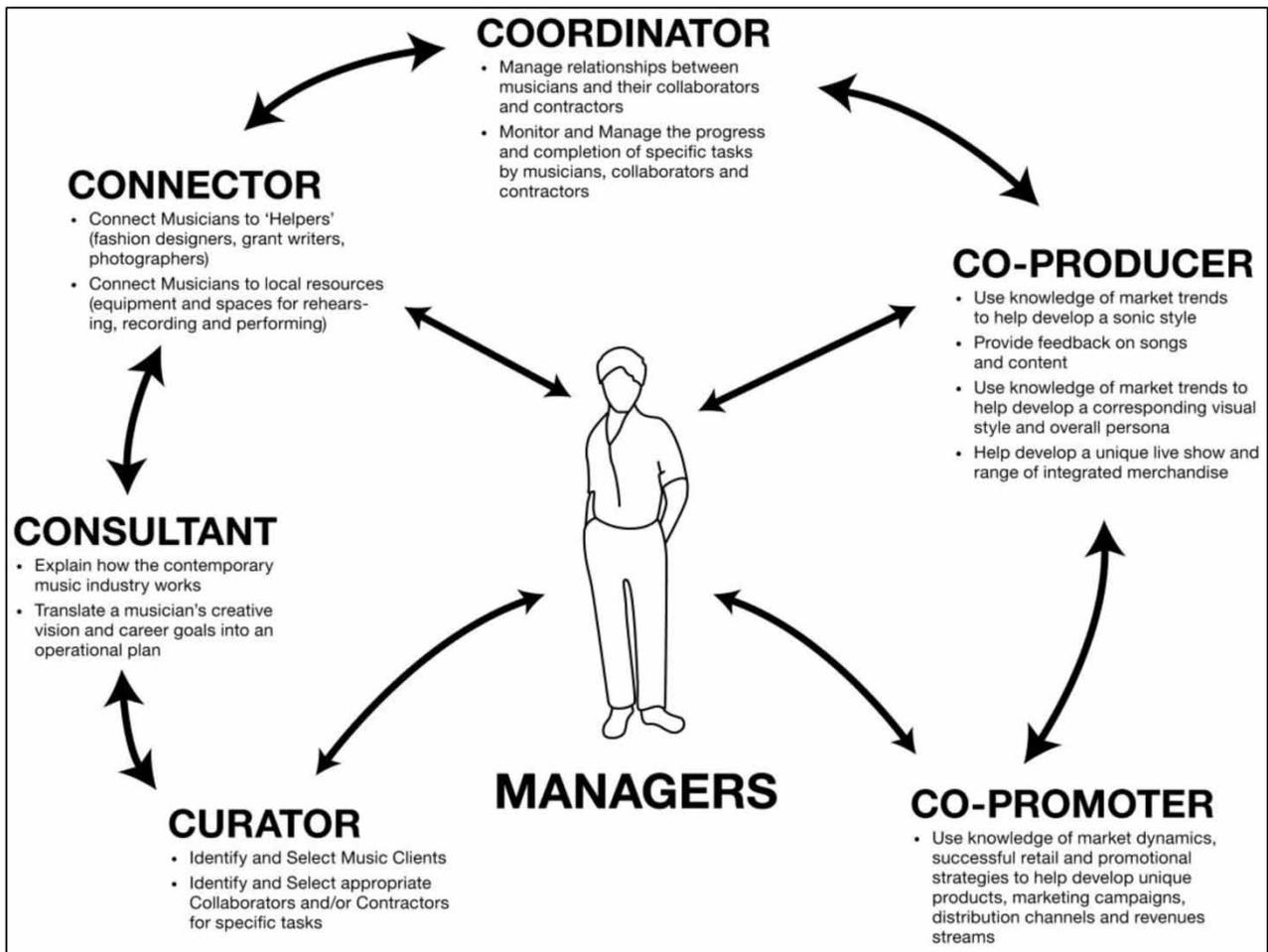


Fig. 3. Intermediary functions performed by managers

is crucial to surviving the increasingly crowded global and local marketplace (HAUGE and HRACS, 2010; HRACS *et al.*, 2013). Finally, once this suite of goods and services is ready, managers act as ‘co-promoters’. In this capacity, managers use their knowledge of market dynamics, successful retail and promotional strategies to develop unique product offerings, marketing campaigns, distribution channels and revenue streams. As one manager explained during an interview:

The best way to promote music and fashion (merchandise) together without being overly commercial is through exclusivity. As a band you tell your audience that ‘we worked with this incredible designer to make this stuff (products) for you. We wanted to create a line of stuff that we thought you would really enjoy, it is not mass-produced, and we want to know what you think.’ When you do it this way, your audience is engaged, you have developed something special for them and now they will be interested in providing feedback and hopefully buying the items.

Thus, in a highly dynamic and competitive environment, managers play multiple intermediary roles and adapt to meet the needs of their clients, but ultimately their importance stems from the simple understanding that while ‘ideas are cheap, finished products have value’ (BILTON and LEARY, 2002). Managers help to identify the needs and skill deficiencies of their musical clients and then broker appropriate skill and service ‘matches’ with members of the local creative community or broader freelance market. Unlike the standardized packages that managers offered during the corporate era, contemporary managers are flexible and innovative. As such managers are re-emerging as key intermediaries who can help independent musicians achieve their two primary objects: making a sustainable living from music and concentrating on their creativity.

‘SHOW ME THE MONEY’: THE NEW CONTRACTUAL ARRANGEMENTS BETWEEN INDEPENDENT MUSICIANS AND FREELANCE MANAGERS

Perhaps due to the preoccupation with their functional aspects, a substantive consideration of the contractual arrangements between producers and cultural intermediaries is conspicuously absent from much of the existing literature. Therefore, the findings presented in this section from the Toronto case aim to contribute to one’s understanding of how intermediaries freelance on the open market and are compensated for their abilities.

As musicians discover the benefits of getting help and seek out freelance managers, new contractual and working relationships are developing between these creative producers and intermediaries. Both parties acknowledged the obsolescence of traditional full-time contractual models that paid managers 15% of gross

earnings and indicated that new models were being formulated and tested. As this musician explained during an interview, as managers re-emerge as key intermediaries their function remains the same, but the working relationship has been radically altered:

Managers can’t work on 15% of indie sales. [...] The guy I hired was a manager before but he couldn’t pay his bills. So now he has developed a new model so that allows him to work with more bands. He can select his clients and can negotiate specific contracts with each artist depending on what they need. It is perfect for me because he provides the skills and services that I need and the artist is never asked to give up any rights or any revenue percentages.

Articulating this transition in greater detail, one of the managers interviewed outlined the innovative business model he pioneered in Toronto:

We start off with a consultation. I take their goals and I translate it for them. [...] Then I present a proposal to them based on what they told me. It is their goals and ideas but I create a plan with the proper language and steps. [...] So then I outline what I would like to do to advance that plan and I break those down into specific costs. I always present a full package, in a perfect world this is what I want to accomplish. I show them all the fees which are relevant to them but I highlight the ones that I think are essential. I also list services that might be helpful down the road. So I prioritize the services for them. I let clients pay in three installments so that it can be affordable for these artists. I am not necessarily cheap but I am fair value. If you want to hire a publicist, for example, it is \$3000 [Canadian dollars] a month. A radio promoter is \$10,000 for a six-month campaign, so what it boils down to is an average of \$1000 a month for a whole range of developmental services.

By providing à-la-carte services instead of full-time comprehensive support, this model provisions for the income uncertainty, varying skill sets and career goals of his clients. The financial arrangement of the model also highlights how much the MP3 Crisis has reshaped the marketplace for music-related products. Indeed, as he explains, the à-la-carte model is a new kind of development model that allows musicians to reach their goals and various plateaus in more realistic stages:

So \$1000 [Canadian dollars] to an artist who is not making much money, because they’re playing crappy five dollars shows, sounds like a lot but if we implement the plan and the revenue starts to go up then it becomes much more manageable for them. Eventually paying \$1000 a month becomes a joke and they come back to me with an increased budget and a larger goal. And of course my suggested price will reflect those larger goals.

Rather than being plucked from obscurity and offered lucrative contracts, independent musicians march toward the new goal of financial sustainability (making enough money from music to support themselves without additional jobs) in a very incremental way. The stepladder approach also alters the power

dynamics between musicians and managers. Whereas management fees used to be guaranteed by the major labels – managers got their slice of the pie before the musician did – managers are realizing that their own livelihoods hinge on how well they serve their clients. As one manager asserted during an interview:

The advantage of this structure for the artists is that it makes me their employee and more accountable to them. If I don't succeed in my job and they don't develop then I can't charge them for higher-end services so I am motivated.

In this way managers need to prove their worth and convince DIY musicians to hire them. In line with BILTON and LEARY (2002), freelance managers are being judged by their results and the ability to convert good creative ideas into revenue streams.

Ultimately, the à-la-carte model of management will only continue to attract frustrated DIY musicians if it delivers measurable benefits. Comparing within the research sample of musicians and managers suggests that musicians who are getting help from collaborators, contractors and managers are more successful than those who attempt literally to do everything themselves. Thus, musicians who work with intermediaries who can identify and harness the skills of others are more likely to achieve financial sustainability and the freedom to focus more time and energy on their creative content.

THE REGIONAL DIMENSION: WHY INTERMEDIARIES PERPETUATE CREATIVE CLUSTERS

Creativity and organizational innovation are catalysed by social relationships in specific spaces, thus geography is not a passive container of social phenomena but an active ingredient that influences the substance and form of these processes and their outcomes (SCOTT, 2006, 2010). This section considers how the specificities of Toronto's creative field precipitated the reconnection between musicians and managers and why the presence of these intermediaries may explain why musicians remain clustered in the city despite unprecedented levels of mobility.

During the corporate era the North American music industry became clustered in a handful of production centres including New York, Los Angeles, Nashville and Toronto (SCOTT, 2000; FLORIDA and JACKSON, 2010; HRACS *et al.*, 2011). As LORENZEN and FREDERIKSEN (2005) pointed out, these locations featured concentrations of musicians, firms at different points in the production chain (recording, publishing, marketing and distribution), and pools of skilled specialists such as sound engineers and managers. Firms within these clusters benefited from shared infrastructure, lower transaction costs, pools of skilled labour, complementary

industries and face-to-face interaction, which lubricate project coordination and completion (VAN HEUR, 2009). For signed and aspiring musicians, the established centres exerted a strong pull, but the benefits of thick labour markets, specialized supports, and the all-important hard infrastructure for the recording and manufacturing of music often outweighed the social and economic costs of relocation.

The music industry has a history of spatial concentration, but in the early 2000s the MP3 Crisis, restructuring of the music industry and the rise of digitally driven DIY threatened to scatter musicians and music firms across space. Major label contraction, the rise of home-based recording, marketing and distribution, and the individualization of workers raised fundamental questions about the merits of continued co-location. Indeed, many of the respondents suggested that with contemporary DIY musicians can operate anywhere they can have a laptop computer and a decent Internet connection. Recently, however, FLORIDA and JACKSON (2010) demonstrated that the bulk of musicians, firms and production remain clustered in the established centres. In Canada, the 2006 Census and interviews reveal that Toronto is still the largest and fastest growing home of musicians and music production. Yet as hard infrastructure and the major labels become less important, many geographers have raised the question of why this is the case (VAN HEUR, 2009).

It is tempting to assume that musicians continue to co-locate for community dynamics, face-to-face interaction, tacit knowledge and local buzz instead of hard infrastructure, but the exact nature of this soft infrastructure needs to be unpacked (BATHELT *et al.*, 2004). In Toronto, for example, the influx of musicians and decline of employment opportunities, both selling recorded music and performing live, has generated intense competition which limits the flow of information and support between musicians and reduces the importance of social networking (HRACS, 2010). By extension, the organizational logic of contemporary independent music production individualizes musicians and limits the opportunities they have to collaborate with other musicians within local scenes and networks. Moreover, just as the incomes of musicians declined at a rate of 25.9% between 2001 and 2006, the cost of living in Toronto continues to rise (HRACS, 2009; HRACS *et al.*, 2011). Therefore, a refined question is why do independent and individualized musicians continue to cluster in expensive and competitive cities when digital technology allows them to live and work anywhere?

The desire of contemporary independent musicians to re-specialize and the increasing importance of managers as key intermediaries offers one potential answer. Although many smaller scenes, such as Halifax in Nova Scotia feature lower levels of competition, cheaper space and better paying performances, Toronto has the size, diversity, and stockpile of

knowledge and skills to accommodate this re-specialization (for a detailed comparison of the economic and social dynamics of Toronto and Halifax, see HRACS *et al.*, 2011). Indeed, much like New York, Los Angeles and London (UK), Toronto's creative economy features vibrant film, art, design and fashion sectors which provide musicians with the dense pool of collaborators and contractors that drive the à-la-carte model. Similarly, Toronto also trains and attracts a large number of emerging creatives and pseudo-bohemians who are willing to volunteer on creative projects to earn social and cultural capital. These individuals are often students who use part-time jobs and parental support to sustain their artistic aspirations (VAN HEUR, 2009). For independent musicians, the availability and willingness of these 'free labourers' is vital to the completion and quality of their own projects.

The existing pool of management talent in Toronto can also be traced back to the city's thick and diverse creative sector. As the Canadian headquarters of the major labels, managers flocked to Toronto to work with signed and aspiring musicians. When many of these managers lost their music jobs and clients during the MP3 Crisis, some found opportunities in Toronto's other creative industries and remained in the city. Thus, the ability of disenfranchised DIY musicians to reconnect with managers is a by-product of Toronto's thick labour market. Moreover, the skills and local knowledge that these managers now offer musicians accrued from experiences and networks in other industries. Indeed, the place-specific nature of managerial skills, networks, knowledge and experience with local market conditions may help one to understand why managers stay and work with clients in clusters such as Toronto (LORENZEN and FREDERIKSEN, 2005).

It is clear that Toronto's creative field possesses the right mix of musicians, creative helpers, free labour and managers to underpin the re-specialization of music production and the à-la-carte model, but it appears that local market dynamics also helped to catalyse this innovative organizational shift. In other music scenes including Halifax (HRACS *et al.*, 2011) contemporary DIY is also the dominant model, but it is more feasible. In Halifax, musicians still struggle to complete all the tasks on their own, but lower levels of competition, better opportunities to make money, a lower cost of live/work space and a generally more supportive community insulate individuals. In these more benign markets DIY musicians struggle, but it is easier to make a sustainable living, so the desperation to develop alternative models is weaker and the management talent and helpers are not available anyway (HRACS *et al.*, 2011). In Toronto, by contrast, higher levels of competition for paid work, a higher cost of living and lower levels of civic capital exacerbate the inefficiencies of the contemporary DIY model. In line with PORTER (1990), intense competition and the limitations of DIY have forced musicians in Toronto

to develop innovative solutions. After noticing that frustrated musicians were getting help from fashion designers and artists, some managers developed the à-la-carte model to reinsert themselves into the equation. Yet, this model requires a critical mass of willing clients to whom managers can provide limited services which only large cities like Toronto can offer.

Has digitally driven independent music production altered or reinforced regional hierarchies? If one compares two prominent music centres in Canada (HRACS *et al.*, 2011) it can be seen that during the corporate era Toronto was entrenched as the national hub while Halifax emerged as an important regional incubator of musical talent. As talent in Halifax developed it would relocate to Toronto or even larger centres of music production including New York, Los Angeles and London. In the wake of the MP3 Crisis and the decentralizing potential of digital technologies a higher number of musicians choose to live and work in Halifax. At the same time, Toronto is still attracting the highest number of musicians and continues to be the 'place to be' for aspiring musicians in Canada. Upon closer inspection, and within the context of the findings of this paper, the type of musicians in these cities appears to be different. Whereas Halifax has become a popular location for musicians who are content with the DIY model – because they are starting out, have not discovered an alternative or are established enough to make it work – Toronto attracts and supports musicians who are interested in developing and embracing new organizational models and strategic business practices. Therefore, the importance and presence of intermediaries contributes to the bifurcation of creative production models, between contemporary DIY and specialized, and perpetuates the dominance of established centres in an era of greater mobility.

CONCLUSION: ONLY THE STRATEGIC SURVIVE

To overcome the limitations of the contemporary DIY model, musicians are working 'harder' by professionalizing and 'smarter' by re-specializing and getting help with creative and non-creative tasks from collaborators and contractors. In exploring the emergence of this new organizational model, the paper has paid particular attention to the important intermediary role that managers play in connecting, coordinating and curating these helpers. Managers also translate creative visions into operational business, interpret the marketplace and determine what creative products will reach audiences. Beyond identifying the strategic impetus for this merger, the paper outlined how the organizational and contractual relationship between musicians and managers has changed to reflect the realities of the contemporary marketplace. Freelance managers provide à-la-carte management services to a large number of

clients instead of working full time for 15%. The important role that local conditions and infrastructures play in driving the development of new organizational models and keeping musicians and music production clustered in space was also considered. Indeed, the regional analysis of these activities suggested that Toronto's high levels of competition and diverse pools of creative and managerial talent helped to catalyse and sustain the à-la-carte model. This finding helps geographers to explain why music-related activities remain clustered in established centres despite the decentralizing potential of digital technologies and contemporary independent music production. The paper also suggests that a new spatial and organizational hierarchy may be emerging in which regional scenes such as in Halifax will continue to feature the DIY model and larger, more diverse scenes such as in Toronto will attract musicians who are willing to develop and embrace alternative models.

By focusing on musicians and managers, this study provides insights into how one understands the organizational architecture within creative projects and the poorly understood relationships between producers and intermediaries in the contemporary creative economy.

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