



The Belfast Cowboy Rides the Entertainment Supply Chain

By Larry Jaffee, Mediaware, May 2006

The great Irish rock singer Van Morrison, he of eon-ago hits like "Brown-Eyed Girl" and "Moondance," recently chimed in about the music industry's supply-chain shortcomings.

In an interview with the UK's classic rock-focused magazine *Mojo*, Van the Man a/k/a "The Belfast Cowboy" is asked why it's taken him so long to putting out a country album, the recently released *Pay The Devil*.

"It's always been something I wanted to do. But back then (1970s), I was sometimes recording four albums a year, and they would let me release only two. It's even worse nowadays. The record companies can only deal with one record a year, and sometimes not even that."

The *Mojo* journalist asks somewhat incredulously, can't an artist of his stature, a musician to whom all others bow down, put out a record whenever he wants? "No, they can't handle it. No record company or mainline distributor can handle it. Ask them. They can't deal with a record every six months. If I suggested that, they'd have a heart attack!"

Now what Morrison might not realize is that his label, the Universal Music Group imprint Lost Highway, found its way last year to put out three releases (one of them a double CD release) for his prolific label mate Ryan Adams.

But that's the difference of being a 60-something old fart, appealing only to baby boomers like me, and a good-looking, under-30 hipster, who might still connect with the Napster generation even though his alt-Americana brand of music has its roots in 1960s bands like the Byrds and the Buffalo Springfield. It's all about marketing apparently.

However, Morrison touches on a sublime point about the state of physical media distribution. An Amazon music search for "Van Morrison" returns 276 titles (he hasn't made that many records, it just seems that way). His legitimate recording output is probably closer to 50 albums, and the disputed copyrights of his early solo work explains the countless reissues of mid-1960s tracks that the artist long ago disavowed as being crap he recorded to get out of a draconian, screw-the-artist contract.

Now that digital distribution is taking hold and legitimate downloads are turning into a real business, you would think that Universal might turn to the Web as a means to satisfy Morrison's need to churn out product. On the other hand, maybe it just shows how the powers-that-be pigeonhole consumers (i.e., a Van Morrison fan would only want a physical CD). Maybe there's some truth to the stereotype.

On the day that Pay The Devil was released I thought about downloading the full album from iTunes, but eventually decided to take a trip to Target to buy the CD, so I could put it on the shelf with all of the others that hardly ever get a listen. I'm not really sure why, other than my apparent DNA's collector gene.

Meanwhile, the music business is still fretting about the machinations of digital music, and what impact that sales shift might have on forecasting demand for any particular CD.

"Ninety-seven percent [of iTunes transactions] is sold as single tracks. That's a big problem for the music business," announced David Dorn, senior vice president of new media strategy for Rhino Records, Warner Music Group's reissue label, at the International Recording Media Association (IRMA) forum in La Quinta in March.

At the recent Digital Music Forum conference in New York, another interesting iTunes factoid emerged: the 100 best-selling artists on the Billboard charts only generated 33 percent of the Apple music store's sales. That figure suggests there's an alternative consumer universe out there, not just interested in buying the hits.

Shelf space is obviously at a premium, making deep catalog of an artist like Van Morrison prohibitive, unless you're a specialist brick and mortar retailer like Tower Records or Virgin Megastore or online store like Amazon.com.

This sea change is why supply chain tools designed to maximize retail efficiencies, such as VMI (vendor-managed inventory), are in such high demand. It's why IRMA recently established a supply chain special-interest group, and it's why the Entertainment Supply Chain Academy (www.entertainmentsupplychain.com) scheduled its first event June 20-21 at the Hyatt Regency Century Plaza in Los Angeles.

In the entertainment business, so much rides on the performance out of the chute. A Hollywood movie is pretty much dead if in the first weekend box office receipts doesn't exceed \$50 million, which puts even more pressure on the DVD to perform, a DVD that arrived earlier because of the shrinking theatrical windows, putting further strain on the supply chain.

With so much riding on the back end, it's hard to fathom why the industry expects to make 80 percent of a DVD title's overall sales in the first week. Otherwise it's deemed a disappointment.

What ever happened to the notion of slow builders and word-of-mouth momentum? Might be a song in there, Van.