

## PROFILE A2IM

# 'WE CHANGED THE PERCEPTION OF WHAT INDIE STANDS FOR'

As the American Association of Independent Music celebrates its 10th anniversary this year, Emmanuel Legrand talks to its president Richard Bengloff about the achievements of US indies in the past decade in addition to how the next decade looks to be shaping up

### TRADE BODIES

■ BY EMANUEL LEGRAND

Richard Bengloff is in Washington, DC for meetings with policy-makers. That's not his usual turf – he works out of New York – but paying visits to the country's capital has become a major part of his duties as president of A2IM, the not-for-profit trade body representing the independent music community in the US.

For indie labels, as for the rest of the industry, spending time in DC has become part of the job description. A lot of issues central to the music business are being discussed there but, in addition to getting the voice of indies heard in the big copyright debate taking place at the moment, Bengloff is also in DC to knock on a few doors that could be useful to indies, such as the Department of Commerce and others.

"More and more gets done in Washington," says Bengloff, who took the time to talk to *Music Week* in between two meetings on the Hill and a hearing on global international trade at the US International Trade Commission agency. "In the last two years, the Copyright Office with Maria Pallante and Congressman Bob Goodlatte [see the past two issues of *Music Week*], have been instrumental in launching a revision of our copyright laws. We have been involved in it."

Two label executives linked to A2IM – Darius van Arman from Secretly Group in Bloomington, Indiana and Tor Hansen of YepRoc/RedEye in Raleigh, NC – testified during the hearings organised by Goodlatte last June. "It was important that the voices of independent labels were heard because we have our own agenda," asserts Bengloff.

Having its own agenda is indeed the whole point of A2IM. The organisation was created ten years ago by a handful of indie labels, echoing similar moves in other countries like the UK with AIM or France with UPFI. At the time it was felt that indies were not represented properly by the existing record labels' trade body the RIAA, whose agenda was, in their eyes, too close to the majors, especially in the context of market contraction.

"There's a misrepresentation as to who represents the music industry," says Bengloff. "If you ask in DC, people will say it is the RIAA, so the reason I am spending more time here is to make sure that when RIAA speaks, it speaks on behalf of its constituents, but that they do not speak for the whole constituency. We all have our own agendas, we are respectful of our creative colleagues and we respect the fact they represent their members. However, we feel very strongly that we need a bigger profile in DC."

As a result, A2IM hired for the first time in 2014 a lobbyist, Seth Bloom, of Bloom Strategic Counsel. He is the former General Counsel of the



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US Senate Anti-trust Subcommittee, and has a vast experience on competition issues. "We got him on board last June," explains Bengloff. "He helped us with the Copyright Office filings, and much more. On issues involving anti-trust and completion like the Universal/EMI transaction or YouTube issues, we deal with the Department of Justice and Federal Trade Commission. On issues like net neutrality, orphan works, radio access, etc we talk to and file comments with the FCC, FTC, CRB, etc."

Bengloff adds that this is just the start of the organisation's presence in DC, as he plans to hire another lobbyist to focus more directly on members of Congress and to hire a lawyer to set up an office in town. "We want to make sure that members of Congress are educated as to who we are and what our needs are," he says. This development would be financed through funds allocated to indies by Warner Music in the wake of its Parlophone acquisition. "We are optimistic that will get monies from these funds," says Bengloff.

In terms of lobbying, Bengloff is convinced that A2IM has a trump card to play in that its members are scattered all over the country and not just based in New York, Los Angeles and Nashville. "We have 350 label members across the country, from Hawaii

**ABOVE Taylor Swift:** The globally successful Big Machine-signed singer-songwriter's last four studio albums, including 2008's *Fearless*, 2010's *Speak Now*, 2012's *Red* and 2014's *1989* all reached No.1 in the *Billboard* 200

to Florida," he says. A2IM's strategy is to reach out to local and national representatives in the cities and states where its members are based, such as Merge Records in North Carolina, Kill Rock Stars in Portland, Oregon or Saddle Creek in Omaha, Nebraska. "Our message is that our members are all around the country and create local jobs," says Bengloff.

Another aspect that A2IM is starting to work on in DC is access to different sources to fund export initiatives. Unlike many countries in Europe and elsewhere, the US music business does not have a dedicated export structure, and Bengloff took it as a main goal to find funding for his members. "When I took the job in 2007," recalls Bengloff, "I went to Midem and I saw all these national stands, representing countries, but there was no such thing in the US, but now we received funding to support our export trade initiatives from the US [Department of] Commerce via the MDCP programme run by Brad Hess, and they help us with trade mission coordination, and advise on IPR protection in markets like China. It helps our members pay up to half of their costs, and receive in return hundreds of thousands of dollars in export business. To have a viable business plan today, you have to have a viable export business plan." A2IM also receives export initiatives funding from the Small Business Administration working with NY State and Tennessee.

Founded on July 4, 2005, A2IM is preparing for the celebrations of its tenth year, with a packed week of action in New York in May, during Indie