

the GAVIN REPORT CHARLES KOPPELMAN

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Charles Koppelman

The Benevolent Chairman Of A Musical Empire

By Ron Fell

Not only is Charles Koppelman the Chairman of SBK Records, the new label that has brought us Technotronic, Vanilla Ice and Wilson Phillips, but he's also Chairman and CEO of EMI Music Publishing. It's safe to say "music is his life."

Koppelman, a fifty-year-old Brooklyn native, began his music career as a college student in the vocal group Ivy Three (YOGI on Shell Records-1960.) He was soon part of the composing stable of Don Kirshner's Aldon Music empire that included Carole King, Gerry Goffin, Neil Sedaka, Howard Greenfield, Barry Mann and Cynthia Weil. And at the tender age of 24, Charles was Managing Director of Screen Gems/Columbia Music. He held a series of challenging administrative responsibilities in even larger music business enterprises responsible for the signing and/or development of such superstars as Billy Joel, Journey, Cher, Michael Bolton and Tracy Chapman.

In the mid-eighties, Koppelman, along with longtime partners Marty Bandier and Stephen Swid, formed a major entertainment organization—SBK Entertainment World Inc. Through a series of brilliantly timed acquisitions, SBK became the largest independent music publisher in the world, employing over 220 people.

In 1989, SBK was sold to Thorn/EMI for a reported \$350 million, and as a consequence Koppelman was appointed to head up EMI Music and a newly formed record company appropriately named SBK Records.

RON FELL: When you and your partners sold SBK Songs to EMI you suddenly had your own EMI-sponsored record company. Was the construction of SBK Records part of the sale of your publishing?

CHARLES KOPPELMAN: It was an afterthought, but it became part of the overall transaction. What we thought about initially was buying EMI Music Publishing, as opposed to selling SBK Publishing. And that

purpose of building a record company.

RF: Based on your past experience with artists, in management and songwriting, this had to be the realization of a dream.

CK: Absolutely. I always felt that given the proper form, we could be successful as a record company. But I never wanted to do it unless it was the right way. It takes a tremendous amount of capital to give one the ability to go out in the



Left to right: Wendy Wilson, Carrie Wilson, Koppelman, Chynna Phillips.

got turned around in a series of meetings and negotiations and then when we agreed to sell SBK Music Publishing Jim Fifield asked us if we would be interested in setting up a joint venture with them for the

marketplace and find the best musical and executive talent.

RF: When this was in the conception stage, did you have any idea that within two years there would be so many other new record

companies in development?

CK: What was clear to me was there was a consolidation going on where the majors would be becoming bigger and stronger in music publishing and records. Every time that has happened in the past, the outgrowth was the emergence of newer, independent, smaller companies, because there's always a place for those kinds of companies. One of the reasons we decided to go with our own record company is that we always need an alternative for an artist or a producer, rather than being involved with with the Warner Bros., the Columbias.

RF: There will never be more than 40 places on a 40 record playlist, which means that record companies will have to scrape even harder for a share of the pie. I assume within the next few years we'll see a shake-out. What do you think will be the difference between the survivors and those that fall out?

CK: I think that at the end of the day, the music is the determining factor. There may be only forty places, and those forty places will be taken up, hopefully, by the best music.

RF: That means you're putting a lot of faith in those that make those decisions at radio.

CK: What I really do is I put a lot of faith in the public. I've always believed that talent wins out. It's always happened over my thirty years in this business—great music and great artists win out, somehow, some way.

RF: SBK Records has built its roster with relative unknowns. Has that been the approach from the beginning—to take an artist and grow as they grow?

CK: I've always enjoyed finding new artists, and hopefully breaking those artists. SBK gives us a great forum to do that. When you start a record company it's not as easy to attract a terrific established artist, because there are a lot of unknowns. So, SBK Records, number one by choice and two by availability, is a label that finds, develops and works with new artists. I've been doing that my whole life.

RF: There's got to be a greater sense of satisfaction in making a star out of them.

CK: It's the greatest. As we speak

today—when you're talking about all these record companies—my little SBK Records has two records in the Top Ten.

RF: You've been in the business since your early twenties. What do you consider to be the biggest changes during that time?

CK: I've seen a real up and down cycle. When I entered the business, music was the thrust and it's always been the thrust for me. If the music is great, the business takes care of itself. Music was the main thrust during the early '60s and toward the beginning of the '70s. And then I saw a change where "business" was the watchword, and those in the decision-making positions were business people as opposed to music people, and clearly we saw the music business and the music suffer because of it. That was the case for quite some time. Everyone has read *Hit Men*, and the one thing missing from the book is music. They talk about everything else under the sun except music. For me, music is the beginning, middle and the end. I'm quite encouraged because I think we're back to that, if you look at the records that are happening, and the artists that are developing.

RF: There was a time when record companies played much more of an active management/artist development role. Has that become a thing of the past?



Koppelman flanked by Partners In Kryme and his SBK Records staff.

CK: Not at SBK. That's exactly what we do. It's exactly what I've always done. We find an artist, and work sometimes for two years developing that artist before the music ever hits the streets. When we were just a production company we worked with the artist and

the record company—in a sense as a quasi-manager. And we do that now at SBK Records.

RF: The songwriting royalties seem to be the ultimate financial goldmine. You hear stories of artists who write a song in 20 minutes and then reap the royalties for 20 to 50 years.

CK: True. The music publishing/songwriting business is the true 'real-estate' of the music business.

RF: There are not as many stories now of artists selling their rights early, like Willie Nelson selling "Nightlife" for \$50.

CK: I don't think there are many stories today of writers who've sold their songs and given up all their rights to them.

RF: What can a songwriter expect to earn from a #1 record?

CK: In the short term, they could certainly see a couple of hundred thousand dollars and in the long haul, depending on how big the song is and how meaningful the copyright is, they could see an income of \$20,000 a year for the foreseeable future.

RF: What do you see as the difference between the one-hit wonders and the durable songwriters?

CK: For a recording artist now, as opposed to a writer, my personal standard is a unique vocal sound, one that's instantly recognizable. If an artist has that quality, then you've got some real potential for

eyes...

CK: Absolutely. The '80s were somewhat superficial, and I feel that the nineties are going to be real music, real food, the real deal. In the '90s we can actually ask for spaghetti, we don't have to just look for "pasta." Real food. If you want to have some steak, you can



Koppelman with Gunnar and Matthew Nelson.

have steak—no one's going to look at you like you're crazy. Again, real music, real artists have always been my criterion. Whether it was a Tracy Chapman, or working with Barry Gibb or Barbra Streisand.

RF: How does someone who runs a publishing empire and a blossoming, successful record company reconcile the present sampling conflict? Aren't you straddling a fence?

CK: Not at all. I believe firmly in the protective rights of composers, and that will always be a predominant motive for me as a music executive. I'm a big believer in the protection of copyright. As a record company I will deal in that manner. Just so you know, SBK has no controlled composition clauses. Most record companies, when they sign an artist who writes has a clause in their contract that says that the writer only gets paid 75% of what they should get paid. At SBK Records that doesn't exist. We respect the writer and the copyright creator.

RF: MCA reportedly has an in-house committee that reviews the lyrics of all the songs scheduled for release by the label. Is that an industry standard?

CK: No, it's not an industry standard.

RF: Do you have a review policy?

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CK: SBK's policy is that every song that gets released, I listen to!

RF: Is there anything a songwriter could possibly compose that you would find objectionable, offensive, libelous or treasonous enough that you would hold it from release?

CK: Absolutely, on a multitude of subjects, from women bashing, gay-bashing, etc. That doesn't mean I don't believe everyone has the right to express themselves, I do believe that. But I, as an owner of my record company, have the right to not put it out. That is also the opinion of my partner Marty Bandier. We're very conscious of those things, and believe everyone can say what they want, but likewise so can we.

RF: We know Marty's last initial is the B in SBK, who is the S?

CK: Steven Swid, who was originally our partner when we bought CBS publishing. When we sold to Thorn, Steven went on his way back into the finance world, and he's doing something in the film business. So now it stands for "Simply Bandier and Koppelman."

RF: What strengths do the two of you bring individually to the collective party?

CK: Marty and I have worked together closely for fifteen years. His strengths are from an organizational point-of-view. He's a lawyer by education, a businessman by training, and a terrific balance for me. We're somewhat different in personality and in the way we look at things. I'm an eternal optimist, he's more of a pessimist. To me, the glass is half full, to him it's probably half empty. He gives me the freedom to pursue more of the music and cheerleading and driving of our

business, because he's rooted and has the ability to focus and keep things in order. So it's a real good combination. But if I'm not available, after all these years, he can be in a creative meeting and deal with things the way I would deal with them, and likewise, if I have to negotiate a deal I can do that.

RF: It seems nearly impossible these days for a record company to make truly popular music without a cooperative distribution agreement with one of the Big Six (WEA, CBS, BMG, EMI, PolyGram, MCA). Do you think that's healthy?

CK: I think it's healthy. You've got these six major distributors, but you also have six major buyers. I just think with the utilization of computers and centralized buying that the distributors have been an outgrowth of what's happening in the marketplace with those who sell the records.

RF: For those of us who have never been involved with the publishing side of the music business, what do we need to know about ASCAP and BMI and the roles they play, and most importantly, what do you see to be the difference between the two?

CK: BMI and ASCAP are both performing rights societies. What that means is that they collect the revenue on behalf of the composers and the publishers, from anyone who plays or performs. They collect money from radio, television, concert arenas, nightclubs, jukebox play, etc. So they are a collection agency for performances. Both ASCAP and BMI collect and have agreements with all the people who in fact program music. There are personality differences, and differences in approach. I've always felt that BMI looked out for

the little guy, and is encouraging to new writers, new publishers. As their philosophy they have really put forth whatever help was necessary in either securing a record or helping a writer/artist get his to a record company. They've always been proactive. (Frances) Preston is a very aggressive, warm individual and sets the tone for BMI. On the other side, I felt that ASCAP was there to just collect the revenue and disburse the funds. That to me has been the major difference. Who pays out more money has been debated since the two societies have been around.

RF: What do you consider to be your proudest moment from your pre-SBK days?

CK: There were three, aside from the birth of my children—I have three—and marrying my wife. Finding the Lovin' Spoonful in 1965 was an incredible moment for me. The first time I saw them I knew that their music was something special, and their songs were something special—and lasting. In 1979-80 the concept of putting together Barry Gibb and Barbra Streisand as an idea, then executive producing that record—spending a year doing it—going from New York, to L.A. to Miami. Just knowing when the idea came that this would be a very special collaboration. In fact it ended up being what I knew it would when I first thought about it. The next one was when my son Brian persuaded me to go to Boston to hear Tracy Chapman. Hearing Tracy, I knew that Brian was right on the mark, and that she was brilliant. Then I wrestled with my conscience of whether, at that stage in my own career, did I want to get professionally involved with this young girl, knowing all the

pitfalls of this business and knowing how difficult it is to break an artist somewhat against the grain—and then making the decision to do that. And knowing, with Brian, that this was going to be not only a critically acclaimed project, but a commercially successful project. To me it was a "no-brainer," no different than Wilson Phillips was a "no-brainer."

RF: She (Chapman) takes a shot at the business in her second album...

CK: She takes a shot at the establishment in general. You can understand that. You're talking about a girl who just graduated college, puts out her first record and it sells ten million copies. It's kind of overwhelming.

RF: What has been your proudest moment since SBK has started?

CK: Wilson Phillips and the team of executives—Daniel Glass, Arma Andon—the kind of camaraderie we've built. The family feeling at SBK Records—the atmosphere and the vibe. We're making music, we're not saving lives.

RF: Do you have anything you want to add?

CK: To all of your radio people that use the Gavin Report as their bible: This is a business of music, it's not a business of Arbitrons. If we're all true to the music and our likes and dislikes, everything else comes naturally, including the ratings. I would hope that your subscribers out there listen to the music before they read their research and charts. Because if they don't then we're just going to get this big, wide homogenized music that listeners are going to tune away from, and they're going to find something else to do and that's going to defeat everybody's purpose. ●

Editorial Assistance by Cyndi Hoelzle



PETER ALLEN

TONIGHT YOU MADE MY DAY

Thanks Radio!
Debut this week
Gavin A/C Chart

37*

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