



GEORGIA STATE SENATE

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THE JOINT SENATE AND HOUSE STUDY COMMITTEE ON MUSIC ECONOMIC DEVELOPMENT

SUMMARY OF MEETINGS

COMMITTEE MEMBERS

Senator Jeff Mullis - Co-Chair
District 53

Senator Tyler Harper
District 7

Senator Butch Miller
District 49

Ms. Michele Caplinger
The Recording Academy

Mr. Matt Still
Producer & Engineer

Mr. Steve Weizenecker
Barnes & Thornburg

Ms. Lisa Love
Georgia Department of Economic
Development and Tourism

Representative Matt Dollar - Co-Chair
District 45

Representative Spencer Frye
District 118

Representative Lee Hawkins
District 27

Mr. Charlie Brusco
Red Light Management

Mr. Brandon Bush
Musician & Producer

Ms. Mala Sharma
The Zero Mile

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I. COMMITTEE CREATION

Senate Resolution 1027 created a Joint Study Committee on “Music Economic Development” in Georgia. The Committee was composed of 13 members. The President of the Senate designated three members: one representative of the recording academy; one professional music producer or recording engineer; and one music festival producer or major concert promoter. The Speaker of the House of Representatives designated three members: one attorney who represents clients in the entertainment/music industry; one professional touring musician; and one post-secondary educator who teaches in the music business field. Also, either the commissioner of economic development or their designee will be a member of the Committee. The Committee will stand abolished on December 31, 2016.

II. COMMITTEE FOCUS

The music industry significantly contributes to the quality of life and economic welfare of the citizens in this State. Many studies have found that regions rich in music economy attract large levels of highly educated talent. It is a given that the industry also attracts young creative talent and millennials. In order to continue to promote and encourage continued growth and success of the music industry in the state of Georgia, the Joint Study Committee examined:

- The economic impact in the State and ways to expand, measure, promote, and foster collaboration with other creative industries such as film, digital media, and gaming;
- The current mix of music content creators and ways to retain and attract talent while expanding music content as a net cultural export;
- Ways to support and promote the current state of the music and the sound recording sector;
- Ways to support and promote the current state of music tourism including live music performances and music festivals;
- Ways to support and promote innovation and enterprise investment in the current state of music technology and entrepreneurship;
- Ways to develop the musical tour and theatrical production;
- Post-secondary music education opportunities and ways to ensure a consistent, trained, and reliable future workforce and alignment with the private sector;
- Ways to strengthen and expand music while taking into account the business side of music and the various industry clusters; and
- Ways that the Georgia Music Hall of Fame can promote music in Georgia while providing continued economic development.

III. BACKGROUND

"Music does not just happen; taking a song from a concept to a recording and then distributing it around the world takes a huge amount of work, time and effort and an array of people. There are writers and recording artists, the creators and performers. There are those who discover and nurture artists, those who produce the recordings and the videos, and those who market and promote them. And then there is the distribution, in physical and digital formats, to thousands of retail partners and digital services."¹

¹ IFPI report Investing in Music 2016

Music is, after all, a cultural and economic catalyst. Behind every musical talent is a **business machine** working behind the scenes that includes business managers, producers, attorneys, publishers, tour and support staff, and countless others.

Georgia has been at the forefront of nurturing homegrown talent for over 50 years. However, over the past ten years, Georgia's music economy and impact have been declining. Based on testimony from the presenters, Georgia has lost its leadership position and market share because competing states have adopted more aggressive music incentives. With so many strong music cities around the state – Athens, Savannah, Macon, Augusta, and Atlanta – Georgia's musical creativity and innovation has become a "farm team," that with success moves out of State. In a market where music is thriving so are all other businesses. To this point the music economy reaches across many different categories of economic activity including manufacturing, construction, retail, consumer services, non-profits, and public sector. Businesses vary in size and scope some highly skilled and specialized as well as many contract employees. Approximately 30 percent of the music industry workforce is self-employed and, without an in-depth study, it is difficult to measure how many more are employed in other industries while still teaching, playing music for a living, etc.

Other states such as Tennessee, Louisiana and Texas have long recognized the impact of music to keep their states leading in business development. In doing so, not only have they created thousands of jobs within the music industry but have also have been able to better attract businesses outside of entertainment. This coupled with recent incentives from Ohio, Pennsylvania, and New York has added to the talent decline that is being felt around the State. Nashville now boasts a \$10M economic impact in the City alone and is able to attract businesses across all sectors because of the rich music culture.

At the current pace, Georgia will continue to lose market share, talent, and vital infrastructure needed to be a diverse musical hub. Currently there are over 48 music business and music programs offered around the State in Universities and Post-secondary Programs from Clayton State, University of Georgia, Georgia State University, Kennesaw State University, Brenau and the list goes on. There are also 16 Professionals Symphonies. At one time there were hundreds of recording facilities around the State but that number is rapidly decreasing. During the time period of these Study Committee meetings, two prominent Atlanta based studios have closed.

The resounding message as the Committee traveled around the State to hear from industry professionals was that we must find a way to retain, attract and grow the industry.

IV. MEETING DATES & DISCUSSIONS

Friday October 21, 2016 - Savannah, GA

SPEAKERS

- Ms. Tammy Hurt – Placement Music
- Mr. Bram Bessoff – Indiehitmaker
- Ms. Peggy Johnson - Callanwolde Fine Arts Center
- Mr. Jared Hall - Savannah Childrens Choir
- Mr. Brad Gibson - Capital A Productions
- Mr. Howard Paul – Benedetto Guitars
- Ms. Kayne Lanahan - MusicFile Productions, LLC Savannah Stopover Music Festival

- Mr. Kenny Munshaw - Dollhouse Recording Studio & Live Music
- Mr. Robin Beauchamp - SCAD, Savannah

Discussion

- The need to delineate between music tourism and economic development;
- Developing music opportunities for the future;
- Taking an active approach to marketing with current incentives that could bring in thousands of jobs and millions of dollars in revenue by working with film companies;
- Music budgets generally account for five percent of an overall budget of a project and with the \$1.7 Billion spent in 2015, there was an opportunity to have \$85 Million in scoring, sound design, and automated dialogue replacement for those films; these opportunities could be capitalized by promoting talent, studios and this unknown incentive directly to film studios early in the project scouting phase; and
- Creating “Music Ready” counties around the State could provide resources for music needs; the Committee learned that the Savannah area had several music instrument manufacturing companies and is looking for ways to promote and expand to attract other music manufacturers to the area;
- Suggests a tax incentive for music that compliments the Film Tax Credit;
- Suggests a tax incentive for tour origination;
- Stressed the importance of live music;
- Geographically in a good position for tour origination;
- The importance of viewing film and television, along with music as entertainment instead of separately in silos.
- Important to incentivize investment in tangible property rather than leasing or rentals;
- Georgia not having a live event production educational program should consider adding onto Georgia Film Academy to include music training as well.
- Tax incentives are needed for instrument manufacturers in Georgia;
- The National Association of Music Merchants (NAMM) conference is a great opportunity for the state of Georgia;
- There are multiple successful music festivals in Savannah;
- Marketing music in Georgia; and
- How to increase internship opportunities for Savannah College of Art and Design (SCAD) students to cultivate partnerships with companies and music businesses.

Monday November 7, 2016 – Atlanta, GA

Speakers

- Mr. Coy Bowles, Musician Zac Brown Band
- Mr. Steve Weizenecker, Barnes and Thornburg
- Ms. Kerren Berz, Columbus Symphony/Galloway School
- Mr. Michael Foster, PRG
- Mr. Craig Hoffman, Monarch Private Capital
- Mr. Johnny Colt, Musician Lynryrd Skynyrd/Avatar Events Group
- Ms. Nikki Taylor, Taylored Media

Discussion

- Stressed the importance of doing something to keep businesses, talent, and the thousands of students graduating from one of the 48 Universities or Post-Secondary programs from leaving to further their careers in an environment with more opportunities than Georgia;
- While Louisiana has had incentives in place for a number of years, Ohio, Pennsylvania and New York have recently expanded targeted music incentives;
- Beyond the creative careers of musician, singer, songwriter etc.; the Committee learned of many highly specialized positions with higher than average salaries;
- An incentive to attract more scoring opportunities in general would provide opportunities for the thousands of classically trained symphony players from the 16 orchestras around the State;
- Empowerment zones and opportunity to attract investors in the music industry development growth could help stimulate opportunity;
- Artists that once lived in Georgia, held five of the ten places in the Billboard Country Charts for the week; and;
- Christian artists and Gospel and church tours would benefit as well from a tour origination incentive similar to other states. These large tours are typically multi-day events drawing hundreds of thousands of people;
- Music industry should piggyback on the film industry;
- Incentives for tour rehearsals are needed;
- Utilize brownfields and former manufacturing facilities for backline companies;
- A 25 percent tax credit on construction would make projects more feasible;
- A-list artists have indicated that a 25 percent tax credit would incentivize them to start their tour in Georgia;
- Investment in educating workers for live music production is needed;
- Amend the Film Tax Credit to include music production of films not shot in Georgia;
- Resources are needed for string recording that are large enough to support a full orchestra
- Transferable investment credit being the best option for the music industry.

Sunday December 4, 2016 – Athens, GA

Speakers

- Mr. David Barbe, Director of the Music Business Certificate Program at the University of Georgia
- Mr. Bertis Downs, REM Manager
- Ms. Velena Vego, Talent Buyer 40 Watt Club, Artist Manager
- Ms. Lisa Love, Georgia Department of Economic Development and Tourism
- Ms. Jan Smith, Jan Smith Studios
- Mr. Andy Soloman, Tour Production Manager

Discussion

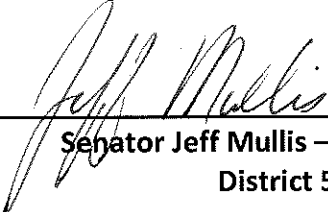
- Encourage retention, growth, and utilization of Georgia's musical infrastructure to create thousands of new jobs and investment;
- Business Music Major program started ten years ago and the program has grown very fast;
- Recording credit is also a good idea;
- Discussed the state of Louisiana's model;
- Governor's priority is to retain Georgia talent and current market;
- Need money within Economic Development to market the current incentive for scoring film projects.
- Suggests the need for music ready communities similar to camera ready communities;
- Recommends looking at the Ohio bill for tour origination;
- Stressing that the infrastructure and talent does exist in Georgia;
- During tours, you have 100 to 150 people staying for four to eight weeks for a large show startup.
- Recording budgets are generally \$10,000 - \$50,000; much less than film budgets. However, unlike film, much of the talent and crew are Georgia residents having to leave the State for employment.

V. Conclusion

No other region in the country has contributed more to the development of American music than the South. The music genres of jazz, rock and roll, the blues, and country western all have Southern roots whose influence and popularity have spread all over the world. This State has produced great pioneers such as James Brown, Little Richard, Johnny Mercer and Otis Redding to musical innovators the B-52s, Outkast, and R.E.M., along with the current chart-toppers Luke Bryan, Casting Crowns, Future, Lecrae, Third Day, Usher, Zac Brown Band and many others. Not only does Georgia want to keep producing great legendary musicians in this state, but we also want to retain them. Georgians have helped shape the fabric of American music. Let us make Georgia a music ready community; where our State can offer you a one stop shop for music opportunities.

VI. SENATE SIGNATURE PAGE

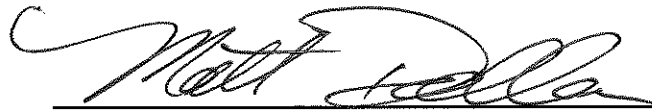
**SUMMARY OF MEETING MINUTES
THE JOINT SENATE AND HOUSE STUDY COMMITTEE ON MUSIC ECONOMIC DEVELOPMENT**



**Senator Jeff Mullis – Co-Chairman
District 53**

VII. HOUSE SIGNATURE PAGE

**SUMMARY OF MEETING MINUTES
THE JOINT SENATE AND HOUSE STUDY COMMITTEE ON MUSIC ECONOMIC DEVELOPMENT**

A handwritten signature in black ink, appearing to read "Matt Dollar", written over a horizontal line.

**Representative Matt Dollar – Co-Chairman
District 45**