



CREATIVE FUTURES

INTUITION

Nicola Sloane:

When was the last time you walked into a record store? Or are you more likely to download the tracks that you want to hear? As with many consumer experiences, our interaction with, and consumption of music has changed. But what of those who are producing it? Companies and organisations that have not been able to adapt, innovate and change have often quietly folded. In contrast, the independent music label Beggars has found a way to re-invent themselves and embrace the challenges that new technology has brought.

Martin Mills:

The internet has caused the record industry to change almost beyond recognition. Obviously, not just digital sales, but also the whole way that we and our artists reach our fans is completely different. Plus there's streaming which of course never existed before. We've always been welcoming of that change, I think that for us the internet has been far more of an opportunity than a threat.

Nicola Sloane:

Beggars set up shop in 1977 and are still based in the same Wandsworth offices. They are now home to four Beggars group labels, and Martin Mills heads up Europe's largest independent record label.

Martin Mills:

The growth of this company has definitely been evolution. For the first 5 years it was all a happy accident, and it was probably 10, 12, 15 years in before it became evident that there was a growing business with a future. Around about, the late 80s, early 90s, we actually put some thought into infrastructure and corporate governance and those kind of things. I try and combine a very solid base of the business within an extremely loose management style. We give people an enormous amount of autonomy and trust. But at the same time I sign every check. So I see the results of their decisions when it comes to us paying the bill; so obviously if someone has made the wrong decision, we then talk to that person about why the decision they made was wrong and hopefully next time they make the right decision. One of the great important realisations in life is not to defend your mistakes, just to own up to them and say: screwed up, got it wrong. Sorry. It happens all the time right? We're very prepared for people to do that. In as much as mistakes are black and white anyway.

But I think it's far more important for people to be able to experiment, and spread their wings. It's always been important to me to kind of separate the organisational infrastructure, from the kind of creative and artistic and flexible side of it, which is gotta be as free form as it possibly can be.

Nicola Sloane:

Threats to the distribution of creative products are not new, and effect creative industries. As an independent record label Beggars have had to work alongside giant distributors such as Universal and EMI. How have they adapted and taken advantage of the most recent disruptive innovations in their area?

Martin Mills:

Competing with free and the integration of digital world into the existing copyright legal framework, is certainly difficult. We've been big supporters of services like Spotify, because I think not only do they allow people consume music in the way they wanna consume it these days. But they also provide an easy way in from the illegal and free market. For the majors it meant a loss of control of distribution - it's taken them a long time to come to terms with that. The independents never had control of the distribution. We just used the distribution that's there, so it's kind of been easier for us, I suppose. And the beauty of the internet is that it allowed a cottage industry to be a global industry and we can be sitting here in a bunch of terraced houses in Wandsworth. And we can be having an impact across the other side of the world, in a way that simply wouldn't have been possible 20 years ago. And an awful lot of the innovation that we've done internally over that time has been to take advantage of that opportunity.

Nicola Sloane:

I do tend to make a judgement on previous, but sometimes the best decisions I've made have been the ones completely outside the box that have been the unique ones. In an industry that by its very nature is not all about being in the office at your desk, Beggars recognised the advantage of having staff working for them who are actively engaged in the music field and encourage this kind of networking.

Martin Mills:

One thing that we find generally does not work with people, is working from home. I mean obviously technologically it's perfectly possible, but you miss the interaction. On the other hand, we're very, very relaxed about letting people do other jobs at the same as working for us. Like if someone is managing a band or running their own record label in their spare time, well not actually in their spare time, but in work time, we're pretty relaxed about that because we feel that if they're doing something that is part of the broader musical community, even if

there's no direct benefit to us, it's an indirect contributor to the world in which we live and in which we flourish.

Nicola Sloane:

These days creative ideas often come from both inside and outside the organisation. But how important is it to find the right people? And what can you do to develop an environment in which creativity can flourish?

Martin Mills:

In our business I don't think you can particularly employ someone to be a creative person, you just have to employ people to do roles that are needed to do anyway. And you encourage them to take a creative approach towards that role. But bare in mind, a lot of the creativity we work with comes from the people that we contract with rather than the people we employ. We do tend to employ people with a certain spirit, We tend to hire people that we feel that are the right people instinctively and let them grow with us. But the imposition of a structure on the business has been a gradual and necessary process, even though we're sitting in our board room and our board table is a table tennis table, which after 30 years still says a little bit about us, but at the same time we are a proper business, and I think that's one of the reasons why we've survived and flourished and other independent competitors from the era that we started in, who put out music that was just as great, have fallen by the wayside.