Analysis of the Business Environment for Jazz Services Ltd Business Plan 2008-2011

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Foreword

The following document is an edited copy of an environmental analysis that informed Jazz Services business planning 2008/2011. Jazz Services hopes it will add to the general pool of knowledge of jazz in the UK and that it will be of use for students undertaking business studies or courses in the music industry. The document was written in August 2008.

Chris Hodgkins
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Executive Summary

I Environmental Analysis for Jazz Services Ltd Business Plan 2008/2011

1. Political

1.1. Possibility of a change of government in 2010 from Labour to Conservative
1.2. Continuing impact of the Olympic Games
1.3. McMaster Review impacting on organisations funded by Arts Council England.
1.4. Various Government reviews; Comprehensive Spending Review, Varney Report, Gershon Report, Capability Reviews – all with the objective of forging a more efficient public sector.

2. Economic

2.1. Tough spending environment for Government departments.
2.2. Pessimistic outlook for the UK economy, continuing fallout from the credit crunch, negative equity in the housing market, rising prices leading to less disposable incomes.
2.3. Olympic Games have diverted lottery funding impacting on grants for the arts and opportunities for touring.
2.4. Funding withdrawn from Welsh Jazz Society.
2.5. Arts Council England funding or organisations dealing with jazz has increased funding from 2008/2010. EMjazz, Serious, Birmingham Jazz, Jazz Action, NW Jazzworks, Jazz Yorkshire, Dune and Jazz Services.
2.6. Jazz accounts for £87 million of expenditure but is 1.75% of the total of £5 billion spent on music in the UK.
2.7. Sales of jazz CDs in standard retail outlets are falling as is the price of CDs.
2.8. Online sales of music continue to grow.
2.9. Portable music players (iPods) are set to grow by 500% to 50 million units by 2010.
2.10. Rising cost of newsprint.
2.11. Advertising on national and regional newspapers declining by 3% per annum.
2.12. Share of total advertising from newspapers has fallen from 6% to 5.6% in 2007.
2.13. Consumer magazine advertising is forecast to increase by 0.2% in 2007.
2.14. Online advertising and ecommerce are growth areas.
2.15. Annual spend on jazz education and training in 2004/2005 £12.07 million or 14% of total expenditure on jazz.
2.16. The potential of circa 500 students on jazz courses to enter the labour market as musicians each year.

2.17. A core of 527 promoters. Average audience sizes of 100 or less. Ticket prices are between £5 and £10. Cheap compared to other music events.
2.18. Majority of musicians are paid below the national average wage.
2.19. 41% of promoters receive financial support.
2.20. Jazz festivals are many. 45% of festivals receive funding of over £10k.
2.21. Intellectual copyright is valued at £5 million per annum.
2.22. The licensed trade and the high gearing of many pub companies ("PubCo's") offers opportunities for the live music venue chain.

3. Social

3.1. The size of the market for jazz in England Scotland and Wales is 6.6 million.
3.2. London has the greatest number of jazz attenders (10.2%) with the North East having the lowest (4.5%).
3.3. There is a healthy overlap of jazz and contemporary dance audiences.
3.4. The audience for jazz for 15-24 age range is 7% as compared to the national distribution of 12% for 15-24 age range.
3.5. Above average audiences for the social grades ABC1.
3.6. Attendances at jazz events were lowest among Asian communities and above average for black communities.
3.7. Jazz attenders favour broadsheet newspapers.
3.8. 4.8% of people watch jazz on television but do not attend. 6.4% of people attend. Total potential audience for 2002/2003 was 11.2% (5.25 million people).
3.9. 30 million people are online in the UK.
3.10. 83% of the 16-24 age groups access the internet compared to 15% of the 65+ age group.
3.11. Films and music are the most popular purchase on the internet (53%).
3.12. 56.8% of the 16-24 age groups access the internet for entertainment information as compared to 24.8% for the 55+ age group.
3.13. No absolute displacement of 'old' media.
3.14. Visits to JSL website have declined.
3.15. Problems experienced by promoters and musicians.
3.15.1. Promoters:
- Small audiences
- Lack of publicity
- Need for subsidy

3.15.2. Musicians:
- Licensing Act
- Need for more performance opportunities
- Low level of awareness of funding opportunities
- Low level of marketing and self promotion

4. Technological

4.1. A need for touring and Jazz UK in hard copy (old technology).
4.2. Advent of the “long tail” and the potential for jazz & online sales.
4.3. Web 2.0 – the next phase in online development.
4.4. Births of the super site – people regularly visit six or less sites.
4.5. The internet provides accessibility.
4.6. The UK will have switched to digital television by 2012.
4.7. Television will be content driven. Viewers will create their own schedules.
4.8. Radio – commercial radio has proved disappointing. The compass points due north to public sector broadcasting, internet radio and new media online.

5. The environment

5.1. Green issues are moving up the agenda. For JSL eliminating waste and green taxes.

6. Legal

6.1. Charities Act with regard to annual statement of public benefit, purchase of public indemnity insurance for trustees and payment of trustees for goods and services.
6.2. Companies Act has tightened up rules regarding conflicts of interest with directors/trustees.
6.3. Employees unless they can prove they are registered self employed are on PAYE.
6.4. Seven principles of public life are becoming increasingly adopted by public organisations.
6.5. Boards of arts organisations should have representation from practitioners.
6.6. Trend towards measurement of not only the quantitative measures of success but qualitative measures and the wider impact of an organisation’s work.
6.7. Development of alliances and partnerships as an effective way of development.
6.8. Trend towards the use by Government of social enterprise companies.
6.9. Disability Discrimination Act 2005 places a duty on all companies and organisations.
6.10. Intellectual copyright is at the top of the music industry’s agenda.

II Key Environmental Influences and Drivers for Change affecting Jazz Services Ltd - 2008/2011

1. Politics

1.1. The political parties – General Election

In 2010 there will be a general election. If Tuse's recommendations in his report to the Conservative Party are enacted then JSL could be funded directly by the DCMS. It is crucial that JSL builds its profile and delivers its objectives and work programmes so that whatever the outcome JSL is in a strong position to ensure funding under any government.

1.2. The McMaster Review

The McMaster Review of the Arts Commissioners by the DCMS (January 2008) is having an impact on the thinking of the Arts Council England, primarily in the area of evaluation and assessment of publicly funded arts organisations.

1.3. Olympic Games

The Olympic Games will impact financially on the arts sector as it drains money from arts and lottery funding.

Furthermore, the Olympic Games will generate – to the possible detriment of the arts – acres and swathes of news. It is crucial that JSL builds a strong, vibrant and recognisable presence.

1.4. Comprehensive Spending Review, Verney Report, Gershon Report, Capability Reviews

The Government has undertaken or commissioned various reviews into the efficiency of the public service sector. The drive continues for:

- Less bureaucracy;
- Efficiency savings leading to a "tough spending environment";
- A more efficient public sector.

1.5. Arts Council England

The key influence driving the Arts Council is "increasing engagement in high quality arts that will be at the heart of its mission 'Great Arts for Everyone'.

2. The Economy

2.1. Economic Outlook

It is sensible to take a very pessimistic view of the UK and world economy over the next three years. There is a high risk of an economic downturn which will impact on employment, disposable incomes, etc. For JSL immediate concerns would be:

- Unemployment/rising prices leading to an impact on box office receipts at jazz gigs. The impact on the volunteer jazz promoter sector could be high and affect work opportunities for Touring Support Scheme bands.
- Touring costs will rise due to increase in petrol.
- Public funding – an economic downturn always brings a tightening of the belt and could affect JSL's future levels of funding.

2.2. The Licensed Trade

The Pub Companies ("PubCo's"), many of whom are highly leveraged, are running into trouble which could provide an opportunity for JSL and its plans for a chain of live music venues.

2.3. Paper Costs – Newsprint and Pulp

Paper costs will rise over the next three years.

2.4. Olympic Games

ACE cut its 'Grants for the Arts' Scheme from £83 million to £55 million. Similar cuts have taken place in Wales and Scotland to pay for the Olympic Games. If reported overspends on the Olympic Games continue future raids on lottery funds should not be ruled out.

2.5. ACE Funding of Jazz

Funding for jazz in England and Scotland has risen with above inflation increases to 2010/2011. The Welsh Jazz Society has had its funding cut. Jazz Services' funding has risen from £257,500 in 2004 to £412,104 in 2011 – an increase of 60%.

2.6. Domestic Spending on Music in the UK

The spend is circa £5 billion annually and the spend for jazz is £87 million. Jazz accounts for 1.75% of the total spent on music in the UK.

2.7. Sales of CDs and online sales

British Phonograph Industry ("BPI") report that sales of CDs went from 2.7% of total units sold in 2004 to 1.7% in 2005, a decline of 63%. In 2001 Miles Davis accounted for 13.3% of the sales of jazz CDs. In 2005 Jamie Cullum accounted for 13.8%, Ray Charles 13.4% and Madeleine Peyroux 13.2%. 40% of the sales of jazz CDs was accounting for by three musicians.

The price of CDs is falling from £11.46 in specialist shops in 2000 to £10.07 in 2005.

However, the recording scene in the UK is a 'cottage industry' and bands release their albums themselves.

2.8. Online Sales

There is a substantial growth in online sales and podcasts. Online sales have doubled since 2004. Portable music players are set to grow from £10 million 2006 to £50 million in 2010.

2.9. Advertising Revenue forecasts for the media.

National and regional newspaper advertising is declining 2% and 3% respectively per annum. Consumer magazines advertising revenue is forecast to increase by 0.2% in 2007. As a % share of the total advertising revenue has fallen from 6.0% in 2000 to 5.6% in 2007.

2.10. Jazz Education

Annual spending on jazz education and training in 2004/2005 is estimated at £12.07 million. 43% of musicians gave private tuition, followed by schools at 18% and peripatetic teaching at 15%. However, jazz still occupies a relatively small place in music and education training as a whole in the UK although this is increasing.

In terms of the labour market, 590 undergraduates and 70 post-graduates study jazz each year.

2.11. The Live Jazz Scene

2.11.1 Promoting

The core of jazz promoting in the UK is 527 promoters and 1301 venues; 55% of whom promote 20 or less shows per annum and 25% promoting at least one a week.

2.11.2 Audience Size

Average audience size is 100 or less, only 1 in 7 promoters organise events of over 200 audiences.

2.11.3 Ticket Prices

51% of promoters charge between £5 and £10. The 16 venue National Arena Association reported that average ticket price of music events increased from £32.14 to £36.45 between 2005 and 2006. On Sunday 18th May 2008 ticket prices for a concert at Symphony Hall of Mozart started at £8 and the cheapest seat in the Royal Opera House was £30.

2.11.4 Musicians Fees

50% of musicians' income came from live performance fees and the majority of musicians were paid below the national average.

2.11.5 Subsidy and Sponsorship

41% of all promoters received some sort of financial support.

2.11.6 Festivals

There are circa 200 festivals, 38% of which are organised by existing jazz promoters. 45% of the festivals received funding over £10k.

2.11.7 Composition and Music Publishing

The Value of Jazz placed a value of £4.95 million. However, performers' royalties from PPL were not taken into account due to the merger of PAMRA and PPL.

3. Social

3.1 Market Size

The size of the market in England, Scotland and Wales is 6.6 million whoever attends, watch on television or read about them in papers.

London has the greatest number of people who attend jazz of 10.2% with the North East having the lowest 4.5%. The audience for jazz from 1994/95 to 2002/03 went from 6.6% in 94/95 to 6% in 98/99 rising to 6.9% in 2003/04.

With the recasting of the question in the questionnaire attendances rose to 7.5% in 2004/05 and to 9.4% in 2005/06. In 2005/06 attendance for opera was 8.4%, classical music 15.9%.

There is a healthy overlap with contemporary dance.

3.2. Demographics

3.2.1 Age

Attendance in the age range 15-24 is 7%, which is less than the distribution of the 15-24 age ranges of 12%; general attendance in the age range 25-34 is 13% and the population generally 14%, In the remaining age ranges attendance is above the % of the distribution of the population generally.

3.2.2 Social Grade

Jazz, like all other art forms, has a propensity to attract above average audiences for social grade ABC1.

3.2.3 Ethnicity

Levels of attendance for jazz events were lowest among Asian communities and above average of 5% for black and mixed ethnicity.

3.2.4 Newspaper Readership

Jazz attenders favour broadsheet daily and Sunday newspapers as opposed to the red tops. Of the % of readers of newspapers who currently attend jazz 7.9% read the Daily Mail, 1.9% the Sun and 26.5% the Guardian.

3.2.5 Television

In 2002/2003 4.8% of people watched jazz on television but did not attend jazz events and 6.4% of people attend jazz events. This generates an audience for jazz of 5.25 million people.

3.2.6 The Internet

30 million people are online in the UK and rising.

14.8 million people use the internet for cinema/theatre/concert listings and 21.9 million people source information on their activity or interest.

40% of the households in 2006 had broadband internet access.

There is still a divide between young and old. 83% of the 16-24 age group access the internet compared to 15% of the 65+ age group.

The most popular purchase on the internet was films and music (53%).

38.6% of the Tickbox Survey (2006) accessed the internet for information on entertainment with 56.8% of 16-24 age group and 24.8% of the 55+ age group accessing the internet for entertainment information.

3.3 Jazz Promoters

67% of jazz promoters organised events with an average attendance of 100 or less. There are a number of common problems:

- Small audiences
- Lack of publicity
- A need for subsidy

3.4 Musicians

- Below average wages
- Low level of awareness of funding opportunities
- Lack of gigs
- Lack of contracts
- Lack of venues

4 Technological

4.2 'Old' Technology

4.2.1 Touring

Touring is still a crucial part of the UK jazz scene. There is a scenario from a PPL report that live public performance outlets decline as virtual reality experience grows. The bedrock of UK touring, the volunteer promoter, needs stability and a home of its own – in which it can flourish.

Tours provide a useful and lucrative outlet for CD sales.

4.2.2 Jazz UK

There is a need for printed distribution of Jazz UK magazines and co-existence of old and new media will continue in the internet age.

4.3 New Technology

4.3.1 The Long Tail

The concept of the Long Tail is of seminal importance to jazz – a paradigm shift from an industry driven by hits to one of niches and unlimited selection.

4.3.2 Web 2.0

The internet is in phase two of its existence – *"firms must engage and co-create with everyone partners, competitors, education, government and most of all customers".*

4.3.3 Birth of the Super site

People are regularly visiting just six or less sites. People are using the internet more smartly. People said the important factors in a website are:

Trusted
Tried and tested
Familiar
Reliable

4.3.4 Accessibility

The internet can provide accessibility inter alia, education, mature markets and the disadvantaged.

4.3.5 Digital Television

The UK will have switched to digital television by 2012.

4.3.6 The Future for Television

Television will be content driven with viewers creating their own schedules to meet their needs.

4.3.7 Digital Radio

Jazz on commercial radio has been a disappointment with JazzFM/Smooth Jazz in respect of content and theJazz a victim of corporate takeover. The compass always points to due north which in this case are public sector broadcasting, internet radio and new media.

5 Environment

The Environment moves up the agenda – two issues that will impact on JSL are green taxes and eliminating waste.

6 Legal

6.2 Corporate Governance

6.2.1 Charities Act 2006

There are a number of issues in the Charities Act: trustees can be paid for providing goods and services; trustees will have to report annually on the public benefit of Jazz Services. Trustees will be able to purchase trustee indemnity insurance.

6.2.2 Companies Act 2006

Whilst the Charity Commission have relaxed rules regarding the payment of trustees, the Companies Act has tightened up rules regarding conflicts of interest.

6.2.3 Self employment

All employees, unless they can prove unequivocally, they are self-employed, have to be registered on PAYE.

6.2.4 Seven principles of public life

The principles of public life as set out by the Committee on Standards in Public Life are increasingly becoming adopted and embedded in public organisations.

6.2.5 Additional Trustees

The Culture Secretary and the McMaster Review encourage the addition of practitioners to charitable boards.

6.2.6 Measuring Success

Increasingly Government is requiring arts organisations to measure not only their success quantitatively and qualitatively but also the wider impact of their work. Total quality management, project management appraisal and evaluation are essential in today's management climate.

6.2.7 Alliances

Alliances and partnerships are key components in JSL's development of its strategy and operations.

6.3 Social Enterprise

There is a trend for charities to become 'social enterprises'.

6.3.1.1 Disability Discrimination Act 2005 and the Disability Equality Duty.

All companies have a tangible responsibility under this Act.

6.4 Copyright

Intellectual copyright and performers: Copyright is at the top of the music industry agenda. Rights management are becoming a crucial component of the major labels' activities.

7 Marketing and Strategy

7.2 Competitive Environment

7.2.1 Jazz Services

JSL does not perceive any organisations as rivals, however there is always competition for scarce resources such as funding.

Threat of entry – considerable public subsidy is required to undertake JSL's role and range of services.

Substitute products – there are substitutes in terms of music genre, e.g. folk, but no close substitutes to JSL.

Bargaining power of suppliers – weak but in the case of musicians, JSL has a duty of care to see that this bargaining power is not exploited as JSL has a role to play in helping develop professional rates of pay and conditions.

Bargaining power of buyers – the Arts Council's power as the major funder is strong.

Competitive rivalry – JSL works with all organisations to further its objectives and does not encroach on 'niche' areas of other companies and organisations.

7.2.2 Jazz UK

Jazz UK is being brought 'in house' to Jazz Services.

Threat of entry – a low threat of entry at the present time.

Power of suppliers – the power of suppliers is high as Jazz UK receives favourable arrangements. Switching costs could be high.

Power of buyers – power of buyers is high. There are a number of alternative suppliers for advertising. However, Jazz UK's distribution and 30K print run helps diminish this power.

Power of distribution – there is a threat from online substitutes.

7.3 Market Segments

There are some 33 market segments, the largest is the end user numbering 6 million. This market can be in turn segmented in usage, demographics, lifestyle etc.

7.4 Value Chain Analysis

7.4.1 Recordings/CDs

There are weaknesses in the value chain:

- Lack of exposure in the media
- Lack of distribution companies
- Few retail outlets with specialist knowledge
- Lack of knowledge of marketing and distribution online

7.4.2 Print and broadcast media

JSL and Jazz UK can plug into the value chain in terms of:

- Listings and photo library
- Customer process/consumer stage by building on broadcast, what's on section in JSL website, BBC listen again facility
- Production of podcasts
- Develop internet radio

7.4.3 Jazz Services

Continued development of website services and feedback and evaluation mechanisms

7.5 Service Portfolio

7.5.1 Existing Services

Work on Recording Scheme and Education Services.

7.5.2 New product development

Develop:

- International development and services
- Online jazz music Business Resource
- On-line Photo Library
- Live Music Venue Chain

7.6 Communications

Build JSL Communication methods online in plain English
e.g. press releases, e-zines

7.7 International Development

Incrementally build JSL's international role with the development of clear goals and objectives and the provision of appropriate services.

1. The Landscape

1.1. Introduction

The Jazz Services Ltd (JSL) business plan is set to commence in 2008 till 31st March 2011 and runs in conjunction with the Arts Council of England's three year funding agreement 2008/2011. (See Appendix I). Jazz UK forms an intrinsic part of the business plan. There will be a general election in 2010 and the advent of the Olympic Games in 2012 will have a substantial effect and could impact on funding. This document is not an attempt to predict the future. The future is unpredictable.

"*Decisions exist only in the present. The question that faces the strategic decision maker is not what the organisation should do tomorrow. It is 'what do we have to do today to be ready for an uncertain tomorrow?' The question is not what will happen in the future. It is what futurity do we have to build into our present thinking and doing, what time spent do we have to consider, and how do we use this information to make a rational decision now?" (Drucker 1988)*

2. Goals, Objectives, Strategies and Plans

It would be useful at this stage to define what is meant by goals, objectives, strategies and plans

2.1. Goals, objectives, strategies and plans

A strategy serves as a basis for agreement for all parties on the goals towards which an organisation's efforts are to be directed and helps ensure co-ordinated action.

If there is no agreed strategy, the action taken may reflect varying assumptions as to how the objective is to be pursued and pursue a zig-zag course.

For the sake of clarity, it is worth remembering that goals or aims are the intentions behind decisions. A goal, for example, could be to increase the number of venues promoting jazz. An objective or target is the goal stated in measurable form e.g. to encourage six venues a year to add jazz to their programming policy. Goals and objectives are a way of saying 'where are we going?' and 'what is our destination?' A strategy is the route by which an objective can be reached and action plans are the means of transport to get you there.

2.2. Three fundamental questions

There are three fundamental questions that have to be asked and answered in any business plan:

- Where are we now?
- Where do we want to be?
- How are we going to get there?

The first question involves an analysis of the landscape in which JSL and Jazz UK resides. This analysis involves the examination of 7 areas:

- Political
- Economic
- Social
- Technological
- Environmental
- Legal
- Marketing and Strategy

This analysis deals with the external world. To keep the data all under one roof I have also included 'internal' data for analysis. This exercise also serves as a research tool.

2.3. The best of all possible worlds

Robin Osterley in Making Music's five year plan 2006 – 2010 states *'nothing is permanent but change'*[1].

David Edgerton in his book *The Shock of the Old* says:

"The history of invention is not the history of a necessary future to which we must adapt or die, but rather of failed futures, and of futures firmly fixed in the past.

We should feel free to research, develop, and innovate, even in areas which are considered out of date by those stuck in passé futuristic ways of thinking. Most inventions will continue to fail, the future will remain uncertain. Indeed the key problem in research policy should be ensuring that there are many more good ideas, and thus many more failed ideas. Stopping projects at the right time is the key to a successful invention and innovation policy, but doing this means being critical of the hype that surrounds and often justifies and promotes funding for inventions".[2]

"By the standards of the past, the present does not seem radically innovative. Indeed judging from the present, the past looks extraordinarily inventive. We need only think of the twenty years 1890 – 1910 which gave us, among the more visible new products,

x-rays, the motor car, flight, the cinema and radio, most of them expanding technologies to this day."[3]

In 2007 we have the Internet and online information retrieval that allows us to accomplish tasks a lot faster. We also have touring where a band is on the road reaching audiences via jazz clubs through personal appearances. Voltair in Candide wrote: "*All is for the best in the best of all possible worlds."* We must strive to attain the best of all possible worlds with a judicious use of old and new technologies – to put it crudely, we do not want to throw the baby out with the bath water.

3. Environmental Analysis

3.1. Politics

In the May 2005 General Election, Labour won a majority of 64 out of a total number of 646 seats.

State of the parties at 20 October 2006 [4]		
Labour	352	
Conservative	196	
Liberal Democrat	63	
Scottish National Party/Plaid Cymru	9	(SNP 6/PC 3)
Democratic Unionist	9	
Sinn Fein	5	(Have not taken their seats and cannot vote)
Social Democratic & Labour Party	3	
Independent	2	
Independent Labour	1	
Ulster Unionist	1	
Respect	1	
Speaker & 3 Deputies	4	(Do not normally vote)
Total No of Seats	646	
Current working majority	67	
(352 Labour MPs less 285 of all other parties excluding Speaker & Deputies and Sinn Fein)		

Table 1: State of the Parties

The closest you will get to a forecast of which political party is likely to win the next General Election is to look at the odds offered by bookmakers on 24.1.07. Coral offered Conservatives 4/7, Labour 5/4, Liberal Democrats 100/1. On the 10th May 2008 the odds were Conservative 1/2, Labour 6/4, Liberal Democrats 100/1. UKbetting.com on 4.2.07 offered Conservatives 4/6, Labour 11/10 and Liberal Democrats 66/1. On the 10th May 2008 the odds were Conservatives 1/2, Labour 6/4 and Liberal Democrats 80/1.

In terms of the Labour Prime Minister, Coral had offered Gordon Brown 1/10. John Reid 6/1, Alan Johnson 16/1 and David Miliband 20/1.

3.1.1. Government Reports and Policies likely to impact on the Arts

3.1.1.1. Gershon Report

Sir Peter Gershon was asked by the Government to undertake a Review of Public Sector Efficiency with the objective of *"releasing major resources out of activities which can be undertaken more efficiently into front-line services that meet the public's highest priorities"* [5] and to inform the 2004 Spending Review.

The Department for Culture Media & Sport (DCMS) had to realise a total of annual efficiency gains of at least £260 million by 2007/2008 of which at least half had to be cashable releasing resources for frontline activities. The DCMS plans by 2007/2008 to:

- *"achieve a total reduction of just under 30 civil service posts and be on course to relocate 600 posts in sponsored bodies out of London and the South East by 2010 at the latest, both from new bodies to be set up following legislation, and from existing bodies that may benefit from relocation;*
- *secure annual efficiency gains of around £115 million through an efficiency programme which will include cutting the core department's administration costs, rationalising the back office functions and accommodation of sponsored bodies, and sharing specialist services such as ticket booking, art storage and transport, while protecting and enhancing front-line services;*
- *facilitate the delivery of annual efficiency gains of £146 million within local government expenditure on culture and leisure services, for example by promoting best practice and by streamlining performance regimes, particularly for library services; and*
- *work with its sponsored bodies, local authorities, the Office of the Deputy Prime Minister, and the Improvement and Development Agency to facilitate the delivery of these and other efficiency gains."* [6]

The Department for Education and Skills has an efficiency target for 2007/2008 of £4360 million. Local Government is responsible for delivering of £6.45 billion of total efficiency gains by 2007/08.

According to some commentators the Gershon Review was less than successful (Simon Jenkins 2007).

"The Treasury body charged with implementing this, Gershon's own Office of Government Commerce, grew exponentially. It was revealed in 2006 to have spent £43 million itself on 'cutting bureaucracy' while in one year along its budget for external consultants had risen from £5.8 million to £9.2 million. These were staggering sums given the purpose of the exercise suggesting total cynicism by those involved. In Autumn 2005 the Local Government Association bitterly pointed out that the only branch of the public sector that had met Gershon's efficiency targets that year was local government. In February 2006 researchers for BBC Newsnight found that while 19,000 civil service jobs had indeed been 'cut' more than that had been hired, yielding a net increase of 300 jobs. The Office of National Statistics was less forgiving. It revealed in July 2006 that public sector staff numbers rose by 79,000 in 2004 and 24,000 in 2005."

However, the Guardian, 12th May 2008, reported that *"The Treasury yesterday signalled its determination to press ahead with the search for ways to get better value in public services by launching a successor review to the Gershon programme."*

3.1.1.2. The Varney Report

The Budget 2006 announced that the Chancellor had asked Sir David Varney to advise him on the opportunities for transforming the delivery of public services, in particular, by looking at how the channels through which services are delivered can be made more responsive to the needs of citizens and business. Set out below is a synopsis of the report's findings.

"Fully transforming the channels for public service delivery is beyond the timeframe of the 2007 Comprehensive Spending Review. It will require a radical improvement in the level of collaborative delivery across the public sector over the next ten years, including what steps can be taken more immediately.

Building on the achievements of the past decade, the review's analysis points to the key changes that are required across government channels to focus on citizen and business needs:

- *Grouping service delivery around common service 'themes' that are meaningful for citizens and businesses, starting with change of circumstances associated with bereavement, birth and change of address;*
- *Engaging citizens and businesses more fully in the design and delivery of public services, establishing principles that underpin a coordinated multi-channel approach to government delivery and a move to make e-services the primary channel for information and transactional services;*
- *Establishing a robust and transparent performance management and governance framework, coupled with fostering innovations in citizen and business focused working between departments, agencies and other providers;*
- *Seizing opportunities to secure significant improvements in the capacity and capability for government to share identity management systems and to make better collective use of the government information asset to improve public service delivery; and*
- *Further improving and coordinating the operation of government e-services, contact centres and face-to-face services, raising the overall transparency and performance of government operations, including establishing benchmarks and standards and setting targets for service. To look at each of the channels through which government delivers services and identify opportunities for improvement.*

The report identifies the key next steps to be taken to deliver a service transformation programme and to lay the groundwork, a number of actions are required for the 2007 Comprehensive Spending Review, including:

- *"Improve public sector contact centre performance by establishing performance targets and best practice benchmarks, reducing operating costs by 25 percent;*
- *Establish new citizen and business contact roles and functions within departments to drive increased skills and capability to respond to citizen and business needs and to increasingly coordinate service delivery from a whole of government perspective;*
- *Develop better coordinated and focused face-to-face services, through a cross-government estate strategy, underpinned with departmental plans for increased third sector delivery of these services and more mobile working; and*
- *Establish service transformation as a top priority outcome for government, underpinned by a detailed delivery plan and quantitative performance indicators which form the basis of a published annual report on service transformation."* [7]

3.1.1.3. Comprehensive Spending Review (CSR)

Since coming to office the Government has conducted a number of comprehensive spending reviews which are a fundamental and in-depth examination of public spending. CSRs have been conducted in 1997, 2000, 2002 and 2004.

In July 2005 the Chief Secretary to the Treasury announced the launch of a second CSR reporting in 2007, which will set departmental spending plans and priorities for the years 2008/09, 2009/10 and 2010/11. A decade on from the first CSR, the 2007 CSR provides the opportunity for a fundamental review of the balance and pattern of public expenditure, taking stock of what the investments and reforms have delivered to date and identifying what further steps are needed to prepare for the decade ahead.

"*Over the last year the Government has been laying the groundwork for 2007 CSR by taking forward a detailed programme of analytical work involving:*

- *An examination of the key long-term trends and challenges that will shape the next decade, and which are the subject of this report;*
- *Detailed reviews on specific cross-cutting issues where innovative policy responses and coordination across departmental boundaries will be required in order to meet the challenges ahead;*
- *An ambitious and far-reaching value for money programme to release the resources needed to address these challenges, involving both further development of the efficiency programme in the areas identified by the Gershon Review, and a set of zero-based reviews of particular areas of departments' baseline*

expenditure to assess their effectiveness in delivering the Government's long-term objectives.

- *A more strategic approach to asset management and investment decisions, ensuring the UK is equipped with the infrastructure needed to support both public service delivery and the productivity and flexibility of the wider economy; and*
- *A review of the performance management framework to continue driving outcome-focussed improvements and ensure that public services are accountable and responsive to the needs and expectations of users."* [8]

3.1.1.4. Capability Reviews

The Cabinet Office is undertaking reviews of capability across all departments. The reviews consider the capability of the Civil Service in three key areas: leadership, strategy and delivery. Each review aims to identify where departments need to improve. The Department for Culture Media & Sport is under review and a report will be published in the spring of 2007. The reviews to date recognise where departments do well or highlight areas of improvement and the tough action needed to achieve these improvements. [9]

3.1.1.5. Policy Review

The Prime Minister announced in October 2006 he has established six working groups to identify long-term trends and new challenges and examine how existing policies need to be changed to continue to meet the country's priorities. The working groups will look at six areas:

- Economic Dynamism
- Environment & Energy
- Public Services
- Security, Crime & Justice
- The Role of the State
- Britain in the World

3.1.2. Arts Policies

3.1.2.1. Labour Party Arts Policy

In the Labour Party Members' Policy Handbook 2005 "Labour: the future for Britain". [10] Labour's policies centred on "Stronger, Safer Communities" and their arts, sports and media policy had the following goals or headings:

- Extending access to the arts
- Culture can be the glue that holds communities together
- Fostering good health and wellbeing

- Celebrating diversity
- The arts as a force for good in the judicial system
- Bringing libraries to life
- Bringing the 2012 Olympic games to London
- Sport in schools and at the grassroots
- A fairer more inclusive National Lottery
- Supporting UK tourism
- Our creative industries
- Public sector broadcasting
- Film
- Modernisation and our licensing laws
- Bringing the gambling industry into the 21st Century
- Music

"The music industry is one of the UK's biggest and most culturally significant creative industries. Its many component parts – composers, producers, managers, music publishers, artists, concert promoters, record companies, online music entrepreneurs – interact to produce a dynamic, vibrant and ever-changing industry.

The UK is the third largest market in the world for sales of music and is second only to the USA as a source of repertoire. It is estimated that Britain may account for as much as 15 per cent of the global music market. We are working closely with a wide range of industry players and trade associations to identify what can be done to improve the music industry's economic performance and to ensure that the industry's concerns are considered in broader government policy making." [11]

The ubiquitous question and answer section at the end of the Policy Handbook section dealing with arts and culture gave the answer to "What are your spending plans for the arts budget?"

"*We are not cutting the arts budget. Support for the arts has increased dramatically since 1997. In the six years up to 2004/05, funding for the arts increased in real terms by over 60 per cent. In 2005/06, this will increase by a further nine per cent.*

We want less bureaucracy at the Arts Council so that more money can be made available in real terms to grassroots arts organisations over the following three years. The Arts Council has just announced its funding plans for 2006/7 and 2007/08. Even in a tough spending environment it has been able to find real-terms increases in each year for its Regularly Funded Organisations. Allocations to individual organisations vary, with over 200 up, around 50 down, and the rest standing still in real terms. But there is no doubt at all that in each of the next three years the funding of our nation's arts organisations will rise to record levels.
In Budget 2005, the Chancellor announced an extra £12 million over two years to nurture leadership talent in the arts, to improve

the management of arts organisations and to promote better links between the arts and the business community." [12]

The key words are "less bureaucracy" and "a tough spending environment".

3.1.2.2. The Conservative Party

Sir John Tusa was asked by David Cameron in December 2006 to set up a policy task force and reported in November 2007. The task force concentrated on four areas:

- The way in which structures of government, local government and arts policy administration work together – or not at all – to deliver the best possible result for the arts.
- The ways in which taxation policy towards private and corporate support and philanthropy should break away from the often puritanical inhibitions and restraints that seem to colour the architecture of so many Treasury regulations.
- The role of education in the arts world and the arts in the education world.
- The ways in which technology can aid the arts in new relationships with audiences.

There were a number of recommendations. Set out below are those pertinent to Jazz Services and its operations.

- That a true Department of Culture be established, comprising the arts, heritage, media and the larger part of the creative industries. Sport should be transferred to a separate office.
- That the 'national' Regularly Funded Arts Organisations (RFO's) which are currently funded through ACE should receive direct grant funding from the new Department of Culture.
- That the restructured ACE be co-ordinated by a slimmed down central office.
- That the Treasury's current three year funding settlement should be increased to five years.
- That no further Arts and Heritage Lottery funds be diverted to pay for the 2012 Olympics.
- A renewed Government commitment to the original purpose of the Lottery. The additionality principle needs to be restated and the independence of the Trustees reconfirmed.
- That there should be an entitlement to culture for all young people: all young people must be enabled to attend cultural events as part of their schooling, and all young people should have easy and affordable access to advanced training in their special discipline, should they choose to pursue one.
- That funded arts organisations maximise as much as possible of their programme, making their ideas and resources available

to all through the internet thus expanding it from being primarily a marketing tool to a universally accessible alternative venue.

- That all arts organisations should see an expansive, innovative and interactive online presence as part of their core activity. The emphasis should be on content, rather than marketing or income generation.
- That a greater proportion of arts Lottery funds should be made available for new media development, such as placing performances and collections online.

However Jeremy Hunt, the Conservative Shadow Culture Secretary, commented on the Conservative Party website on 7th November 2007 *"As the first Party since the last election to undertake such a wide-ranging, independent review of the arts, this document will set the agenda for a wide debate about future arts policy."*

3.1.2.3. Department for Culture Media and Sport (DCMS)

The Department's strategic aim is to "improve the quality of life for all through cultural and sporting activities, support the pursuit of excellence, and champion the tourism, creative and leisure industries." [13]

3.1.2.4. The DCMS has a number of strategic objectives.

Set out below are the objectives with actions germane to the arts.

a) Children and young people

- Training of 1,000 Arts Award advisors by autumn 2006 who in turn will support 10,000 young people to achieve the Award by 2008;
- Following the DCMS and DfES jointly-commissioned Creativity in Schools Review, they will be considering how their policies can contribute further to nurturing young people's creativity. The Review was led independently by Paul Roberts, Director of Strategy, Information and Development from IDeA (Improvement and Development Agency) and reported initially in March 2006.

b) Communities

Increase attendance and participation in the arts from priority groups. Priority groups are defined as those people with a physical or [*learning*] disability, people from black or minority ethnic groups and those in socio economic groups C2, D or E.

c) Economic

Modernising licensing laws, develop action plan for digital switchover and to "increase the productivity and more fully realise the economic potential of the creative industries." [14]

d) Modernising delivery

- Achieve at least 2.5% efficiency savings on Departmental Expenditure limit in each year 2005-08.
- Achieve a total of £174 million of non-departmental public bodies (NDPB's) and local authority efficiency savings by 31st March 2007.
- The efficiency programme was implemented in April 2005, with targets of achieving efficiency gains up to 2008. As part of the Comprehensive Spending Review there are plans to extend the programme into the Spending Review Period. Targets for the first three years are set out below.

DCMS Efficiency Targets, £m				
Work strand	Actual gains (at 30.9.05)*	Targets		
		200506	2006/07	2007/08
Internal	0	0	1	2
NDPBs	34.2	36	76	113
Local authorities	28.5	49	98	146
*Total Gains	62.7	87	174	262

Table 2: Source: Department for Culture, Media & Sport. Business Plan 2006/2007

Aside from the new service of supporting the 2012 Olympics and Paralympics, DCMS has a target to reduce its own workforce by 5 per cent (27 posts) by 2008, and to relocate 600 posts in the NDPBs outside London and the South East by 2010.

- Local Authority Efficiency and Productivity
  The DCMS is working with local government, the Office of the Deputy Prime Minister and other key stakeholders to improve efficiency in delivering services in their sectors by:
  - Helping local authorities to understand their own performance.
  - Providing advice, guidance and good practice case studies.
  - Measuring and monitoring efficiency gains.

- The DCMS is working with the Museums, Libraries and Archives Council on the Public Libraries Procurement and Efficiency Project and with the Audit Commission on their study of public leisure services.
- Local authorities delivered efficiency gains of £28.5 million in the DCMS sectors in the period to 30 September 2005, and are predicted to deliver further gains of £98 million in 2006/07.

However, with regard to the efficiency programme it should be noted that a recent report by the National Audit Office marked the

efficiencies made in Whitehall Departments from green, amber and red. The DCMS was marked amber which signifies the reported figures represent efficiencies, but carry some measurement issues and uncertainties. [15]

3.1.3. Supporting Excellence in the Arts – Sir Brian McMaster

In July 2007 Sir Brian McMaster was asked by the DCMS to consider the following.

- How the system of public sector support for the arts can encourage excellence, risk-taking and innovation;
- How artistic excellence can encourage wider and deeper engagement with the arts by audiences;
- How to establish a light touch and non-bureaucratic method to judge the quality of the arts in the future.

Set out below are the recommendations contained in the report submitted to the DCMS in January 2008.

3.1.3.1. Risk Taking

- *"I recommend that innovation and risk-taking be at the centre of the funding and assessment framework for every organisation, large or small."*

3.1.3.2. Excellence

- *"I recommend that funding bodies and arts organisations prioritise excellent, diverse work that truly grows out of and represents the Britain of the 21st Century.*
- *I recommend that funding bodies and arts organisations act as the guardians of artists' freedom of expression, and provide the appropriate support to deal with what can be a hostile reaction to their work."*

3.1.3.3. International

"I recommend that the Arts Council, the British Council and the Department for Culture, Media and Sport work together to investigate and implement an international strategy that stimulates greater international exchange, brings the best of world culture here and takes the best of our culture to the world."

3.1.3.4. Governance

- *"I recommend that the board of every cultural organisation contains at least two artists and/or practitioners."*

3.1.3.5. Various

- *"I recommend the setting up of a Knowledge Bank which could be called upon by boards to feed into and support the appointment process and to advise on potential candidates.*
- *I recommend that all funding bodies have and take up the right to be involved in the appointment processes of the organisations they fund.*
- *I recommend that cultural organisations be proactive in meeting the extra demand for their work that the 'cultural offer' will generate. They must ensure that the activity that makes up this offer is of the highest standard, reflecting the diversity and internationalism I highlight in this report.*
- *I recommend that the cost of mentoring for senior appointments should be a standard feature of any recruitment budget.*
- *I recommend that, since cultural organisations have a vested interest in and responsibility for supporting and developing talent, they should be providing free or discounted tickets to aspiring practitioners.*
- *I recommend that funding bodies explore the potential for international co-operation that allows young practitioners to see more work abroad.*
- *I recommend that funding bodies, organisations and practitioners prioritise opportunities for continuing professional development throughout careers.*
- *I recommend that practitioners take responsibility for the cultural ecology and actively engage with the development of their peers and the next generation.*
- *I recommend that DCMS and the Arts Council work with HM Treasury towards a new scheme for the ten organisations with the most innovative ambition to receive ten year funding to further that ambition.*
- *I recommend that funding bodies actively identify innovative ways for new talent to be identified and funded.*
- *I recommend that to overcome the endemic 'it's not for me' syndrome and building on the success of free admission to museums and galleries, for one week admission prices are removed from publicly funded organisations.*
- *I recommend that practitioners communicating about their work be the primary tool of any programme of audience engagement.*
- *I recommend that cultural organisations stop exploiting the tendency of many audiences to accept a superficial experience and foster a relationship founded on innovative, exciting and challenging work.*
- *I recommend that the Public Service Broadcasting review examines the extent of the cultural provision provided by public service broadcasters.*

- *I recommend that DCMS explore the possibility of either involving the sectors covered by this review in the Creative Industries Knowledge Transfer Network announced in 2007, or by setting up a dedicated cultural Knowledge Transfer Network to improve the awareness and take-up of new and innovative technological solutions within the cultural sector.*
- *I recommend that a new way forward be found that reclaims a strategic approach to touring, while exploiting the regional structures created by the Arts Council's reorganisation.*
- *I recommend that the funding bodies, jointly with representatives of cultural organisations, develop good-practice guidelines for self-assessment. These should focus primarily on the excellence of the art and commitment to innovation and risk-taking.*
- *I recommend that, to complement the culture of self-assessment, funding bodies institute a system of peer review. I suggest all regularly funded organisations should be reviewed by peers on a cyclical basis and that the process is managed by the funding body.*
- *I recommend funder intervention where organisations are failing, setting fixed conditions for funding or, in extremis, its removal entirely, and that this be acknowledged in funding agreements.*
- *I recommend that funding decisions made by all funding bodies (DCMS, Arts council, MLA) are based on professional judgments of what is and what is not excellent."*

3.1.4. The Olympic Games 2012

The Olympic Games and Paralympic Games will impact on practically every aspect of the work of the DCMS. An objective of the Games is to leave a sustainable legacy for the whole of the UK.

The rising cost of the Olympic Games could have an adverse effect on the funding of the arts and lottery funded projects. "White admits true cost of Olympics is £6.4 billion". [16] "Olympics Bill leaps to £10 billion." [17]

Tessa Jowell announced in the House of Commons on 15th March 2007 that the total Olympics Bill would be £9.3 billion. The Department for Culture, Media & Sport confirmed that 13 lottery grant bodies, including the Arts Council, would "share the burden of the additional £675 million in lottery funds being channelled into the London Games." [18]

3.1.5. Local Authorities

A recent Demos think tank report on Local Authorities and expenditure on the arts found that there were worrying signs at local

level that services that go to make culture available to everybody are facing a serious crisis in some parts of the country.

"At local authority level, culture has neither established itself independently as an unquestioned good – much of what constitutes culture is not a statutory spending requirement for example – but nor has everyone been persuaded that culture has a vital role to play in the delivery of other mainstream council services." [19]

Furthermore, Philip Clapp, Deputy Director for Creative Industries Division at the DCMS warned at the Nalgo Conference 2006 that *"the pressures on a non-statutory service such as the arts are likely to become more rather than less pronounced."* [20]

3.1.6. The Arts Council

The Arts Council for the period 2006/2008 has six priorities:

- Taking part in the arts
- Children and young people
- The creative economy
- Vibrant communities
- Internationalism
- Celebrating diversity

Each of these priority areas is accompanied by an action programme. [21]

3.1.6.1. Taking part in the arts

- Draw up and implement an action plan and campaign strategy to encourage more people to take part in the arts.
- Implement their plan to meet the Department for Culture, Media and Sport's (DCMS's) Public Service Agreement target to increase attendance by three per cent and participation by two per cent by adults from Black and minority ethnic, disabled and economically disadvantaged social groups.
- Publish and implement a distribution policy and strategies for live touring, broadcasting, publishing and new technologies to enable people to access the arts in the places, contexts and formats of their choice.

3.1.6.2. Children and young people

- Implement their *Children, young people and the arts strategy* in each of the nine English regions, working with children's

services, within regional and local government and in line with Every Child Matters.

- Implement our strategy for the arts and young people at risk of offending with the Youth Justice Board and others, giving special emphasis to programmes that create pathways to education, training and employment through creativity.
- Continue the development and embedding of our Creative Partnerships programme and secure the future through a legacy plan.

3.1.6.3. The Creative Economy

- Participate in DCMS's Creative Economy programme and respond to its findings by supporting professional development for artists, access to business support and finance to enable them to exploit their work.
- Manage, on behalf of the arts sector, a leadership programme to establish a culture of excellence, develop business skills and encourage the leadership talents of leading minority ethnic figures in the field.

3.1.6.4. Vibrant Communities

- In partnership with other cultural agencies, implement our agreement with the DCLG to shape policies, programmes and projects to ensure culture is properly embedded into the development of sustainable communities.
- In partnership with the DCMS, DCLG and local authorities, implement a strategy for improving cultural provision in the places experiencing housing-led growth and that have historically been least well served, and wherever there is the most opportunity for innovative cultural development.

3.1.6.5. Internationalism

- Implement their international policy to expand opportunities for artists and arts organisations to work internationally, contributing to England's role as a cultural world leader.
- Support a number of regional, national and international partnerships to enable Liverpool to present itself as a premier European city as Capital of Culture in 2008, leaving a legacy of long-term growth and sustainability for the arts.

- Contribute to the early stages of planning for the Olympic Games and Paralympic Games in 2012 and the culture, education and ceremonies programme culminating in the Beijing closing ceremony in 2008.

3.1.6.6. Celebrating Diversity

- Complete their race equality scheme action plan, including implementing *Respond*, the toolkit for race equality planning for funded arts organisations and acting on the Sustained Theatre Consultation.
- Develop and implement a new disability equality scheme and action plan to improve the take up of arts activity by disabled people, raise the profile of disability-led arts practice and improve employment opportunities for disabled artists.
- Embed decibel's achievements by providing a development programme for black and minority ethnic arts organisations, promoting debates and showcases and maintaining our commitment of a minimum of 10 per cent of grants for the arts awards benefiting black and minority ethnic artists and arts organisations.

3.1.6.7. Performance and Delivery

Arts Council

- Implement the findings from the review of national office to ensure it is able to deliver the organisation's strategic aims effectively.
- Complete their Comprehensive Spending Review exercise and budget planning for 2007.
- Complete their Case for Investment to allocate funding for the regularly funded organisations portfolio, including developing effective frameworks for assessing and improving quality.
- Deliver the 'single system' IT project to unify grants and information management, together with other IT projects in human resources and internal communications.
- Improve knowledge management to make more effective use of the intellectual capital within the Arts council.

Arts organisations

- Implement their programme of business improvement featuring advice, self-evaluation and finance and business support to enable arts organisations to meet the challenge of a rapidly changing operating environment

Local government

- Develop an improvement strategy for local government including providing regional commentaries and negotiating arts-based performance indicators.

3.1.6.8. Planning for the future – public value

During 2006/8, the Arts Council will launch a public value enquiry, talking with and listening to a wide range of people, testing with them what the Arts Council stands for, what they should prioritise and what services they should offer in the future. They will use the findings of that enquiry to refresh their purpose and inform their long-term direction and objectives.

3.1.6.9. Arts Council England's Music Policy.

The Arts Council of England published its Music Policy as part of their "Arts Debate" in March 2007. Set out below are their priorities for music 2007-2011.

"To support a more confident, diverse and innovative arts sector, which is valued by and in tune with the communities it serves.

- *We will fund a portfolio of organisations that are contemporary in their approach and committed to engage people in their work in new ways. We will continue to review the organisations we fund and will prioritise those seeking to implement more sustainable business models and to develop partnerships that give their work greater impact and reach.*

- *We will promote a climate in which musicians are encouraged to take artistic risk. We will prioritise opportunities for the most talented creative artists to develop their practice, learning new skills, taking time out for research and refreshment, and taking advantage of tailored development programmes here and abroad.*

To enable more people to take part in the arts as both audiences and participants

- *We will work with a range of partners to encourage and inspire people to take part in music. We will launch a national instrument purchase scheme to encourage more people to own and play a musical instrument.*

- *We will exploit the opportunities offered by technology and broadcasting. We will require our leading music organisations to develop distribution strategies to maximise the impact of, and access to, their work and artistic resources. We will also exploit opportunities to use technology to extend artistic ambition and creativity.*

To enable more children and young people to take part in the arts

- *We will create greater access to music for young people. We will continue to support Youth Music. We will develop partnerships between the professional music infrastructure and the formal education sector, building on developments such as the new Centres for Advanced Training, Creative Partnerships, and the Music Manifesto."*

3.1.6.10. From 2008/2009 in Arts Council's objects, aims and priorities

"From 2008/09 increasing engagement in high quality arts will be at the heart of its mission "Great Arts for Everyone".

This will involve creating an environment in which

- *Excellence and creativity can flourish*
- *Funded organisations can thrive and are empowered to take artistic risks*
- *People and art can come together effectively*

From 2008/09 the Arts Council will expect all of its endeavours and practice, and that of ***all*** *the arts organisations it funds, to deliver against its mission of Great art for everyone, leading to the outcomes of:*

- *Excellence and engagement, including reach, diversity and innovation."*

3.2. Economic

3.2.1. Globalisation

The analysis for the 2007 Comprehensive Spending Review looked at six key trends:

- The changing balance of global economic activity.

  As the economies of China and India grow the balance of economic activity is shifting priority from Europe and the US to Asia.

- Rising flows of goods, services and capital.

  Growth in trade and capital flows are the clearest indicator of globalisation and "facilitate increased openness, increased specialisation, the international desegregation of supply chains and stronger incentives for technological progress". [22]

- Increasing international specialisation.

  As developing countries and emerging economics account for a greater share of international production, particularly in manufacturing, advanced economies such as the UK, increasingly specialise in high value-added manufacturing and services. As emerging economies develop their capabilities, the UK must meet the challenge by improving productivity and internationally competitive industries.

- Increasing rewards from innovation.

  With the rapid development of technology and increased global competition, to maintain competitive edge all firms have to foster *"innovative activities, promote the adoption and application of new technologies and remote barriers to new ideas in order to stay well ahead of the game."* [23]

- High level of demand for skills.

  The UK still does not have a world class skills base. Over one third of adults in the UK do not have a basic school-leaving qualification, which is double the proportion of Germany and Canada. The UK has to ensure that skills are developed in the right areas, inter alia, science and technology, management skills and skills in the areas of communication skills and team working.

- Increasing pressure on energy and the environment.

  The Stern Review on the Economics of Climate Change starkly warned of the likely economic and environmental impact of carbon emissions from fossil fuel consumption and other sources if they are not curbed and significantly reduced.

3.2.2. The UK Economy Forecasts to 2012

The table below summarises the independent average, which is the average of all medium-term projections by City and non-City forecasts.

	Independent average				
	2008	**2009**	**2010**	**2011**	**2012**
GDP growth (per cent)	2.0	2.2	2.6	2.6	2.5
Inflation rate (per cent):					
-CPI	2.3	2.0	2.1.	2.2	2.1
-RPIX	3.0	2.6	2.6	2.7	2.6
Claimant unemployment (£m)	0.90	0.96	0.95	0.93	0.92
Current account (£b)	-51.8	-47.2	-45.9	-46.7	-48.6
	2008/09	**2009/10**	**2010/11**	**2011/12**	
PSNB (£b)	35.9	34.5	32.0	35.0	

Table 3: Medium term forecasts [24]

Glossary of Terms:

GDP – Gross Domestic Product, is the total money value of all final goods and services produced in an economy in one year.
Inflation – the movement of prices over time (strictly speaking, inflation is the increase in prices, a decrease in price being termed deflation).
CPI – Consumer Price Index excluding food and energy prices is a measure of core inflation.
RPIX – Retail Price Index is defined as an average measure of change in the prices of goods and services bought for the purpose of consumption by the vast majority of households. RPIX is a similar measure but with the effects of mortgage interest payments removed.
Current Account – Statement of country's trade in goods.
PSNB – Public Sector Net Borrowing

In the Chancellor's pre-budget report of December 2006, a number of measures were mentioned:

- 3% savings per year across central and local Government.
- Recommendations in Sir David Varney's review of public services to make public services more efficient and responsive to needs of users.
- Increase in main road fuel duties in line with inflation and an increase in rates of air passenger duty.
- A new ambition of world class skills, following the publication of the Leitch Review of Skills.

3.2.3. Economic Outlook

J.K. Galbraith in The Great Crash 1929 (Penguin 1992 p203) noted:

"The Stock Market crash was also an exceptionally effective way of exploiting the weaknesses of the Corporate Structure. Operating Companies at the end of the holding-company chain were forced by the crash to retrench. The subsequent collapse of these systems and also of the investment trusts effectively destroyed both the ability to borrow and the willingness to lend for investment. What have looked like purely fiduciary effects were in fact quickly translated into declining orders and increasing unemployment."

Set out below are a series of observations from various commentators on the economy.

3.2.3.1. Will Hutton – The Observer 16.12.07

"He 1920s and 2000s are eerily similar decades. Both were characterised by extravagant wealth, extraordinarily cavalier lending by banks and hubristic over-optimism that the world had changed. The 1920s boom transmuted into a slump when the American banking system collapsed. The question is whether a similar fate awaits us today."

3.2.3.2. The Observer Leader article 16.12.07

"The excessive level of consumer borrowing in recent years is a very British bubble and the government can deny it no longer. If the bubble bursts, we will face a kind of moral hazard very different from the one calculated by central banks when bailing out the City. It is the hazard of millions of people falling into penury."

3.2.3.3. Will Hutton – The Observer 16.3.08

"The heart of Keynesian economics was never to tax and spend; it was the warning from the greatest economist of the 20th century that a financial system based on free-market principles inevitably destabilised the health and stability of capitalism. Keynes knew his ideas would be contested to the last because he threatened the orthodoxies of laissez faire and the fortunes of the financiers. So it is proving again. For make no mistake – the global economy is under threat.

It is the slump in American property prices that has prompted the collapse of trust in Wall Street. And the chief reason property prices are falling is an epidemic of repossessions caused because banks lent to poor, uncreditworthy borrowers. Then they disappeared, selling off the debts."

3.2.3.4. Jon Moulton Interview – The Observer 23.3.08

"'Eighteen months? Who knows?' he says. 'There's no way of knowing. History is a poor guide because conditions are so different. There are more parallels with 1929 than 1991, but it's a completely different world now'.

Completely different and far more complicated. 'What's so different is this horrible interconnectedness,' he says. 'We are in a financial world in which a company is linked to a monocline insurer, which is attached to a credit default swap, which is attached to another insurer. They don't know who's involved and whether they've got problems, and that's frightening.'

To Moulton it is clear that unemployment will rise and house prices will go down. He believes the Bank of England has lost the ability to stoke the economy by using interest rates to encourage borrowing. 'Their principal tool is not working', he says, because banks are too scared to lend to one another."

3.2.3.5. Jill Treanor – The Guardian 8.4.08

"In a luxurious chateau in Alsace eight years ago, a top financier made a confession: some of the complex financial instruments being pumped out by the world's biggest investment banks were potentially "toxic". Top regulators were left in no doubt of the perils hiding in the financial system after the two-day summit aimed at finding and disarming the bombs waiting to explode.

The warning provided to be prescient. About a year ago one of these bombs exploded. The ensuing credit crunch could lead to a complete redrawing of the financial map and may even herald the end of globalisation.

The toxic instruments highlighted by the banker were collateralised debt obligations (CDOs). Little was known of them when this regulatory teach-in was taking place but since then banks have embraced them as a way of shifting debt off their balance sheets, enabling them to lend more."

3.2.3.6. Will Hutton – The Guardian 16.4.08

"Since the early 1970s, mortgage lending in Britain has grown almost continuously, feeding the growth of home ownership and house prices. There has never been any material setback, except for the period from 1988 to 1991, when mortgage lending and house prices fell back by about 15%. The experience scarred a whole cohort of homeowners.

A potential 50% fall in lending compressed into one year and super-imposed on house prices that are very much more overvalued in real terms than they were in the late 1980s is the equivalent of a financial tsunami. It is uncharted economic territory. Small wonder that the Royal Institution of Chartered Surveyors has reported the most widespread drop in property values since 1978."

3.2.3.7. Heather Stewart – The Guardian 10.4.08

"The US mortgage crisis has spiralled into 'the largest financial shock since the Great Depression' and there is a one-in-four chance that it will cause a full-blown global recession, the International Monetary Fund warned yesterday."

3.2.3.8. Kathryn Hopkins – The Guardian 2.5.08

"Britain's economy will remain shaky but will narrowly avoid recession as long as another Northern Rock is not around the corner, according to a report out today.

The prediction, from the National Institute of Economic and Social Research (NIESR), comes after data released yesterday showed that activity in the country's manufacturing sector declined in April to its second-lowest level in two years.

NIESR forecasts that growth will weaken to around 1.8% this year and next, from 3% in 2007, as a result of the credit crunch and soaring oil prices. It is at the lower end of the Treasury's forecast range but above many other private forecasters. The research group expects consumption growth to slow more sharply from 3.1% in 2007 to 1.2% in 2008 and to 0.6% in 2009, the weakest rate since 1992. Import prices will push the consumer price inflation rate to 3.1% in the third quarter of 2008 and import price inflation is expected to reach 8.5% this year, the strongest since 1993."

3.2.4. The Licensed Trade

3.2.4.1. How the pub bubble burst. Simon Bowers – The Guardian 9.4.2008

"Almost four pubs per day are closing for business, taking down their swinging signs and their hanging baskets and boarding up their windows. It is the most powerful signal yet that one of Britain's oldest, most resilient industries is in a dire state.

The industry is awash with whispers of a rising tide of publicans unable to make ends meet and handing back the keys to big landlord companies.

In January, Massive Pub Company, a cluster of about 33 mainly leased London locals, including the Tup chain, was forced into administration by spiralling debts and tough trading conditions.

Paul Wigham, managing director of Kent-based The Bar Group, is another concerned lessee, running about 30 locals. 'Large pubcos have taken large amounts of securitised medium-term debt to acquire pubs over the last 15 years and the level of debt they have been able to receive is based upon rental income, which includes beer and machine profit. With the beer market going into steep decline – and some industry sectors are privately talking about recent volumes being 12-14% down – their ability to service or repay that debt is bound to be impaired.'"

3.2.5. Paper Costs – Newspaper and Pulp Printweek on 7th February 2008

"Printers are to be hit with further paper price hikes after merchants warned customers to expect increases of up to 8% in the coming months.

Mills have recently announced increases as a consequence of continually rising costs and a policy of closing capacity in order to push prices up.

Paper merchant PaperCo will increase prices for speciality grades, envelopes and all other coated and uncoated papers and boards with effect from 3 March.

The firm said the input costs used in mill production have increased significantly. Pulp prices, for example, have increased by 24% over the past two years, while starch costs have increased by 40% over the past 14 months.

Spiralling energy costs, which are now seen by consumers domestically, and raw material costs mean many producers are making substantial losses."

Jazz UK's printers Acorn Web Offset Ltd have warned:

"Market prices have risen since the 1st of January 2008 with increases being applied to wood free uncoated and coated grades, both web and sheets of between 6% and 8%. Mechanical coated reels have also increased by 6-7% with a further increase predicted later in 2008.

The increases that have been pushed through by the paper mills are in the main due to the energy cost rises in gas and electricity. The merchants have also been hit with increases in transport costs and are not in a position to absorb the full increases from the mills."

3.2.6. Spending on the Arts

3.2.6.1. Department for Culture, Media & Sport – Arts Council Allocations from 2007 Spending Review

Resource Budgets (£'000)	2007/08	2008/09	2009/10	2010/11	Change between 2004-05 & 2007-08 (%, real)
ARTS COUNCIL	417,000	433,000	451,000	467,000	12%

Table 4: DCMS Resource Budgets

3.2.6.2. Arts Council England funding and the Olympic Games

The Arts Council England cut its Grants for the Arts Scheme by £29 million from £83 million to £54 million. The cut comes into effect on the 1st April 2007. The Grants for the Arts Scheme is an important source of funds for jazz in terms of touring and professional development. [25]

3.2.6.3. Arts Council England Quantified Objectives

Objective I
To increase the number of adults and young people aged 16 and above from priority groups, who participate in arts activity at least twice a year by 2% and increasing the number who attend arts events at least twice a year by 3% by 2008.

Objective II
To increase attendance at formal education sessions by RFOs for the 4-19 age group by 2% to year on year from 2,020,000 in 2004/05, to 2,060,000 in 2005/06: 2,100,000 in 2006/07 and 2,140,000 in 2007/08.

To increase attendance at informal education sessions by RFOs for the 4-19 age group by 2% year on year from 530,000 in 2004/05, to 540,000 in 2005/06; 550,000 in 2006/07; and 570,000 in 2007/08.

To roll out the Young People's Arts Award to reach 10,000 young people by 2007/2008.

Objective III
At least 55% of the portfolio of regularly funded organisations to meet the criteria for 'met strong' or 'met outstanding' in terms of artistic quality as measured by the annual assessments.

Objective IV
To undertake a public value inquiry by April 2007.

To produce an Evaluation, Data and Evidence Strategy by April 2007.

Objective V
To implement the new national office structure by November 2006, delivering approximately £2 million savings per year. [26]

3.2.7. Briefing on Arts Council England's Investment in Jazz

Set out below is a paper written by Alan James in 2006. Alan James was the Head of Contemporary Music at the Arts Council England until mid 2006.

3.2.7.1. "During the past few years Arts Council England has taken a strategic approach to its investment in the contemporary music sector, including Jazz. Increased funding for the arts has enabled significantly increased investment in this sector. This paper sets out some of the headlines of this investment.

3.2.7.2. Core funding

In keeping with its approach to a number of different music genres (including African and Caribbean music, Folk music, Asian music etc) the Arts Council has prioritised strengthening the national infrastructure for jazz in order to support the sector's development. Increased core funding to the sector has focused on a number of strategic organisations – performing organisations, education and training, sectoral support services, audience development and regional agencies – collectively they comprise the national infrastructure to support jazz development.

- *In 2005/6 ACE provided revenue funding of £1 million to 13 Jazz organisations, with a further £35.1 million to 52 organisations that promote jazz within a wider music programme (primarily music venues and festivals).*
- *Funding to the national jazz agency, Jazz Services, increased from £168,000 in 2001/2 to £316,000 in 2005/6, an increase of 88%.*
- *Funding to the National Youth Jazz Orchestra increased by 50% in 2003/4.*
- *Funding for Tomorrow's Warriors increased incrementally from £50,000 in 2002/3 to £112,025 in 2005/6 to support education work and professional and artistic development for the Dune label artists.*
- *The concert and tour producers, Serious, became a revenue funded client in 2002/3. In 2005/6 they will receive an annual grant of £125,528 in addition to £113,000 for the London International Jazz Festival and a further project grant to support the organisation's work during the closure of the Royal Festival Hall.*

- *Core and project funding is provided to a network of regional jazz agencies and promoters including Birmingham Jazz, Derby Jazz, Hull Jazz Festival, Inner city Music (Band on the Wall), Jazz Action, Jazz Co, Leicester Jazz, Manchester Jazz Festival, Jazzworks NW, Nottingham Jazz and the Yorkshire Jazz Agency.*

3.2.7.3. Lottery Capital Investment

The total benefit to the jazz sector from Arts council Lottery Capital investment is difficult to quantify. Many music genres, including jazz, are key beneficiaries of significant Capital investment in a number of performing venues. These include The Sage Gateshead (£43.8 million) which has developed a significant jazz strand including a major jazz festival; the Stables at Wavendon (£2.7 million), a significant jazz venue associated with Cleo Laine and John Dankworth; the Manchester jazz venue, Band on the Wall (£2.5 million); the Roundhouse in London; the South Bank Centre, home of the London Jazz Festival; several new or refurbished arts centres, music venues and other arts spaces that include jazz as a significant element in their programmes.

£424,989 was invested directly in Jazz through smaller-scale Capital awards. These included £140,000 to Jazz Services to support IT development; £100,000 to the National Youth Jazz Orchestra to purchase instruments and equipment; £85,931 to the Wigan Youth Jazz Orchestra to purchase instruments, minibus and van.

3.2.7.4. Grants for the Arts (National Lottery)

In April 2003 Arts Council England introduced a single open-access funding programme to support both organisations and individuals. Across the country the jazz sector has been successful in accessing this programme. Awards have enabled a broad range of jazz activity including festivals, individual concerts, commissioning new work, training and development and educational activity.

3.2.7.5. Grants for the Arts funding to jazz projects

	2003/4	2004/5	2005/6
Total grants to projects involving Jazz	£751,792	£1,426,779	£1,294,522
Estimate of amount of grant directly attributable to Jazz activity	£442,634	£791,920	£576,237

Table 5: Grants for the Arts funding to Jazz Projects

3.2.7.6. Grants for the Arts for national touring

Within the Grants for the Arts programme, Jazz is a significant beneficiary of lottery funding to support national touring. The table below sets out the amount of funding from within the overall numbers above, which supported jazz tours.

Grants for the Arts funding for jazz touring projects (subset of numbers above)

	2003/4	2004/5	2005/6
Number of Jazz tours	14	11	Tbc
ACE investment	£242,539	£274,368	Tbc

Table 6: Grants for the Arts funding for jazz touring projects

3.2.7.7. Contemporary Music Network

The Arts Council's Contemporary Music Network promotes and funds around a dozen high-profile cutting-edge contemporary music tours each year. In recent years it has supported an increasing range of tours that feature international jazz artists. Featured artists have included Dave Douglas, Don Byron, Bill Frisell, Rabih Abou-Khalil and Joe Lovano, Henri Texier, Instabile Orchestra, The Fire Collective and Tim Garland.

From 2003 to 2005 the Contemporary Music Network promoted a total of 11 jazz tours at a financial subsidy of £580,000.

In 2005/6 CMN will invest £221,291 in jazz tours.

3.2.7.8. Miscellaneous

Arts Council England has initiated a range of additional strategic projects designed to promote the development of the jazz sector.

- *BBC Partnership*

  In 2003 the Arts Council collaborated with BBC Education to produce a jazz education initiative to support classroom teachers in delivering the jazz element of the national curriculum. It resulted in a 60 minute video programme presented by Jools Holland, spanning the different forms of jazz, designed for school students. Arts Council funding supported the provision of teachers' packs, worksheets and a CD of jazz extracts to support classroom learning.

- *Promoter Development*

  An investment of £240,000 was made to a consortium of large-scale venues (1,000+ capacity) where jazz forms a significant part of their programming schedules from the Arts Council's

National Promoter Development Fund. The investment is designed to support the development of ambitious contemporary work. This consortium, Music beyond the Mainstream, has promoted several high profile jazz events including Matthew Herbert's Big Band and the Cinematic Orchestra.

- *Recordings and Publications*

  Further investment of £60,000 through the Arts Council's Recordings and Publications scheme was awarded to Jazz Services and 33 Records towards the manufacture and distribution of eight CDs.

  Recent miscellaneous awards to a number of discrete jazz initiatives include £10,000 to the British Jazz programme at the 606 Club in London, £8,000 towards the European Jazz Conference and showcase in the 2003 Bath International Festival, and £5,000 to Tomorrow's Warriors to cover office relocation costs.

- *DfES Music and Dance Scheme development*

  In addition to direct investment, Arts Council music staff work with a range of external partners to develop opportunities for music. The Arts Council's Director of Music is a member of the advisory group to the DfES's Music and Dance Scheme. In September 2004 a new Junior Centre for Advanced Tuition opened at The Sage Gateshead to provide specialist tuition for exceptionally gifted musicians across all music genres, including jazz musicians. A similar centre opened in Leeds in January 2005. Further centres are planned across the country – in Sheffield in September 2006 and in the South West in 2007.

- *Creative Partnerships & Youth Music*

  Arts Council England delegates £10 million a year to Youth Music to support high quality music making opportunities for young people across a range of diverse genres including jazz. Activities include workshops, rehearsals, performances, one-to-one teaching and mentoring. Similarly the Creative Partnerships programme engages jazz musicians in a range of its broader based arts activity across the country." [27]

3.2.8. Intended Arts Council Funding for Regularly Funded Organisations 2008/09 to 1010/11

Organisation	Year 2008/09 £	% inc	Year 2009/10 £	% inc	Year 2010/11 £	% inc
Birmingham Jazz	71,500	310	73,431	2.7	75,443	2.7
EMjazz	52,635	2.7	54,060	2.7	55,520	2.7
Jazz Action	67,166	-	68,979	-	70,842	-
Jazz Services	370,000	5.71	379,999	2.7	412,104	8.45
Jazz Works North West	31,734	2.7	32,591	2.7	33,471	2.7
Jazz Yorkshire	56,054	-	57,567	-	59,120	-
Serious	384,000	-	394,362	-	-	-

3.2.9. The economic value of the music business

The UK's domestic expenditure on music in 2000 was circa £4.9 billion. Set out below is the key economic data for the UK music industry for the year 2000. This data and notes are drawn from the National Music Council, Counting the Notes.

3.2.9.1. Value Added

"Value added is calculated for the music industry in order to assess its contribution to the total output of the economy or gross domestic product at factor costs. This has been calculated by adding estimates of income from employment and self-employment in the various sectors to operating profits." [28]

Value Added	Notes	£m
Composition of music works and music publishing		448
Musical instruments (production, retailing & distribution)	(b)	328
Live performance (non-classical)	(c)	656
Live performance (classical & music theatre)		165
Music recording (including labels, studios & manufacturers)		1,024
Retailing & distribution of recordings		456
Education & training		407
Others including other artist earnings	(d)	140
TOTAL	**(a)**	**£3,624**

Table 7: Estimated value added

Notes:

(a) Estimates of the earnings of musicians/writers are split between the different sectors to which they relate.

(b) Figures for the retailing and distribution of music instruments are the estimates used in "A Sound Performance".

(c) This includes managers' total earnings from music not just from live performance.

(d) "Others" represents an estimate of musicians' income from other sources not included elsewhere, such as merchandising, sponsorship, TV fees etc and of artists' earnings in the opera sector where no reliable data are available.

3.2.9.2. Expenditure on music

"The definition of total expenditure on music in the UK economy in line with national accounting definitions includes indirect taxes such as VAT and excludes subsidies and grants. It is calculated by aggregating the key components of such expenditure which are consumer spending, spending by public and private corporations and public sector spending, including Arts Council and local authority expenditure."

"The table below highlights the key components of consumer expenditure on music. For the two second-hand sectors, musical instruments and sound recordings gross expenditure is reduced by 50% eliminating vendors' profit margins to correspond to national accounting rules." [29]

UK Consumer Spending	Notes	£m
Printed music		50
Musical instruments (new)		609
Musical instruments (second-hand)	(a)	150
Live performance admissions (non-classical)		487
Live performance admissions (opera & musical theatre)		226
Live performance admissions (other classical)		134
Sound recordings (new CDs, music cassettes, vinyl & music DVDs)		2,089
Sound recordings – second hand	(a)	38
Education		293
TOTAL		£4,076

Table 8: Estimated UK consumer spending on music – 2000

Notes:
(a) In the absence of new data, the A Sound Performance figures are included for these sectors.

Private Sector Payments	Notes	£m
Payments to PRS for the use of copyright music by broadcasters & other users		167
Payments to PPL for the use of copyright recordings	(a)	68
Expenditure by non-music venues	(b)	178
Others	(c)	110
TOTAL		£523

Table 9: Estimated private corporations expenditure on music – 2000

Notes:
(a) Source PPL 2000 Annual Report and Accounts
(b) Including pubs, clubs, restaurants and holiday camps; see Section 4.5.1
(c) "Others" represents an estimate of a number of categories of payments for which no robust data are available. It includes payments by advertisers and film companies for the use of musical performances and compositions and also corporate sponsorship of music. In the last category the Art & Business survey, "Business Investment in the Arts 2000/01" disclosed music sponsorship of £10.9m and opera sponsorship of £8.3m.

Public Expenditure	Notes	£m
Arts Councils and regional arts boards	(a)	75
ACE lottery	(b)	10
Ministry of Defence		8
Conservatoires		22
Music and dance scheme		7
Local authority grants to music organisations	(c)	21
Music services	(d)	60
Others	(e)	30
TOTAL		233

Table 10: Estimated public and local authority expenditure on music - 2000

Notes:

(a) Based on 2000/1 accounts. This represents the minimum expenditure, as not all spending on music is identifiable as such in the accounts. A notional percentage for opera is included to represents the ACE grant to the Royal Opera House. There are also some significant omissions: it is not possible to identify the proportion of this grant that goes to the South Bank Board, for example.

(b) In A Sound Performance, Lottery grants were not included in public expenditure on music as they were assessed as mostly capital. However, we include here the annual grant of £10m to the national Foundation for Youth Music.

(c) This is the figure for 1996/7 – the latest available for local authority grants to music organisations. See note (e).

(d) This represents the central government grant to music services – additional expenditure by local authorities is unknown. In addition, this figure is for England only. See note (e).

(e) This figure represents an allowance for government expenditure on music services in Scotland, Wales and Northern Ireland, and local authority expenditure on music services throughout the UK.

Summary Table	£m
Consumer spending	4076
Private corporations	523
Public sector spending	233
Public corporations (a)	100
TOTAL	**4932**

Table 11: Summary table – domestic expenditure on music

Overseas Earnings	Earnings £m	Payments £m	Net £m
Composition of musical works and music publishing	**359**	**202**	**157**
Live performance (non-classical)	77	23	54
Recording	567	343	224
TOTAL	**1003**	**568**	**435**

Table 12: Summary table – Estimated overseas earnings and payments - 2000

"No reliable and complete published data on overseas earnings and payments are available outside of the composition/music publishing and recording sectors though estimates have been included for non-classical live performance. It is not viable accurately to estimate overseas earnings and payments for the education, live classical and theatrical or musical instrument sectors thus they have been excluded from the table."

"The above table does highlight the three sectors' substantial positive net contribution t the balance of payments though the surplus of £435m is substantially less than the £582m reported for 1997/98 in A Sound Performance, with the key decline being in the recording sector." [30]

3.2.9.3. Employment numbers

"Within the UK music industry, as the table below highlights, the sectors employing the greatest numbers of people are:
(a) live performance, within which category we include all musicians
(b) education and training
(c) retailing and distribution of recordings." [31]

As with all previous surveys related to the music industry it has proved very difficult to generate a robust estimate of the number of full-time equivalent employees in all of the various sectors, including employees in the public education sector.

Employment	Notes	FTEs
Composition of musical works and music publishing		**4,841**
Musical instruments (production, retailing & distribution)		9,175
Live performance (non-classical)	(a)	38,300
Live performance (classical & music theatre)	(a)	12,230
Music recording (including labels, studios and manufacturers)		10,160
Retailing and distribution of recordings		21,500
Education and training		29,356
TOTAL		**125,562**

Table 13: Estimated employment in 2000 – full time equivalents (FTEs)

Note:
(a) Musicians are included within the live sector as opposed to dividing them between the various other sectors such as recording and composition.

3.2.10. The Value of Jazz in Britain

3.2.10.1. Economic Data

The key economic findings of a mapping exercise for jazz, commissioned by Jazz Services and undertaken by Mykael Riley and Dave Laing are given in the table below. (See www.jazzservices.org.uk for the full report).

Source of revenue	Amount of revenue £m
Ticket sales	**22.50**
Band fees for 'free to enter' gigs	1.50
Public subsidy	4.15
Commercial sponsorship	0.60
CD sales (retail value) and PPL fees	39.50
Compositions and music publishing	4.95
Education	12.07
Other	1.50
TOTAL	**86.77**

Table 14: 12 Month Summary Economic Data for the UK Jazz Sector 2004-2005

The table above gives details of an annual turnover of the jazz sector of the UK music industry in 2004-2005. It is estimated that this was £86.77 million.

The ‘other’ amount in the table above includes broadcasting fees, recording session fees and miscellaneous sources reported in responses to a questionnaire sent to every jazz musician registered with Jazz Services Ltd and/or the Musicians’ Union. [32]

3.2.10.2. Live Music Sector

There are at least 45,000 jazz performances a year in the UK, ranging from sessions in pubs where no entrance fee is charged to concert hall and international festival events. Festivals remain a growth area. The income of promoters and musicians from admission charges is supplemented by public funding from arts councils and local authorities, and smaller amounts from arts charities and commercial sponsors. [33]

3.2.10.3. Compositions and Music Publishing

Jazz compositions earn little in royalties since airplay is minimal in the UK and most recordings sell in small numbers. The most dynamic sector for jazz composers is the education market where tutor books and CDs sell in relatively large numbers. [34]

3.2.10.4. Recordings

While UK consumers spent almost £40 million on jazz records in 2004, much of this was spent on reissues and compilations or a small number of international hit albums. Of the 1,000 or so ‘new’ releases of jazz CDs, between 200 and 300 contained newly recorded music. Independent UK labels (many owned by musicians) issuing new recordings expect to sell from a few hundred to one or two thousand copies of each release. [35]

3.2.10.5. Jazz Education

Type of jazz education and training	Spending on each type (£m)
Higher and further education	**5.64**
Further and continuing education	0.82
Private tuition and examinations	1.14
Residential and short courses	0.85
Schools and peripatetic teaching	3.47
Youth music	0.15
TOTAL	**12.07**

Table 15: Annual spending on jazz education and training 2004-2005 [36]

3.2.11 Arts Council England Core Funding of Jazz Services Ltd

Arts Council England core funding	2004 £	2005 £	2006 £	2007 £	2008 £	2009 £	2010 £	2011 £
	257,500	263,937	316,725	340,000	350,000	370,000	380,000	412,104

Table 16: Arts Council England core funding of Jazz Services Ltd

3.2.12 The Economics of Touring

3.2.12.1 Jazz Services Touring 1983 to 2004

Between 1983 and 1995 JSL ran subsidised tours which involved JSL fixing and organising tours including road management, booking hotels, press, PR, sound etc. As a response to rising costs and standstill funding resulting in declining levels of touring, JSL piloted the National Touring Support Scheme (NTSS) that went fully operational in 1996/1997. The NTSS was also aimed at helping the musicians to help themselves.

Set out below is a comparison of the touring schemes. Both schemes are also comparable in that the fag end of the 1983/95 scheme is matched by the start-up of 1992/04 of the NTSS. National Touring Support Scheme Variance analysis highlights the differences in the two schemes for example a 483% increase in the number of NTSS tours and a 320% increase in the number of dates against a 31% decrease in band fees and a 16% decrease in average musicians' fees.

Comparison of Jazz Services Touring 1983/1995 and Touring Support Scheme 1992/2004

	JSL Touring	NTSS	Variance (Favourable and (unfavourable)
	1983/1995	**1992/2004**	
Number of tours	79	461	483%
Number of dates	818	3,441	320%
Total musician days	4,589	15,697	242%
Total band fee	£383,899	£1,113,131	189%
Average band fee	£469	£323	(31%)
Average musician fee	£84	£71	(16%)
Total Attendance	108,487	303,795	180%
Average attendance	132	88	(33%)
Total box office receipts	£376,187	£1,144,327	204%
Average ticket price	£3.46	£3.76	8%
Total deficit for venues	(£153,094)	£558,789)	(265%)
Average deficit per venue	(£187,25)	(£162.41)	13%
Total subsidy from Jazz Services	202,785	294,853	45%
Average subsidy per seat from Jazz Services	£1.86	£0.97	48%
Total subsidy per seat	£3.27	£2.80	14%

Table 17: Comparison of Jazz Services Touring [37]

3.2.12.2 Musicians' Fees

On the 17th November 1983 a report on Jazz Services Autumn Touring programme was presented to the JSL Board. It was reported that "Fees averaged out at about £50 per musician per gig and hotels are costed at an average £23 per night… the report indicated that over 50% of PA's were inadequate and almost 70% of pianos were inadequate." It should be noted that the £50 fee paid to musicians was for performance only; travel, subsistence and

hotels where additional, were met by JSL. A report on JSL National Touring Support Scheme stated *"over the years (1992-2003) the quality of PA's and ease of access to the venue and stage has remained fairly consistently above average. However, where a piano was required and available at the venue, the standards have remained at 1992 levels. This must almost certainly be due to lack of resources."* The Arts Council's National Review of Jazz noted that in 1994/95: "a local unsubsidised evening gig at a pub supporting jazz might pay *"£20 - £50 per musician in London, £10 - £35 outside, so the recommended minimum Musicians' Union rates are frequently not being achieved".*

Furthermore, *"The same differences between London and the regions apply in fees paid by Jazz Clubs and well organised venues. These will currently offer £45 - £65 per musician in London, or £30 outside for a local or regional band, going up to £100 - £200 per person for a well-known British quartet. A solo artist visiting a regional venue from London would expect a minimum of £100, and in a few cases this might go up to over £200; if the same artist is joining a local band rather than bringing their own support for the occasion the fee will be lower. These rates would be similar for an appearance at a festival such as the Brecon Jazz Festival, and travel and accommodation may be paid in addition.*

The fees paid to musicians on tours subsidised by the ACE jazz touring scheme tend to be in the range of £60 to £100; musicians on Jazz Services tours earned an average of £101 in 94/95 on the subsidised touring and £67 for the National Touring Support Scheme." JSL's National Touring Support Scheme Statistics for the years 1992-2003 show the musicians' average fee for 2003 is £100 per gig.

If the band musicians' fee of £79 in 1983 (made up of a £50 fee plus £23 hotel per night and £6 travel allowance) is adjusted by the RPI for each year to 2003 the adjusted fee in 2003 was £177. Between 1983 and 2003 there has been no improvement. Fees have deteriorated and any small improvement has been on the margins. [38]

The Value for Jazz in Britain showed that live performance represented almost half of musicians' income and was by far the largest income source followed by teaching and other educational work. Broadcasting, recording and earnings from composing together amounted to less than 10% of earnings.

Source of Income	% of jazz musicians' total income
Live performance fees	49.1
Broadcasting fees	1.2
Recording and session fees	3.6
Composing and arranging fees	2.2
Teaching fees	20.7
Royalties	3.1
Other music employment	4.4
Non-music sources	15.7

Table 18: Sources of musicians' Income (percentage of total)

The total amounts earned from music reported by respondents to the questionnaire in The Value of Jazz in Britain (VJB), showed that the majority of jazz musicians continued to be paid less than the national average wage of £22,248 in 2005. As the Table below shows, only 21% received more than £20,000 in 2004 with over half (53%) earnings under £10,000. [39]

Annual earnings from music	% of all jazz musicians
Less than £5000	**33.9**
Between £5001 and £10,000	18.9
Between £10,001and £15,000	15.0
Between £15,001 and £20,000	11.0
Between £20,001 and £25,000	6.1
Between £25,001 and £30,000	6.3
Between £30,001 and £35,000	3.3
More than £35,000	5.6

Table 19: Musicians' annual earnings from music (percentage of earnings of all jazz musicians combined)[40]

3.2.13 The Economics of Promoting

3.2.13.1 Structure and Size of the Live Music Sector

A search of the Jazz Services' website reveals that there are 774 promoters and 1828 venues in the UK promoting jazz. However, it should be noted that 31% of promoters (247) are venues and of the venues, 29% (527) are promoters.

The Value of Jazz in Britain (VJB) estimated a minimum of 550 residencies promoting jazz in the UK. The VJB estimated that the annual number of jazz gigs in the UK is at least 45,000. [41] However, it is important to note, as Adrian Kendon observes, that "the promoter base of the regional jazz economy is constantly changing as venues open and close, preventing long term patterns of work and audience development for musicians and others. It is likely that the personnel engaged in many of these relatively short-lived promotions changes equally fast. This would clearly affect promoter expertise and the public's ability to identify venues. This in turn has implications for effective publicity, marketing and thus box office income generation." [42]

3.2.13.2 Audiences and number of gigs [43]

The Table below shows that most promoters (55%) put on 20 or less shows per year (e.g. once or twice a month). But almost one quarter (23%) organised over 50 a year - that is at least one a week.

Number of gigs	% of promoters
1-10	37
11-20	18
21-30	10
31-40	5
41-50	7
50+	23

Table 20: Jazz Promoters: the number of gigs promoted annually 2004-2005

The Table below shows that two-thirds of promoters (67%) organised events with an average attendance of 100 or less. Only one in seven of promoters put on events with audiences of over 200.

Average audience size	% of all promoters
Less than 50	22
51-75	23
76-100	22
101-150	14
151-200	6
Over 200	13

Table 21: Jazz Promoters: Average audience size at their events

The typical price of admission was between £5 and £10 (51% of promoters). This price level applied most often to events with audiences of between 75 and 150. Only one in seven of the responding promoters (16% put on events).

Admission charge	% of promoters
No charge	16
£5 or less	12
£5.01 - £7.50	25
£7.51 - £10	26
£10.01 - £15	15
£15.01 +	6

Table 22: Price of admission to jazz promoters' events in the past 12 months (2004-2005)

This overall profile is reflected in the analysis of the gigs included in the Jazz Services Touring Scheme in 2003-4 and 2004-5. The Table below shows that average audience size for these tours by British jazz groups was 70 in 2003-4 and 78 in 2004-5. The Table shows the average price of admission to the tour gigs to be slightly less than £5.

	2003-4	2004-5
Number of performances	439	519
Average audience size	70	78
Average ticket price	£4.87	£4.93
Average band fee	£363	£420

Table 23: JSL Touring Scheme Performances 2003-2005
Source: Jazz Services Ltd

Venue	% of promoters
Pubs	26
Arts centres/concert halls	17
Jazz clubs	15
Theatres	12
Restaurants	10
Other	20

Table 24: Types of venues used by jazz promoters 2004-2005

The Table below shows that the most frequently used venues were pubs, but that a considerable number of promoters also presented jazz at clubs, art centres and elsewhere. The 'Other' category of venues used by jazz promoters including ballrooms, hotels, holiday centres, libraries, community centres, churches, museums, hospitals and grottoes.

Venue type	1-10 gigs per year (%)	11-20 gigs per year (%)	21-30 gigs per year (%)	31-40 gigs per year (%)	41-50 gigs per year (%)	50+ gigs per year (%)
Pub	24	10	17	5	7	37
Restaurant	27	27	7	0	13	27
Theatre	56	6	11	6	6	17
Arts Centre/concert hall	50	35	4	8	0	4
Jazz club	25	8	0	8	17	42
Other	47	23	17	0	3	10

Table 25: Price of admission to jazz promoters' events in the past 12 months (2004-2005)

The types of venues which held more than 50 gigs per year (i.e. weekly or more frequently) were mainly pubs and dedicated jazz clubs. Those that held the least number of jazz events a year (i.e. ten or less) were theatres and arts centres, but also included many pubs.

The Table below shows the typical size of audience for each type of venue, split in percentage terms.

Venue type	Under 50 audience size (%)	51-75 audience size (%)	76-100 audience size (%)	101-150 audience size (%)	151-200 audience size (%)	U200+ audience size (%)
Pub	35	15	28	10	5	7
Restaurant	33	40	7	7	0	13
Theatre	17	6	22	33	6	17
Arts Centre/ concert hall	15	35	8	19	12	11
Jazz club	22	35	30	9	4	0
Other	6	16	29	10	7	32

Table 26: Types of venue and audience sizes 2004-2005 (% of each venue type)

Two thirds of pubs and 80% of restaurants and hotels had jazz audiences averaging less than 100, as did half of arts centres and over 80% of clubs. The largest average audiences were found in theatres and concert halls. Over half of theatres where jazz was promoted attracted audiences of more than 100. Those venues also tended to charge the highest average ticket prices.

Venue type	Free (%)	Under £5 (%)	£5.01-7.50 (%)	£7.51-10 (%)	£10.01-15 (%)	£15.00 + (%)
Pub	35	15	20	15	13	2
Restaurant	25	13	19	25	12	6
Theatre	6	6	17	39	22	11
Arts Centre/concert hall	4	8	27	42	19	0
Jazz club	4	25	38	29	4	0
Other	10	6	26	23	22	13

Table 27: Types of venue and average admission charge 2004-2005 (% of each venue type)

Most theatres charged more than £7.50 as did 43% of restaurants and cafes. While 35% of pubs and 25% of restaurants did not charge for admission, the typical range of ticket prices across all types of venue was between £5 and £10. Clubs charged between £5 and £7.50 in 38% of cases, while a slightly smaller number charged between £7.51 and £10 for admission.

3.2.13.3 Subsidy and Sponsorship [44]

The Table below shows that 41% of all promoters had received some sort of financial support in the previous 12 months.

Venue type	% of promoters with financial support
Any venue	41
Pubs	35
Restaurants	31
Theatres	72
Arts centres	50
Jazz clubs	26
Other	39

Table 28: Jazz Promoters: Average audience size at their events

The types of venues and gigs least likely to attract financial support were pubs, restaurants and jazz clubs. Only 35% of pub gig promoters, 26% of club promoters and 31% of promoters of gigs in restaurants received any sort of sponsorship or subsidy. In contrast, jazz events at half of arts centres and over 70% of theatres were subsidised.

Venue type	None (%)	Under £500 (%)	£501-2000 (%)	£2001-£4000 (%)	£4001-£7000 (%)	Over £7000 (%)
Pub	65	2	5	5	8	15
Restaurant	69	0	6	13	0	12
Theatre	28	6	28	11	6	22
Arts Centre/concert hall	50	4	0	12	11	23
Jazz club	74	4	13	0	4	4
Other	61	6	13	7	3	10

Table 29: Jazz promoters: amounts of subsidy received in previous 12 months 2004-2005 (% of promoters at each type of venue)

Just over half of all promoters receiving subsidy got less than £7000 per year, with a quarter getting less than £2000. The Table also shows that most jazz clubs had less than £2000 in financial support

while most promoters at arts centres and theatres received an annual amount of more than £4000.

Audience size	None (%)	Under £500 (%)	£501-£2000 (%)	£2001-£4000 (%)	£4001-£7000 (%)	Over £7000 (%)
Under 50	70	9	6	0	9	6
51-75	69	6	9	11	0	6
76-100	59	0	12	12	6	11
101-150	43	5	14	5	9	24
151-200	56	0	0	0	11	33
Over 200	43	0	14	10	5	28

Table 30: Types of venue and average admission charge 2004-2005 (% of each venue type)

The figure shows that subsidies tend to go to events with larger audiences. Only one-third of promoters with events attracting less than 100 listeners received subsidy while the number rose to almost half for promoters whose events had average audiences of over 100.

Source of financial support	% of promoters receiving funding
Local authority	61
Arts Council	71
PRS Foundation	29
Commercial sponsor	20
Other source	10

Table 31: Jazz Promoters: sources of financial support in last 12 months 2004-2005 (% of all promoters receiving funding).

The main source of financial support took the form of public sector grants and subsidies. Arts Councils gave funding to 70% of promoters in receipt of any kind of funding (which is only 25% of all jazz promoters) and local authorities gave grants to 61%. The PRS Foundation, a charitable trust, gave money to 29% of these promoters. Only 20% of jazz event promoters stated they received commercial sponsorship. A number of promoters received funding from more than one of these sources; hence the numbers in the Table add up to more than 100%.

3.2.13.4 Festivals [45]

More than one third of the jazz promoters (38%) had organised a festival of some kind in the previous 12 months. The Table below shows over half the festival promoters in the survey put on a festival attended by over 1000 people and 44% organised an event for audiences of over 2000.

Festival audience size	% of festival promoters
Under 200	15
201-400	9
401-750	9
751-1000	5
1001-2000	18
Over 2000	44

Table 32: Jazz Festivals by audience size 2004-2005 (% of jazz festival promoters)

These results and other sources suggest that more than 200 jazz festival events are now held annually in the United Kingdom. More

than two-thirds of festivals (68%) attracted outside funding compared with less than half (41%) of club, pub and theatre etc events.

Source of funding for festivals	% of promoters
Local authority	48
Arts council	37
PRS Foundation	18
Commercial sponsor	39
Other source	23
None	32

Table 33: Jazz Festival promoters: sources of financial support in last 12 months 2004-2005 (% of all festival promoters receiving funding)

39% of festival promoters had commercial sponsorship compared with only 8% of gig promoters. Almost half of jazz festivals (49%) had some local authority subsidy, with 37% receiving money from an arts council and 18% from the PRS Foundation.

Amount of funding for festivals	% of promoters
Under £2000	19
£2001-£4000	7
£4001-£7000	12
£7001-£10,000	17
Over £10,000	45

Table 34: Jazz Festival funding by amount 2004-2005 (% of festival promoters receiving funding

The highest subsidy payments made in 2004-2005 were in excess of £100,000, from Arts Council England to the London International Jazz Festival, from the Scottish Arts Council to the Glasgow International Jazz Festival (£196,500) and from the Arts Council of Wales to the Brecon Jazz Festival. Other subsidies included £32,000 for the Lichfield Real Ale, Jazz and Blues Festival from Arts Council England, West Midlands, £26,000 to the Manchester Festival from Arts Council England, North West and £42,934 to the Aberdeen International Jazz Festival and £1,120 to the Ayr Jazz Festival from the Scottish Arts Council.

Local authorities seem to be providing financial and sometimes logistical support for an increasing number of festivals, probably because of the growing emphasis on the economic importance of the 'creative industries'.

3.2.13.5 Business and Private Sponsorship of Festivals [46]

The number of business sponsors of jazz festivals has increased in recent years. In this process, two points are worth noting. Firstly, the growth in the number of festivals for which sponsors pay to have their name in the title: such 'naming rights' were bought by the HSBC Bank for the Coventry and Brecon events in 2006 and by Starbucks at the Manchester festival in 2005. Secondly, the relatively recent arrival of the type of sponsor more readily associated with classical music events (financial services, hotels)

to join those sponsors frequently associated with popular music festivals, principally the alcoholic drinks brands.

Among financial services companies, the Royal Bank of Scotland supports the Glasgow International Jazz Festival while Northern Rock is a sponsor of the Appleby Jazz Festival. Hotel groups involved with jazz include Ibis (Northamptonshire International Festival), Malmaison (Jazz on the Quay) and City Inn (London International Festival). Other sponsors include travel companies (Manchester Airport for the Wigan Jazz Festival and P&O Ferries for the Hollywood Festival), the coffee shop chain Starbucks (Manchester Jazz Festival and the carmaker (Peugeot) (the Coventry Festival). Despite these changes, alcoholic drinks companies remain active in jazz sponsorship at the Ealing (Greene King), Islay (Black Bottle) and Scarborough (Grolsch) events.

According to the specialist agency Arts & Business, 'business investment in the arts in the UK was worth almost £115 million in 2002-3. Of this £14.5 million was received by music organisations (excluding opera companies and venues which received £5.5 million). The ten organisations receiving most investment included eight classical orchestras, one classical music trust and one conservatoire (Royal Academy of Music).

Almost no details are available from publicly available sources about the amounts of business sponsorship money given to individual jazz festivals but the Value of Jazz in Britain conservatively estimate the annual figure to have been £600,000 in 2004-5.

3.2.14 Composition and Music Publishing. [47]

The Value of Jazz in Britain showed that 40% of UK jazz musicians are composers as well as performers. However, because of the small sales of CDs of new jazz and its lack of airplay, British jazz musicians earn relatively little from their original compositions.

In other areas of music many composers are represented by music publishing companies that take a percentage fee for administering and exploiting musical works. However, many jazz composers are 'self-published' or represented by a music publishing subsidiary of their record company.

The main sources of earnings from composing are sales of recordings, live performances and other public uses of music (background music, jukeboxes etc), broadcasting and media commissions (film, television and advertising music).

Fees for public performance and broadcasting in the UK are collected by the Performing Right Society (PRS). In 2005 these

totalled over £214 million. PRS also received a further £100 million from overseas for the use of British music in broadcasts, concerts and other sources worldwide.

There are no official figures for income earned by jazz composers. However, based on analysis of radio and television airplay the Value of Jazz in Britain estimated that fees paid to PRS for broadcasts of live and recorded jazz were in the region of £0.6 million in 2005 and based on PRS income from popular music concerts, pubs and other sectors they estimate that non-broadcast fees relating to jazz compositions to be slightly higher at £0.7 million. In addition, there was a further payment from record companies to the Mechanical Copyright Protection Society (MCPS), the sister organisation of PRS, of 'mechanical royalties' in respect of the sale of CDs of jazz music, estimated at £2.2 million.

There is a thriving business in educational music books (tutor books) and recordings. The materials supplied by the Associated Board of the Royal Schools of Music (ABRSM) and Trinity Guildhall in connection with their jazz qualifications make an important contribution here.

The Jazzwise organisation, which sell the Jamie Aebersold range of materials, estimate that the market for these products has grown by 200% in the past two decades. The company's online music store has helped to increase sales and 20% of its turnover comes from this source.

Sheet music sales and hire constitutes a final category of payments to jazz composers. Although the market for printed books of music is now almost negligible, some composers receive fees when written out parts for ensemble or orchestral compositions are hired out to performing groups. These are occasional rather than regular income sources, however, and the Value of Jazz in Great Britain has estimated their annual value to be £50,000.

Source of publishing fees	Amount in £ millions
Mechanical royalties (MCPS)	2.2
Broadcasting (PRS)	0.6
Public performance (PRS)	0.7
Media commissions	0.2
Educational music products (retail)	1.2
Sheet music sales and hire	0.05
TOTAL	**4.95**

Table 35: Composition and music publishing: annual fees for jazz composers and publishers 2004-5 (£millions)

3.2.15 Recording and Distribution of Sound and DVD Recordings

3.2.15.1 Sales of Jazz albums were 2.7% of total units sold in 2004 which fell to 1.4% of total units sold in 2005

Units % down	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Rock	26.9	25.7	24.5	22.4	25.9	27.9	31.0	29.2	29.8	36.2
Pop	34.7	34.3	36.9	36.2	32.4	31.6	30.3	31.2	29.6	25.8
MOR/Easy Listening	9.3	8.3	6.3	6.8	4.6	6.0	6.1	6.4	7.8	8.5
Dance	9.9	11.8	10.2	12.1	13.3	10.5	9.5	7.2	6.9	7.6
R&B	7.0	7.7	6.1	7.6	8.5	8.8	7.4	8.4	9.1	7.6
Hip Hop/Rap	Na	Na	1.7	2.0	3.9	4.2	5.1	5.5	6.5	5.9
Classical	3.5	3.6	5.0	4.0	4.0	4.2	3.5	3.8	2.6	2.5
Jazz	1.4	1.2	1.4	1.2	1.0	1.1	2.0	2.6	2.7	1.4
Country	2.0	2.1	2.3	3.7	1.7	1.5	1.5	1.8	1.9	1.2
Folk	0.9	0.7	0.8	0.9	1.1	1.1	1.4	1.2	1.2	1.2
Reggae	0.4	0.8	1.0	0.6	0.9	1.0	0.7	1.5	0.8	0.9
World*	Na	Na	1.2	0.8	0.6	0.4	0.4	0.5	0.4	0.4
Children's	1.6	1.1	0.8	0.5	0.5	0.6	0.3	0.2	0.2	0.4
New Age*	Na	Na	0.3	0.1	0.5	0.2	0.1	0.2	0.1	0.3
Blues	0.4	0.3	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.2
Spoken Word	1.2	1.0	0.7	0.4	0.2	0.1	0.1	0.1	0.1	0.1
Other	0.9	1.4	0.4	0.4	0.5	0.4	0.3	0.0	0.1	0.0
Total %	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Table 36: Album sales by genre 1996 -2005. Source BPI [48]

** World & New Age Sales previously included in Others. Hip Hop/Rap sales have been separated from R&B since 1998.*

3.2.15.2 Sales Accounted for by Key Artists in 2001

Classical	Russell Watson Andrea Bocelli	14.2% 10.3%	**Pop (all genres)**	Dido Madonna	4.6% 3.1%
Country	Faith Hill Shania Twain	14.7% 10.0%	**Reggae**	Bob Marley Eddy Grant	35.6% 26.2%
Dance	Daft Punk Faithless	2.6% 1.8%	**R&B**	Gabrielle Destiny's Child	11.6% 9.5%
Hip Hop	Eminem D-12	10.0% 5.6%	**Rock – AOR**	David Gray The Beatles	12.4% 7.1%
Jazz	Miles Davis Diana Krall	13.3% 7.0%	**Rock – Contemporary**	Stereophonics Travis	7.3% 7.0%
MOR	Robbie Williams Frank Sinatra	18.9% 6.7%	**Rock – Metal/Punk**	Limp Bizkit Linkin Park	9.2% 8.7%

Table 37: Share of Genre's Sales Accounted for by Key Artists (Albums):

Source: Research & Information Dept BPI 2002. [49]

There are many artists whose extensive catalogues continue to sell well and guarantee them strong representation in analyses such as this. Miles Davis had no fewer than 42 albums in the top 10,000 of the year, which together accounted for 13.1% of total jazz sales. Frank Sinatra is another example; he had 34 individual titles in the annual listing, the combined sales of which accounted for 6.7% of the MOR "middle of the road" market.

3.2.15.3 Sales accounted for by key artists 2005

		%
Classical	Katherine Jenkins	15.1
	Bryn Terfel	5.9
	Choirboys	5.5
Country	Johnny Cash	19.6
	Shania Twain	7.5
	Dolly Parton	5.8
Dance	Faithless	9.0
	Basement Jaxx	5.6
	Prodigy	5.4
Hip Hop	Eminem	15.5
	Black Eyed Peas	9.2
	50 Cent	8.2
Jazz	Jamie Cullum	13.9
	Ray Charles	13.4
	Madeleine Peyroux	13.2
MOR	Il Divo	9.7
	Katie Melua	8.7
	G4	7.5

Table 38: Percentage share of Genre's Sales accounted for by key artists [50]

Jamie Cullum became the best-selling jazz artist of 2005.

3.2.15.4 Expenditure by Genre

	Gender		Age Group					
	Men	**Women**	**12-19**	**20-29**	**30-39**	**40-49**	**50-59**	**60+**
Survey Population	50.1	49.9	12.5	14.3	20.0	18.1	16.7	18.4
All Albums	58.2	41.8	14.0	17.4	22.7	20.2	14.8	10.9
Rock	64.5	35.5	17.6	21.1	25.3	21.0	11.5	3.6
Pop	45.4	54.6	9.2	13.7	28.5	24.0	15.6	9.0
Urban	48.8	51.2	31.4	29.6	15.3	15.5	5.6	2.5
Dance	56.3	43.7	20.9	28.8	28.0	12.1	6.8	3.4
MOR	50.6	49.4	3.7	6.3	15.8	20.3	25.3	28.5
Classical	64.4	35.6	4.2	4.0	10.6	13.4	24.7	43.1
Country	67.2	32.8	2.5	11.4	8.3	16.5	33.4	27.9
Jazz/Blues	68.7	31.3	2.2	8.2	14.4	21.8	22.6	30.7

Table 39: Types of venue and average admission charge 2004-2005 (% of each venue type) [51]

Women account for the majority spend on pop and urban albums and men spent proportionally the greatest amounts in the jazz/blues and country genres, where they accounted for over two thirds of expenditure.

3.2.15.5 Retailer Share by Genre

Percentage	Total	Urban	Rock	Pop	MOR	Jazz/ Blues	Dance	Classical	Country
Music/Video Specialist	**44.0**	**57.3**	**49.7**	**30.2**	**24.5**	**45.7**	**49.3**	**44.2**	**52.1**
HMV	23.5	34.9	25.0	17.1	15.3	25.0	28.2	25.1	25.9
Virgin	9.7	14.6	11.8	5.9	3.3	5.8	12.5	8.6	9.0
Music Zone	2.6	2.2	3.5	2.0	1.3	1.8	3.0	0.7	3.2
MVC	1.9	2.5	1.8	2.1	1.8	1.3	1.9	1.3	2.5
Fopp	1.0	0.3	1.5	0.5	0.2	1.3	0.7	0.0	1.4
Other Music/Video Specialists	5.4	2.9	6.1	2.5	2.6	10.4	2.9	8.5	10.0
Supermarkets	**26.3**	**22.9**	**24.1**	**36.4**	**39.3**	**21.5**	**26.4**	**19.1**	**19.2**
Tesco	12.1	12.7	11.2	16.0	17.3	6.9	14.3	9.4	5.9
Asda	8.4	6.8	7.6	12.0	12.4	7.4	8.4	5.1	7.4
Sainsbury	3.3	1.1	3.4	4.6	5.1	3.6	1.8	3.2	1.1
Morrisons	2.2	1.5	1.8	3.4	3.9	3.3	1.6	1.1	4.5
Other Supermarkets	0.3	0.8	0.2	0.3	0.5	0.5	0.3	0.2	0.3
Specified Chains/Multiples	13.4	13.2	10.6	21.4	20.7	8.6	14.1	6.8	9.5
Woolworths	11.2	10.4	8.8	18.5	17.1	6.5	12.6	3.4	8.8
WH Smith	2.2	2.8	1.8	2.9	3.6	2.1	1.5	3.4	0.7
Internet	11.0	5.3	12.8	8.4	9.0	15.4	8.6	14.0	9.7
Total Amazon	4.4	1.1	5.0	3.1	3.5	11.1	3.3	6.0	6.3
Play.com	2.4	1.4	3.0	2.1	2.0	2.8	2.5	1.5	2.9
CD Wow	1.3	0.9	2.0	0.7	0.7	0.0	1.6	0.8	0.0
Other Internet	2.9	2.0	2.9	2.4	2.7	1.5	1.2	5.8	0.5
Mail Order	2.7	0.7	1.3	1.7	4.0	3.9	0.3	11.0	1.9
Britannia	1.1	0.7	0.4	1.3	0.6	1.0	0.2	6.9	0.2
Other Mail Order	1.6	0.0	0.9	0.4	3.4	2.9	0.1	4.1	1.7
Other outlets	2.5	0.6	1.5	2.0	2.5	4.9	1.4	5.0	7.5

Table 40: Retailer share by genre
Source: TNS 'Audio Visual Trak Survey'. Base: album expenditure

"This table shows retailer market shares by different genres of music and illustrates in which markets retailers are most successful. The Supermarkets took the largest share of expenditure in the Pop and MOR markets in 2005, while the Specialists particularly excelled in Jazz, Urban and Country markets, accounting for 57.3% and 52.1% of spend in these genres. The Chains and Multiples fared proportionally best in the Pop, MOR and Dance Markets." [52]

3.2.15.6 Average retail price of albums

	2000 £	2001 £	2002 £	2003 £	2004 £	2005 £
Total	**10.98**	**10.77**	**10.60**	**10.20**	**10.02**	**9.81**
Music Specialists	11.46	11.20	10.99	10.55	10.42	10.07
Chains/Multiples	11.30	10.99	11.16	10.98	10.47	10.40
Supermarkets	10.54	10.81	10.67	10.04	9.75	9.65
Mail order & Club	10.52	9.55	9.62	9.36	9.91	10.33
Internet	10.38	10.04	9.89	9.64	9.31	9.21
Other outlets	7.08	7.86	6.75	7.27	7.33	7.34

Table 41: Average prices paid for albums by type of retailer 200-2005 [53]
Source: TNS 'Audio Visual Trak Survey'

	2000	2001	2002	2003	2004	2005
Under £4.00	6.8	6.4	6.4	7.0	7.1	6.3
£4.00 - £5.99	8.1	10.8	10.7	10.8	11.5	12.5
£6.00 - £7.99	9.0	8.1	10.0	10.1	11.3	11.2
£8.00 - £9.99	16.2	17.2	18.9	26.6	31.2	35.9
£10.00 - £11.99	17.5	17.1	17.1	14.5	11.1	10.3
£12.00 - £13.99	22.9	22.5	20.2	17.7	14.7	13.0
£14.00 - £15.99	15.7	14.5	13.0	10.3	10.0	8.3
£16.00+	3.7	3.4	3.7	3.0	3.2	2.4
Total	**100**	**100**	**100**	**100**	**100**	**100**

Table 42: Album sales breakdown by price group 2000-2005 % down

Source: TNS 'Audio Visual Trak Survey'

"The Data from TNS demonstrates that the percentage of CD albums purchased at £9.99 or under has increased from 40.1% in 2000 to almost 656.0% in 2005. The greatest percentage of albums is sold in the £8 - £9.99 price band – 35.9%, with 10.4% of all albums sold at £9.99. Just 10.7% of all CDs bought – including doubles, triples and box sets were sold for more than £14, compared with 19.4% in 2000, and every price band above £10 saw a smaller percentage of sales than in 2004.

Although consumers pay the lowest average prices at Supermarkets and Internet retailers, prices have dropped at every retail channel in 2005 compared with five years ago." [54]

3.2.15.7 Record Company Advertising

	2001 £	2002 £	2003 £	2004 £	2005 £	% change 2004-2005
TV	81,318	77,029	91,944	95,619	97,311	+2
Press Music Specialists	17,348	15,488	14,779	14,505	16,842	+16
Outdoor	5,542	7,660	7,536	8,124	10,010	+23
Radio	10,140	8,661	7,015	8,195	6,291	-23
Cinema	332	530	265	1,101	907	-18
Direct Mail	353	753	306	375	249	-34
Total	**115,033**	**110,121**	**121,845**	**127,919**	**131,610**	**+3**

Table 43: Record company advertising expenditure 2001-2005 £ thousands [55]
Source: AC Nielsen MMS Ltd

	Advertising Expenditure £	Industry Revenue £	Advertising as a percentage %
1993	**52.4**	**785.7**	**6.7**
1994	**66.5**	**917.5**	**7.2**
1995	**89.5**	**1,015.7**	**8.8**
1996	**91.5**	**1,077.2**	**8.5**
1997	**94.2**	**1,059.4**	**8.9**
1998	**110.3**	**1,120.9**	**9.8**
1999	**104.9**	**1,133.5**	**9.3**
2000	**111.8**	**1,170.4**	**9.6**
2001	**115.0**	**1,232.0**	**9.3**
2002	**110.1**	**1,209.7**	**9.1**
2003	**121.8**	**1,223.1**	**10.0**
2004	**127.9**	**1,220.4**	**10.5**
2005	**131.6**	**1,176.1**	**11.2**

Table 44: Record company advertising expenditure 1993-2005 £m
Source: BPI Research/MEAL & AC Nielsen MMS Ltd

"Advertising as a percentage of record company revenue broke 11% for the first time in 2005, the result of an increase in expenditure and a 3.6% decrease in revenue accrued. Note that these figures do not include advertising spend by music retailers, mail order companies or record clubs. Neither does it include co-operative campaigns, which are funded by both retailers and record companies." [56]

3.2.15.8 Music Video/DVD Sales by Genre

	2003	2004	2005
Rock	**56.7**	**55.8**	**43.7**
Pop	**33.4**	**24.6**	**35.7**
MOR	**1.7**	**10.1**	**12.0**
Hip Hop	**3.9**	**2.3**	**2.6**
Folk	**0**	**1.0**	**1.8**
R&B	**1.7**	**1.6**	**1.2**
Country	**0.8**	**1.5**	**1.0**
Dance	**0.3**	**1.0**	**0.9**
Reggae	**0.6**	**0.5**	**0.4**
Classical	**-**	**0.1**	**0.2**
Jazz	**0.6**	**0.7**	**0.1**
Other	**0.4**	**0.8**	**0.4**
Total	**100**	**100**	**100**

Table 45: Music DVD – sales by genre 2005 % down [57]
Source: BPI based on Official UK Charts Company data

Rock remains the most popular music DVD genre.

3.2.15.9 MP3 players and broadband fuel digital growth

The rising penetration (the percentage of respondents who have made at least one purchase) of MP3 players and the increased domestic uptake of broadband has helped fuel the digital market. Understanding & Solutions predict that 25% of the UK population will own an MP3 player by the end of 2006, while the ONS reported in December 2005 that broadband accounted for 64% of all Internet connections in the UK. [58]

	2004	2005	2006
Total MP3 Player installed base (m)	2.2	7.8	15.3
Household penetration %	9	31	60
Total population penetration %	4	13	25

Table 46: Penetration of MP3 players
Source: Understanding & Solutions. NB: Includes hard disk jukeboxes, micro hard disk jukeboxes and solid state audio devices. Excludes mobile phones with MP3 playback.

3.2.15.10 Growth of Downloads

	% Penetration		AWP (units in millions)	
	2004	2005	2004	2005
Total Music	59.7	55.6	8.7	9.9
Singles	8.5	7.1	4.6	5.2
Albums	55.4	51.2	7.5	8.0
Singles Download	1.4	2.9	6.0	15.9
Albums Download	0.6	1.7	3.6	4.5

Table 47: Penetration /Average weight of purchase
Source: TNS

The average number of units bought on download is three times greater than physical sales and has more than doubled since 2004. [59]

However, in a paper "Is the price of recorded music heading towards zero" for a transmission Conference in Columbia (November 30th – December 2nd 2006), Will Page, Executive

Director of Research at the MCPS-PRS, argued that "recorded music is in danger of becoming a 'pure public good' and …. That the consumer's cost of recorded music is heading towards zero."

3.2.15.11 Podcasts: Analyst projections

Prediction	Source & Date
Podcast audience to grow from 10m in 2006 to 25m in 2008 and 50m by 2010	EMarketer March 06
1% - or 700,000 – US households currently listen to podcasts, increasing to 12.3m in 2010	Forrester April 06
8m Britons will look for a podcast in the next six months	BMRB April 06

Table 48: Podcasts: Analyst projections
Source: BPI Handbook 2006

Podcasting delivers long form shows whether music or speech based, to portable music players and are set to grow in the UK from 10 million in 2006 to 50 million by 2010. [60]

3.2.15.12 UK Recording – a cottage industry

Major record companies and the main independent record companies issue very few new recordings by British jazz musicians.

Despite this neglect, there is a thriving recording scene in the UK jazz community. Each year about 1,000 jazz CDs are released onto the UK market. The majority of these are the reissues from the major companies but there are between 200 and 300 CDs of new music by British jazz musicians. The amount of recording activity can be gauged from the fact that 23% of jazz musicians responding to Value of Jazz questionnaires said they had participated in 'commercial sound recording' in 2004. About half of the CDs are self-produced by jazz groups or soloists, mainly for mailing to promoters and for sale at gigs. The remainder are issued by about 30 specialist jazz labels run by musicians, industry professionals such as managers or by enthusiasts.

Bands can sell between about 15 and 50 copies of their CDs to audience members at a gig or an average of between 200 and 300 a year. Such CDs can have an 'active life' of three years if the band tours frequently. Many of these new UK jazz CDs are also distributed to record shops by specialist companies such as New Note, Proper or Harmonia Mundi but they are increasingly sold from Internet sites such as Jazz on CD or Crazy Jazz. Some label owners believe that Amazon is a valuable source of sales since it offers such a vast range of repertoire, supporting the 'long tail' of cultural products, including jazz CDs. The download market is growing, although some label owners believe that the lesser audio quality of MP3 compared to CD is off-putting to some jazz fans. At least one label is using the MySpace website as a way of

marketing its releases to an international audience. One album by a new British band released by a small specialist label sold 10,000 units. Taking into account that exceptional success, the Value of Jazz in the UK estimated that annual sales of new UK jazz CDs are about 50,000 units with a retail value of approximately £500,000.

Recording artists may also receive payments when their recordings are broadcast or played in clubs, pubs or other public places. The royalties for these uses of sound recordings are collected by Phonographic Performance Ltd (PPL) whose turnover was £86.5 million in 2005. In the past, many musicians were represented in this sphere by the Performing Artists' Media Rights Association (PAMRA), a body that has now merged with PPL. As with PRS, PPL is unable to specify how much of this amount was collected in respect of the broadcasting and other uses of jazz recordings. Because of the very small amount of jazz programming in the British media, the estimated amount of PPL royalties payable to jazz musicians is less than 1% of the PPL total of £400,000. [61]

In 2004 total album sales for the UK were £1760 million and jazz, with 2.7% of sales, accounted for £40 million. The album sales for 2005 were £1670 million and jazz, with 1.4% sales, accounted for £23.4 million. Sales of jazz albums fell by 58.5%.

3.2.16 Media

3.2.16.1 Advertising Revenue Forecasts for all Media

£m, net except where stated	2000	2001	2002	2003	2004	2005	2006f	2007f
TV	3,328	2,997	3,154	3,197	3,457	3,569	3404	3,431
Interactive TV						16	20	26
Mobile						20	30	50
Radio	453	414	418	447	462	471	461	466
National newspapers	1,914	1,753	1,641	1,617	1,676	1,641	1,604	1,571
Regional newspapers	2,349	2,409	2,440	2,518	2,662	2,548	2,356	2,277
Consumer magazines	638	662	667	666	696	697	709	710
Business to business magazines	1,080	1,022	925	891	920	900	895	902
Outdoor	558	542	561	629	678	717	742	784
Cinema (includes production)	109	139	153	153	163	160	167	172
Digital	131	141	167	395	701	1,161	1,615	2,200
Media total	**10,559**	**10,079**	**10,126**	**10,513**	**11,416**	**11,902**	**12,003**	**12,590**
Other direct marketing (includes production)	0	7,118	8,066	8,699	9,173	9,634	9,496	9,346
Directories	738	815	842	875	913	962	992	1,010
Associative marketing and sponsorship	714	692	760	770	777	808	832	1,241
Market research	1,071	1,147	1,176	1,222	1,300	1,321	1,354	1,388
Public relations	605	601	528	505	508	507	537	564
Marketing services total	**3,127**	**10,374**	**11,371**	**12,070**	**12,672**	**13,231**	**13,211**	**13,549**
Media and marketing total	**13,687**	**20,453**	**21,497**	**22,583**	**24,088**	**25,133**	**25,214**	**26,139**
Year on year % change	2000	2001	2002	2003	2004	2005	2006f	2007f
TV	7.9	-10.0	5.2	1.41	8.1	3.2	-4.6	0.8
Interactive TV							25.0	30.0
Mobile							50.0	66.7
Radio	14.9	-8.6	1.0	6.9	3.4	1.9	-2.1	-1.1
National Newspapers	13.1	-8.4	-6.4	-1.5	3.7	-2.1	-2.3	-2.1
Regional newspapers	11.3	2.6	1.3	3.2	5.7	-4.3	-7.5	-3.3
Consumer magazines	3.2	3.9	0.8	-0.1	4.5	0.1	1.6	0.2
Business to Business magazines	6.3	-5.4	-9.5	-3.7	3.2	-2.1	-0.6	0.8
Outdoor	16.9	-2.8	3.6	12.1	7.8	5.8	3.5	5.7
Cinema	4.1	28.1	9.8	0.0	6.7	-2.1	4.8	3.0
Digital	203.3	7.1	18.7	136.4	77.4	65.6	39.1	36.2
Display Media total	**10.7**	**-4.6**	**0.5**	**3.8**	**8.6**	**4.2**	**0.9**	**4.9**
Other direct marketing			13.3	7.8	5.4	5.0	-1.4	-1.6
Directories	4.5	10.5	3.3	3.9	4.4	5.3	3.1	1.8
Associative marketing and sponsorship	8.5	-3.0	9.7	1.3	1.0	4.0	2.9	49.2
Market Research	9.3	7.1	2.5	3.9	6.4	1.6	2.5	2.5
Public Relations	2.1	-0.6	-12.2	-4.4	0.7	-0.3	6.0	5.0
Marketing services total	**10.0**	**231.7**	**9.6**	**6.1**	**5.0**	**4.4**	**-0.2**	**2.6**
Media and marketing total	**10.5**	**49.4**	**5.1**	**5.1**	**6.7**	**4.3**	**0.3**	**3.7**
Summary								
% shares of media	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007f**
TV	**31.5**	**29.7**	**31.1**	**30.4**	**30.3**	**30.0**	**28.4**	**27.3**
Interactive TV						**0.1**	**0.2**	**0.2**
Mobile								**0.4**
Radio	**4.3**	**4.1**	**4.1**	**4.3**	**4.1**	**4.0**	**3.8**	**3.7**
National newspapers	**18.1**	**17.4**	**16.2**	**15.4**	**14.7**	**13.8**	**13.4**	**12.5**
Regional newspapers	**22.2**	**23.9**	**24.1**	**23.9**	**23.3**	**21.4**	**19.6**	**18.1**
Consumer magazines	**6.0**	**6.6**	**6.6**	**6.3**	**6.1**	**5.9**	**5.9**	**5.6**
B2B magazines	**10.2**	**10.1**	**9.1**	**8.5**	**8.1**	**7.6**	**7.5**	**7.2**
Outdoor	**5.3**	**5.4**	**5.5**	**6.0**	**5.9**	**6.0**	**6.2**	**6.2**
Cinema	**1.0**	**1.4**	**1.5**	**1.5**	**1.4**	**1.3**	**1.4**	**1.4**
Digital	**1.2**	**1.4**	**1.7**	**3.8**	**6.1**	**9.8**	**13.5**	**17.5**
Media total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Table 49: Advertising revenue forecasts for all media
Source: This year, Next year UK Media and Marketing forecasts November 2006. Published GroupM

3.2.16.2 Online Advertising

- The UK online advertising industry is valued at £917.2m for the first six months of 2006, taking a 10.5% share of the UK advertising industry (IAB/PWC, October 2006).
- Search accounts for 57.9% of all online advertising; display 23.5%. The IAB has begun to track spend on solus email campaigns which accounted for 0.9% of the market. (IAB/PwC, October 2006).
- Search revenues grew by 58% year-on-year, display by 33% and classifieds by 23%. (IAB/PwC, October 2006).

3.2.16.3 Ecommerce

- An estimated £35bn will be spent online in 2006 (MRG, 2006).
- 18.7m people now shop online in the UK, spending an average of £627 each in the last six months. (BMRB, Feb 2006).
- 86% of people compare prices when shopping online with 77% claiming to research and then buy products online (IAB & RAB Media Conjunction Study, 2005).
- Ecommerce is expected to grow to £60bn in 2010, accounting for 20% of all UK retail spending.

3.2.17 Jazz Education [62]

3.2.17.1 Jazz Musicians

Type of educational work	% of musicians in each type of work	% with most teaching income from each type of work
Private tuition	43.0	30.0
Schools	17.5	11.8
Peripatetic	14.3	10.5
Further education	10.0	5.4
Higher education	15.0	11.3
Outreach work	6.5	3.0
Examining	4.8	1.4
Other	10.0	6.4

Table 50: Jazz Musicians' educational work in 2004-2005 (% of all types mentioned by musicians as working as teachers).

The Table above shows that teaching is an important component of the work and income of jazz musicians. Over half (58%) did some form of teaching in 2004, with private tuition by far the most frequently mentioned (by 43% of musicians). This was followed by schools (18%), higher education (15%) peripatetic teaching (14%) and further education (10%). Private tuition, schools and higher education were also the areas of education that provided the greatest amount of earnings for musicians.

However, jazz still occupies a relatively small place in music education and training as a whole in the UK, although this has been increasing.

The main areas of jazz education are:

- Higher, further and continuing education;
- Private instrumental teaching and external music examinations;
- Residential and short courses and community initiatives;
- School music teaching (classroom and peripatetic).

3.2.17.2 Higher, further and continuing education [63]

The Value of Jazz in Britain estimated that, across the UK, there are 490 undergraduates studying a B Mus or BA Hons in Jazz, with 40% of these at a conservatoire and the other 60% at a university or college. The UK undergraduate jazz economy for jazz specialist degrees is £1,690,000 in the UK premium funded conservatoires and £2,880,000 in the UK universities and non-premium funded conservatoires, with a total combined income of £4,570,000.

At postgraduate level there are a minimum of 70 full time equivalent students of jazz in the UK higher education sector. This produces a total fee income to UK institutions of £470,000.

Jazz also features as a small unit or module offering in at least 20 general music undergraduate degrees. Most of these offer one or two units or modules across a three year programme, representing up to 10% of the total study package. The Value of Jazz in Britain estimated at least 400 undergraduates per academic year are taking one jazz module across these degrees, with an estimated value to the jazz economy of at least £400,000.

Furthermore, the jazz income of higher education institutions is increased by conference activity. It is also bolstered by income from activities of junior jazz departments such as at the Royal Academy of Music and by summer schools dealt with elsewhere). This activity is valued at no more than £200,000 per annum.

The following table summarises the estimate of the spending on jazz in higher education.

Type of jazz course	Spending on each type of course: £ millions
Undergraduate courses	4.57
Postgraduate courses	0.47
Jazz modules in general degrees	0.40
Other activities	0.20
Total	5.64

Table 51: Cost of jazz courses in UK higher education 2004-5 (£ million)

The Value of Jazz in Britain estimated there are around 110 part time teaching roles in higher education jazz and 12 full time equivalent (often occupied as part time fractional posts) lecturing jobs. All these are funded from the income to the courses as described above.

3.2.17.3 Further and Continuing Education [64]

Specialist further and continuing education courses are rare in the UK. Jazz is implicit within the many popular and commercial music courses found everywhere in the UK, but there is only a handful of colleges providing a specialist jazz education at this level.

The jazz FE sector as a whole is small and valued at a maximum of £400,000, supporting four full time equivalent posts and a maximum of 14 part time visiting tutor posts.

In London this paucity of jazz in the FE sector is contrasted with a lively Continuing Education scene.

Outside London, there is little that directly replicates the scope of what is on offer in the capital. There are a few small clusters of continuing education courses in individual colleges, but much more of the non-London based jazz education activity is in residential and short courses.

The Value of Jazz in Britain values Continuing Education classes in jazz at least at £420,000. This mainly supports a community of part time tutors and a very small number of programme co-ordinators working in two or three of the major colleges, some on fractional appointments.

3.2.17.4 Private instrumental teaching and external music examinations [65]

Private tuition is the most widespread form of teaching practised by jazz musicians and circa one quarter of musicians provide some tuition each year. The Value of Jazz estimated that fees earned by jazz musicians for private instrumental teaching are about £600,000 per annum.

Jazz is a small part of the successful UK music graded examinations business, particularly with the examinations offered by the Associated Board of the Royal Schools of Music (ABRSM) and the longer established jazz examinations of the Guildhall Examinations Service, now part of Trinity Guildhall (TG). The business generates income principally from examination candidate fees and from associated book publishing.

The Value of Jazz in Britain values this business based on a maximum of 6,700 examinations in jazz per year with associated book sales, bringing a total income of £540,000. This supports a team of part time employed examiners, examination administrators, and employees involved in the book publishing business, principally through the ABRSM and Trinity Guildhall organisations.

3.2.17.5 Residential and Short Courses, and Community Initiatives [66]

Jazz education is thriving with entrepreneurial and community spirit in the residential and short course area. These range in size and scope from the Guildhall and Royal Academy of music's summer jazz courses in London, attracting large numbers of students, with as many as 140 students and over 20 tutors per week, to the internationally oriented Jamey Aebersold Jazz Summer School held in Richmond. The international dimension has developed into jazz courses in exotic locations, particularly in France and in Cuba. There are at least 25 summer and residential schools per year of significant size which pay jazz tutors in the region of £150 per day to teach and charge for tuition around £300 per week (not including accommodation). Together these courses present a sector worth £650,000.

There is an abundance of community based short courses throughout the UK. The estimated value, mainly paying for tutor costs and venue hire in equal measure, is £200,000.

3.2.17.6 School Music Teaching (classroom and peripatetic) [67]

The school music teaching sector is one in which jazz has only a small presence by comparison with the mainstream of classical music. This is highlighted by the small numbers of musicians with jazz degrees entering the school workforce as classroom music teachers. The Value of Jazz estimated there may be as few as 120 school classroom music teachers in the UK state sector with jazz degrees. If they are earning an average teacher's salary of £28,707 (top of the main teachers' scale outside of London) this estimates the earnings of jazz based classroom music teachers at £3,444,840.

Jazz is also a feature of school music services' provision. The Value of Jazz in Britain reports that 6095 pupils are benefiting per annum from regular ensemble and big band tuition in English state schools and it estimated the value of jazz tutors' income from teaching these ensembles as £24,310.

3.2.17.7 Youth Music [68]

Jazz education has also benefited from grant making bodies for special projects, particularly youth music.

The Table below summarises the total spending on jazz education and training the UK.

Type of jazz education and training	Spending on each type: £ millions
Higher and further education	5.64
Further and continuing education	0.82
Private tuition and examinations	1.14
Residential and short courses	0.85
Schools and peripatetic teaching	3.47
Youth music	0.15
Total	12.07

Table 52: Annual spending on jazz education and training 2004-2005 (£million)

3.3 Society

3.3.11 Characteristics and the Market Size for Jazz in the UK

3.3.11.1 Market Size

Target Group Index (TGI) figures for the year 2002/2003 show the audience for jazz who attended live jazz events at least once a year of 6.4% of the sample, with 1.8% attending at least once every 3 months. [69]

The audience for jazz at live events in England, Wales and Scotland extrapolated from the 2002/2003 TGI figures is 3 million adults, of which 2.2 million are ABC1 social groupings. [70]

The TGI Survey for 2004/2005 showed an increase to 7.5% of the audience for jazz which is 3.5 million in England, Wales and Scotland. It should be noted that the question posed had changed from previous years.

The TGI audience data 2004/2005 defined jazz as "ever go to jam concerts or watch them on TV or read about them in papers or magazines." This combining of attendance, viewing and reading produced an audience for jazz of 14% of the sample which gave an audience for jazz in England, Scotland and Wales of 6.6 million adults of which 4.5 million are ABC1 social groupings. [71]

3.3.11.2 Market Share by Area for 2002/2003 [72]

Region	Population Age16-65+ 000s	% of people who currently attend and the numbers of people who currently attend					
	For 2002	Jazz %	Pop '000s	Classical %	Pop '000s	Rock & Pop %	Pop '000s
North East	2026	4.5	91	8.2	166	23.8	482
North West	5395	5.3	286	13.2	712	22.9	1235
Yorkshire & Humberside	3976	4.9	195	8.3	330	22.5	895
East Midlands	3381	5.8	196	10.6	358	23.4	791
West Midlands	4224	5.7	241	14.8	625	22.4	946
East Anglia	4341	5.8	252	13.2	573	25.2	1094
South East	6451	6.4	413	13.3	858	24.5	1580
London	5916	10.2	603	17.4	1029	27.7	1639
South West	4025	7.2	290	14.7	592	20.6	829
Wales	2337	5.3	124	9.3	217	22.4	523
Scotland	4434	6.4	284	10.8	479	24.9	1104
Total	**4650**	**6.4**	**2975**	**12.7**	**5939**	**23.9**	**11118**

Table 53: Regional Trends, 38 2004 edition. Office for National Statistics & Target Group Index 2002/03

3.3.11.3 Evidence of Market Size for Wales

Research that has been undertaken by Beaufort Research in 2005, on behalf of the Arts Council of Wales, shows that the percentage of adults attending a jazz event at least once a year is 13%, with 10% attending once a year or more. The audience for jazz in Wales extrapolated from these figures is 303,810 adults.

3.3.11.4 Market Share

The TGI figures for 2002/2003 show that 23.5 million adults currently attend the live arts. Jazz, like opera, has a 13% market share of 1 in 8 arts attenders. [73]

3.3.11.5 Attendances at Jazz and Other Art Forms in Great Britain

Year	1994/5 + 1995/6 %	1996/7 + 1997/8 %	1997/8 + 1998/9 %	1998/9 + 1999/2000 %	2001/2 + 2002/3 %	2005 %
Currently Attend						
Plays	23.6	23.0	21.9	22.4	23.8	-
Ballet	6.9	6.4	6.3	6.3	6.7	-
Contemporary Dance	3.8	4.4	4.4	4.2	4.9	-
Opera	6.5	6.4	6.2	6.4	6.7	7.7
Classical Music	12.1	11.9	11.6	11.5	12.4	13.6
Jazz	6.3	5.8	5.7	5.9	6.4	7.5
Art Galleries/ Exhibitions	21.6	21.7	21.0	21.3	23.0	-
Cinema	51.5	54.0	55.7	56.4	59.2	-
Pop/Rock	22.2	22.1	21.5	21.9	23.2	-

Table 54: Attendances at jazz and other art events in Great Britain
Source: Peter Verwey, Target Group Index 1994/2003, Summary of Results for England, the English Regions, Scotland and Wales, Publisher Arts Council England, The Value of Jazz in Britain.

In the Table above, the attendance figures are a bi-annual aggregate with the exception of 2005. Some art forms such as plays, classical music, cinema, pop and rock have shown a steady growth in attendance. Contemporary dance has doubled its audience in under ten years. Jazz, like opera and ballet, has appeared to have reached a plateau. In 2002/2003 the increase to 7.5% in 2005 may be due in part to change in the question to "whether you attend any of these art forms these days". [74]

3.3.11.6 Attendances at jazz events 1994/2003

	1994/1995	1995/1996	1996/1997	1997/1998	1998/1999	1999/2000
Currently Attend	6.4	6.2	5.9	5.7	5.8	6.0
Attend more than once a year	1.7	1.8	1.7	1.6	1.5	1.6

	2000/2001	2001/2002	2002/2003	2003/2004	2004/20056	2004/20056
Currently Attend	6.0	6.4	6.4	6.8	7.3	9.4
Attend more than once a year		1.8				

Table 55: Attendances at jazz events 1994/2003
Source: Peter Verwey, Target Group Index 1994/2003, Summary of Results for Great Britain. Publisher Arts Council England & BMRB Target Group Index 2003/06

Notes: The percentages show the number of adults who attend currently and more than once a year. These figures for the North include Cumbria.

The numbers of people currently attending a jazz event has fluctuated over the nine year period 1994/2003. However, the core

audience, defined as those people who attend more than once a year, remains between 1.8% and 1.5% in terms of reliable statistical data. This again suggests that audience numbers may have reached a plateau. However, TGI for 04/05 of 7.3% and 05/06 of 9.4% indicate that jazz is lifting off its plateau.

3.3.11.7 Audience overlap for the UK 2002/2003

% of attendees at the performances listed below who attend jazz	Jazz %
All Adults	6.4
Any Theatre Performance	13.6
Plays	18.3
Ballet	28.9
Contemporary Dance	41.5
Opera	29.4
Classical Music	28.6
Art Galleries/Exhibitions	19.4
Cinema	8.6
Pop/Rock	15.3

Table 56: Attendances

Source: Peter Verwey, Target Group Index 2002/2003, Summary of Results for Great Britain. Publisher Arts Council England.

Notes: Audience overlap is the percentage of attendees at a given type of arts event who also attend other arts events. The percentages show attendance at jazz events by other arts attendees. For example, 41.5% of adults who currently attend contemporary dance attend jazz.

The table above shows the levels of attendances at jazz events of those people who attend dance, opera etc. 30% of ballet, opera and classical music audiences also attend jazz events and 15% of pop and rock audiences attend jazz. The interesting fact that 41% of people who attend contemporary dance also attend jazz events should help marketing initiatives aimed at building the core audience.

3.3.11.8 Profile of Gender in Great Britain in 2003

	Population 000's	Jazz
Sample	57.851	1,598
Gender	**%**	**%**
Men	48.8	56
Women	51.2	44
Total	100	100

Table 57: Profile of Gender

Source: Peter Verwey, Target Group Index 2002/2003, Summary of Results for Great Britain. Marketing Pocket Book 2005

3.3.11.9 Age distribution of the population in Great Britain compared to age distribution of people who attend jazz, opera and classical music events 2002/2003. [75]

Age	0-14 %	15-24 %	25-34 %	35-44	45-54 %	55-65 %	65+ %	Total %
Age distribution of UK population 2002	19	12	14	15	13	11	16	100
Age distribution of people who attend a jazz event at least once a year	-	7	13	20	22	20	18	100
Age distribution of people who attend a classical music event at least once a year	-	6	9	16	21	23	25	100
Age distribution of people who attend an opera event at least once a year	-	6	13	18	17	23	23	100

Table 58: Age distribution - Marketing Pocket Book 2003

The Table above shows the distribution of the population in England Scotland and Wales as compared to the age distribution of the audience for jazz, opera and classical music. Jazz has a higher attendance in the 15-24 age range than classical music and opera. However, the age range for jazz of 15-34 years is below the population distribution but above for those aged 35 to 65+. The watershed between 15-34 and 35-65+ has implications for marketing in terms of the providing listings for example.

3.3.11.10 Social Grade

	Great Britain Population All Adults	Jazz	
	2002/2003	2002/2003	2004/2005
Social Grade	**%**	**%**	
AB	25.1	31	36
C1	28.5	43	32
C2	20.7	12	17
DE	25.7	14	15
Total	**100**	**100**	**100**

Table 59: Social Grade

Source: Peter Verwey, Target Group Index 2001/2002 and 2002/2003, summary of Results for England, the English regions, Scotland and Wales. Publisher Arts Council England, October 2003. Marketing Pocket Book 2004. Target Group Index BMRB International 2004/2005

Notes: Percentages are based on the sample at the head of each column. For example, 31% of jazz attendees in Great Britain are AB social grade, while 25.1% of all adults in Great Britain are AB social grade.

The Table above compares the social grade of the audience for jazz with the distribution of social grades of Great Britain generally. Jazz, as all the other art forms, has a propensity to attract above average audiences from social grades AB and C1. The message from these figures is that efforts must be made to ensure an even distribution through the social grouping for jazz by developing audiences in the C2 and D social groupings.

3.3.11.11 Terminal Education Age 2003

	Great Britain Population All Adults	Jazz
Education	%	%
Still Studying	5.1	5.4
19 or over	15.9	36.4
17/18	16.5	17.5
16 or younger	62.5	40
Total	100	100

Table 60: Terminal Education Age

Source: Peter Verwey, Target Group Index 2001/2002 and 2002/2003, Summary of Results for England, the English regions, Scotland and Wales. Publisher Arts Council England, October 2003.

Notes: Percentages are based on the sample at the head of each column. For example, 36.4% of jazz attendees in Great Britain finished education at 19 or later, while 15.9% of all adults in Great Britain continued their education beyond 19 years of age.

The Table above highlights the fact that there are above average audiences from people who continued their education beyond the age of 16 and below average from people who finished education at 16 years or younger. Again this has implications for audience development in terms of growing audiences amongst those people who finished their education at 16 or younger.

3.3.11.12 Percentage attending music events in the UK in the last 12 months, ending December 2003, by ethnic group

		Asian or British			Black or British Black			Mixed Ethnicity	Chinese & Other ethnic groups	All
Event	White	Indian	Pakistani, Bangladeshi	Asian All+	Black Caribbean	Black African	Black All **			
	Percentage									
Jazz concert	6	4	1	3	9	6	7	8	3	5

Table 61: Percentage attending by ethnic group

+ Including other Asian groups not shown separately. ** Including other Black groups not shown separately
Respondents could mention more than one event.
Source: Research Report, 31 December 2003. Focus on Cultural Diversity: the arts in England attendance participation and attitudes. [76]

As shown in the Table above, levels of attendance for jazz concerts were lowest amongst the Pakistani, Bangladeshi and Chinese communities. They were above the average of 5% for Black and Mixed Ethnicity audiences.

3.3.11.13 Percentage accessing arts through CD, mini disc, tape or record during last 4 weeks, by ethnic group

		Asian or British Asian			Black or British Black			Mixed Ethnicity	Chinese & Other ethnic groups	All
Event	White	Indian	Pakistani, Bangladeshi	Asian All+	Black Caribbean	Black African	Black All **			
	Percentage									
Rock/pop	70	52	43	48	49	54	52	74	68	65
Classical Music	42	30	23	28	35	37	35	39	37	39
Jazz	17	13	7	10	37	34	35	26	18	17
Opera/operetta	12	2	1	2	6	7	6	15	10	10
Soul and dance music ++	-	35	20	28	58	52	57	47	22	-
World Music ++	-	35	33	34	20	31	26	16	21	-
Base	**5,619**	**444**	**394**	**958**	**346**	**310**	**706**	**192**	**192**	**7,667**

Table 62: Percentage attending by ethnic group: Source: Research Report 31 December 2003 Focus on Cultural Diversity: the arts in England attendance participation and attitudes.

+ including other Asian groups not shown separately
**including other Black groups not shown separately
++An 'all' percentage for those accessing soul and dance music and world music through CD, mini disc, tape or record is not possible as it was not asked of 2001 respondents.

Percentages can add up to more than 100% because respondents could give more than one answer.

The proportions of people listening to the arts on CD, mini disc, tape or record were high for each ethnic group.

Those from the Black or British Black groups (35%) or with a mixed ethnicity background (26%) were more likely to listen to jazz than those from the Asian or British Asian group (10%).

3.3.11.14 Choice for music by demographic group 2005

		Rock	Pop	Urban	Dance	MOR	Classical	Country	Jazz/Blues
		Percentage							
Total		**41.4**	**18.9**	**8.7**	**6.3**	**8.0**	**5.4**	**1.1**	**2.2**
Gender	Men	45.9	14.7	7.3	6.1	7.0	6.0	1.3	2.5
	Women	35.2	24.6	10.7	6.6	9.5	4.6	0.9	1.6
Age Group	12-14	31.3	21.9	37.9	6.3	0.0	1.5	0.7	0.0
	15-19	56.5	10.4	15.5	10.1	2.6	1.6	0.1	0.4
	20-29	50.0	14.8	14.8	10.5	2.9	1.2	0.7	1.0
	30-39	46.1	23.7	5.9	7.8	5.6	2.5	0.4	1.4
	40-49	43.1	22.4	6.7	3.8	8.1	3.6	0.9	2.3
	50-59	32.3	20.0	3.3	2.9	13.7	9.1	2.5	3.3
	60+	13.6	15.5	2.0	2.0	20.9	21.4	2.8	6.1
Social Group	AB	48.2	13.3	6.5	4.7	7.3	8.0	0.9	2.8
	C1	43.0	17.2	8.2	5.9	6.7	6.9	1.2	2.1
	C2	40.2	21.8	9.0	6.1	8.7	4.2	0.8	1.8
	De	35.2	22.8	10.8	8.3	9.6	2.6	1.5	2.0

Table 63: Choice of music by demographic group 2005 – Source: TNS' Audio Visual Track Survey

The table above shows the different proportions that each of the main genres account for when expenditure is broken down by sex, age and social group. [77] Women's expenditure biased towards Pop, Urban, Dance and MOR.

3.3.12 Media

3.3.12.1 UK Readership of National Daily Newspapers

% of readers who currently attend	Jazz %
All Adults	6.4
Daily Express	6.9
Daily Mail	7.9
Daily Star	2.5 *
Daily Telegraph	15.4
Financial Times	38.5 *
The Guardian	26.5
The Independent	15.8
The Sun	1.8
The Times	15.3

Table 64: UK Readership of national daily newspapers

* Number of respondents on which percentage based is too small to be reliable. Figures are given only for consistency.
Source: Peter Verwey, Target Group Index 2002/2003, Summary of Results for Great Britain. Publisher - Arts Council England.

Notes: The Percentage show the number of adults who read particular newspapers and attend jazz. For example, 26.5% of Guardian adult readers attend jazz (compared with 6.4% of all adults).

3.3.12.2 National Readership of Sunday Newspapers

% of readers who currently attend	Jazz %
All Adults	6.4
Mail on Sunday	7.2
News of the World	2.7
Sunday People	1.6
Sunday Express	5.8
Sunday Mirror	3.9
Sunday Telegraph	14.9
The Observer	23.4
Sunday Times	16.1
Independent on Sunday	11.2 *

Table 65: UK Readership

* Number of respondents on which percentage based is too small to be reliable. Figures are given only for consistency.
Source: Peter Verwey, Target Group Index 2002/2003, Summary of Results for Great Britain. Publisher - Arts Council England.
Notes: The percentages show the number of adults who read particular Sunday newspapers and attend jazz. For example, 23.4% of The Observer adult readers attend jazz (compared with 6.4% of all adults).

3.3.12.3 Readership of English Regional or Scottish or Welsh Newspapers

% of readers who currently attend	Jazz %
All adults	6.4
Any English regional or Scottish or Welsh evening	5.3
Any English regional or Scottish or Welsh morning	7.5
Any local weekly (paid for)	6.4
Any local weekly (free)	6.5

Table 66: UK Readership
Source: Peter Verwey, Target Group Index 2002/2003, Summary of results for Great Britain. Publisher - Arts Council England.

3.3.12.4 Figures for BBC Radio jazz content 2005 [78]

Programme	Gilles Peterson Worldlife	The Best of Jazz	Live from the Stables/ Jazz Crusade	Big Band Special	Jazz Legends	Jazz on 3	Jazz Line-Up	Jazz Record Requests	Jazz File	Mean
Day	Sun	Mon	Mon	Mon	Fri	Fri	Sat	Sat	Sat	
Time	2300-0100	2000-2100	2100-2200	2200-2300	1600-17--	2300-0100	1600-1700	1700-1800	1800-1830	
Station	1	2	2	2	3	3	3	3	3	
Duration (hrs)	2	1	1	1	1	2	1	1	0.5	
Weekly reach (000's)	118	576	425	374	112	49	150	180	120	221.6
Market Share %	2.70	8.60	8.20	8.00	1.20	1.70	1.90	2.40	2.20	4.1
Average age of listeners (yrs)	31	53	55	54	59	60	60	61	62	55.0
Composition based on weekly reach										
Male %	66.50	63.50	60.80	64.90	74.40	69.30	55.40	56.70	54.50	62.9
Female %	33.50	36.50	39.20	35.10	25.60	30.70	44.60	43.30	45.50	37.1
Age Groups										
15-24 %	52.10	6.70	4.70	3.50	3.30	N/A	2.70	1.30	0.40	8.3
25-34 %	16.60	8.20	6.80	9.90	2.50	4.60	1.10	0.90	1.40	5.8
35-44 %	13.00	18.40	16.90	17.40	11.30	10.90	5.00	8.20	7.90	12.1
45-54 %	11.00	16.90	15.00	14.80	16.50	17.20	23.00	18.10	23.90	17.4
55-65 %	4.20	21.70	26.90	23.10	26.30	8.90	24.10	28.20	15.90	20.0
65+ %	3.20	28.10	29.70	31.30	40.20	58.50	44.10	43.20	50.50	36.5
Social grade										
AB	17.40	21.70	18.00	14.70	38.70	29.40	50.90	48.20	51.80	32.3
C1	41.70	36.10	39.30	37.90	31.30	62.60	28.80	27.90	26.20	36.9
C2	20.80	19.80	21.20	27.10	14.80	4.10	12.10	13.20	11.10	16.0
DE	20.10	22.40	21.50	20.30	15.30	3.80	8.20	10.70	10.80	14.8

Table 67: Figures for BBC Jazz Content

Notes: The area is England, Scotland, Wales, Northern Ireland, Channel Islands & Isle of Man. Weekly reach is defined as the number in thousands or as a percentage of the UK for adult population who listen to a station for at least 5 minutes in the course of an average working week.

3.3.12.5 People accessing arts through radio by ethnic group

		Asian or British Asian			Black or British Black			Mixed Ethnicity	Chinese & Other ethnic groups	All
Art form	White	Indian	Pakistani, Bangladeshi	Asian All+	Black Caribbean	Black African	Black All **			
	Percentage									
Rock/pop	66	54	40	46	53	49	52	69	62	62
Classical Music	33	25	14	21	29	35	31	36	37	31
Jazz	13	13	5	10	28	30	29	21	15	14
Opera/operetta	7	2	1	2	3	3	3	6	6	6
Soul and dance music ++	-	28	15	22	49	38	44	36	14	-
World Music ++	-	17	14	16	18	21	19	11	15	-
Asian radio stations	-	57	54	53	2	3	2	3	9	-
Black radio stations++	-	8	5	6	36	29	34	15	2	-
Base	**5,619**	**444**	**394**	**958**	**346**	**310**	**706**	**192**	**192**	**7,667**

Table 68: Percentage accessing arts through radio by ethnic group: Source: Focus on Cultural Diversity and the Arts in England, attendance, participation and attitudes.

+ including other Asian groups not shown separately
**including other Black groups not shown separately

++An 'all' percentage for those accessing soul and dance music and world music through CD, mini disc, tape or record is not possible as it was not asked of 2001 respondents.

Between 77% and 92% of respondents from each ethnic group had listened to arts programmes on the radio. Rock and pop was listened to by the highest proportion of respondents from each of the groups, except those describing themselves as Indian, or Pakistani and Bangladeshi, who were as likely or more likely to listen to Asian radio stations.

3.3.12.6 People who do not attend but watch on television [79]

Region	Population Age 15-65+	% of people who do not attend live events but like to watch them on TV					
	For 2002	Jazz%	Pop	Classical %	Pop	Opera %	Pop
North	2026	3.4	68.8	6.7	135742	3.7	74962
North West	5395	4.5	2427	7.6	410202	4.0	215800
Yorkshire & Humberside	3976	5.4	214704	7.2	286272	4.0	159040
East Midlands	3381	5.1	172431	8.1	273861	4.4	148764
West Midlands	4224	4.3	181632	7.4	312576	5.0	211200
East Anglia	4341	5.1	221391	6.5	282815	5.1	221391
South East	6451	5.3	341903	8.3	535433	5.2	335452
London	5916	6.0	354960	7.0	414120	5.2	307632
South West	4025	4.1	165025	7.5	301875	5.2	209308
Wales	2337	4.4	102828	7.9	184623	5.3	123861
Scotland	4434	4.1	181794	5.4	239436	3.4	150756
Total 000s	**46506**	**4.8**	**2,248**	**7.4**	**3,377**	**4.7**	**2158**

Table 69: TV watching

3.3.12.7 People accessing arts through television, video or DVD by ethnic group

Art form	White	Asian or British Asian			Black or British Black			Mixed Ethnicity	Chinese & Other ethnic groups	All
		Indian	Pakistani, Bangladeshi	Asian All+	Black Caribbean	Black African	Black All **			
	Percentage									
Rock/pop	44	45	38	41	47	59	53	62	60	46
Classical Music	14	11	9	12	9	20	14	13	17	14
Jazz	5	5	2	4	12	14	12	5	8	5
Opera/operetta	5	2	2	2	5	9	7	3	7	5
Soul and dance music ++	-	24	14	19	37	39	38	35	6	-
World Music ++	-	22	24	24	10	22	15	6	10	-
Base	**5,619**	**444**	**394**	**958**	**346**	**310**	**706**	**192**	**192**	**7,667**

Table 70: Percentage accessing arts through television by ethnic group: Source: Focus on Cultural Diversity and the Arts in England, attendance, participation and attitudes.

+ including other Asian groups not shown separately
**including other Black groups not shown separately
++An 'all' percentage for those accessing soul and dance music and world music through CD, mini disc, tape or record is not possible as it was not asked of 2001 respondents.

Respondents were asked whether they had watched the arts on television, video or DVD in the last four weeks. The proportions were broadly similar, with over two-thirds of most of the groups having done so. The table above shows proportions watching the arts on television, video or DVD were highest among the mixed ethnicity group (81%) and Black African group (79%)

3.3.13 The Internet

3.3.13.1 People online

- There are now 29.8m people online, 63% of the total GB population (NOP World, Dec 2005).
- More than 73% of UK Internet users have been online for at least 3 years (TGI net, wave 9, 2005)
- 10m people access the Internet whilst at work (BMRB Q2 2006)

3.3.13.2 Online behaviour

- Sites where people can buy products or services are proving to be the most popular online destinations with 18.5m people doing so in February 2006 (BMRB, Feb 2006).
- Most popular online activities (BMRB Feb 2006):
  - Using email 25.2m
  - Sourcing info on activity/interest 21.9m
  - Browsing for fun 21.1m
  - Making travel plans 17.3m
  - Cinema/theatre/concert listings 14.8m

3.3.13.3 Broadband

- 9.9m households in the UK have a broadband connection (Continental Research, 2006).
- This accounts for 80% of all Internet users, up from 61% a year before (BMRB, Feb 2006).
- Broadband users spend twice as long online as their narrowband counterparts. They also view 3.5 times as many web pages as those accessing through dial-up (Nielsen NetRatings, Oct 2005).
- Broadband penetration is expected to increase at its current rapid pace for roughly the next two years before it plateaus at around 60% of all homes (Datamonitor, July 2005).

3.3.13.4 Media Time

- 56% of Internet users are now going online every day (BMRC, Feb 2006).
- UK Internet users are spending an average of 23 hours a week online (YouGov, Sept 2006).
- The average length of each user session is 53 minutes (Nielsen Netratings, July 2006).

3.3.13.5 Internet Access – households and individuals

An estimated 13.9 million households (57%) in Great Britain could access the Internet from home between **January and April 2006,** according to the National Statistics Omnibus Survey. This is an

increase of 2.9 million households (26%) since 2002, and 0.6 million (5%) over the previous year.

In total 40% of UK households were estimated to have broadband Internet access between January and April. This was an increase from the 28% recorded for GB in 2005. [80]

	%	No of GB households	% change on previous year
2002	46	11.0m	-
2003	50	11.9m	8
2004	51	12.2m	3
2005	55	13.3m	9
2006	57	13.9m	5

Table 71: Households with access to the Internet, GB

In 2006 the percentage of households able to access the Internet varied between different parts of the country. The region with the highest percentage was the South East with 66%. The area with the lowest access level was Scotland with 48%.

Overall, 40% of UK households, or 69% of households that had Internet access, had a broadband Internet connection. [81]

3.3.13.6 Households with Internet Access by region and type of connection, UK, 2005 and 2006

	Broadband access		Non-broadband access		No Internet access	
	2005	2006	2005	2006	2005	2006
	%	%	%	%	%	%
South East	36	48	26	18	37	33
East of England	27	44	30	21	42	36
London	32	49	21	14	46	37
South West	25	36	30	23	45	41
East Midlands	31	41	28	14	41	44
North East	28	38	15	16	56	45
North West	28	38	24	16	48	45
Yorkshire and Humberside	21	34	29	18	49	48
West Midlands	30	34	26	18	44	47
Wales	27	32	27	20	46	48
Northern Ireland		28		22		50
Scotland	21	34	32	14	45	42
GB	**28**	**40**	**26**	**17**	**45**	**42**
UK	**-**	**40**	**-**	**17**	**-**	**43**

Table 72: Internet access by region and type

3.3.13.7 Individuals

Twenty eight million adults (60% of the UK adult population) accessed the Internet in the 3 months prior to the interview in 2006. Over half of adults in all age groups, except the 65+ group, had accessed the Internet in the 3 months prior to the interview in 2006.

There is still a large divide between the young and the old, with 83% of the 16-24 age group accessing the Internet within 3 months prior to interview, compared with 15% of the 65+ age group. This is also supported by data that show there are now only 10% of the 16-24 age group who have never used the Internet, compared with 82% of the 65+ age group. [82]

Internet Usage

		Within the last 3 months	Between 3 months and 1 year ago	More than 1 year ago	Never used it
		%	%	%	%
Per cent:	Men	65	3	2	30
	Women	55	3	2	40
	All	60	3	2	35
Age groups:	16-24	83	4	3	10
	25-44	79	3	2	17
	45-54	68	4	2	26
	55-64	52	3	2	43
	65+	15	1	2	82

Table 73: When adults last used the Internet, by sex and age group, 2006

3.3.13.8 Accessing arts on the internet by ethnic group

		Asian or British Asian			Black or British Black			Mixed Ethnicity	Chinese & Other ethnic groups	All
Art form	White	Indian	Pakistani, Bangladeshi	Asian All+	Black Caribbean	Black African	Black All **			
	Percentage									
Rock/pop	11	19	12	15	9	14	12	20	25	12
Soul and dance music ++	-	11	6	8	12	17	15	13	5	-
Classical Music	1	2	1	2	1	3	3	4	6	2
Jazz	1	2	1	2	6	6	6	5	4	2
World Music ++	-	11	7	9	4	8	7	7	10	-
Opera/operetta	*	1	*	1	*	*	*	*	1	*
Base	**5,619**	**444**	**394**	**958**	**346**	**310**	**706**	**192**	**192**	**7,667**

Table 74: Percentage accessing arts through internet: Source: Research Reports 31 December 2003 Focus on Cultural Diversity: the arts in England attendance, participation and attitudes.

+ including other Asian groups not shown separately
**including other Black groups not shown separately
++An 'all' percentage for those accessing soul and dance music and world music through CD, mini disc, tape or record is not possible as it was not asked of 2001 respondents.

Respondents from the white group were less likely than any other ethnic group to have accessed the arts online. It should be noted however that internet access is increasing rapidly so the figures for the white sample, who were interviewed in 2001, may be lower than if these people had been interviewed in 2002.

Those from white, Asian or British Asian and Chinese and other ethnic groups were significantly more likely to have listened to rock and pop than any other genre.

3.3.13.9 Use by Income

The higher an individual's income, the more likely he or she is to have accessed the Internet. Fifty one per cent of adults with an income of £10,400 or less had never used the Internet. In contrast, 93% with an income of £36,400 or more had used the Internet in the 3 months prior to interview, more than twice the proportion (43%) of those earning £10,400 or less. [83]

	Within the last 3 months	Between 3 months and 1 year ago	More than 1 year ago	Never used it
	%	%	%	%
Up to £10,400	43	4	2	51
£10,401-£14,559	54	4	4	38
£14560-£20,799	70	3	3	25
£20,800-£36,399	85	2	1	12
£36,400	93	1	0	6

Table 75: When adults last used the Internet, by income, UK, 2006

3.3.13.10 Frequency of Use

Young people not only accessed the Internet more, they also accessed it more often. Most adults (59%) who had used the Internet in the last 3 months used it every day or almost every day, with the age groups 25-44 using it the most (63%). Less than half of those aged 65+ who had accessed in the last 3 months (43%) used it every day or almost every day, and 11% used it less than once a month. [84]

		Every day or almost every day	At least once a week (but not every day)	At least once a month (but not every week)	Less than once a month
		%	%	%	%
Percent:	Men	64	26	6	4
	Women	54	28	12	5
	All	59	27	9	4
Age groups:	16-24	60	26	9	5
	25-44	63	26	8	4
	45-54	62	24	10	4
	55-64	49	33	13	5
	65+	43	34	13	11

Table 76: Frequency of use of Internet in last 3 months, by sex and age group, UK, 2006

3.3.13.11 Activities on the Internet

The most popular activity on the Internet was searching for information about goods or services (84%). This was carried out more by men (88%) than women (79%). [85]

	UK	Male	Female
	%	%	%
Searching for information about goods or services	84	88	79
Using email	80	81	80
General browsing or surfing	72	75	68
Searching for information about travel and accommodation	71	72	69
Playing or downloading games, images or music	45	51	40
Internet banking	42	47	37
Reading or downloading on-line news (including. newspapers or news magazines)	35	43	27
Activities related specifically to employment (current or future job)	32	35	28
Seeking health related information	27	26	28
Activities related to a school, college or university course	27	24	30
Looking for a job or sending a job application	24	26	23
Listening to web radios/watching web television	23	30	16
Downloading software other than games	23	33	13
Other communication e.g. chat rooms, message boards	20	23	18
Post educational activities (e.g. leisure activities)	18	20	16
Selling goods or services	17	22	13
Telephoning over the Internet. video conferencing	10	13	7

Table 77: Internet activities of adults who have accessed the Internet in the last 3 months, 2006

3.3.13.12 Where adults have accessed the Internet

The most common place to access the Internet was the home (85%) while nearly half (46%) of adults accessed from a place of work. The data show that individuals tended to access the Internet at more than one location. [86]

Location	Percentage of UK adults
Home	**85**
Place of work (other than home)	**46**
Another person's home	**29**
Place of education	**15**
Public library	**10**
Internet café	**8**
Public office, town hall, government agency	**4**
Community or voluntary organisation	**2**

Table 78: Adults who have accessed the Internet in the last 3 months by place of access, 2006

3.3.13.13 Purchases over the Internet

40% of adults had purchased goods or services over the Internet. Of these, 79% had purchased within the last 3 months, with a higher percentage of men (81%) than women (77%) having done so. [87]

	Male	Female	Total
	%	%	%
Per cent – ever purchased	50	38	44
Of these:			
Within the last 3 months	81	77	79
Between 3 months and a year ago	15	18	16
More than one year ago	4	6	5

Table 79: Adults who purchased goods or services over the Internet, UK, 2006

Of those who bought goods or services on-line in the last 12 months, the most popular purchases were films and music (53%).

This was closely followed by travel or holiday accommodation (51%). [88]

	Percentage of adults
Films, music	53
Travel or holiday accommodation	51
Books/magazines/newspapers/e-learning material	37
Clothes, sports goods	37
Tickets for events	35
Computer software and upgrades (including video games)	29
Electronic equipment (including cameras)	25
Household goods (e.g. furniture, toys, etc)	24
Share purchases/financial services/insurance	24
Computer hardware	22
Food/groceries	20
Other	11
Lotteries or betting	7

Table 80: Internet purchases by UK adults in the last 12 months, 2006

3.3.13.14 Directgov commissioned research by Tickbox in February 2006. [89] There are a number of findings pertinent to Jazz Services:

Do you agree that the Internet is indispensable to your life?

Break % Respondents		Base	Gender		Age				
			Male	Female	16-24	25-34	35-44	45-54	55+
			%	%	%	%	%	%	%
Base		1535	530	1005	88	348	451	354	294
Q1	Yes	77.5	71.3	80.7	86.4	85.6	78.0	72.3	70.4
	No	22.5	28.7	19.3	13.6	14.4	22.0	27.7	29.6

Table 81: Source: Tickbox Net Survey

Have you a destination in mind when you log on?

Break % Respondents	Base	Gender		Age				
		Male	Female	16-24	25-34	35-44	45-54	55+
		%	%	%	%	%	%	%
Base	1535	530	1005	88	348	451	354	294
Q2:								
I usually have a destination in mind when I go on the net	65.7	63.2	67.1	78.4	66.4	67.4	63.3	61.6
I always have a destination in mind when I go on the net	28.9	28.9	29.0	20.5	30.5	29.0	28.8	29.6
I never have a destination in mind when I go on the net	5.3	7.9	4.0	1.1	3.2	3.5	7.9	8.8

Table 82: Source: Tickbox Net Survey

What are the most important factors in a website you visit regularly?

Break % Respondents	Base	Gender		Age				
		Male	Female	16-24	25-34	35-44	45-54	55+
Base	1535	530	1005	88	348	451	354	294
Q4:	%	%	%	%	%	%	%	%
Trusted	59.7	60.8	59.2	65.9	64.7	54.3	60.2	59.9
Tried and tested	55.8	55.8	55.8	45.5	51.7	51.2	62.7	62.6
Familiar	52.8	46.8	55.9	47.7	52.3	53.9	54.8	50.7
Reliable	51.2	47.9	52.9	55.7	46.0	50.1	54.8	53.4
Entertaining	45.5	42.8	46.9	61.4	52.6	46.6	46.3	29.6
Well-established	43.5	40.2	45.2	55.7	42.0	40.6	44.4	44.9
Fun	38.9	34.3	41.3	55.7	39.1	39.9	41.0	29.6
Fast	35.9	33.4	37.2	44.3	40.2	35.9	33.1	31.6
More convenient than the offline alternative	33.0	29.8	34.6	37.5	35.9	29.5	34.7	31.3
Genuinely time-saving	31.7	29.2	32.9	3.4	34.2	27.1	32.8	33.0
Amusing	23.3	25.5	22.2	43.2	28.4	22.4	22.9	13.3
Indispensable to your life	22.9	18.3	25.3	37.5	29.0	21.7	21.2	15.0
Authoritative	19.0	24.7	16.0	13.6	18.1	17.3	20.6	22.4
Comprehensiveness	17.6	17.4	17.7	19.3	13.2	18.2	17.8	21.1
Personally recommended	16.6	12.1	19.0	22.7	18.1	15.3	17.2	14.3
None of these	3.7	5.1	3.0	-	3.2	4.4	3.4	4.8

Table 83: Source: Tickbox Net Survey

Which of the following types of website is most valuable to your life?

Break % Respondents	Base	Gender		Age				
		Male	Female	16-24	25-34	35-44	45-54	55+
Base	1535	530	1005	88	348	451	354	294
Q9:	%	%	%	%	%	%	%	%
Banking	52.6	53.8	52.0	47.7	56.9	51.9	51.7	51.4
Shopping	50.1	43.0	53.8	52.3	51.7	53.9	47.2	45.2
Holidays	46.9	41.5	49.8	34.1	41.1	46.4	50.8	53.7
Travel information (trains/traffic/directions)	44.4	40.4	46.5	46.6	40.2	39.5	48.9	50.7
Research for offline purchases	38.7	36.0	40.1	31.8	30.5	38.8	44.9	42.9
Entertainment	38.6	38.6	40.1	56.8	39.7	41.2	41.0	24.8
News	37.3	40.2	35.8	43.2	38.5	35.7	37.9	36.1
Local services	22.9	18.5	25.2	14.8	18.1	22.2	27.7	26.2
Self-education	21.0	20.6	21.2	25.0	14.1	22.6	21.2	25.2
Sport	16.5	32.5	8.2	12.5	13.2	18.0	18.4	17.3
Other, please specify	16.1	13.4	17.5	19.3	15.2	16.9	14.7	16.7
Academic study	14.9	13.6	15.5	33.0	14.1	12.6	14.4	14.3
Public services, e.g. tax returns/congestion charge	12.4	11.9	12.7	11.4	13.8	11.1	13.6	11.9
Magazines	10.2	8.7	11.0	13.6	8.5	11.5	10.2	9.2
Business sites	10.2	13.0	8.8	11.4	9.5	8.9	11.6	11.2
Celeb gossip	6.6	1.9	9.2	12.5	10.1	8.2	4.2	1.4
Chat rooms	6.1	5.5	6.5	14.8	9.2	6.9	3.1	2.4
Porn	3.3	7.0	1.3	6.8	2.9	2.4	2.5	4.8

Table 84: Source: Tickbox Net Survey

Jazz Performance

3.3.13.15 Audiences and number of gigs

The Value of Jazz shows that most promoters (55%) put on 20 or less shows per year (e.g. once or twice a month). But almost one quarter (23%) organised over 50 a year - that is at least one a week. [90]

Number of Gigs	% of promoters
1-10	37
11-20	18
21-30	10
31-40	5
41-50	7
50+	23

Table 85: Number of gigs promoted annually 2004-2005 (% of promoters)

The Value of Jazz asked promoters to state the average size of the audience at the gigs they organised. The Table below shows that two-thirds of promoters (67%) organised events with an average attendance of 100 or less. Only one in seven of promoters put on events with audiences of over 200. [91]

Average audience size	% of promoters
Less than 50	22
51-75	23
76-100	22
101-150	14
151-200	6
Over 200	13

Table 86: Average audience size at their events (% of promoters)

3.3.13.16 Problems facing promoters

Adrian Kendon observes that “the promoter base of the regional jazz economy is constantly changing as venues open and close, preventing long-term patterns of work and audience development for musicians and others. It is likely that the personnel for many of these short-lived promotions changes equally fast. This would clearly affect promoter expertise and the public’s ability to identify

venues. This is turn has implications for effective publicity, marketing and thus box office income generation. [92]

3.3.13.17 The main difficulties facing promoters in the North West are:

- Finding knowledgeable help and assistance
- Poor audiences
- Lack of publicity in local media
- Indifference to jazz by some local authorities
- Lack of good pianos
- Reaching the jazz audience
- Lack of public subsidy [93]

The main difficulties facing promoters in the North East are:

- Small audiences
- Difficulty in marketing the increasing diversity of the music (which could perhaps be ameliorated by access/provision of up-to-date marketing expertise.
- The possible unhelpfulness of musicians in relation to publicity materials and professional attitudes on stage
- A tendency to favour classical music in terms of grants and public subsidy
- A need for subsidy for their gigs to enable them to plan ahead. [94]

The two reports Jazz in the North West and Jazz in the North East researched promoters in the North of England with comprehensive questionnaires and the results provided a useful indicator of needs and priorities that in all probability would be replicated in similar surveys in the rest of England and Wales.

To promote jazz in England and Wales a great deal of time is spent in finding suitable premises with sympathetic owners. The majority of these venues are subject to the vagaries of the owners, e.g. brewers, hotels, nightclubs, and sports clubs, etc who can and do at a moment's notice axe the access of promoters to these venues. This gives rise to the "Flying Dutchman" syndrome where the opportunity to build a distribution outlet for jazz that is branded, marketed, known in the area for its music policy, helps create new audiences and builds existing audiences over time is constantly negated. New promoters are invariably discouraged by this hostile environment.

At the present time producers who create new projects find it difficult to promote their product in enough venues which will give 'economies of scale'.

Anthony Everett in "Joining In", an investigation into participatory music, made a fundamental recommendation which was "the

provision of easy access to music making within striking distance of everyone in the country." [95] We must find ways of making it easier for those who would like to get involved in music to gain a foothold… what is needed is a one stop shop… which would not only offer good counsel but identify the whereabouts of such resources as music instruments and equipment, studios and rehearsal spaces. [96]

3.3.13.18 Profile of the Musicians

Region	% of jazz musicians based in each region
London	33
South East England	20
South West England	12
Midlands	9
North East England	7
North West England	7
Eastern England	4
Scotland	3
Wales	2
Northern Ireland	1
Other	2

Table 87: Geographical location of UK jazz musicians (% of total)

In the Value of Jazz Report of Musicians, more than half of musicians were located in London and South East England, as shown in the above Table, Musicians described professional status as: one third said their work was 'all jazz', 54% 'mostly jazz' and 13% 'mostly non-jazz'. The highest proportion of ;'mostly jazz' players were based in London and North West England, a reflection of the wider range of available general work (theatres, broadcasts etc.) in those regions.

68% of the respondents said they worked full-time and 28% part-time. The term full-time indicates that performing jazz is the sole or main source of work and income. A part-timer is a musician with a primary or significant source of income or employment outside music in addition to musical employment. A small minority of musicians indicated they were 'non-professionals' or amateur. [97]

In terms of musical style, the Value of Jazz shows that the highest levels of full-time musicians were found in Latin/Caribbean, free jazz, modern and mainstream. The highest levels of part-time players were in traditional and big band jazz. [98]

Musical style	Full-time % of each style	Part-time % of each style	Amateur % of each style
All jazz musicians	68	28	4
Traditional	47	48	5
Mainstream	66	31	3
Big band	57	38	5
Modern	78	19	3
Fusion	69	28	3
Latin Caribbean	93	7	0
Free	84	12	4

Table 88: UK jazz musicians: professional status by musical style. 2004 (% of musicians in each style)

Sources of work	Main sources of work %	Main sources of income %

Ballrooms	4	3
Concert halls/arts centres	13	14
Cruise ships	1	2
Festivals and outdoor	16	14
Holiday centres	2	1
Hotels and restaurants	15	20
Jazz clubs	17	14
Theatres	8	8
Pubs	16	12
Other	8	12

Table 89: UK jazz musicians: Main sources of live performance work and income 2004-2005 (% of all musicians)

The Table above shows the importance of each area of work in terms of gigs and sources of income for jazz musicians. [99]

The Table below shows the principal instrument of the jazz musician. The largest groups of instrumentalists were keyboard players and saxophonists (17% each). This was followed by almost equal numbers of players on four other instruments or instrument groups and of vocalists. [100]

Jazz musicians' main instrument	% of all jazz musicians
Keyboards	17
Drums	11
Saxophones	17
Guitar	11
Bass	12
Brass	13
Voice	11
Woodwind	7
Other	2

Table 90: UK Jazz musicians: Main instrument (% of all musicians)

The Value of Jazz reported that 14% of the respondents to the questionnaire were women jazz musicians and two-thirds of these were vocalists. The Table below shows that 'Voice' was the only category in which female musicians were in the majority. [101]

Main instrument	Males as % of jazz musicians playing each main instrument	Females as % of jazz musicians playing each main instrument
Keyboards	86	14
Drums	100	0
Saxophones	95	5
Guitar	97	3
Bass	96	4
Brass	96	4
Voice	20	80
Woodwind	90	10
All musicians	86	14

Table 91: UK jazz musicians: Main sources of live performance work

More than 95% of respondents described their ethnicity as white British or white European, as shown in the Table below. The remaining 5% included musicians of Afro Caribbean, African, Asian and mixed race origins. [102]

Ethnicity	% of all jazz musicians
White British	88
White other	7
All others	5

Table 92: UK Jazz musicians: Ethnicity (% of all musicians)

Age group	% of all jazz musicians
Under 26	3
26-35	11
36-45	24
46-55	22
56-65	22
66+	18

Table 93: UK Jazz musicians: Age range 2004 (% of all musicians)

The age profile of musicians' questionnaire shown in the Table above] in the Value of Jazz Report included a relatively small number of young players – only 14% were under 36 years of age. The largest cohort was aged between 36 and 45 (24%) closely followed by the 46-55 group and the 56-65 group (each 22% of all musicians). [103]

3.3.13.19 Jazz Services Live Music Survey

Jazz Services in conjunction with the Musicians' Union and with the support of the Association of British Jazz Musicians, National Campaign for the Arts, Fiddle On Magazine and the English Folk Dance and Song Society conducted a survey of 2312 jazz musicians in late 2003 and early 2004, to gauge the importance of the live performance of jazz across England and Wales.

A total of 281 musicians' survey responses analysed, representing a 12% response rate from the 2312 questionnaires sent out by Jazz Services Ltd between December 2003 and February 2004.

Key findings:

- 78 performances a year was the overall average, but this conceals a sharp divide between 50% of jazz musicians who average only about 30 performances a year, and the remaining 50% who average about 127 performances a year.
- The overall average is inflated by a relatively small proportion of musicians performing over 150 times a year (about 14%).
- 20% of all performances were under the 'two in a bar rule'.
- 45% of jazz musicians participated, or suspect that they participated in 'two in a bar' gigs in premises without a public entertainment licence.
- This group estimated that nearly half their annual gigs (49%) were 'two in a bar'.
- Most jazz musicians worked in pubs (81%), jazz clubs (74%), restaurants (63%), arts centres (58%) and concert halls (51%).
- 49% worked in public open spaces.
- 80% sought to earn income through music.
- 41% reported no recent change in the frequency of their gigs.
- About a third reported a recent decline in the frequency of their gigs.

- Of these, the two most cited reasons were 'venue closure' (53%) and a 'venue manager change' (50%).
- 67% of those who cited recent changes listed other causes, including lack of funding and licensing laws.

3.3.13.20 Department for Media Culture & Sport Small Venues Survey

DCMS commissioned Ipsos MORI to survey small venues to gauge whether they are taking advantage of the new rules brought in under the Licensing Act 2003. The survey looked at 2,101 establishments, most with a capacity of fewer than 500 people (including pubs, restaurants and village halls) to ascertain how many have a licence to put on live music.

It showed that:

- 63% have either obtained a music licence (61%) or put on live music via other means (2%) – compared to 60% under the old laws;
- A quarter (25%) of premises now have a licence to put on music for the first time;
- Of the small proportion (7%) of venues that used to operate under the 'two in a bar rule', around 70% now have live music licences; and
- Fewer than 2% had their live music applications refused. [104]

However, Hamish Birchall, in a press statement dated 16th December 2006, stated:

"The fact is under the old rules 100% of venues with an alcohol licence could have one or two musicians whenever they were open. Now it would seem that around 40% have lost that automatic entitlement. And of the 60% or so of venues that can now have more than two musicians, about half say they are unlikely to do so." [105]

3.3.13.21 The Licensing Act 2003

The Live Music Forum reported its findings on the impact of the new licensing regime in July 2007. The nub of its findings is as follows:

"1.9 Based on all the evidence we have before us, it is the overall conclusion of the Live Music Forum that the Licensing Act 2003 has had a broadly neutral impact on the provision of live music.

1.10 However, it is also true to say that the Licensing Act has not led to the promised increase in live music. On a number of occasions Government Ministers publicly stated that the Licensing Act would result in a "vast increase" or an "explosion" of live music. Members of the Live Music Forum remain unconvinced by these comments. The promotion of live music is not one of the objectives of the Licensing Act and we view with some scepticism any belief that the Act will in itself lead to a growth in live music." [106]

The Musicians' Union published a Policy Statement on the Licensing Act 2003 in June 2007. The Union's recommendations are set out below.

"After extensive monitoring, research and internal discussion the Musicians' Union is still of the opinion that the inclusion of regulated entertainment in the Licensing Act is unnecessary, and at the first opportunity it will campaign for its removal from the prevailing licensing legislation.

We support the introduction of most of the following proposed changes to the incidental music provisions and seek their introduction but with the deletion of 'volume' being included as a 'test':

'In considering whether or not music is incidental, one factor may be whether or not, against a background of the other activities already taking place, the addition of music will create the potential to undermine the four licensing objectives of the Act. Other factors might include some or all of the following:

- *Is the music the main reason for people attending the premises?*
- *Is the music advertised as the main attraction?*
- *Does the volume of the music disrupt or predominate over other activities?*

Conversely, factors which would not normally be relevant include:

- *Number of musicians, e.g. an orchestra may provide incidental music at a large exhibition.*
- *Whether musicians are paid.*
- *Whether the performance is pre-arranged.*
- *Whether a charge is made for admission to a premises.*

We firmly believe that the Government should introduce a fast track, and importantly an inexpensive, method of varying a licence to include regulated entertainment… We believe that the government should consider tangible benefits in the form of tax breaks etc for venues that show a clear commitment to the provision of live music. We strongly believe that there is a clear case for such an exemption to be introduced for venues with a capacity of 100 or less.[107]

3.3.13.22 Problems facing Musicians

The report on Jazz in the North East flagged up the following needs and priorities for musicians in the North East.

- Low level of awareness of funding opportunities
- Lack of gigs
- Lack of contracts
- Lack of venues

The priorities for career development are:

- More performance opportunities locally, nationally and internationally
- Training in self-promotion/marketing your band
- Networking opportunities
- Improving and developing instrumental abilities and learning about composing and arranging [108]

The report on Jazz in the North West highlighted the following needs and priorities for musicians in the North West.

- Jazz musicians' knowledge and take-up of funding sources was slight.
- Most jazz musicians rely on friends/colleagues to get gigs
- Support and expertise is needed to encourage self-promotion and the use of a wider network of contacts through different media; very few had websites and perhaps lacked the expertise or funds to set them up
- Low fees because businesses undervalue the music and musicians are forced to take other work to survive

- Lack of gigs and a fragmented music scene leading to musicians being unable to keep bands together
- Young musicians in the area migrating to London
- The difficulty of promoting and touring bands from the region outside it
- Musicians' desire to play more local and then national gigs. [109]

Again, the reports from the North of England provide a useful indicator and would in all probability be replicated if similar surveys were undertaken in the rest of England and Wales.

Paul Newton Skinner in "Small is Beautiful? – small independent jazz record companies – a contextual analysis" (June 1994) - highlighted one of the major weaknesses in the ability for musicians to sell CDs as the *"lack of exposure for jazz both in the concert hall and on the radio and without the choice to hear the possibility of purchase is much reduced".*

Malcolm Creese in 'Making CDs' (Jazz Services 1997) commented that the *"gig is your best market place for selling CDs and that the CD will help secure gigs in the first place".*

The above problems will be reinforced as more young musicians enter the labour market for jazz. Hopefully this can be addressed by JSL's Online Jazz Music Business Resource. A research survey conducted in July 2005 by Issue Barratt and Debbie Dickenson on behalf of Jazz Services Online Music Business Resource found the following:

Of the 11 institutions interviewed:

- 1 had compulsory jazz specific classes
- 4 had joint compulsory business modules for all streams. Only 2 include jazz
- 1 runs a joint honours degree (music and business) but there is no cross reference
- Several run optional electives

JSL can assume a dearth of music business education at music colleges/conservatories/institutions with a corresponding lack of music business resources for jazz and other music's.

3.3.13.23 Jazz Services National Touring Support Scheme

The National Touring Support Scheme is geared to helping musicians to help themselves. The NTSS scheme works on the principle that there is a 'market place' for jazz and that promoters book the bands on the strength of the music and attendant promotional materials. The Grants for the Arts scheme runs on the same principle.

Musicians are sole traders and, until they secure management, they have to undertake the tasks that any sole trader would have to undertake which is everything from marketing to book-keeping. [110]

Jazz Services National Touring Support Scheme 1992 – 2005

Regional Spread of Tours

Region	Total	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
East Midlands	**5**	**3**	**7**	**5**	**4**	**6**	**6**	**6**	**7**	**5**	**4**	**4**	**5**	**5**	**5**
Eastern	**12**	**13**	**14**	**8**	**15**	**11**	**13**	**11**	**12**	**13**	**15**	**12**	**12**	**10**	**11**
London	**18**	**12**	**17**	**14**	**19**	**19**	**25**	**18**	**18**	**18**	**19**	**19**	**18**	**18**	**18**
N. Ireland	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
North East	**2**	**1**	**1**	**2**	**3**	**4**	**2**	**1**	**1**	**2**	**2**	**2**	**2**	**2**	**3**
North West	**6**	**6**	**10**	**7**	**6**	**4**	**2**	**6**	**6**	**5**	**4**	**6**	**7**	**8**	**4**
Scotland	**3**		**1**		**3**	**5**	**2**	**2**	**2**	**2**	**1**	**3**	**3**	**3**	**7**
South East	**17**	**18**	**15**	**21**	**16**	**14**	**17**	**20**	**19**	**22**	**19**	**18**	**10**	**17**	**14**
South West	**16**	**19**	**16**	**17**	**18**	**19**	**15**	**18**	**15**	**13**	**11**	**12**	**16**	**13**	**17**
Wales	**4**	**11**	**3**	**7**	**3**	**2**	**5**	**2**	**1**	**3**	**4**	**4**	**5**	**4**	**4**
West Midlands	**6**	**5**	**7**	**7**	**3**	**4**	**4**	**4**	**3**	**6**	**7**	**6**	**9**	**6**	**8**
Yorkshire	**12**	**12**	**8**	**13**	**11**	**13**	**10**	**10**	**16**	**11**	**14**	**13**	**12**	**14**	**10**

Table 94: Regional Spread of Tours 1992 to 2005
Source: Jazz Services Ltd

Monthly Spread of Tours

Month	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	Grand Total
April	0	13	5	23	31	58	15	47	27	41	49	65	54	57	**485**
May	0	24	20	18	61	46	57	29	27	40	56	56	54	59	**547**
June	0	12	3	14	14	30	19	10	34	24	38	38	24	44	**304**
July	0	0	13	12	5	5	8	14	7	5	8	22	40	24	**163**
August	0	5	4	6	0	1	8	3	3	4	4	1	12	4	**55**
September	0	15	13	16	21	19	23	8	19	39	39	15	52	25	**394**
October	16	20	11	32	50	33	35	61	56	41	76	70	77	56	**634**
November	42	25	27	21	60	68	27	50	49	61	90	73	63	45	**701**
December	6	10	4	15	27	34	15	13	17	13	17	12	16	4	**203**
January	3	12	4	0	16	16	24	6	3	11	18	21	29	2	**165**
February	17	28	14	0	19	28	22	31	34	21	47	22	57	4	**344**
March	10	18	20	3	24	25	45	17	48	35	52	45	36	0	**378**
Grand Total	**94**	**182**	**138**	**160**	**328**	**363**	**298**	**289**	**324**	**335**	**494**	**440**	**514**	**324**	**4283**

Table 95: Monthly Spread of Tours 1992 to 2005
Source: Jazz Services Ltd

Piano, PA and Access – the best and worst

	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
Piano	3.6	3.3	3.5	2.4	1.9	2.2	2.0	2.4	3.6	3.3	3.7	3.6	2.4
PA	3.7	3.3	3.6	3.1	2.7	3.1	3.0	2.8	3.6	3.4	3.7	3.7	3.9
Access	3.7	3.6	3.6	3.6	3.3	3.6	3.6	3.6	3.7	3.6	3.7	3.8	3.9

Table 96: Musicians' Questionnaire: Piano, PA and Access (1=worst, 5=best)
Source: Jazz Services Ltd

Musicians General Questionnaire

Year	Contract Issued?	Fee Paid at Gig?	Fee Paid Cash?	Accommodation Provided?	Accommodation Paid for?	Travel Expenses Paid?	Subsistence Paid?	Band Provided Publicity?	Promoter Provided Publicity?	PA Supplied?	Piano Supplied?	Was Access Adequate?	Was Help Available?	Was Promoter on hand at Gig?	Did Promoter Approach Band?	Did Band Approach Promoter?	Was promoter easy to deal with?	Was Promoter Knowledgeable about Jazz?
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%		%
1992/93	67	89	70	27	17	6	7	87	84	85	65	96	72	85	13	64	91	81
1993/94	51	71	51	16	13	15	16	74	74	77	48	82	69	72	18	51	69	56
1994/95	48	78	62	24	23	9	14	67	79	80	46	81	70	75	19	57	72	70
1995/96	50	75	67	21	19	2	16	84	77	73	51	86	66	75	16	60	77	73
1996/97	49	88	74	27	25	15	12	88	90	81	57	93	59	80	25	69	82	75
1997/98	57	91	70	24	18	17	13	94	91	89	65	95	71	83	21	81	88	87
1998/99	63	85	65	18	14	7	11	90	89	82	55	91	80	80	28	68	88	77
1999/00	63	75	65	27	18	8	26	91	86	77	62	95	76	77	24	83	95	84
2000/01	47	90	73	22	17	13	18	88	89	84	57	91	83	86	25	84	95	88
2001/02	52	80	64	19	16	10	16	89	85	74	51	89	76	80	22	86	95	85
2002/03	49	84	64	26	21	8	16	92	84	76	51	93	77	85	24	84	96	88
2003/04	43	88	67	24	17	6	13	82	82	71	31	89	81	79	16	83	93	85
2004/05	34	83	66	15	10	2	5	93	88	61	24	93	61	95	39	66	95	88

Table 97: Musicians' Questionnaire: General (%)
Source: Jazz Services Ltd

3.3.13.24 Women in Jazz

Table 100 above (Value of Jazz in Britain Report) drew attention to the fact that only 14% of the respondents were women.

Statistical information received from the Jazz Section of the Musicians' Union shows a total of 2878 members of the Jazz Section of whom 2317 are men and 561 are women, which puts the number of women Jazz Section members as 19.5% of the total.

There is a lack of research concerning the role of women in jazz. The last pieces of research dealing with this subject women and jazz (1998). The evidence indicated that the contribution of women in jazz had not been recognised and that the potential of women participating in jazz is untapped. Furthermore, the Women in Jazz Survey demonstrates that the jazz scene in the UK tends to exclude women. For women audiences the sexual discrimination is mostly unintended – their needs are not considered. For women performers the discrimination is perhaps more deliberate. [111]

The Women in Jazz survey showed that women are currently under-represented on stage. [112]

However JSL touring shows an incremental change for the better. For example, in 1988/89, of the eight bands being toured, only one was led by a woman. The personnel of the bands were all male, including the woman-led band. In the 1998/99 National Touring Support Scheme tours of the 46 bands selected, 17 contained women musicians or were led or co-led by women and of the 55 bands selected in 2003/04, 14 contained women musicians. Of the 65 bands selected in 2004/2005, 13 were women led bands – that is 20% of the total.

3.3.13.25 Access for People with Disabilities

Of the 484 venues who regularly promote jazz listed in the Jazz Book [113] 313 (65%) offer facilities for people with disabilities. The Table below demonstrates the patchy provision of facilities for the disabled. For example, of the 484 venues, 170 (35%) had an adapted lavatory. In terms of jazz being promoted on the 60 licensed premises, i.e. pubs, 30 (50%) had unstepped access or wheelchair spaces.

	Total Venues	East Midlands	Eastern	London	N. Ireland	North East	North West	Scotland	South East	South West	Wales	West Midlands	Yorkshire
Number of Venues	485	29	41	82	8	17	44	35	76	59	17	37	40
Front Of House Facilities													
C	272	16	24	29	3	12	25	27	44	35	11	23	23
E	144	11	13	13	1	5	17	16	29	20	1	10	8
W	359	24	32	47	4	12	35	29	59	47	13	26	31
L	300	23	24	40	5	12	30	24	51	33	10	23	25
X	329	20	31	46	3	10	31	28	54	45	12	22	27
A	20	1	3	4	0	1	1	0	5	3	0	1	1
S	57	1	4	18	2	4	5	1	6	7	2	3	4
G	375	24	33	60	5	13	37	33	59	47	10	26	28
Backstage Facilities													
C	0	0	0	0	0	0	0	0	0	0	0	0	0
E	0	0	0	0	0	0	0	0	0	0	0	0	0
W	216	11	19	24	2	6	20	23	40	28	7	14	22
L	5	1	0	2	0	0	1	0	0	1	0	0	0
X	7	1	2	0	0	1	0	0	2	1	1	0	0
A	35	3	3	9	0	0	5	0	8	2	0	3	2
S	44	1	4	11	2	1	5	1	10	4	0	1	4

Disability Facility Key	
C	*Concessions on ticket prices for people with disabilities and/or OAPs/unwaged/students*
E	*Hearing loop or infra red system installed*
W	*Unstepped access (via main or side door) and wheelchair spaces*
L	*Adapted lavatory*
X	*Flat or one step access to the event area*
A	*2-5 steps to the performance area*
S	*Many unavoidable steps and/or other difficulties for wheelchair users*
G	*Provisions made for guide dogs*

Table 98: Disability Information by Arts Council Region
Source: May 2003 Jazz Services Database

3.4 Technological

3.4.11 Introduction

It was mentioned in Section 2.3 above that Jazz Services is dealing with both old and new technologies – old technology, crucial to the promotion of jazz, such as touring and the promotion of live jazz in festivals, recording etc and "new" technologies that include on-line distribution, podcasts, downloads and so forth.

3.4.12 "Old" Technologies

3.4.12.1 Touring

The Live Music Forum was set up by the DCMS to deal with issues arising from the Licensing Act 2003. Their report stated: "*It is crucial that there are live music venues of all sizes, from back rooms in pubs and medium sized venues through to large arenas such as Wembley. If one link of this chain is broken it endangers the fragile infrastructure that supports our successful live music industry."* [114]

As far back as 1992, Adrian Kendon observed that *"the promoter base of the regional jazz economy is constantly changing as venues open and close, preventing long-term patterns of work and audience development for musicians and others. It is likely that the personnel engaged in many of these relatively short-lived promotions changes equally fast. This would clearly affect promoter expertise and the public's ability to identify venues. This in turn has implications for effective publicity, marketing and thus box office income generation".* [115]

Nothing has happened to change the transient nature of volunteer jazz promotions.

Simon Frith in 'Is Jazz Popular Music' [116] drew attention to Stuart Nicholson's work in documenting the decline of jazz clubs and mid-range venues in the USA. The live scene in the USA is divided between festivals and concert halls and small clubs/bar performing spaces and concluded that *"the situation in Britain is undoubtedly similar".* Stuart Nicholson elaborates further: *" a feature in village Voice in 2002 had pointed at how the jazz club circuit outside New York had shrunk drastically"* and a 2004 Downbeat editorial noted the *"Touring opportunities for instrumentalists are bleak. Against this backdrop it begs the question of whether the vast sums of money (in jazz terms) spent on jazz at the Lincoln Centre and similar institutions might have been better spent in subsidising a national jazz infrastructure with subsidised venues, tour support*

and assistance with recording projects, as happens in several European countries." [117]

The situation with regard to the bedrock of jazz touring in the UK – the volunteer professional promoters, e.g. Derby Jazz, Sheffield Jazz, Jazz North East, Wakefield Jazz, Cardiff Jazz Society etc, is no different to that of the situation in 1999.

"To promote jazz in England a great deal of time is spent in finding suitable premises with sympathetic owners. The majority of these venues are subject to the vagaries of the owners e.g. brewers, hotels, night clubs, sports clubs etc, who can and do at a moment's notice axe the access of promoters to these venues. This gives rise to the "Flying Dutchman" syndrome where the opportunity to build a distribution outlet for jazz that is branded, marketed, known in the local area for its music policy, helps create new audiences and builds existing audiences over time is constantly negated. New promoters are invariably discouraged by this hostile environment." [118]

In a report commissioned by Phonographic Performance Limited ("PPL") in June 2005 by Price Waterhouse Coopers, a scenario for the future of music rights management was presented; "What a beautiful (digital) world". There were a number of projected impacts on music user groups of which the crucially important impact for the performance of jazz is:

- "Live public performance outlets decline as virtual reality experiences grow; and
- Electronic gateways become the most significant user group (e.g. iTunes). "[119]

3.4.12.2 Selling CDs on tour and at gigs

"Music is pretty much unique when it comes to media consumption… you don't buy a movie ticket because you liked the film. Typically you purchase first and then consume…. But music is different – and radio proves that whether it is a pop tune, a heavily political punk album, or an experimental avant garde suite, the key is very simple: people have to hear it – repeatedly, if possible – and for free. After a while, if you're lucky people get to know and like the music. Sooner or later they are going to have to own it." [120]

Exposure has always been – for jazz – a defining component that affects the buying decision.

As remarked on above, Paul Newton Skinner in "Small is Beautiful? – a small independent jazz record companies – a contextual analysis" (June 1994) highlighted one of the major weaknesses in

the ability for musicians to sell CDs as the *"lack of exposure for jazz both in the concert hall and on the radio and without the choice to hear the possibility of purchase is much reduced".*

Malcolm Creese in "Making CDs" (Jazz Services 1997) commented that the *"gig is your best market place for selling CDs and that the CD will help secure gigs in the first place."*

Jazz UK's Survey of Subscribers asked "which if any of the following influence your decision about jazz". 69% in 2000 or 77% of the survey in 2004 said that "hearing the band live" was an influence and 55% of the survey in 2000 and 81% in 2004 said that "reading a review" was influential. [121]

A Musicians' Union Jazz Section survey in 2004, of the distribution of independently produced CDs reported that 88% of respondents sold CDs at their own gigs compared to 53% at jazz clubs, 54% at jazz concerts and festivals with 24% selling via major retail outlets and 37% through independent local retailers. Online sales will have invariably impacted upon retail outlets but the sale of CDs at gigs is a very important method of distribution for musicians. [122]

3.4.12.3 Jazz UK

Jazz UK is published as an A5 format and is being brought "in-house" to Jazz Services. The print run is 30,000 with distribution of circa 28k to jazz clubs, venues, colleges, etc and the balance to subscribers and a limited number of PR companies to the press, board of Jazz Services and to the All Party Jazz Appreciation Group.

There is a question which is, will old technology be displaced by new technology and the old media is driven out by new media?

A paper by Ann Nguyen and Mark Western in Information Research concluded that:

"This study suggests that the historical co-existence of old and new media will continue in the Internet age. At least within the provision of news and information, instead of driving out old media, the Internet will complement them in serving the seemingly satiable views and information needs among a substantial segment of society. Decline of traditional news and information usage might be under way, especially when the Internet becomes the most relied-upon news and information source – but it is unlikely for any replacement (absolute displacement) to occur." [123]

3.4.13 New technology

3.4.13.1 The Long Tail

The economics of the Internet are different to the economics of the offline world. The prime example of this is the theory of the "long tail" a concept developed by Chris Anderson of Wired magazine.

"The theory of the 'long tail' is that our culture and economy is increasingly shifting away from a focus on a relatively small number of 'hits' (mainstream products and markets) at the head of the demand curve, toward a huge number of niches in the 'tail'.

In a traditional 'bricks and mortar' retail scenario, 20 per cent of the products that are for sale account for 80 per cent of the revenues and virtually all of the profits (because high-turn products use shelf space more efficiently). Retailers have therefore been tempted to only stock the 'hits' – in other words, they will only carry content that can generate sufficient demand to earn its keep.

Then came online retailing – for a retailer like Amazon, where shelf space is infinite and the cost of carrying a niche product is roughly the same as carrying a hit product, three things change:

1. *You can offer many more products.*
2. *It is easier to find these products thanks to filters.*
3. *Because the economics of niches are roughly the same as hits, profit is spread as evenly as sales.*

This is known as 'the long tail' concept.

The long tail is being felt across all media industries.

So what about the music industry? The move from a physical world to a digital one not only un-bundles the album concept to a track-by-track purchase model, but also un-bundles the purchasing habits of the consumer. Put another way, if the consumer was to spend £10 per week on music, it doesn't need to be consumed entirely by one sole album, rather – as the data suggests – the top three songs from the hit will be purchased, with the rest of the spend being freed up to go elsewhere." [124]

The long tail is of crucial importance to jazz.

"unlimited selection is revealing truths about what consumers want and how they want to get it in service after service – from DVDs at the rental-by-mail firm Netflix to songs in the iTunes music store and Rhapsody. People are going deep into the catalogue, down the long, long list of available titles far past what is available at Blockbusters and Tower Records. And the more they find the more

they like. As they wander further from the beaten path, they discover their taste is not as mainstream as they thought (or as they had been led to believe by marketing, a hit centric culture and simply a lack of alternatives).

The sales data and trends from these services and others like them show that the emerging digital entertainment economy is going to radically different from today's mass market. If the twentieth century entertainment industry was about hits, the twenty first will be equally about niches. " [125]

3.4.13.2 Web 2.0

"The Internet by 2010 is likely to emerge as a more user-friendly, more accessible indispensable lifestyle communications tool – the smart Internet of 2010 is likely to become the platform for personal connectiveness." [126]

This was written in 2005 and predicts Web 2.0 – *"a place where people gather and connect with you and with each other."* [127]

The Internet is in phase two of its existence. The old version was concerned with documents and websites and clicks. The new web is about *"communities, participation and peering… the Internet is evolving into a global living networked computer that anyone can program."* [128]

Crucially the pace of change is such that firms can no longer rely on internal capabilities or partnerships with a handful of businesses instead *"firms must engage and co-create in a dynamic fashion with everyone – partners, competitors, education, government and most of all customers".* [129]

Tapscott & Williams (20070 discuss new principles replacing the old tenets of business. The new principles are:

- Openness
- Peering
- Sharing
- Acting globally

- Openness

This is concerned with transparency where customers can see the true value of products or services better: Employers have knowledge of the firm's strategies, management and challenges; stakeholders and investors have access to information about the company.

- Peering

Hierarchies have provided the model for companies, public institutions and whilst it is unlikely that they will disappear *"a new form of horizontal organisation is emerging that rivals the hierarchical firm in its capacity to create information – based products and services – this new form of organisation is known as peering".* [130]

- Sharing

This is not above relinquishing intellectual property rights, for example, but by sharing some basic intellectual property. Companies can bring products to market more quickly and sharing extends to other resources such as computer power, bandwidth and content.

- Acting globally

Winning companies will need to know the world including its markets, technologies and peoples. Those that do not will find themselves unable to compete. *"To do all this companies not only need to think globally, but act globally."* [131]

Closer to home, Web 2.0 brings a new model of websites they are environments within which we can do something. The new websites have in common some or all of the following.

- "They are more like software than documents.
- They are social rather than solitary.
- They are environments in which you do something.
- They involve user generated content.
- They allow users to organise and tag content.
- They are different every time you turn up.
- They make use of RSS (Rich Site Summary) feeds – a way of distributing updated web content such as news sites, podcasts etc." [132]

Web 2.0 provides JSL with a range of tools to help the company connect with the community. Web 2.0 allows the "users of your website to interact with you and each other; let them provide some of the content – make it their own space." [133]

3.4.13.3 The other side of Web 2.0

There is an unpleasant side to social networking.

Dr Kieran Long, a lecturer at the University of Sussex who specialised in the social psychology of the Internet, says: *"The web*

merely serves as a new platform for behaviour that has always been around. She describes the exchange of abuse between social networkers as the same as people writing insults on the walls of public toilets. The factors that limit behaviour in face-to-face interaction are absent online… status markers do not exist so people feel freer to be more antisocial! The perceived escape from responsibility is one of the great changes of social networking." [134]

3.4.13.4 "Death of the Surfer - Birth of the Supersite" [135]

Directgov research indicates that a new phase in the use of the Internet is taking place. This is being called the "Supersite" phenomena. The research found that despite 75.8 million websites (and 6 billion pages) in existence people are no longer surfing widely over the whole net. Over half of Internet Britons (51%) visit just six or less sites on a regular basis. People are now using the Internet more smartly.

"When asked what factors were most important in a website they visited regularly, it wasn't necessarily about being entertained or saving money. The majority of correspondents said that it needed to be:

Trusted (60%)
Tried and tested (56%)
Familiar (53%)
Reliable (51%) [136]

3.4.13.5 Accessibility

The Internet has the potential to greatly enhance the lifestyle of people with special needs. Harold Hartfield of the Australian Federation of Disabilities Organisations argues that by 2010 the Internet could be a *"truly empowering medium of communication as accessing information by the Internet becomes enabling in life as opposed to disabling".* [137]

It is crucial to bear in mind that not everyone has a fast computer or high speed access. Not everyone has the gift of sight, therefore everything JSL Online does must be accessible. For example: *"Flash might look cool, but you manage to discriminate against everyone in the process."* [138]

Recent years has seen a reduction of the digital divide, however, take up of the ICT (Information Community Technology) remains uneven. For example, *"ABC1 households are more likely to have home access to a computer than C2DEs (79% and 50% respectively)".* [139]
However, ICT is more than home take-up. Access points are provided for the disadvantaged via the network of over 6000 UK

online centres. With other forms of IC|T such as mobile phones the digital divide is less evident, for example *"there is just one per cent separating mobile phone ownership rates among low income households aged under 65 from the UK average (78% and 79% respectively)".* [140]

3.4.13.6 Accessibility – the mature market

In 2002 one fifth of the UK's online population was aged over 50 by 2003 that figure had increased to a quarter which indicates that the over 50s are the fastest growing audience on the Internet. Research into the "silver surfers" showed that:

- Most over 50s access the net from home
- Silver surfers are frequently online
- Self-motivated and self-educated – only 9% of silver surfers have been taught by their children whilst 73% of the UK's silver surfers have taught themselves
- Not a bunch of late adopters – 48% of the over 50s connected to the Internet have been online (in 2003) for between two and five years. This suggests a well-established market. [141]

3.4.13.7 Accessibility – lifelong learning

The higher education sector has been one of the most successful in developing e-learning. The University for Industry which delivers the Learn Direct service was set up in 1998 to stimulate demand for lifelong learning and focus on winning over new or reluctant learners – often those who left school with few or no qualifications. It now has the largest e-learning networks in the world, using new technology to enable people to learn at their own pace and convenient location.

3.4.13.8 Accessibility – education

The Government has invested substantial monies in ICT in schools from £102 million in 1998/99 to £741 million in 2006/7. There is now more than 1 computer for every 4 pupils in secondary schools. Furthermore, the Budget 2005 committed £25 million per annum in 2006/08 for schools in deprived areas to invest in home access to ICT for pupils with the greatest need. [142]

There is an imbalance in taking ICT courses between girls and boys. In 2006, 50,200 boys entered IT GCSE compared to 40,500 girls. Research also shows women make up less than 15% of those working in ITEC related jobs across all sectors. The Government is investing £8 million in Computer Clubs 4 Girls to teach ICT skills to girls aged between 10 and 14 through projects that support Key Stage 3. [143]

3.4.13.9 Digital Television

The switchover from analogue to digital for television will take place between 2008 and 2012. Once the process is completed the UK will be receiving television in digital form whether by terrestrial broadcasts, satellite, cable or broadband. The timetable for the switchover is set out below:

Television from Analogue to Digital

Region	Switchover happens in:
Border	2008-09
West Country, Granada	2009
Wales	2009-109
West, STV North	2010-11
STV Central	2010-11
Central, Yorkshire, Anglia	2011
Meridian, London	2012
Tyne Tees, Ulster	2012

Table 99: Digital Switchover.
Source: ww.digitaluk.co.uk/en/when.html 26.1.2008

3.4.13.10 Jazz on Television

Sholto Byrnes in the Independent produced a snapshot of jazz on television (30th April 2007) or rather absence of it. The vibrant jazz scene does not sway television commissioning editors:

"A few programmes are made from time to time: the episode in Alan Yentob's Imagine… series on John Coltrane, for instance, or the recent South Bank Show on Humphrey Lyttelton (in which his music was covered only sketchily). BBC4 broadcast an excellent documentary on Stan Tracey in 2003, but it took a year for it finally to make it onto terrestrial television as part of BBC4 on BBC2, the "day release" strand that reminds viewers of what the corporation really ought to be showing on its second channel. The three-part series Jazz Britannia was a similar case.

Jazz has occasional slots on news and cultural programmes, although these can be a mixed blessing. Newsnight can be relied on to present the music intelligently; though other shows have been guilty of aiming for cheap laughs by picking unrepresentative clips so as to make jazz out to be a bizarre and esoteric art form.

It wasn't always this way. In the early days of BBC2, Jazz 625 often presented by Steve Race, features the likes of Art Blakey, Erroll Garner and Coleman Hawkins. In the 1970s, Oscar Peterson had his own chat show – the Piano Party series – also on the BBC, with guests including Count Basie, Edward Heath, Twiggy and Anthony Burgess.

But today the situation is very different. As Jon Newey, editor and publisher of Jazzwise, puts it: 'Jazz has been totally ignored by terrestrial TV for the past decade as television drifts increasingly towards trivia and reality-based shows.' Although it is often used

as soundtrack for adverts and films, when jazz is presented in its own right, as on Parkinson, it is of a particularly comfortable variety deriving from the old dance bands. This ignores its links with other, newer music forms and misrepresents jazz as an art consisting of songs written 80 years ago. 'Jazz is not and has never been an 'old peoples' music' and shouldn't be treated as such,' says Newey. 'Wherever rock, hip-hop or soul goes, jazz has been there first and continues more than ever to set the pace.' When they are, perhaps the heads of terrestrial television should ask themselves this question: if GCap Media, the Jazz's owner, can identify an audience large enough for it to make commercial sense for it to set up a new radio station, might that not suggest an appetite for jazz on television, too? If one channel dared to stop chasing the lowest common denominator, it might be surprised by the viewing figures a jazz series could garner."[144]

3.4.13.11 The Future

In ten years' time the notion of a TV schedule with traditional channels will be an anachronism. Viewers will create their own schedules to meet their needs made possible by greater choice.

"Some programming will be tailored to niche audiences and some user generated content will become more popular than ever, but the real winners will be those who provide high-quality programming which appeals to an affluent audience." [145]

Although the BBC's mainstream channels may become obsolete, the Corporation has a global brand that produces large amounts of respected content with an incredible archive. Channel 4, another content rich channel, could be another potential beneficiary. However, channels that produce little content of their own face doubts about their future, BSkyB is a prime example.

3.4.13.12 Digital Radio

The switchover from FM to digital would not take place until 2017 at the earliest and the likely date is 2020. There are problems with switching off FM:

- There are 100 – 150m FM radios in use, but only 5m DAB receivers have been sold so far at July 2007.
- *"By the time FM can be switched off, the UK will have switched to using DAB+, so the 5m DAB receivers sold so far will be obsolete by then.*
- *The BBC's Controller in charge of digital radio said recently that increasing coverage of its national DAV multiplex to the last ten per cent of the population was "prohibitively expensive" and that "hybrid solutions" would be required.*

- *No mass –produced cars contain DAV car stereos, let alone DAB+ car stereos.*
- *If FM is switched off when there are millions of cars that don't contain DAV+ car stereos, radio faces losing millions of in-car listeners.*
- *DAB is years away from being installed as standard in mass-produced cars because the cost of the FM receiver section of a car stereo is tiny in comparison to the cost of including DAB."* [146]

However, digital listening figures published by RAJAR, the industry ratings body, reveal that for the second quarter of 2007 one in four of the UK adult population, approximately 12 million people, listened to digital radio via digital audio broadcasting (DAB), digital TV and the Internet.

Around half of digital radio listening was via DA digital radio sets. By June 2007 the total number of radio sets in the UK had passed 5.3 million and by the end of 2007 was expected to increase to 6.6 million. [147] The Guardian Media reported a record 1 million digital radio sets sold in the fourth quarter of 2007 taking the total to 6.45 million. [148]

The following table shows the estimated cumulative DAB receiver sales. The figures assume that the total number of households and the number of receivers per household does not change.

To end of year	Household penetration %	Cumulative DAB sales estimate millions	Annual sales millions
2008	29.9	9.16	2.60
2009	40.0	12.24	3.08
2010	50.0	15.30	3.06
2011	58.5	17.90	2.60

Table 100: Estimated Sales of DAB Radios [149]

A pessimistic view needs to be taken as the Digital Radio Development Bureau Forecast Sales of 13 million units by 2008 but the actual cumulative total by the end of 2007 was 6.6 million DAV radio sets.

3.4.13.13 theJazz

theJazz, the UK's first 24 hours-a-day digital national jazz radio station, launched at Easter 2007 had 334,000 listeners in the Rajar Survey period ending in June 2007. By the period ending 16th September 2007 the listenership had increased to 388,000 or an increase of 16%. In addition to the 388K, 15 + listeners to *theJazz* had 53,000 children under the age of 15 listening in each. *theJazz* reaches a total audience of 441,000 people per week. [150] *theJazz* came off the air in March 2008 due to a proposed takeover bid.

Comparisons of BBC Radio stations with jazz shows compared to BBC Radio stations with no jazz shows.

Radio station type	Total number of stations	Stations with jazz shows	% of total %	Stations without jazz shows	% of total %
National radio	12	5	41	7	59
National regional	5	2	40	3	60
Local	39	6	15	33	85
Total	**56**	**13**	**23**	**43**	**77**

Table101: BBC Radio Station with and without jazz schools 27.1.2008

3.4.13.14 Jazz on Radio

"Britain is enjoying a vibrant jazz scene, but few programmers bother to find a place on the TV schedules. Radio on the other hand is still its champion." [151]

3.4.13.15 Jazz on BBC Radio

Set out below is a list of BBC radio stations national and local and the number of jazz shows broadcast.

Jazz shows by title and duration

BBC Station	Number of Jazz Shows
6 Music	1
Hereford & Worcester	1
Radio 1	1
Radio 2	4
Radio 3	5
Radio Derby	1
Radio Leeds	1
Radio Norfolk	1
Radio Nottingham	1
Radio Scotland	1
Radio Stoke	1
Radio Ulster	2
TOTAL STATIONS 12	**TOTAL 20**

Table102: Jazz shows on national and local radio at 26.01.2008

Jazz Shows by title and duration

BBC Station	Show Name	Day	Time	Duration Minutes
Radio Ulster	After Midnight with Linley Hamilton	Monday	0005 - 0100	55
Radio Leeds	The Big Band Show	Monday	1900 – 2100	120
Radio 2	Big Band Special	Monday	2200 – 2230	30
Radio 2	Courtney Pine's Jazz Crusade	Tuesday	2330 – 0030	60
Radio 1	Gilles Peterson	Thursday	0200 – 0400	120
Radio Stoke	Jazzbeat with Chris Gumbley	Wednesday	1900 – 2100	120
Radio Ulster	Jazz Club	Sunday	1903 – 2000	57
Radio Scotland	The Jazz House	Wednesday	2005 – 2158	1 hr 53
Radio Derby	Jazz Incorporated	Thursday	1900 – 2100	120
Radio Nottingham	Jazz library	Friday	2230 – 2330	60
Radio 3	Jazz Line-Up	Saturday	1600 – 1730	1hr 30
Radio 3	Jazz on 3	Friday	2330 – 0100	1hr 30
Radio 3	Jazz Record Requests	Saturday	1730 – 1830	60
Hereford	John Hellings' Big Bands	Saturday	2000 – 2200	120
Radio 3	Late Junction	Thursday	2315 - 0100	120
Radio 2	Malcolm Laycock	Sunday	2200 – 2300	60
Radio Norfolk	Paul Barnes	Saturday	1800 – 2100	3 hrs
TOTALS	**20 shows**			**34 hours**

Table 103 BBC Jazz shows by name and length in time of broadcast.
Source: www.bbc.co.uk/music/jazz/listen

3.4.13.16 Jazz on BBC Radio – Then & Now

In the week beginning 30th July 1988 the BBC broadcast 4.5 hours of jazz on Radio 1, 2, 3 & 4. [152] As at 26th January 2008 - 20 years

later - the total number of jazz broadcast hours on Radio 1, 2, 3 & 4 was 12 hours and 15 minutes – an increase of 127%.

3.4.13.17 Jazz on BBC Digital Radio Stations

1Xtra and 5 Music

BBC 1Xtra service remit is:

1Xtra plays the best in contemporary black music, with a strong emphasis on live music and supporting new UK artists. The schedule also offers a bespoke news service, regular discussion programmes and specially commissioned documentaries relevant to the young target audience (15-24 year olds), particularly – although not exclusively – those from ethnic minorities.

Its service priorities are:

1Xtra brings together the full range of contemporary black music and culture, driven by the needs of its target audience. Daytime programming will offer a wide range of music from all relevant black music genres, with specialist programmes during the evenings presented by leading DJs in their field. Live music will be a key part of the schedule. Speech output – including news – will aim to be relevant to listeners. [153]

Set out below are the 1Xtra shows by type

Show	Number of Shows
Art & Drama	1
Blues, soul & reggae	25
Comedy & quizzes	1
Dance	23
Entertainment	2
Jazz	2
Pop/chart	1
Urban	46
World	5

Table104: 1Xtra shows by type and quantity
Source: www.bbc.co.uk/radio/aod/networks/1Xtra/audi_list.shtm. 27.1.08

The two jazz programmes are Deviation with BanjiB
Ronnie Herel - The Basement

The content of Deviation with BanjiB is classed as “underground soul” by the BBC. The programme listing has Guilty Simpson, Jay Electronica, Alicia Keys etc. The only jazz track discernible was Milt Jackson – People make the world go round. One accepts that jazz is a broad church, but the remit clearly states “1Xtra plays the best in contemporary black culture with a strong emphasis on live music.”

BBC 6 Music

The BBC 6 Music remit from the 1st January 2007 states:

"The remit of BBC 6 Music is to entertain lovers of popular music with a service offering music from the 1960's to the present day. Its programmes juxtapose current releases outside the mainstream with earlier recordings, including music from the BBC Sound Archive. It should provide context for the music it plays, and support live music and new artists." [154]

Show	Number of Shows
Blues soul & reggae	3
Classic rock/pop	9
Comedy & quizzes	3
Dance	5
Experimental	3
Folk and country	1
Jazz	1
Music documentaries	2
Rock and alt	23
Urban	1

Table 105: 6 Music shows by type and quantity.
Source: www.bcc.co.uk/radio/aod/networks/6music/audiolist.shtml

The one show labelled as a jazz show – Stuart Maconie's FreakZone is a very broad and eclectic mix of music that lives up to its 'strap' of *"The quirky, unusual, weird and wonderful".* There were two jazz tracks – Spontaneous Music Ensemble – Withdrawal Sequence II and a Finnish band led by Eero Koivistonoinen – Five Blue Tones.

There is certainly room for another jazz programme.

3.4.13.18 Jazz on BBC Radio listening figures.

Radio 3's Jazz on 3 attracts 59,000 listeners, while on Saturday afternoons Jazz Record Requests attracts 184,000 and Jazz Line-Up gets 163,000. [155] This out of Radio 3's total reach of 1.9 million of 15+ adults on weekly reach of 4% and a share in the TSA of 1.2% (TSA: the percentage of total listening time accounted for by a station in the UK/area in an average week). [156] The same survey period for 2000 indicated a weekly reach of 2 million of 15+ adults, a weekly reach of 4% with a TSA of 1.3%. [157]

3.4.13.19 New Media

On the 18th April 2006 an ad hoc Touring Media Development Group met at the City University to explore new media and the implications for Jazz Services. Set out below are the main points with explanatory notes provided, from Wikipedia where necessary.

Relevant new media

MP3
(From Wikipedia)

MPEG -1 Audio Layer 3, more commonly referred to as MP3, is a digital audio encoding format.

This encoding format is used to create an MP3 file, a way to store a single segment of audio, commonly a song, so that it can be organised or easily transferred between computers and other devices such as MP3 players.

MP3 uses a glossy compression algorithm that is designed to greatly reduce the amount of data required to represent audio recordings yet still sound like faithful reproductions of the original uncompressed audio to most listeners. An MP3 digital file created using the mid-range bit rate setting of 128 kbit/s results in a file that is typically about 1/10th the size of the CD file created from the same audio source.

MP3 is an audio-specific format. It was invented by a team of international engineers at Philips, CCETT (Centre Common d'Etudes de Television et Telecommunications), IRT, AT&T-Bell Labs and Fraunhofer Society, and it became an ISO/IEC standard in 1991. The compression works by reducing accuracy of certain parts of sound that are deemed beyond the auditory resolution ability of most people. This method is commonly referred to as Perceptual Coding.

It provides a representation of sound within a short term time/frequenc6y analysis window, by using psychoacoustic models to discard or reduce precision of components less audible to human hearing, and recording the remaining information in an efficient manner. This is relatively similar to the principles used by, say, JPEG, an image compression format.

Podcast
(From Wikipedia)

A podcast is a collection of digital media files which is distributed over the Internet, often using syndication feeds, for playback on portable media players and personal computers. The term, like "radio", can refer either to the content itself or to the method by which it is syndicated; the latter is also termed podcasting. The host or author of a podcast is often called a podcaster.

The term "podcast" is a portmanteau of the acronym "Pod" – standing for "Portable on Demand" – and "broadcast". The iPod name was coined with Pod, prefixed with the "I" commonly used by Apple for its products and services. The first podcasting scripts were developed for the iPod (see history of podcasting). These scripts allow podcasts to be automatically transferred to a mobile device after they are downloaded.

Though podcasters' web sites may also offer direct download or streaming of their content, a podcast is distinguished from other digital media formats by its ability to be syndicated, subscribed to, and downloaded automatically when new content is added, using an aggregator or feed reader capable of reading feed formats such as RSS or Atom.

Blog
(From Wikipedia)

A blog (a portmanteau of web log) is a website where entries are commonly displayed in reverse chronological order. "Blog" can also be used as a verb, meaning to maintain or add content to a blog.

Many blogs provide commentary or news on a particular subject; others function as more personal online diaries. A typical blog combines text, images, and links to other blogs, web pages and other media related to its topic. The ability for readers to leave comments in an interactive format is an important part of many blogs. Most blogs are primarily textual, although some focus on art (artlog), photographs (photoblog), sketchblog, videos (vlog), music (MP3 blog), audio (podcasting) are part of a wider network of social media. Micro-blogging is another type of blogging which consists of blogs with very short posts.

As of December 2007, blog search engine Technorati was tracking more than 112 million blogs.

VideoDVD

Digital Marketing incentives – posting clips from mobile phone user at a concert onto a band's website

Live webcasting

Ringtones

Websites

Digital TV channels

Digital radio

Media Convergence
(From Wikipedia)

Convergence of media occurs when multiple products come together to form one product with the advantages of all of them.

See Concentration of media ownership for the similar sounding phrase of media convergence.

For example, the PlayStation2 is not only a games console, but also a CD player, DVD player and Internet connector. Mobile phones are another good example, in that they increasingly incorporate digital cameras, MP3 players, camcorders, voice recorders and other devices.

This type of convergence is very popular. For the consumer it means more features in less space, while for the media conglomerates it means remaining competitive in the struggle for market dominance.

Online Forum

Digital rights management

Digital rights management (DRM) is an umbrella term that refers to access control technologies used by publishers and copyright holders to limit usage of digital media or devices. It may also refer to restrictions associated with specific instances of digital works or devices. For digital protection of software and hardware devices not specifically related to protection of digital media, see copy protection.

The use of digital rights management has been controversial. Advocates argue it is necessary for copyright holders to prevent unauthorised duplication of their work to ensure continued revenue streams. Opponents, such as The Free Software Foundation, maintain that the use of the word “rights” is misleading and suggest that people instead use the term digital restrictions management. Their position is essentially that copyright holders are attempting to restrict use of copyrighted material in ways not included in the statutory, common law, or Constitutional grant of exclusive commercial use to them. The Electronic Frontier Foundation and other opponents also consider DRM schemes to be anti-competitive practices.

Internet music

Many online music stores employ DRM to restrict usage of music purchased and downloaded online. There are many options for consumers buying digital music over the Internet, in terms of both stores and purchase options.

- The iTunes Store, run by Apple Inc., allows users to purchase a track online for US$.99. The tracks purchased use Apple’s FairPlay DRM system. Starting on October 17 2007 users can

download DRM-free music for the same price as a file with DRM.

- Napster music store, which offers a subscription-based approach to DRM alongside permanent purchasers. Users of the subscription service can download and stream an unlimited amount of music encoded to Windows Media Audio (WMA) while subscribed to the service. But as soon as the user misses a payment, the service renders all of the downloaded music unusable. Napster also charges users who wish to use the music on their portable device an additional $5 per month. Furthermore, Napster requires users to pay an additional $0.99 per track to burn it to CD or listen to it after the subscription expires. Songs bought through Napster can be played on players carrying the Microsoft PlaysForSure logo (which, notably, do not include iPods or even Microsoft's own Zune).
- Wal-Mart Music Downloads, another online music download store, also uses DRM. It charges $0.88 per track for all non-sale downloads. All Wal-Mart Music Downloads are able to be played on any Windows PlaysForSure marked product. The music does play on the SanDisk's Sansa MP3 player, for example, but must be copied to the player's internal memory. It cannot be played through the player's Micro SD card slot, which is a problem that many users of the MP3 player experience.
- Sony operates an online music download service called "Connect" which uses Sony's proprietary OpenMG DRM technology. Music downloaded from this store (usually via Sony's SonicStage software) is only playable on computers running Windows and Sony hardware (including the PSP).

The various services are currently not interoperable, though those that use the same DRM system (for instance the several windows Media DRM format stores, including Napster) all provide songs that can be played side-by-side through the same player program. Almost all stores require client software of some sort to be downloaded, and some also need plug-ins. Several colleges and universities, such as Rensselaer Polytechnic Institute, have made arrangements with assorted Internet music suppliers to provide access (typically DRM-restricted) to music files for their students, to less than universal popularity, sometimes making payments from student activity fee funds. One of the problems is that the music becomes unplayable after leaving school unless the student continues to pay individually. Another is that few of these vendors are compatible with the most common portable music player, the Apple iPod. The Gowers Review of Intellectual Property (to HMG in the UK; 141 pages, 40+ specific recommendations) has taken note of the incompatibilities, and suggests (Recommendations 8 – 12) that there be explicit fair dealing exceptions to copyright allowing libraries to copy and format-shift between DRM schemes, and further allowing end users to do the same privately. If adopted, some of the acrimony may decrease.

Although DRM is prevalent for Internet music, some online music stores such as eMusic, Audio Lunchbox, Dogmazic, Amazon and Anthology recordings do not use DRM. Major labels have begun releasing more online music, without DRM. Eric Bangeman suggests in Arts Technica that this is because the record labels are "slowly beginning to realise that they can't have DRMed music and complete control over the online music market at the same time… One way to break the cycle is to sell music that is playable on any digital audio player. eMusic does exactly that, and their surprisingly extensive catalogue of non-DRMed music has vaulted it into the number two online music store position behind the iTunes Store." Apple's Steve Jobs has called on the music industry to eliminate DRM in an open letter titled Thoughts on Music. Apple's iTunes store will start to sell DRM-free 256 kbit/s (up to 128 kbit/s) music from EMI for a premium price (this has since reverted to the standard price). In March of 2007, Musicload.de, one of Europe's largest online music retailers, announced their position strongly against DRM. In an open letter, Musicload stated that three out of every four calls to their customer support phone service are as a result of consumer frustration with DRM.

Mobile Phones

Personal Digital Assistant

A personal digital assistant (PDA) is a handheld computer, but has become much more versatile over the years. PDAs are also known as small computers or palmtop computers. PDAs have many uses: calculation, use as a clock and calendar, accessing the Internet, sending and receiving emails, video recording, typewriting and word processing, use as an address book, making and writing on spreadsheets, scanning bar codes, use as a radio or stereo, playing computer games, recording survey responses and Global Positioning System (GPS). Newer PDAs also have both colour screens and audio capabilities, enabling them to be used as mobile phones (smartphones), web browsers, or portable media players. Many PDAs can access the Internet, intranets or extranets via Wi-Fi, or Wireless Wide-Area Networks (WWANs). Many PDAs employ touch screen technology.

Educational Uses

As mobile technology has become almost a necessity, it is no surprise that personal computing has become a vital learning tool. In the USA educational institutes have commenced a trend of integrating PDAs into their teaching practices (mobile learning). With the capabilities of PDAs, teachers are now able to provide a collaborative learning experience for their students. They are also preparing their students for possible practical uses of mobile computing upon their graduation.

PDA for the Visually Impaired

It is almost impossible to work on a PDFA for a blind person because most of the controls are touchscreen and you need to see the screen in order to operate the device.

With help of special PDAs blind people can work and entertain themselves; listen to music, chat with MSN Messenger and browse the Internet. All operations are done using voice commands and buttons – the control scheme was simplified to make controlling PDA easier.

Development of Broadband

Digital Video Recorder

A digital video recorder (DVR) or personal video recorder (PVR) is a device that records video in a digital format to a disk drive or other medium. The term includes stand-alone set-top boxes and

software for personal computers which enables video capture and playback to and from disk. Some consumer electronic manufacturers have started to offer televisions with DVR hardware and software built in to the television itself. It has also become the main way for CCTV companies to record their surveillance, as it provides far longer recording times than the previously used VCRs.

Public sector broadcasting

Web retailing

Web as a growing medium

Email/text

Opportunities

- Huge opportunities for retailing via the web
- Podcasts – podcasts are via subscription i.e. pay for download
- Scheduled downloads onto your computer via MP3
- Podcasts could have implications for Jazz Services Touring
- MySpace is a powerful marketing tool
- Podcast – JSL acts as facilitator and pays a blanket licence. JSL also collects market data
- Programme – Hub
- Programme provider
- Distance learning, DAT media
- Online
- Email newsletter to end users of jazz

Permission marketing

Permission marketing is a term used in e-marketing. Marketers will ask permission before they send advertisements to prospective customers. It is used by some Internet marketers, email marketers, and telephone marketers. It requires that people first “opt-in”, rather than allowing people to “opt-out” only after the advertisements have been sent. The term was coined by Seth Godin in his book of the same name.

Marketers feel that this is a more efficient use of their resources because advertisements are not sent to people that are not interested in the product. This is one technique used by marketing that have a personal marketing orientation. They feel that marketing should be done on a one-to-one basis rather than using broad aggregated concepts like market segment or target market.

In the United Kingdom, opt-in is required for email marketing, under The privacy and Electronic Communications (EC Directive)

Regulations 2003. This came into force on the 11th December 2003.

- Online forum
- Fans setting up pages/website on JSL site
- Pursuance of partnerships with radio and TV companies
- Marketing new website – Digital Marketing Agency
- Threats
    - Trying to do it all

Conclusion

Phase 1 Collect data and build an emailing list
Phase 2 Develop an email newsletter
Phase 3 Develop podcast facilitation scheme

3.5 Environment

The environment that surrounds us has risen rapidly to the top of the societal agenda both in terms of people and business spurred on by climate change, global warming and the growing scarcity of resources. The Aldersgate Group Report starkly points out:

"According to WWF in 2001 the resources and space we currently use in the UK for the production of goods and services, waste disposal and the provision of major infrastructure – our ecological footprint – was far in excess of our own physical capacity to provide them. If this level of consumption was matched worldwide we would need the resources of two planets to meet our demands – or three at the rate of US consumption. This overshoot means that we are spending nature's capital faster than it is being regenerated. Selling the family silver this way cannot continue indefinitely." [158]

The cost to UK industry of solid waste, liquid effluents, emissions to air and time is at least £15 billion annually. This is the equivalent of the UK manufacturing industry throwing away 4.5% of its UK turnover. [159]

The Stern Review on the Economics of Climate Change recommended green taxes as one of the keys to tackle climate change. The analysis for the 2007 Comprehensive Spending Review (CSR) stated that: *"The Stern Review forms the basis of relevant considerations in the 2007 CSR together with wider government action over the decade ahead to tackle climate change."*[160]

3.5.11 Five business reasons for eliminating waste

Set out below are five reasons for reducing waste.

- **Waste costs**

The cost to UK industry of solid wastes, liquid effluents, emissions to air, and time, is at least £15 billion annually, but could be reduced.

- **The true cost is often hidden – reduce waste, reduce losses**

A company may not realise the full cost of waste: often only the expense of disposal is recognised. Throwing out waste is throwing out money.

- **Waste minimisation is good business**

Cost-effective waste minimisation can be a valuable investment which pays handsome dividends to a company: boost the bottom line by cutting waste and associated expenses.

- **Your reputation**

Customers, financial institutions, employees and suppliers have a growing interest in companies, environmental performance: waste minimisation will show them how effectively and efficiently you control operations.

- **Legal consequences**

Companies – and key directors and managers – can face stiff penalties for failing to comply with environmental legislation, which gets tougher year by year. " [161]

3.5.12 Jazz Services

The environment is becoming increasingly important as global warming takes its hold. Green taxes will become a reality and taking a systematic approach to the environment even in a company as small as Jazz Services Ltd will provide benefits.

Developing a more structured, managed approach to the environment will not only save money but will also help JSL respond to enquiries from suppliers and clients.

The areas that impact on JSL are:

- Paper
- Waste
- Recycling
- Water
- Energy
- Transport

3.6 Legal

Please see Appendix III for JSL's Memorandum and Articles of Association

3.6.11 Corporate Governance

3.6.11.1 Charities Act 2006

The Charities Act 2006 aims to make life simpler for trustees, modernises the definition of charity and provides new safeguards to uphold public trust.

The three aims are:

"First, the Act aims to provide trustees with more flexibility and less bureaucracy – particularly smaller charities. It offers new, easier ways for charities to make changes to their purposes, structures and administration. There are new provisions for transferring assets, winding up, changing objects and merging. Before, charities that wanted the benefits of incorporation had to face two sets of regulation, as both a charity and a company. Now, there is a new legal structure specifically for charities – the Charitable Incorporated Organisation (CIO).

Second, the Act modernises the definition of 'charitable purposes', bringing it up to date to reflect how charity has evolved and developed over many years. All purposes that were recognised as charitable before the Act are covered by the new definition. The Act ensures that the test of 'public benefit' remains a cornerstone of charity, underlining the requirement that all charities must be for the benefit of the public. It also addresses the need to make the public aware of the ways in which charities deliver public benefit, and charges the Charity Commission with making sure this happens."

"The Charity Commission website says: From 1April 2008, all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit. The Charity Commission has to ensure all charities meet the public benefit requirement and provide guidance on what the requirement means. Charity trustees will be required to have regard to the Commission's public benefit guidance and to report on their charity's public benefit."

"Third, the Act protects public trust. Confidence in charity is vital, and it is something we cannot take for granted. The Act strengthens the charity sector's accountability and transparency. It will bring around 13,000 larger charities, which were previously exempt or excepted, onto the register of charities. It thereby

ensures that these charities are regarded in the same way as other charities." [162]

3.6.11.2 The major changes impacting on JSL

- Charitable purposes and public benefit

  Charitable purposes before the Act were the relief of poverty, advancement of education, advancement of religion and other purposes for the benefit of the community. These have been replaced by 12 specific headings and a thirteen which is a 'catchall' not covered by the 12 specific headings.

  Jazz Services' purpose is currently the advancement of education. The new Act has a specific heading for the arts which is the advancement of 'arts, culture, heritage or science'.

- Audit accounts and annual returns

  A charitable company with an annual income of between £90K - £500K and assets of £2.8 million or less must have an accountant's report. A charitable company with annual income of more than £500K or assets of more than £2.8 million must have a professional audit. Furthermore, auditors have a specific duty to report abuse or significant breaches of charitable law to the Commission

- A new structure for charities

  The Charitable Incorporated Organisation (CIO) will be the first legal structure created specifically to meet the needs of charities, available exclusively to charities. The CIO will have the benefits of incorporation, which are the creation of a "legal personality" for the charity and limited liability for the trustees. The CIO will only need to register with the Commission therefore only one annual return will need to be provided.

- Trustees

  The role of a trustee is still a voluntary one. The Act does however provide for trustees to be paid for providing goods or services to a charity if certain conditions are satisfied. This is not payment for being a trustee or for any type of contractual employment within the Charity.

- In more detail

  "The benefits: Charity trustees, or those connected to them, may receive payment more easily for providing goods or services to the charity where there is a clear benefit to the charity. This

could include, for example, legal work, plumbing or electrical services.
The rules: Charities will be able to pay their trustees for providing goods or services as long as:

- The terms are set out in a written agreement;
- The amount is reasonable given the services provided by that person;
- The trustees are satisfied that the arrangement is in the best interests of the charity – this will usually mean that it will save the charity money or provide a better quality service;
- If more than one trustee is being paid, the benefiting trustees are a minority of the charity's trustees;
- The governing documents of the charity do not contain anything that might prohibit the relevant person from receiving that pay; and
- Trustees who stand to benefit take no part in any decision about the agreement.

- Safeguards

There are additional safeguards to prevent misuse of the power. One is the duty to have regard to the Commission's guidance; the other is the requirement to act in accordance with the duty of care set out in the Trustee Act 2000. The duty of care states that a trustee '…must exercise such care and skill as is reasonable in the circumstances, having regard in particular:

a) to any special knowledge or experience that he has or holds himself out as having, and
b) if he acts as trustee in the course of a business or profession, to any special knowledge or experience that it is reasonable to expect of a person acting in the course of that kind of business or profession.'

- Guidance

Charities proposing to pay their trustees should refer to the Commission's guidance on the subject, which will be available on its website. They should also consider whether it would be appropriate to seek professional advice.

The provisions will come into force during 2008.

- Trustee liabilities

Personal liability causes worry for existing and potential trustees, even though it is rare for a trustee to suffer actual financial loss. The Act grants the Commission a new power to

relieve trustees from personal liability for breach of trust or duty where they have acted honestly and reasonably and ought fairly to be excused.

The act also recognises that it is reasonable for charities to buy trustee indemnity insurance and removes most of the obstacles to this. Trustees may pay the premiums with the charity's money, subject to certain limitations and conditions.

- Fundraising

  Currently, professional fundraisers and commercial participators must make 'solicitation statements' when raising money for charities. The Act tightens up how these statements must be made. It also requires those directly involved in the running of a charity – such as its trustees or employees – to make a simple statement when collecting in public for that charity.

  The Act will establish a comprehensive and unified scheme for the regulation of public charitable collections. The Commission gains a new role in checking whether organisations are fit and proper to carry out public charitable collections. In general, organised collections must be licenses, although there is an exemption for short-term collections that operate locally and on a small scale." [163]

3.6.11.3 Companies Act

The new Companies Act received Royal Assent on 8th November 2006. The Act will effectively replace existing company legislation with the exception of provisions relating to company investigations and community interest companies.

Section 175 below deals with conflicts of interests.

3.6.11.4 Duty to avoid conflicts of interest

"A director of a company must avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company (s.175(1)).

- There is no definition of "interest" or "conflict of interest", although a reference to a conflict of interest includes a conflict of interest and duty and a conflict of duties (s.175(7)).
- The conflicting interest can be direct or indirect.
- The duty applies in particular to the exploitation of any property, information or opportunity, whether or not the company could itself take advantage of it (s.175(2)).

- The prohibition refers to a “situation” in which the director has *or can have* an interest that conflicts *or possibly may conflict* with the interests of the company. However, the duty is not infringed *if the situation cannot reasonably be regarded as likely to give rise to a conflict of interest* (s.175(4)(a)).
- It appears that it is not necessary for a director to have any influence over a particular situation for a conflict to arise.
- The duty does not apply to a conflict of interest arising in relation to a transaction or arrangement with the company (s.175(3)). Conflicts arising in these circumstances are covered by two separate provisions of the Act:
    - under s.177, a director has a duty to declare an interest in a proposed transaction or arrangement with the company; and
    - under s.182, a director must declare an interest in an existing transaction or arrangement with the company – in this case, failure to comply is a criminal offence.
- This duty is not infringed if the matter has been authorised by the directors (s.175(4)(b)). Authorisation may be given by the directors:
    - where the company is a private company and nothing in the company’s constitution invalidates such authorisation, by the matter being proposed to and authorised by the directors; or
    - where the company is a public company and its constitution includes provision enabling the directors to authorise the matter, by the matter being proposed to and authorised by them in accordance with the constitution (s.175(5)).
- The prohibition applies to a “situation” whereas it is a “matter” that can be authorised. It appears from statements made during the Bill’s passage through Parliament that the words should be construed similarly.
- The authorisation is effective only if:
    - any requirements as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director, and

- the matter was agreed to without their voting or would have been agreed to if their votes had not been counted (s.175(6)). "

"The clause reflects current law and is derived from the expression of the rule by Lord Cranworth …" (Solicitor General, Hansard 20 May 2006 col. 613)

- No fiduciary "shall be allowed to enter into engagements in which he has or can have a personal interest conflicting or which possibly may conflict with the interests of those whom he is bound to protect" per Cranworth LC in Aberdeen Railway & Blaikie Brothers (1854) 1 Mac 461 at 471-472.
- "This section imposes a positive duty to avoid conflicts of interests and departs from the common law which merely imposed a "disability" in a situation of conflict, but did not impose a duty to avoid a conflict". (Hannigan and Prentice, The Companies Act 2006 – A Commentary p.34).
- It is clear that the director's authorisation process is a change in the law.

3.6.11.5 Section 175 applies from October 2008

- Section 175 comes into force October 2008.
- Public companies will require provisions in their articles if directors are to be able to authorise conflicts.
- So will private companies incorporated before 1 October 2008.
- Consider including a provision in the articles that any authorisation may exempt a director from disclosing confidential information to the company which he has received otherwise than through his position as director.
- What assurances, if any, will shareholders wish to see before agreeing to provisions in articles?

3.6.11.6 JSL Board will need to have procedures in place to:

- Identify existing conflicts or potential conflicts as at October 2008.
- Ensure that any conflict is properly presented to the board.
- Consider the extent to which those conflicts should be authorised.
- Clarify the circumstances when authorisation can be withdrawn.

- Ensure that all future conflicts are reviewed:
    - on appointment
    - on a regular basis (say, as part of the annual board review)
    - when circumstances change
- Decide which body is to conduct reviews, e.g.
    - whole board
    - Nominations committee
    - Chairman
- Decide which body should be authorised to amend or withdraw authorisations.
- Agree how to ensure that provisions relating to third party confidential information are mutual.
- Possibly, to identify how to give shareholders assurance that the powers of authorisation are being used appropriately, e.g.
    - through explaining policy and procedures in Corporate Governance report (likely to become the norm?)
    - disclosing authorisations (cumbersome, confidentiality issues?)" [164]

3.6.11.7 Further legislation

3.6.11.7.1 Self Employment

A number of artists have recently been under investigation and ordered to pay Tax and NI on the 'backline' and other technicians they engaged as they were deemed by HMRC to be employees and not self-employed.

This is a problem that has in the past affected service companies and has sent more than one service company into liquidation.

3.6.11.7.2 Noise at work

From 6th April the Control of Noise at Work Regulations 2005 will come into effect for employers in the sector involved in live or recorded music in restaurants, bars, nightclubs, etc. Other sectors have had to comply with the regulations for the last two years, but due to the nature of this work this sector was given a two year transitional period.

Employers will have a new responsibility to protect their employees hearing.

Employers should consider conducting a noise risk assessment, taking steps to reduce noise where necessary and ensure the legal limits on noise exposure are not exceeded.

Employers need to inform their employees of the changes and provide hearing protection and checks where necessary.

Employers may want to ensure employees sign a form to confirm they understand their responsibilities and they have been provided with hearing protection if necessary. This may have implications for Jazz Services.

3.6.11.7.3 The Corporate Manslaughter Act

The Corporate Manslaughter Act comes into force on 6th April 2008. The Corporate Manslaughter Act will hold executives responsible when corporate negligence results in death at work. The law leaves companies facing a criminal conviction and unlimited fines following fatal accidents if there has been gross failure by senior managers.

A standard Directors' and Officers' (D&O) insurance policy will only provide cover for a senior individual within a company being prosecuted for management failure leading to a death of an employee or a third party. It will not cover the costs of the company's defence of such an allegation and the wider stigma of being associated with a negligent individual.

3.6.11.8 The Seven Principles of Public Life

The Committee on Standards in Public Life has set out 'seven principles of public life' which it believes should apply to all in public service. These are:

Selflessness
Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or their friends.

Integrity
Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

Objectivity
In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Openness
Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty
Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership
Holders of public office should promote and support these principles by leadership and example. (www.public-standards.gov.uk).

3.6.11.9 Additional Trustees

Andy Burnham, the Culture Secretary, says "A fan should sit on the board of every football club while actors, artists and musicians should be drafted in to help run Britain's arts institutions." [165]

"For boards to achieve their primary aim of securing the excellence of their organisations cultural endeavour, they must have appropriate expertise…. I recommend that the board of every cultural organisation contains at least two artists and or practitioners." [166]

Jazz Services Board of Directors	
Name	**Professional Description**
Terry Adams	Market Researcher, Arts Administrator
Christine Allen	Managing Director
Don Anderson	Risk Manager, Bank of China International UK Ltd
Brian Blain	Journalist
John Blandford	Administrator, Project Manager
Kathy Dyson	Musician and Educationalist (Higher Education), Musicians' Union Executive Committee Member
Emma Kendon	PR and Marketing Manager
Catherine Parsonage	Educationalist
Owen Pringle	Manager (Resigned 5.7.2008)
Cathie Rae	Musician and Arts Manager
Peter Vacher	Management and Training Consultant and Journalist
Barbara White	Musician and Musicians' Union EC member
Ivor Widdison, Chair	Former Administrator, Council for Local Education Authorities, Education Policy Co-ordinator Local Government Association
Geoff Wright	Educationalist (Further Education) Jazz Promoter

Table 106: Jazz Services Board of Directors

Currently the board is made of:
Gender – Male 57% Female 43%
Diversity – White 77% Diverse 23%

3.6.11.10 Measuring Success

Currently JSL measures its success by achieving its quantified objectives. However, the landscape of charitable concerns which are also limited companies is changing. The advent of social enterprises and community interest companies is changing the way the not-for-profit sector measures its success.

"The social enterprise sector is at a crucial stage. It needs to demonstrate its added value and to learn how to improve the quality of its business and social impacts… It is increasingly being recognised that measuring, proving and improving the quality and impact of social enterprises is crucial for the sector's future. Doing this will provide social enterprises with access to more work, more finance and more support, encouraging an upward spiral of success. Measuring and reporting on impacts also allows social enterprises to make themselves accountable to their stakeholders. Another crucial aspect of this agenda is that social enterprises need to continuously improve their performance. This is acknowledged by another aim of the Social Enterprise Unit strategy – 'to help social enterprises become better businesses'. It is only possible for social enterprises to do this by finding out what works and adapting their activities and processes in this light. Impact measurement is a key requirement of this process.

At present, many social enterprises see impact measurement as a burden." [167]

Not for profit organisations must extend their performance indicators to measuring the impact of their work. Impact is defined as "the change, effect or benefit that results from the services or activities on a wider society than its direct users. It is often long term, broad and sustainable and can include affecting policy decisions at Government level." [168]

A number of programmes have been developed that are geared to measuring and improving impact and performance. A few are set out below. These have been selected as they are low in complexity, free and will not make huge demands on staff time.

	Look back move forward	A participative evaluation and learning tool for analysing a project or organisation's social, economic and environmental impacts	• Quick, inexpensive and simple to use. • Engages stakeholders, improving accountability and learning. • Allows stakeholders' voices to be heard without using surveys or questionnaires.
	Practical quality assurance system for small organisations (PQASSO)	A holistic quality management system designed specifically for small voluntary organisations.	• Step by step approach provides a simple way of identifying what an organisation is doing well. • Helps to set priorities for the future and to make improvements. • Seeks to improve a wide range of quality issues.
	Quality first	A simple quality management framework aimed at very small organisations (for example, run primarily by volunteers).	• Free and simple to use. • Systematically addresses quality without requiring an organisation to be familiar with more complex quality assurance systems. Addresses limited capacity.
	Social firms performance dashboard	An internal management tool for business improvement geared towards social firms.	• Helps social firms to spell out their objectives and track performance on these over time. • Can integrate with existing systems easily. • Free for social firms and easy to use.

Table 107: Impact Analyses Programmes

The McMaster Report is already having an impact on Arts Council thinking. "Arts organisations in England face being inspected every three years by a small team of experts who will scrutinise everything from how good their work is to how well they manage their finances. The plans amount to a sea change in how publicly funded arts groups are evaluated."(The Guardian 13.5.08).

3.6.11.11 The Culture of Jazz Services

Jazz Services has a "flat structure" working to a clear business plan. With the recent development of a joint Jazz Services/Jazz UK Management Team aimed at building a 'one team' approach. However, the work load is a heavy one on all staff members with an expectation of a constantly good performance.

3.6.11.12 Policies

Policies are in place for:

- Equal opportunities
- Health & safety
- Child protection
- Data protection
- Financial monitoring and controls
- JSL Committees and Advisory Panels
- Terms of Reference.
- Media
- Fundraising

There are, contained within the board and office manual, disciplinary and grievance procedures, duties and agreements of board members and trustees.

3.6.11.13 Managing quality – maintaining success

Total quality management like strategy is a slippery concept. Definitions such as 'right first time' and 'fit for purpose' have become overused to the point that their original meaning has been subverted to describe organisations such as the Home Office or misused by quangos of every stripe. Wikipedia describes Total Quality Management or TQM as a *"management strategy aimed at embedding awareness of quality in all organisational processes… Total quality provides an umbrella under which everyone in the organisation can strive and creates customer satisfaction or continually lower real costs."*

Other definitions to be found on the web are:

"A product-quality program in which the objective is complete elimination of product defects."

www.services.eliteral.com/glossary/managerial-accounting-glossary.php

"…A management strategy that focuses on continuous improvement." www.accuracybook.com/glossary.htm

"Total Quality Management is the continuous or incremental improvement of existing business processes over time." www.creotec.com/index.php

"….assuring that everyone in the organisation is responsible for quality." www.321site.com/greg/courses/mis1glossary.htm

Quality is a difficult word to define at the best of times and defining the quality of a service product - quality is even more difficult.

Parasuraman, Zeithamel and Berry three marketing professors from Texas A & M University published a set of service quality dimensions which are widely recognised and have been used in many service firms to measure quality performance.

*"**Tangibles** include the physical appearance of the service facility, the equipment, the personnel and the communication materials.*

***Service Reliability** differs from product reliability in that it relates to the ability of the service provider to perform the promised service dependably and accurately.*

Responsiveness *is the willingness of the service provider to be helpful and prompt in providing service. When you last called your bank for service, how long did it take for a response? Were your problems taken care of quickly, or did you have to pay for a toll call while you listened to "elevator music" for an hour? Does your service provider always respond to you within three rings of the phone – without forwarding your call to another location?*

Assurance *refers to the knowledge and courtesy of employees and their ability to inspire trust and confidence.*

Finally, consumers of services desire ***empathy*** *from the service provider. In other words, the customer desires caring, individualised attention from the service firm.*

Just as many quality dimensions relating to production, there are several other dimensions of service quality, such as ***availability****,* ***professionalism****,* ***timeliness****,* ***completeness*** *and* ***pleasantness****. It should be noted that service design strives to address these different service dimensions simultaneously. It is not sufficient for a services firm to provide only empathy if responsiveness and service reliability are inadequate."*[169]

Service Quality Dimensions

Tangibles
Service reliability
Responsiveness
Assurance
Empathy
Availability
Professionalism
Timeliness
Completeness
Pleasantness

Table 108: Service Quality Dimensions
Source: A. Parasuraman, V. Zeithamel and L. Berry "A Conceptual Model of Service Quality" (Report No. 84-106) Marketing Science Institute 1984

Total Quality Management goes hand in hand with measuring success and is best kept simple and manageable within existing resources.

3.6.11.14 Training, development, performance review and appraisal

Training:

Training refers to the "acquisition of knowledge, skills and competences as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies." (Wikipedia)

Training is often seen as the Cinderella of management. When budgets need to be cut training is the first to go, assuming there was a training budget in the first place.

Research carried out by the University of Portsmouth for the Chartered Institute of Personnel and Development come up with four ways in which learning can add value to an organisation.

- Learning helps organisational agility – if a workforce has the relevant skills, changing delivery, approaches and even products become much easier
- Learning can help resource labour costs – trained staff will be far more efficient.
- Training can increase workforce productivity.
- Training allows the workforce to develop and foster its own culture. [170]

Performance review

Performance reviews are a tool for motivating people and should take place whenever a team member has produced a performance below or well above expectations. It is important to note these are always non disciplinary. The performance review is to determine the course and reasoning behind someone's actions before further skills to coach, terrain or manage the situation are used. The performance review is an informed process and provides a forum for:

- "reviewing progress
- giving more detailed feedback
- identifying strengths and weaknesses
- resolving problems
- establishing roles and responsibilities
- defining standards to be achieved
- setting priorities and goals
- identifying training and development needs." [171]

Performance appraisals

The Law

"Important changes relating to age discrimination in UK employment law became effective in October 2006, with implications for all types of appraisals and job performance and suitability assessment. Important to ensure systems, training and materials for appraisals reflect current employment law. The UK (consistent with Europe) Employment Equality (Age) Regulations 2005, effective from 1st October 2006, make it unlawful to discriminate against anyone on the grounds of age. This has several implications for performance appraisals, documents used, and the training of people who conduct staff appraisals. For example, while not unlawful, the

inclusion of age and date of birth sections on appraisal forms is not recommended (as for all other documentation used in assessing people.

Performance appraisals

Performance appraisals are essential for the effective management and evaluation of staff. Appraisals help develop individuals, improve organisational performance, and feed into business planning. Formal performance appraisals are generally conducted annually for all staff in the organisation. Each staff member is appraised by their line manager. Directors are appraised by the CEO, who is appraised by the chairman.

Annual performance appraisals enable management and monitoring of standards, agreeing expectations and objectives, and delegation of responsibilities and tasks. Staff performance appraisals also establish individual training needs and enable organisational training needs analysis and planning.

Performance appraisals should feed into organisational annual pay and grading reviews.

Performance appraisals generally review each individual's performance against objectives and standards for the year, agreed at the previous appraisal meeting.

Performance appraisals are also essential for career and succession planning – for individuals, crucial jobs and for the organisation as a whole.

Performance appraisals are important for staff motivation, attitude ad behaviour development, communicating and aligning individual and organisational aims, and fostering positive relationships between the board and employees.

Performance appraisals provide a formal, recorded, regular review of an individual's performance, and a plan for future development.

Managers and appraisees commonly dislike appraisals and try to avoid them. To these people the appraisal is daunting and time-consuming. The process is seen as a difficult administrative chore and emotionally challenging. [172]

3.6.11.15 Project Management and Evaluation

A project is defined as a "sequence of connected events that are conducted over a defined and limited period of time and are targeted towards generating a unique but well defined outcome." [173]

Projects have a life cycle which contains four phases:

"Feasibility phase – in which the idea of the project is conceived, its broad objectives identified, its feasibility reviewed and initial estimates of cost, performance and time are generated. A go/no go decision will have been made – to implement, or not. A 'go' decision leads on to the next stage of the project life cycle, Planning and design, while a 'no go' decision will lead to the project being put aside, to appear again, perhaps, at the next spending round.

Planning and design phase – in which growth – developing the detail of the project and its outcome, deciding who will do what and when – takes place. The cost and time estimates of the project are refined. Decisions are made about who should be awarded the major contracts of the project by the end of this phase.

Production phase – in which most things happen, activity rates reach their peak and most of the planned work takes place. Effective monitoring and control procedures are needed in this phase.

Termination phase – in which the project is audited and reviewed and the project team is broken up." [174]

All ongoing projects and schemes need monitoring. This may be on an annual bi or tri-annual basis.

3.6.11.16 Managing Risk

Risk is defined as the probability of an event and its consequences. Managing risk is about understanding the risks we take. "We must be able to choose rationally among risk-taking courses of action rather than plunge into uncertainty on the basis of hunch, hearsay or experience, no matter how carefully quantified." (Drucker 1988)

Risk management involves identifying what could go wrong, evaluating which risks should be dealt with and implementing strategies to deal with those risks. Businesses that have identified risks are better prepared and will have a more cost-effective way of dealing with them.

The main categories of risk to consider are:

Strategic – These concern the long-term strategic objectives of the organisation. They can be affected by such areas as capital availability, sovereign and political risks, legal and regulatory changes, reputation and changes in the physical environment.

Operational – These concern the day-to-day issues that the organisation is confronted with as it strives to deliver its strategic objectives.

Financial – These concern the effective management and control of the finances of the organisation and the effects of external factors such as availability of credit, foreign exchange rates, interest rate movement and other market exposures.

Knowledge management - these concern the effective management and control of the knowledge resources, the production, protection and communication thereof. External factors might include the unauthorised use or abuse of intellectual property, area power failures and competitive technology. Internal factors might be system malfunction or loss of key staff.

Compliance – These concern such issues as health & safety, environmental, trade descriptions, consumer protection, data protection, employment practices and regulatory issues. (Source: A Risk Management Standard. The Institute of Risk Management 2002)

3.6.11.17 Alliances

Wikipedia states that an Alliance "is a formal relationship formed between two or more parties to pursue a set of agreed upon goals or to meet a critical business need while remaining independent organisations. Partners may provide the strategic alliance with resources such as products, distribution channels, manufacturing capability, project funding, capital equipment, knowledge, expertise, or intellectual property. The alliance is a co-operation or collaboration which aims for a synergy where each partner hopes that the benefits from the alliance will be greater than those from individual efforts. The alliance often involves technology transfer (access to knowledge and expertise), economic specialization, share expenses and shared risk."

Robert Heller (2006) commented that "Alliances come in all shapes and sizes, but share the same essential foundation: the belief that as active and sharing partners, both sides will achieve high ambitions that otherwise lie beyond range. The most important principle however is not the ownership but the mutuality." There are currently alliances with Teesside Business School and a developing alliance with Making Music.

3.6.12 Community Interest Company

The Government has created a new form of limited liability company, specifically for social enterprises: the Community Interest Company (CIC). The CIC complements existing legal forms for social enterprise, such as the Company Limited by Guarantee or Shares and the Industrial & Provident Society. There are now over 1000 organisations registered as CICs.

CICs are easy to set up, with all the flexibility and certainty of the company form, but with some special features to ensure they are working for the benefit of the community. Key features include:

- a statutory "lock" on the assets and profits of CICs;
- a "community interest test" which companies must pass in order to be registered;
- an annual report explaining how their activities have benefited the community and how they are involving their stakeholders;
- a CIC regulator responsible for ensuring that CICs comply with their legal requirements.

It is now possible to send applications to Companies House to form, or to convert to, a CIC.

3.6.13 Social Enterprise

Many commercial businesses would consider themselves to have social objectives, but social enterprises are distinctive because their social or environmental purpose is central to what they do. Rather than maximising shareholder value their main aim is to generate profit to further their social and environmental goals.

Recent government data suggests that there are more than 55,000 social enterprises in the UK with a combined turnover of £27bn. Social enterprises account for 5% of all businesses with employees, and contribute £8.4 billion per year to the UK economy. The social enterprise movement is inclusive and extremely diverse, encompassing organisations such as development trusts, community enterprises, co-operatives, housing associations, 'social firms' and leisure trusts, among others. Their businesses are operating across an incredibly wide range of industries and sectors from health and social care, to renewable energy, recycling and fair trade.

Social enterprise is a business model which offers the prospect of a greater equity of economic power and a more sustainable society – by combining market efficiency with social and environmental justice.

The Government launched a social enterprise action plan in 2006 and the Government believes:

"Social enterprises are businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community. Social enterprise is not just 'business with a conscience'. It is about actively delivering change, often tackling entrenched social and environmental challenges. Government believes that social enterprise plays a key role in making the UK a fairer and more inclusive society.

The Office of the Third Sector (OTS) launched the Social Enterprise Action Plan on 16th November 2006, building on the Government's 2002 Social Enterprise Strategy. It set out the Government's cross-departmental commitment to create the conditions for thousands more social enterprises to thrive by:

- *Fostering a culture of social enterprise*
- *Ensuring the right information and advice are available to social enterprises*
- *Enabling social enterprises to access appropriate finance*
- *Enabling social enterprises to work with government."* [175]

3.6.14 The Disability Discrimination Act 2005 and the Disability Equality Duty

Disabled people make a huge contribution to the economy – for example, as customers, service users, students, employees and business and they have an annual spending power of £50bn.

It is unlawful for businesses and organisations providing services to treat disabled people less favourably than other people for a reason related to their disability.

It is also unlawful for any employer to discriminate against a disabled person when choosing someone for a job or considering people for promotion, dismissal or redundancy.

The Disability Discrimination Act 2005, which received Royal Assent on 7 April 2005, amends the existing Disability Discrimination Act to:

- Create a new duty to promote disability equality for the public sector. This includes duties to promote positive attitudes towards disabled people, tackle all forms of harassment and bullying and promote participation in public life
- Extend protection to cover people who have HIV infection, cancer and multiple sclerosis from the moment they are diagnosed

- Remove the requirement that a ‘mental illness’ be ‘clinically recognised’
- Make it unlawful for operators of transport vehicles to discriminate against disabled people
- Make it easier for disabled people to rent property and for tenants to make disability-related adaptations
- Ensure that discrimination law covers all the activities of public authorities
- Cover larger private members’ clubs (i.e. those with 25 or more members)
- Cover bodies that award general qualifications (like GCSEs and A Levels)
- Protect disabled councillors against discrimination

Anyone who provides a service to the public or a section of the public has duties and responsibilities under the Disability Discrimination Act.

It is unlawful to discriminate against disabled people by:

- Refusing to provide a service without justification
- Providing a service to a lesser standard without justification
- Providing a service on worse terms without justification
- Failing to make reasonable adjustments to the way services are provided for disabled people
- Failing to make reasonable adjustments to the physical features of service premises, to overcome physical barriers to access

3.6.15 Making improvements for disabled people

There are about 10 million disabled people living in the UK. It is estimated that disabled people spend around £50 billion a year on goods and services.

Improving access to services for disabled people improves access to services for everyone and is about basic good customer service. Ensuring the front entrance to a shop, restaurant or leisure centre doesn’t have steps or a heavy door will make it easier for many disabled people but also for parents pushing buggies, people carrying shopping and many older customers. Improvements like better lighting benefit everyone, as doe’s good signage that directs you to the goods you want. By welcoming disabled customers you welcome all customers.

There are therefore good business reasons for catering for disabled people. Many changes required for this can be made without any, or with very little, effort or expense, and it may simply involve making some adjustments to your business environment or working practices.

It is important that service providers who have not already done so take reasonable steps to make their services accessible. Failure to do so could lead to loss of reputation or even litigation.

Since 1 October 1999 service providers have had to make 'reasonable adjustments' for disabled people, such as providing extra help or making changes to the way you deliver services.

Examples:

- Making adjustments to the premises such as improving access routes and ensuring that they are free of clutter, or redecorating part of your premises to provide better contrast to someone with a visual impairment;
- Providing appropriate or additional training for staff who may come into contact with customers with disabilities, to assist them in the provision of services to and for people with different types of disabilities
- Equipment changes, such as acquiring or using modified equipment, e.g. a telephone with text display for use by deaf customers
- Making service literature and instructions more accessible e.g. providing a Braille version for blind customers.

Since 1 October 2004 the duties additionally say that service providers should make reasonable adjustments to "physical features". For example, steps, stairways, kerbs, exterior surfaces and paving, parking areas, building entrances and exits (including emergency escape routes), internal and external doors, gates, toilet and washing facilities, public facilities (such as telephones, counters or service desks), lighting and ventilation, lifts and escalators.

It is not just to put a ramp at the front entrance of your building but to look at all aspects of services and consider what changes can be made to the full range of physical features. Access should not be considered once and then forgotten.

3.6.16 Arts Council England Disability Equality Scheme

The Arts Council England is working on a scheme, the aim of which is to achieve disability equality with an Act and within the arts and creative sector that they find and support. The Disability Equality Scheme will build on their Race Equality Scheme and also forms part of their special duties under the new Disability Equality Duty which came into force on December 4th 2006.

3.6.17 Race Relations (Amendment) Act 2000

This act places a general duty (Section 71(1) to eliminate unlawful racial discrimination and to promote race equality. Its intention is to make race equality central to the key public authorities work, integral to policy making, delivery of services, regulations, enforcement and employment. Jazz Services has a Race Equality Action Programme that was written in 2006. JSL will continue to work through the Action Plan and monitor progress.

3.6.18 Copyright

3.6.18.1 Song writing and Music Publishing (Source: Musicians' Union website)

Copyright is a 'property' right. This means that the owner of the right, who can be the author or any person to whom the author has assigned it, has the exclusive right to authorise or prevent others from using a 'musical work' in various ways.

These 'restricted acts' include:

- Making a copy of the work, which includes recording it
- Publishing the work
- Performing the work in public (live or through recordings)
- Broadcasting the work
- Making an arrangement of the work

A 'musical work' consists entirely of music and the words of a song are a 'literary work'. Both are protected in the same way. Copyright in a musical or literary work lasts for 70 years after the end of the year in which the author dies. At the end of this period the musical work then becomes public property. It should be noted that it is not possible to copyright the title of a song.

UK law states copyright does not exist until a musical or literary work is recorded in writing or otherwise.

3.6.18.2 Collecting Societies

- PRS (the Performing Right Society) collects money for its members for the broadcast ('air play') and public performance (in clubs etc) of their works.
- MCPS (the Mechanical Copyright Protection Society) collects for its members the composers'/songwriters' portion of royalties from the record company, i.e. the 'mechanical' royalty due to them from sales of records featuring their songs. This additional source of royalty income is separate from the 'artist'

royalty the record company is required to pay directly to the artists featured on the record under their contract.

3.6.18.3 Additional Sources of Revenue

Synchronisation fees

These are one-off payments made to copyright holders by the producer of a film or a television company for the right to incorporate songs into the film soundtrack or television programme.

Sheet music

Some songs still sell well in sheet music form (ballads are usually very popular). Composers/songwriters are entitled to a royalty payment from such sales.

Ringtones

This is an increasingly important revenue stream for songwriters and composers. MCPS and PRS licence their members' works to companies who then sell them to the public. The resulting MCPS and PRS payments amount to 15% of the gross revenues generated.

Online use

Music is used by a wide variety of internet sites and is usually either for direct, digital sale to the public or as incidental to the principal function of the site. Regardless of how it is used, the rights holders in the compositions should be recompensed. MCPS and PRS have a joint online licensing scheme which collects from music users on the internet and distributes the income raised to its members.

3.6.18.4 Performers

As a result of legislation passed in the UK in December 1996, all performers now have a new statutory right to receive a share of the income whenever the recordings on which they have performed are broadcast or played in public.

Phonographic Performance Ltd or PPL is a music industry organisation collecting and distributing airplay and public performance royalties in the UK on behalf of over 3,500 record companies and 40,000 performers.

They issue licences to all UK radio and television stations, other broadcasters and internet radio stations that use sound recordings (records, tapes, CDs) in their transmissions.

They also license clubs, shops, pubs, restaurants, bars and grills and thousands of other music users who play sound recordings in public. The PPL licence enables them to play literally millions of sound recordings.

All licence fees that are collected are distributed to the qualifying performers who performed on the recording and the owner of the sound recording copyright – usually the record company responsible for producing the track.

3.6.18.5 Extension of copyright term in sound recordings

Performers' rights last only about half as long as composers'. As a result they are only entitled to receive airplay royalties from PPL for 50 years after a sound recording is released. A composer enjoys copyright for the whole of his or her life, plus an additional 70 years which can be passed on to heirs and dependants, Even the artwork on the CD enjoys copyright throughout the life of the creator plus 70 years.

Over the next ten years, all the great sound recordings created in the late 1950s and early 1960s will fall out of copyright. This affects nearly 7,000 session musicians and featured artists whose tracks are still played now. They will stop receiving PPL royalties, not to mention any sales and sync income, unless we can change the legislation.

Governments both here and in Brussels are reviewing copyright term for sound recordings. To convince those in power that the creators of the sound recordings should have a longer term of copyright will require heavy lobbying.

The arguments are quite straightforward. Performers should have equivalent copyright protection to composers and the UK record industry should be on a level playing field with the USA, the biggest music market in the world. In the USA, the copyright term for sound recordings is 95 years. The case is being made in the UK and the rest of Europe.

3.6.18.6 Digital Rights Management versus Freedom of Rights Management

Currently the music industry is in a state of flux regarding online music stores selling music free of digital rights management. There are further complications with regard to the formats used to deliver the music. Scott Cohen, founder of the digital distribution service 'The Orchard' says "what is complicated is the many different versions required to serve digital stores, from iTunes to mobile phone downloads. There are only three basic file formats in

use – AAC, MP3 and WMA". But, he says "details like bit rates and metadata identities are different for each store. There are 63 variants for mobile devices alone and overall there are hundreds." Cohen notes, though, that "the really hard work is marketing the music." [176]

3.6.18.7 Competition Act 1998

The Competition Act 1998 came into force in March 2000 and the Competition Act 1998 EC Modernisation was adopted in November 2002 and came into force in May 2004. Currently the Musicians' Union sets a 'promulgated rate' for members that deals with minimum rates for casual gigs in pubs and hotels etc. Whilst the Union's Collective Agreements were exempt from Competition Law, the promulgated rate may be caught by the legislation and would mean that the Union could not promote a minimum gig rate. In practice, the minimum gig rate may not be achieved. However, a promoted gig rate provides an aspirational benchmark and can be used in negotiations.

3.7 Marketing and Strategy

3.7.11 Introduction

The marketing of jazz is awash with arguments for dumping the name jazz, marketplace versus subsidy; that jazz should be part of a contemporary music lexicon along with folk, world music's, contemporary classical music. The egregious and fatally flawed economics of scale argument of erasing diversity in favour of *"a strong corporate identity… a suite of discreet brands. An entity that would provide a strong operational platform and the benefits of economy of scale for support services… such an organisation would benefit from entrepreneurial leadership, a clear mission and market position."* [177]

Simon Frith argues for a blurring of boundaries:

"The key to jazz success is not getting records into the shops but listeners into the venues. And the issue here is not how to get the mainstream jazz audience to attend avant-garde gigs but how to get the audience for avant-garde rock and dance and contemporary music to avant-garde jazz shows too. Jamie Cullum fans are unlikely to enjoy a Polar Bear gig (their jazz interests are quite different); Bloc Party fans might. The way forward, in other words, is to blur the boundaries between jazz and other kinds of music rather than to try to mark them out more clearly. This is happening already in some venues and festivals (such as The Arches in Glasgow and Scotland's Tryptic Festival), on some labels (such as Babel) and for some musicians (such as Acoustic Ladyland, Soweto Kinch and Spring Heeled Jack)." [178]

Stuart Nicholson argues for subsidy as a bulwark against the homogenisation of the market place for jazz.

"We are, then, at a key moment in jazz history. The music is being reshaped and reimagined beyond the borders of the United States through the process of glocalization and transculturation with increasing authority by voices asserting their own cultural identity on the music. Non-American musicians want to connect with their own surroundings and want to give the music life and vitality that is relevant to their own socio-musical situation, so they are broadening the expressive base of the music in ways over which American jazz has no control. Key to these developments in Europe is that they are not a response to commercial logic. Sheltered by subsidy from the homogenizing effect of this marketplace, the music has been able to grow and develop in ways musicians want, rather than conforming to the expectations of the marketplace or shaped by the conventions of previous practice. [179]

On the other hand Eric Hobsbawm in Uncommon People takes a different angle:

"Is jazz becoming terminally fossilised? It is not impossible. If this should be the fate of jazz, it will not be much consolation that Clint Eastwood has buried Bird in a celluloid mausoleum and that every hairdresser and cosmetics store plays tapes of Billie Holiday. However, jazz has shown extraordinary powers of survival and self renewal inside a society not designed for it and which it does not deserve. It is too early to think that its potential is exhausted. Besides what is wrong with just listening and letting the future take care of itself." [180]

Many people wrestle with the word jazz, Peter Ind says *"They like the word but hate the music."* However, if jazz is that bad then why do cosmetic companies, car dealers, car manufacturers, furniture manufacturers fall over themselves to exploit the word jazz? A rhetorical question and best answered by the simple fact that there is a market out there with definable characteristics and with people who may like only one genre of jazz or a number of genres or the 'early adopter' who attends the innovative variety. Jazz is a broad church and when there is an altercation in the choir stall or the vestry someone is busily adding an extension to the chancel.

Hobsbawm is right to let the music take care of itself, but we should use every tool available to market jazz music from the classroom to old and new technologies.

3.7.12 Analysis of the Competitive Environment

3.7.12.1 Jazz Services

3.7.12.1.1 Introduction

Jazz Services provides a unique range of services that help provide a degree of cohesion and acts as a focal point for co-operation and development in jazz in the UK. To a very limited extent some similar services may be offered by other companies and organisations for example, the publishing of jazz magazines. Whilst this section deals with the competitive environment and analysis, JSL does not perceive any organisations as rivals. However, there is always competition for scarce resources such as funding.

3.7.12.2 Jazz UK

3.7.12.2.1 Introduction

Jazz UK, until recently, operated as a subsidiary company of Jazz Services and operated as the marketing arm of the parent company. The year 2007/2008 has seen a policy change, whereby:

- There was a change of format to A5.
- The listings operation was moved to Jazz Services in London.
- The magazine is being brought "in-house" and the year 2008/2009 will see the magazine operating as an integral part of JSL.

3.7.13 Characteristics of market size for jazz

Please see 3.3 above

3.7.14 Market segments from Jazz Services' database

Service customers and user groups	Size of segment	Service used
Promoters including jazz clubs	2012	Advice Website Information Promoters choice PRST/Jazz Services Jazz Promoters Awards Jazz UK Listings Photograph Library
Venues	3349	Website Information Promoters Choice PRST/Jazz Services Jazz Promoters Awards Touring Support Jazz UK Listings Photograph Library
Musicians NB: There are 3600 musicians in the Musicians' Union Jazz Section. Rule of thumb dictates 50% of JSL are not MU members, so the actual number could be circa 5403 musicians.	3807	Website Jazz UK Listings Recording Support Touring Support Photograph Library Information Online Music Business Resource Information Advice
Total bands Of which: Bands who undertake workshops Bands who undertake functions	5304 693 1102	Advice Website Information Listings Touring Support Recording Support Photograph Library Online Music Business Resource Jazz UK
DJs	64	Website

Service customers and user groups	Size of segment	Service used
		Listings
Education	451	Advice Websites Information Online Music Business Resource Jazz UK
Tutors	1260	Jazz UK Advice Website Information On-line Music Business Resource
Orchestras (MYJO etc)	127	Website Online Music Business Resource Jazz UK
Jazz Festivals Taken from the website listings between 1.4.07 and 31.3.08	41	Website Listings Jazz UK Photograph Library Promoters Choice Touring Support
Record labels	340	Website Jazz UK Listings Touring Support Information
Organisations	129	Websites Information Jazz UK
Media	946	Website Information Listings On-line photo library Jazz UK
Retailers	149	Website Information Jazz UK
Agents	200	Website Information Touring Support On-line photo library Jazz UK Listings
Archives	54	Website Jazz UK
Design	26	Website
Distribution	6	Website Jazz UK
Management Services	18	Website Information
Manufacture	17	Website Jazz UK
Organisations	325	Website Jazz UK Information
Photography	79	Website Jazz UK Online Photo Library
Production	67	Website
Publicity	35	Website Listings Jazz UK
Research	71	Website Jazz UK Online Music Business Resource
Sound engineer	4	Website Jazz UK
Studios	143	Website Jazz UK

Service customers and user groups	Size of segment	Service used
TOTAL	**19024**	**-**

Table 109: Source: www.jazzservices.org.uk

3.7.15 Additional market segments

Service customers and user groups	Size of segment	Services used
General public	6 million	Website Listings Information
Local authorities in England and Wales	410	Website Information
Local authorities in Scotland	32	Website Information
Professional music organisations MU, PRS, PPL, ISM, National Music Council, BPI	6	Website Information Online Music Business Resource
All Party Parliamentary Jazz Appreciation Group	120	Website Jazz UK Information Admin
Government Departments		Website Information
Jazz organisations publicly funded	6	Website Jazz UK Touring support Promoter's Choice Recording Support

Table110: Source: www.jazzservices.org.uk

3.7.16 Jazz UK Subscribers

The 2004 subscribers' survey revealed the following characteristics about the Jazz UK subscriber.

- 10% of the sample attended a live jazz performance more than once a week;
- 85% travelled to the venue by car
- 54% played a musical instrument
- 75% purchased jazz books
- 36% read the Guardian - 23% read the Daily Telegraph
- 19% read the Observer - 17% read the Sunday Times
- 62% purchased goods from the Internet
- 35% have an alcoholic drink most days
- 85% are aged over 46
- 88% were male

3.7.17 Listings

Between 31st March 2007 and 1st April 2008, the total listings on the website and Jazz UK were:

JSL - 14546
Jazz UK - 14445

3.7.18 Distribution

The significant change in terms of distribution is the development of the web and online sales. Please see Technology section above. However, touring to venues is still a significant activity for Jazz Services.

3.7.19 Value Chain Analysis

3.7.19.1 The Value Chain

The value chain describes the full range of activities which are required to bring a product or service from its beginning, though the different phases of production, to delivery to the customer and through which products and services gain value for the customer or end user. Set out below is a simple example of a value chain where production is only one of a number of value added links. Within each link there are a range of activities.

Four links in a simple value chain [181]

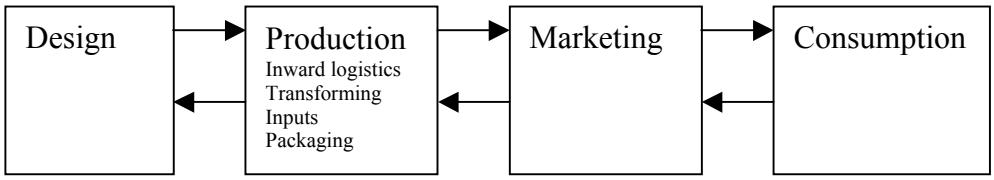

Table111: A simple value chain

In the real world, however, value chains are more complex than the simple value chain above with many more links in the chain. The value chain is therefore a useful tool for industry analysis and assists us ascertain where an organisation can best use their limited resources in the media.

3.7.19.2 Recordings

The value chain for the recording industry has a number of links from publishing to delivery although the process is not necessarily sequential.

Value chain from publishing to recording [182]

Publishing	A&R	Production	Manufacturing	Marketing & Promotion	Distribution	Delivery

Table 112: Value chain for recording – Source: Multi Media Research Group

As can be seen from section 3.2.14 above jazz accounts for circa 2% of CD sales in the UK moreover sale of jazz CDs in the UK does not reflect the “cottage industry” in record production and distribution from home-grown labels, bands and musicians. The

main function of the major record label is perhaps "as the provider of risk finance to global markets and distributors" [183]

This is now debatable as the majors would appear to be in meltdown as online sales have taken off.

There are problems that bedevil the ability of UK musicians to sell their CDs:

- Lack of exposure on the radio
- Lack of distribution companies
- Few retail outlets with a knowledge of jazz
- Lack of knowledge on marketing and distribution on-line

3.7.19.3 Music publishing and performer royalties

For a musician to join the PRS they must have a piece of music which has been preformed, broadcast or published. There is a one-off payment of £100 to join and an annual fee. For a publisher to join at least one work must have been performed. The joining fee is a one-off payment of £400. In spite of the fact that it is easier to join the PRS requiring only 1 performed work – it used to be three works, writers and musicians are still daunted by either the fee or filling in the form and many people are still confused as to their rights.

To join the MCPS a person must own the copyright in one or more pieces of music or have one or more pieces of music released by a record company (other than one your own) or recorded on radio, TV, audio visual or multinational production. Admission for musicians and publishers is £50.

There is no fee to join the performers' rights organisation The Phonographic Performance Ltd (PPL).

3.7.19.4 Print and Broadcast Media

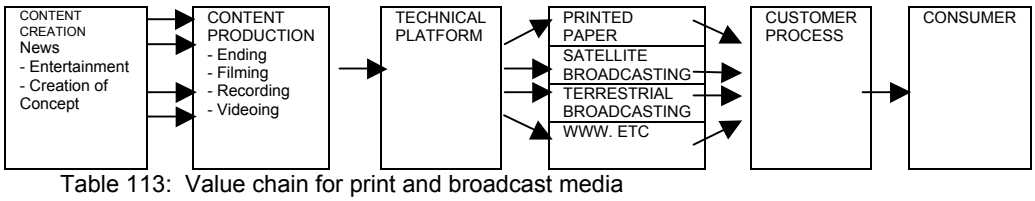

Table 113: Value chain for print and broadcast media

3.7.19.5 Exploiting available resources

It would be an insurmountable task for JSL to set up its own satellite or terrestrial, digital or FM radio or TV station. However, the ideal point for JSL and Jazz UK to plug into the print and broadcasting media chain is:

- The content creation and production stage with the listings and photo library services.
- Customer process/consumer stage whereby with the listen again facility at the BBC and elsewhere to collect all BBC jazz programmes onto one page with links to those programmes to work with suitable bona fide jazz radio or internet stations to promote them and by building a unique listings service.
- Production of podcasts.
- Internet Radio

3.7.20 Communications and Perceptions

3.7.20.1 Plain English

Steven Poole in "Unspeak" focused on the prevalence of the past 20 years of a "mode of speech that persuades by stealth".

"'Pro life' 'tax relief', Friends of the Earth' is a name for something, but not a neutral name. It is a name that smuggles in a political opinion. ….. a whole partisan argument is packed into a sound bite. These precision-engineered packages of language are launched by politicians and campaigners targeted at newspaper headlines… where they land and dispense their payload of persuasion into the public consciousness…. 'you've got to be mindful of the consequences of the words' said George Bush." [184]

In Richard Cook's Jazz Encyclopaedia, Jazz Services has been 'a priceless resource which countless British musicians have benefited from both directly and indirectly." [185]

Sir Ernest Gowers in "Plain Words' (1948) noted "writing is an instrument for conveying ideas from one mind to another; the writer's job is to make his reader apprehend his meaning readily and precisely. Do these letters say what they mean? Nay does the writer himself always know just what he means, and says it in a way that is clear to him, is it always clear to the reader?"

3.7.20.2 Reaching people

JSL needs to communicate with its constituents clearly, in plain English and without spin. Communications that inform people of JSL's activities and help change people's perceptions that the company is not just an organisation for musicians but JSL provides a range of services. There are a number of activities that can help achieve this.

3.8 Marketing and International Development

Jazz Services has incrementally built its international role with memberships and attendances at the International Schools of Jazz Education (ISJE), The International Jazz Educators Association (IAJE) and the European Jazz Network (EJN). Celia Wood published 'Developing an International Profile – International Performance Opportunities for UK Jazz Musicians' which is available on the JSL website. Lloyd George said of Neville Chamberlain that "he saw foreign policy through the wrong end of a municipal drainpipe." JSL

has had an eye beyond the shores of Albion with Celia Wood's and latterly with Joe Paice's work with the IAJE and ACE culminating in the first showcase of British Jazz at the IAJE. The danger in working in international markets could be the propensity to hop from one event to another without the development and attainment of goals and objectives. The following three years 2008/2011 provide a canvas to build on the excellent international development work in 2007/2008.

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