

A dark, atmospheric photograph of a DJ performing at a club. The DJ is seen from the side, wearing a dark shirt and a headband, with their hands on the turntables. The background is dimly lit, showing other patrons and the club's interior. The overall mood is energetic and professional.

# beatport. SOUNDS

How To: Set Up a Digital Label

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**It's the artist's ultimate dream: setting up their own label. And there's never been a better time to do it. But how do you get your tracks to the big online distributors and how do you build a name in a saturated market? We follow La Bombe Records into the digital jungle.**

**At some point in their careers, most musicians consider launching their own label. It's what every artist dreams of: complete creative control, direct access to sales and royalties, and most importantly of all, the freedom to release what you want, when and how you want it. But in an over-saturated digital world, it's becoming increasingly difficult to attract the attention of online distributors and take that elusive first step to securing distribution for your would-be empire.**



# How To: Set Up a Digital Label

- **First Steps**

- La Bombe started its life a year ago. Our story is similar to so many others out there. We'd been putting out music on other labels for years but we'd grown weary of the time it takes to release music and get properly paid. And some of the decisions around the marketing of the music – like the designers and remixers used – were not the kinds of decisions we would have made, had we had control of the product ourselves.
- The downside of this, and the key problem faced by the wider music industry, is that it is incredibly hard to make money through record sales, alone. For that reason we adopted a 360-degree business model – working in tandem with publishers, merchandising, and live touring to create a complete outlet for our artists and the brand.
- We released our first track on Monday after spending six months building the brand to the point where we could secure direct online distribution. Here's how we did it:

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- **Identify the Marketplace**
  - We're a dance label, so we required the services of very specific EDM retailers such as Beatport, DJ Download and Juno Records. We didn't anticipate releasing album nor compilation projects until 2011 at the earliest, so there was little sense in us embarking on the laborious process of getting on iTunes, for instance. Right from the outset, we knew the best sites for our music and the best way of getting our material onto those sites.
- **Look to the Long Term**
  - It's highly unlikely that you'll be represented by most major online retailers unless you have a long term strategy that includes at least three scheduled releases complete with remixes, artwork, ISRC codes and some kind of promotion/marketing plan. Taking the time to get this together before you even approach the retailers will clear the first hurdle and convince most of them that your label will continue selling for a prolonged period. This was essential to getting a deal with Beatport, which operates a rigid policy for allowing new labels/artists onto their site.

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- **Be Wary of Charlatans**
- There are many physical and digital distributors that do a sterling job of representing your catalog across a variety of sites for a very small percentage. In many cases, they will also aid with your marketing, promotions, plugging, and publicity. The trouble is finding a reputable one. Sadly, the diminishing returns in the music business mean there are only a few solid distributors left. Instead, most digital distributors these days act as 'aggregators.'
- Aggregators essentially do the job of a distributor without the marketing and promotional support. Usually they are faceless operations with vast catalogs. Because they deal with so many labels, they are prone to making mistakes with artwork and track titles. Having a middleman in the way almost always means delays in payment and processing. Be wary of them: we were, and decided to approach sites directly rather than in mass.

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- **Promote, Promote, Promote**
  - So you've cleared the first hurdle, decided to control your own distribution, and secured representation on the site(s) of your choosing. How then, do you draw customers to your product? Our releases tend to stick to tried-and-tested artists/remixers with a good sales pedigree. Try to release tracks that have some form of radio or DJ support, so that even if your artists aren't well-known, at least your material has had some form of public exposure.
  - It goes without saying that you should try to maximize your social network following. Don't spam or add random people who look as though they have little interest in what you're doing. In most cases it'll work against you rather than for you. Link to your sales page: banner your Myspace or Facebook pages and get blogging. Don't be scared to do this – most artists who own their own label are initially shy to self-promote, but you'll very easily sink if you don't have some network for getting your message to the masses.
  - Although it's tiresome, keeping a comprehensive database of (legit) email addresses that you can send newsletters to is essential. These are your fans. Don't squander them.

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- **Attention to Detail**
  - Your aim is a catalog of great tracks supported by quality mastering, remixes, and graphic design. In a digital world it pays to lavish as much attention on detail as possible. Customers – including the all-important DJ market – shy away from unmastered tracks, over-lengthy or too many remixes, and shoddy artwork. Moreover, most sites, including opinion-forming blogs, don't want crappy design to mess up their shiny front pages. Bear in mind that on any given week, the number of new releases reaches into the thousands. Yours needs to stand out – or at the very least, not stand out in a bad way.
  - The music industry is evolution in action: only the biggest and best-looking take the lead. Incidentally, this doesn't necessarily mean spending wads of cash. Everyone has a friend who's OK at design – or who's a talented photographer. Get them on board. Email mastering studios to see if they can do an offer for you: many do for unsigned artists or during studio downtime. Working on a budget should not have to mean creating a cheap product.

# How To: Run a Digital Label

- **Fight for Your Rights**
  - Make sure your tracks are registered with public performance societies (PPL in the UK) and mechanical copyright protection agencies (MCPS in the UK). This will maximize your (and your artists') yield over royalties. Every track sold legitimately via a distributor or online site will pay mechanical royalties directly to your label and/or artists. It will require registration with the relevant bodies and some advance notice of your distribution plans. Don't fall foul of these guys; they're the good guys in the business and you must make sure your artists are getting their necessary dues from them.
  - Don't Give Up.
  - In the days of over-hyped, overnight success stories and tales of rags-to-riches in a weekend, it can be easy to get disillusioned when your first release doesn't hit the top 100, or even earn a Beatport banner. This should come as no surprise; with so many labels out there – all of which will be better known and more established than yours – you are a the smallest fish in a mighty pond. Bear in mind also that the bigger players – the Toolrooms and Defecteds of this world – will have close relationships with the owners of the key online distributors. It can seem like a cruel kind of members-only club in which a few high-earning players control the game. To some extent that's true, but accepting this should not be dispiriting. Instead let it foster your drive for success.
  - You should expect to make little profit, if any, before release three, and more realistically release five. Yours is a new brand, and new brands take time to earn a reputation and build their name. So keep your head down, maintain the quality of your output – in terms of music, design and marketing push – and only start assessing the success or otherwise of your budding label when at least five releases have dropped. You owe your dream at least that much patience.

Sharooz is a DJ, producer and partner in [Sample Magic](#), as well as label boss for [La Bombe](#). He has sold over 60,000 records with his tracks regularly played on Radio 1, figuring in the playlists of Pete Tong, David Guetta, Roger Sanchez and many more. He also writes for EMI Music Publishing, Universal Production Music and regularly DJs across the UK and Europe.

