

Information Artists/Labels Should Know About Traditional Music Distribution

- 1) Distributors will usually only work with labels that have been in business for at least 3 years or have at least 3 previous releases that have sold several thousand copies each.
- 2) Distributors get records into retail stores, and record labels get customers into retail stores through promotion and marketing tactics.
- 3) Make sure there is a market for your style of music. Prove it to distributors by showing them how many records you have sold through live sales, internet sales, and any other alternative methods.
- 4) Be prepared to sign a written contract with your distributor because there are no 'handshake deals' anymore.
- 5) Distributors want 'exclusive' agreements with the labels they choose to work with. They usually want to represent you exclusively.
- 6) You will sell your product to a distributor for close to 50% of the retail list price.
- 7) When searching for a distributor find out what labels they represent, and talk to some of those labels to find out how well the distributor did getting records into retailers.
- 8) Investigate the distributor's financial status. Many labels have closed down in recent years, and you cannot afford to get attached to a distributor that may not be able to pay its invoices.
- 9) Find out if the distributor has a sales staff, and how large it is. Then get to know the sales reps.
- 10) What commitment will the distributor make to help get your records into stores?
- 11) Is the distributor truly a national distributor, or only a regional distributor with ambitions to be an national distributor. Many large chain stores will only work with national distributors.
- 12) Expect the distributor to request that you remove any product you have on consignment in stores so that they can be the one to service retailers.
- 13) Make sure that your distributor has the ability to help you setup various retail promotions such as: coop advertising (where you must be prepared to pay the costs of media ads for select retailers), in-store artist appearances, in-store listening station programs, and furnishing POP's (point of purchase posters and other graphics).
- 14) Be aware that as a new label you will have to offer a distributor 100% on returns of your product.

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- 15) You must bear all the costs of any distribution and retail promotions.
- 16) Be able to furnish the distributor with hundreds of 'Distributor One Sheets' (Attractively designed summary sheets describing your promotion and marketing commitments. Include barcodes, list price, picture of the album cover, and catalog numbers of your product too).
- 17) Distributors may ask for hundreds of free promotional copies of your release to give to the buyers at the retail stores.
- 18) Make sure all promotional copies have a hole punched in the barcode, and that they are not shrink-wrapped. This will prevent any unnecessary returns of your product.
- 19) Don't expect a distributor to pay your invoices in full or on time. You will always be owed something by the distributor because of the delay between orders sent, invoices received, time payment schedules (50-120 days per invoice) and whether or not your product has sold through, or returns are pending.
- 20) Create a relationship that is a true partnership between your label and the distributor.
- 21) Keep the distributor updated on any and all promotion and marketing plans and results, as they develop.
- 22) Be well financed. Trying to work with distributors without a realistic budget to participate in promotional opportunities would be a big mistake.
- 23) Your distributor will only be as good as your marketing plans to sell the record. Don't expect them to do your work for you, remember all they do is get records into the stores.
- 24) Read the trades, especially Billboard for weekly news on the health of the industry, and/or the status of your distributor.
- 25) Work your product relentlessly on as many fronts as possible...commercial and non commercial airplay, internet airplay and sales campaigns, on and offline publicity ideas, and touring...eternally touring!