

Canada's Legal Eagles Change Flight Path Toward A&R

BY LARRY LOBLANC

TORONTO—Five years ago, many of them were flocking to MIDEM with bags full of CDs seeking label and publishing deals. More recently, Canada's entertainment lawyers have begun taking new routes that have led them into the worlds of A&R and artist management.

Canadian-based music lawyers—a community of less than a dozen—have been expanding their traditional role beyond drafting and negotiating contracts and occasionally pitching foreign contacts. That expansion has been fueled by the global successes of Canadian artists; heightened competition to sign new acts; and the increased business savvy of artists, publishers, and managers here.

Like their American brethren, Canadian lawyers are now seeking out recording and publishing deals as well as links with managers, producers, co-writers, merchandisers, or investment contacts for their clientele. "Lawyers are now bringing us acts," confirms Allan Reid, senior VP of A&R at Uni-

versal Music Canada. "Their role has changed."

Senior entertainment lawyer Leonard Glickman at leading Canadian law firm Cassels, Brock & Blackwell jokes that the firm now has an A&R division. "Jordan Jacobs is our 'senior VP of A&R,' and articling student Jason Klein works with him," he says. "They have stacks of CDs on their desks and are developing A&R relationships with labels."

This role change, according to Toronto lawyer Greg Stephens, has been driven by "Canadian acts being more exposed to American label deals, and Canadian lawyers becoming more familiar with American labels, publishers, and attorneys."

Stephens adds that several "young Turks" are trying to create a niche for themselves in the industry. One such newcomer is Chris Taylor of Sanderson Taylor in Toronto, which, in December, became affiliated with Davis, Shapiro & Lewit in New York. From the day he started practicing three years ago, Taylor began aggres-

sively nurturing U.S. A&R affiliations.

"One of the impetuses for me looking in the U.S. for label contacts was that when I started practicing, Canadian attorneys were being squeezed out of the picture and replaced by American attorneys once a U.S. record company became interested in a Canadian act," he says.

Taylor spent five years touring North America as the lead singer with Toronto-based reggae/pop band

One in the early '90s. The band was formed while he was at law school in Toronto in 1989. However, following the failure of its debut album, "Smokin' The Goats" (Virgin Canada, 1994), he decided to return to law school and eventually joined Paul Sanderson & Associates (since renamed Sanderson Taylor) in 1997.

"While in the band, I developed relationships with journalists, club

owners, booking agents, managers, and other artists at a grass-roots level," says Taylor. "This is now where my clients come from. I'm enjoying the creative process as much as the business/legal end of my practice."

In the past two years, Taylor has negotiated direct U.S.-based label deals for SUM 41 with Island/Def Jam Music Group, K-OS (Capitol), Jar (Columbia), and Nelly Furtado (DreamWorks), as well as domestic signings for Choclair (Virgin), Sky (EMI/Arista), and Jazmin (A&R).

For any A&R-styled advance work he does, Taylor bills acts on a flat-fee basis. "I try to be flexible on fees. I look at most of the development work as pro bono work. When an artist does a recording agreement, we then have a discussion of what makes sense in terms of fees."

Although he's not critical of Taylor's label pitching, Stephens says it's not for him. "I'm too busy practicing traditional law. I do shop around when I have a hot client, but I don't charge for that. I don't like 'Let me get you a deal, and you pay me \$25,000.' There's a lot of that now going on."

Edmund Glinert of the Gardiner Roberts firm in Toronto also favors a more traditional legal role. "When I started practicing in 1976, I did try to shop new acts, but I soon realized I wasn't an A&R guy," he says. "I'm now putting together more investment deals than doing production deals."

Most music lawyers, however, are not only providing conventional legal advice, such as drafting and negotiating contracts, but are also helping to create business relationships through their contacts. "Most lawyers now are providing more value-added business advice," says Glickman. "We're essentially giving our clients access to our Rolodexes."

Susan Abramovitch, of Stohn Henderson here, suggests that "as a lawyer, you aren't only papering deals other people have negotiated and made

decisions on. With the Canadian music industry being very tight-knit, deals happen through relationships or through a lawyer's shopping. Lawyers, A&R people, and business and marketing people at the labels socialize together. You can't help talking about what you're working on. You talk, and others get interested."

The changing role of entertainment lawyers reflects the environment their clients are working in, says Abramovitch. "There may be more major-label signings, but more people are also recording themselves. Those people, in particular, need someone who understands legalities or the business issues that arise. As a lawyer, I get to see hundreds of clients' deals. So I have a very specific perspective and knowledge of what's going on in the industry."

Until the '90s, seeking a record deal with Canadian-based record labels meant that lawyers had little bargaining power in negotiations. Competitive bidding situations rarely existed, and getting an act signed in the U.S. was difficult because few Canadian managers or lawyers had contacts there.

However, U.S. signings of Canadian acts gradually became more commonplace, along with an increased focus on domestic signings by multinationals based here and the development of a strong grass-roots alternative scene domestically. As a result, Canadian majors began to offer more competitive contracts.

And yet, "not a single band in Canada has ever been signed in Canada for a \$1 million advance," says lawyer/manager Chip Sutherland of Halifax, Nova Scotia-based Pier 21 Management, which handles the band Sloan.

"It happens every month in the U.S.," Sutherland says. "American A&R does everything with money. Their attitude is, 'Give us all the rights. How much money do you want?' Canadian A&R reps are more open to granting rights, only because they don't have money."



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