

SUCCESSFUL CROWDFUNDING IN MUSIC

Webinar & Panel Discussion

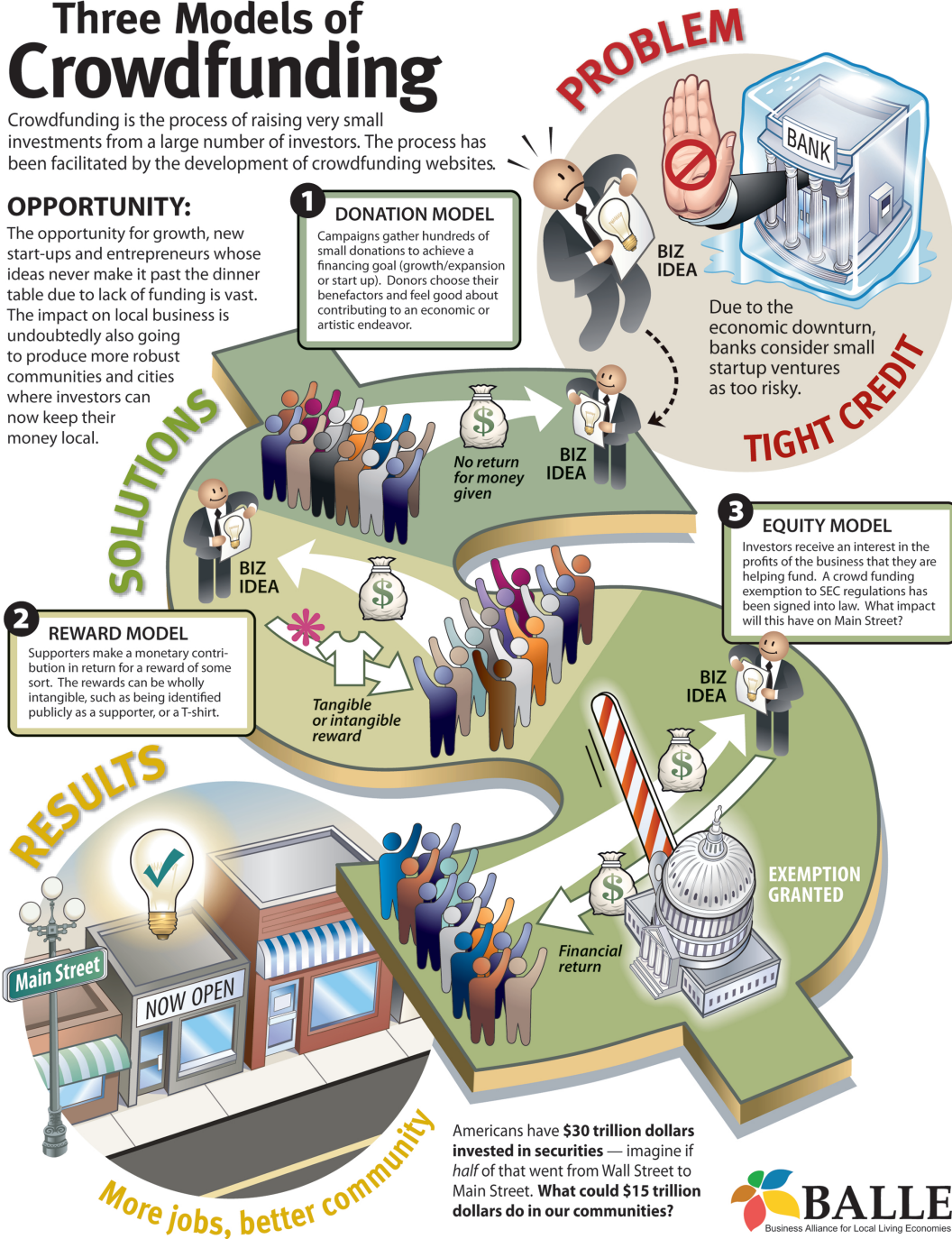
Hosted by Stephen Danyew
 Managing Editor, Polyphonic.org

Three Models of Crowdfunding

Crowdfunding is the process of raising very small investments from a large number of investors. The process has been facilitated by the development of crowdfunding websites.

OPPORTUNITY:

The opportunity for growth, new start-ups and entrepreneurs whose ideas never make it past the dinner table due to lack of funding is vast. The impact on local business is undoubtedly also going to produce more robust communities and cities where investors can now keep their money local.



Raising funds in the arts, for the novice, often carries with it a hopelessness that stems from a lack of knowledge. Fortunately, that's incredibly easy to fix, which is why you're here for the hour.

Often, this uncertainty comes from a lack of experience in assigning value to the work we do as musicians. There are places we often look for a scale of value; union pay scales, hard production costs, and myriad other items that are usually prices other people charge you for a service. Valuation of your own effort must be part of your primary thought process. We'll touch on that today, among other items.

Crowdfunding has been around for a very long time. But now, more people can participate in an incredibly wide variety of efforts. This means you will have the chance at making a case for grant/gift funding for anything you wish to use to create value in the field. Your own performing, teaching, research, artistic product, or other endeavors are all fair game. It's how you present those ideas that will determine your success in having them funded.

Americans have **\$30 trillion dollars** invested in securities — imagine if half of that went from Wall Street to Main Street. **What could \$15 trillion dollars do in our communities?**



THREE ONLINE EXAMPLES

The big one you all know...

KICKSTARTER

Kickstart began in April of 2009 and was dubbed "The People's NEA" at the time. It has become far more than that early moniker would indicate. Individuals and organizations have successfully used it to gain funding for a wide variety of endeavors, projects, and products. The sizes of the projects are wildly variable and a perusal of the site's resources and scope is well worth your time.

Peerbacker



This one began as a way to fund IT products and processes and has also grown well beyond its beginnings. It has received considerable press since it started in 2011. The site is financed by a fixed percentage of the total money raised. At present that is 5%.

DonorsChoose



This is a crowdfunding platform for what the site refers to as "front line" teachers. If you are in charge of a classroom or a regularly meeting educational program, you're eligible to introduce a proposal. Educators have, for a long time, infamously spent their own resources on classroom supplies, books, food, and other

necessities. This is a way for those teachers to seek funding for these and other projects as well as larger capital improvements from a dedicated and involved audience.

Markets

You will always operate within one. And, there will **always** be a market for what you do. It may not be where you think it will be. It may not be as large as you think it will be. But, your connection to a market, both for gift and earned income, will always be something you must understand, react to in a constructive way, and from time to time, create and change.

Process/Project

The majority of crowdfunding sites concentrate their attention on projects; things with a tangible end. Occasionally a process is also possible, but again, the emphasis usually always falls within something that has a defined end.

Money = Work Done

One of the great things about the time in which you are going to spend most of your career is the dynamic that money now has in our everyday environment. Money is not who you are, it does not dictate your likability, your viability as an artist, your personality, or your potential. *Money is a tool to get work done.* It exists as a medium to be mastered, created and spent with discipline, and used to further the music that you have spent an exceptionally large part of your lives mastering. Never allow money, its lack or abundance, to have any more power over your creativity, your energy for your work, or your life, than any other material resource to which you have access.

Resources

kickstarter.com

Online Funding Platform

peerbacker.com

Online Funding Platform

donorschoose.com

Online Funding Platform

bealocalist.org

Crowdfunding Resource

esm.rochester.edu/careers

THAT'S US!

Stephen Danyew / Mark Powell

Your hosts today

Today's Panel

ABIGAIL MCHUGH-GRIFA



Cello Teacher,
Education Blogger,
YouTube Video Music
Instructor, Human
Development
Specialist, ESM Alumna

AARON STAEBELL



Leader: Bending
and Breaking /
Composer /
Drummer /
Happiness

Purveyor / General Music
Teacher, ESM Alumnus

EMILY WOZNIAK



Founder and
Artistic Leader
of the Sound
ExChange

group of ensembles, ESM
Development Officer, ESM
Alumna

COMPONENTS FOR A SUCCESSFUL ONLINE CROWDFUNDING CAMPAIGN



Be concise

Beyond the constraints of space, come to your point quickly and economically.

Scale

Both the project itself and the audience to whom you present it benefit from your thinking ahead as to scale. Is the project within your skill set to execute successfully? And, have you scaled the message to your audience? That is, have you made it clear to those who will read it what just you're asking of them?

Accountability

This is often built in to the process, but again, you have to map this out hand in hand with formulating the project. What are you actually raising the money to do? What are your hard costs?

What will *you* be paid? Have you considered all the expenses that might be part of this project? Make sure a realistic and detailed budget is part of your presentation.

The Donor's Stake

What does your donor get in return for their support of your effort? As before, this is often dictated by the platform upon which you set up the project. Is there a tangible or an intangible benefit that will go to your donors? Does what you propose have the possibility for further development if this effort is successful? In other words, what kind of "legs" does this project have?

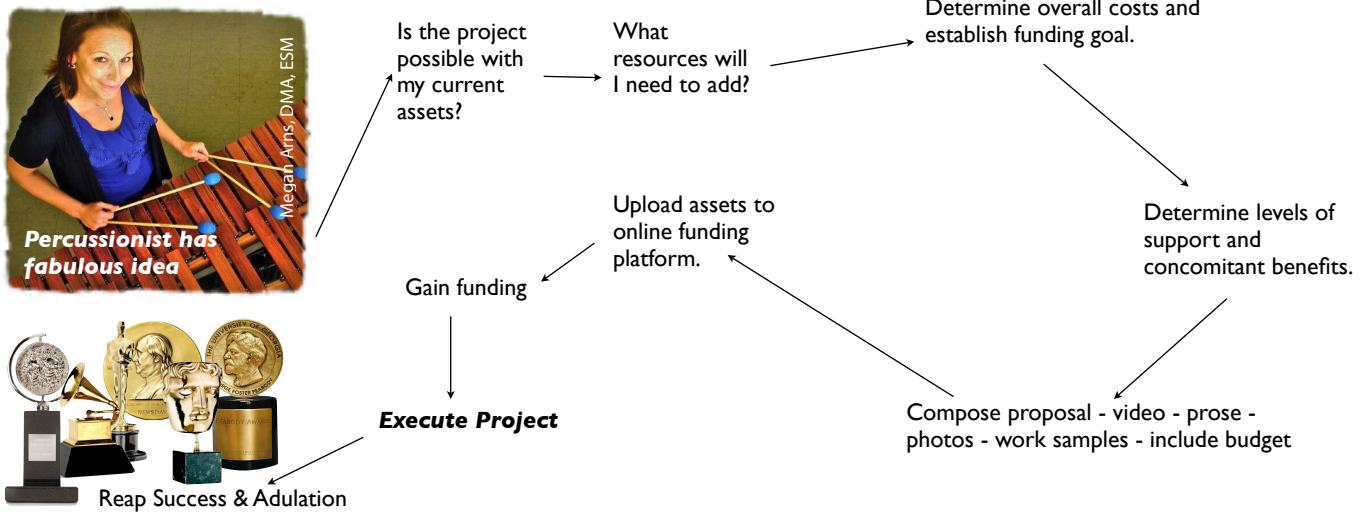


Big: Personal 3D Printer from Formlabs Project Funded: \$2,945,885
Small: Music of Difference CD Project Funded: \$3,251

The photos at the far left both reference Kickstarter projects and were completed in 2012. Catherine Branch, an ESM alumna, is the founder of *Music of Difference*.

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PROJECT FLOWCHART



FURTHER RESOURCES

Significant online resources, time with staffers to sharpen your written and online presences, courses that teach fundraising, nonprofit governance, career strategies, diversity, and myriad other aspects of your development are all part of the Institute for Music Leadership's offerings. Your successful work, as a performer, teacher, and leader, is the reason we are here.



NOTES

CONTACTS

Webinar materials authored by **Mark Powell**, music director designate of Da Camera New York and IML Instructor for *Funding the Individual Musician* and *Gift and Grant Seeking in the Nonprofit Arts World: A Primer for Fund Raising in the 21st Century*, ALP courses offered in the Fall and Spring semesters.

Webinar hosted by **Stephen Danyew**, an ESM alumnus and active composer, saxophonist, teacher, and arts administrator who also serves as the Managing Editor for Polyphonic.org. The Miami Herald has described Stephen's music as "startlingly beautiful" and "undeniably well crafted."