# TuneCore

## Changing The Music Industry From A Shower Idea To The Birth Of Tunecore

## Ruby On Rails Facilitates Industry Changing Website As Tunecore Changes The Industry Model One Album At A Time

The idea came to Jeff Price in the shower and it would lead to the founding of TuneCore, the music industry model-changing delivery and distribution service. The day the beta version of the site went live in late January 2006, the internet was buzzing. TuneCore had tens of thousands of hits on the site and a massive number of new accounts were created while albums started pouring in. Only TuneCore can access the global market, instantly, without any physical product and the excitement was contagious.

So it came together in the shower. "Why not create a company that allows artists to have their music made available around the world under a model that takes none of the revenue from the sale of the music, in a non-exclusive agreement. And why not do it all online. This way anyone with internet access could simply go to a website, upload their album art, upload their songs, pick what digital stores they wanted their music to go live in and click a button for delivery. All the headaches of the music industry could be taken out of their lives via building the right technology."

But the genesis of TuneCore was a confluence of inspiration and arduous hard work.

A few factors had Jeff, also the CEO of spinART Records, incubating the idea for TuneCore. The digital aggregators came to spinART Records with proposals, demanding a cut of the sales and the rights. "To be blunt, the business model proposed upset me quite a bit," says Jeff. "Yes, this is the way the industry had been operating for the past 100 years, but this was a model built on physical goods. Things had changed, but the business model was the same and it no longer fit."

"Around the same time, a friend of mine called me to ask if I could help him get his music onto iTunes," says Jeff. The spinART chief obliged, realizing that thousands of other musicians were in the same boat as John.

"After running a label for 18 years, you get a good idea of how many albums should be selling," he says. All of a sudden, spinART released an album that lost a lot of money. "The impact to spinART was very real - so real that I stopped taking a salary and had to lay off an employee," recalls Jeff. "But what frustrated me more than losing the money was that everyone else made money off us. That is, the CD manufacturing plant, the poster printing company, the independent publicist and radio promoters, the company that made the padded air mailers made money, Staples, even the post office made money off us in the process."

Jeff asserts, "The music industry is on fire in a good way, the music distribution industry is on fire in a bad way. But more and more people are in bands and creating music then ever before due to the drop in prices of gear, equipment and home recording studios."

Jeff called Gary Burke, who had worked with him at eMusic. "Gary had moved to France then to Boston and when I called him in October, 2005 with the idea, he was living in North Attleboro, MA working as an programmer." Within three weeks after Jeff's call he quit his job, cleared off his kitchen table, bought one of the largest flat screen monitors he could get and started to code.

Gary recalls, "November, December, and early January were a blur of coding, laying out pages and deciding on logos and pricing. We had many a passionate discussion long into the nights over details of the process."

Jeff was frantically trying to raise the money necessary to launch TuneCore and soon found another ally in former eMusic classical rep Peter Wells. "There was a 'penny drop' moment when I realized this was as revolutionary, exiting, industry-changing as eMusic had been way back when. This was a bridge between the insular world of music distribution and commerce and actual musicians, with the power of the Internet," says Peter, who was quickly drafted to shape the foundation of the TuneCore experience for the customer.

"By the end of 2005, we were able to raise some cash, Gary had suffered from horrible carpal tunnel syndrome and replaced his keyboard and I got educated by Gary on software language called Ruby-On-Rails," says Jeff. Brand new in 2005, Ruby-On-Rails is an agile open source code that, unlike its predecessors, can be used to create robust sites with a lot of functionality at little cost. Gary had the challenge of delivering music to various stores with different formats - and making the process user-friendly and simple for the customer.

Peter recalls, "While Jeff designed the idea and Gary made it into reality, I found myself doing everything else: test subject, partial coder (I picked up rudimentary Rails just to give Gary a hand), editor, writer, then customer service. Someone had to work with our new clients."

"It was an incredible first year," says Peter. "We worked without pay; I even invested tens of thousands of my own dollars, truly believing this was a worthwhile business, necessary and timely in its own way. Gary and I never left the apartment, dashing out once a week for groceries and once a season for haircuts."

Gary, Jeff and Peter devised a remarkably simple system considering how many different stores had to be accommodated. They created a way for each TuneCore customer to log in 24 hours a day, seven days a week and take their money. The accounting system, one of the marvels of TuneCore, has actually revealed errors in the accounting systems of the digital stores. "There's nothing else like it on the web," says Gary.

Peter reflects, "As people hear about us, the only question that remains is the old one: is this too good to be true? I think it's too good not to."

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