

STEVE BARNETT

THE HEAD COACH



The CMG Chairman salutes the Chairman of the Board at the Tower's Sinatra 100 flag-raising in 2015.

Raised in the U.K. but having spent his entire label career in the States, Steve Barnett has fused the cultures and nuances of the British and American music businesses as adeptly as any label head in history. Since moving from management to the label side 23 years ago, Barnett has capably guided three majors through the ups and downs of the

music industry as a whole, consistently putting points on the scoreboard.

"The biggest thing," he mused, "is I have run three labels that were in real trouble when I arrived, none more so than Capitol. When I left Epic and Columbia, they were both better than when I arrived, leaving strong teams behind, and my Capitol team is second to none."

Katy Perry put it more pointedly when, shortly after



Barnett, sporting a tastefully understated early-'80s mullet, hangs with AC/DC, Ahmet Ertegun, Mel Lewinter and various industry headbangers (including Craig Lambert, Derek Schulman and Stewart Young) at a Back in Black trophy presentation.

Barnett took charge of the renamed **Capitol Music Group** in 2013, she said, with understandable relief, “It’s nice to have a head in there who knows what the fuck they’re doing.”

“Steve Barnett is truly dedicated to his mission statement of artist development—even when it means letting the artist search the world wide-eyed to develop themselves,” says breakthrough artist **Halsey**, one of Capitol’s biggest recent success stories. “He has facilitated all my wildest explorations, with the knowledge that with personal growth comes artistic growth.”

At the time of Barnett’s anointment as the top exec at CMG near the end of 2012, **Lucian Grainge’s Universal Music Group** had just completed the \$1.9 billion acquisition of EMI’s recorded-music arm. Capitol, EMI’s U.S. company, had

been torn apart by more than a decade of mismanagement, while the legendary U.K. company somehow continued to flourish under a series of brutal regimes. EMI was finally put out of its misery by **Terra Firma**, whose cornucopia of top-end masters and copyrights was eventually seized by the banks. That enabled Grainge to swoop in and snatch his prize, though he was forced by the EU to divest Parlophone and its roster, most significantly superstar rock band **Coldplay**, to **WMG**. Despite these painful divestments, the EMI acquisition enabled UMG to command 36% of global marketshare. CMG, with its massive catalog and brands, was at the epicenter of Grainge’s vision, and Barnett faced the monumental responsibility of overhauling the company from the ground up in an effort to restore the

iconic company to its former glory.

For quite some time, EMI had been the most important music company in the world. **Electric and Musical Industries Ltd**, as it was known in the olden days, distributed dozens of American labels at various times, and no record company could compete with it globally after **The Beatles** became a worldwide phenomenon during the mid-'60s. Rather than depending on U.S. majors, EMI established its own distribution system in the U.S., grabbing marketshare to sustain it. EMI’s U.S. rivals eventually got big enough to go on their own, ending EMI’s global monopoly.

But the British bastion, which included labels Parlophone, **Harvest** and U.S. Capitol (acquired in 1955), remained a force to be reckoned with.

Immediately following its 1979 merger

with Thorn Electrical Industries, Thorn EMI scooped up additional American assets in United Artists, which included the Liberty, Imperial and Blue Note labels, while it later bought Richard Branson's Virgin (1991) and Chris Wright and Terry Ellis' Chrysalis (1992). But after EMI architect Sir Colin Southgate was succeeded as Executive Chairman by the laughably inept former biscuit-company exec Eric Nicoli in 1999, while Ken Berry was concurrently tarnishing the Virgin brand, EMI completed its fall from first to worst, ending up in the grimy hands of Terra Firma in 2007.

So, in taking ownership of EMI's iconic nameplate and invaluable assets—pulling off what a source from rival bidder Warner called “one of the ballsiest moves I've ever seen” in Eamonn Forde's book, *The Final Days of EMI: Selling the Pig*—Grainge was in effect becoming the caretaker of a huge chunk of British musical history. And Barnett would be charged with the formidable task of remaking the U.S. company from the ground up.

Grainge said of his new hire, “His entrepreneurial approach and intuitive ability to build, strengthen and transform artists into powerful global brands has resulted in remarkable success. I'm confident that under his leadership, a new and reinvigorated Capitol will provide the kind of environment needed for artists to develop, resulting in more opportunity than ever before.”

Barnett's first order of business was restoring the Tower itself, which had been suffering a slow decline for years, with a multimillion-dollar renovation. Barnett said to us about a year into the job that he had “felt very strongly that we needed to revitalize the Tower and our offices in New York. I didn't want artists and employees to walk through these doors and feel like they were walking into a museum. We want people to be motivated by Capitol's incredible legacy but not hindered by it.”

When you couple his vision for the

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—LUCIAN GRAINGE



Seeing stars with Katy Perry and Sir Lucian Grainge in front of the Tower, 2016



With Foreigner's Mick Jones, Rob Light, Tom Ross, Mitch Rose, the band's Lou Gramm and Don Passman, late '80s

"I'M 20 YEARS IN SINCE I FIRST MET STEVE WHILST I WAS WORKING AT EPIC IN THE U.K. WITH ROB STRINGER. ARE YOU NOT SUPPOSED TO GET WEARY, CYNICAL AND LAZY ACROSS THE YEARS? STEVE IS EVEN MORE OF A DYNAMO AND AN INSANE ENERGY CENTER AND KILLER TACTICIAN NOW THAN HE WAS BACK THEN. I'LL HAVE SOME OF WHAT HE'S HAVING, PLEASE!" —TED COCKLE

building with the energy he brings to every undertaking, it wasn't long before his impact was being felt. Fellow Brit Martin Kirkup, Perry's manager, who's known Barnett for years, told *LA Confidential* just six months into his first year that "He's dynamic and decisive. You feel the energy of his presence in that building immediately. He never loses sight of the fact that it is about the music and the artists. His excitement is palpable."

Barnett wasted no time establishing close communications with his U.K. counterparts. "The first thing is that we had to have a global philosophy, and I was obviously thrilled when Ted Cockle was appointed to run Virgin EMI in the U.K., who I have a long-standing relationship with. I had felt very strongly that Capitol needed to have a presence in the U.K., and the choice of Nick Raphael was great for me, because I had a relationship with him as well. So those two components were key, and the fact that

Caroline U.K., with Jim Chancellor, now has a global solution. And I think that for us within this system, we have to differentiate ourselves however we can."

"I'm 20 years in since I first met Steve whilst I was working at Epic in the U.K. with Rob Stringer," Cockle muses. "Are you not supposed to get weary, cynical and lazy across the years? Steve is even more of a dynamo and an insane energy center and killer tactician now than he was back then. I'll have some of what he's having, please!"

He also benefited from his long-standing relationship with Modest Management's Richard Griffiths, one of Barnett's most important influencers—it was Griffiths who'd brought him to his first label job at Epic in 1996—the manager of Columbia's One Direction, 5 Seconds of Summer and 1D's Niall Horan, the latter two signed to Capitol.

"I had known Steve as a manager from about 1977," Griffiths recalls. "We worked very closely together on Gary

Moore, who I signed to first Virgin Music Publishing and then to the label I had at Virgin called Ten. We enjoyed great success together, especially internationally.

"When I was at Epic, it was a classic situation of being a big New York-based company that thought the world revolved around them. Which was essentially true, but I felt we needed a much bigger presence around the world. Steve was managing AC/DC but was clearly wanting something new. We were just sitting in my office chatting one day, and I said, 'Why don't you come here and run international?' and he said OK. It was that simple. He made an immediate impression. As the success of Epic grew with Pearl Jam, Rage, Korn, Celine and of course MJ, I needed someone to work closely with me in N.Y., so Steve became GM and essentially ran the day-to-day of the label."

Barnett still maintains his U.K. connections and travels regularly to Europe, as CMG has become the go-to landing



Clockwise from left: Father-in-law and Rams coach Dick Vermeil with Steve's son Christopher on his shoulder and his other three sons beside him as they celebrate the team's Super Bowl win in 2000; Barnett with Sam Smith and Lucian Grainge; with Ted Cockle, Naughty Boy and wife Nancy

spot for UMG's U.K. labels.

The benefits of that synergy between the U.S. and U.K. CMG properties, along with Barnett and his experience in the U.K., has paid dramatic dividends.

"From the minute I met Steve, many years ago now," **Sam Smith** tells us, "I completely fell in love with his drive and passion and kindness. I am so lucky to have his support and friendship. He has taught me so much and continues to teach me so much."

Barnett's first major hire at CMG was **Michelle Jubelirer** as EVP, who has since become his COO. "I wouldn't have left my clients and my legal practice for anyone but Steve," she told **MBW**. "He galvanizes a team around him, and he's not a typical egomaniacal label boss. He balances an

eye for the corporate side of the business with a true creative and artistic leaning."

Barnett recalled in a 2016 interview with **MBW** that "EMI had such a terrible reputation in America for their business affairs being impossible to deal with and for not having good relationships with their artists. I thought that Michelle would change that immediately, and she did. There's something special about her. We don't always agree, but she's very smart, makes great decisions and is fiercely loyal to artists."

At the end of 2013, Barnett sat down with **HITS** to discuss his first year on the job. "For me, there were several goals," he told us. "I wanted to make sure that the right team was in place... I wanted the industry quickly to understand that we would be very aggressive with signings, and I wanted to let artists and their managers know that we were building an artist-friendly environment here, and that

we have the capacity to be competitive in virtually every genre of popular music.

"From the outset," Barnett continued, "Michelle and I talked about a theme for the company, which would be that we would try and differentiate ourselves, and we would stand for something. And that's dictated by the artists you sign. So we wanted to stand for something that was slightly different than the other Universal labels, and that's why we designed the road map the way we did, and that's why we're signing the artists that we want to sign. Yes, we're competitive with the other Universal labels, but I think we're also at the point now where we have very good relationships with them. We're not duplicates of each other. It would be ridiculous if Lucian had told me that we needed to mirror exactly what **Republic** does, for example. We should do what we want to do."

Barnett has continued to upgrade his



Top: With UMG boss Sir Lucian Grainge and former Tower chief Bhaskar Menon. Bottom: Armed guards accompany Ashley Newton, Barnett, Michelle Jubelirer and Robbie McIntosh to Checkpoint Charlie in Berlin.



executive staff, notably installing **Robbie McIntosh** as EVP International in 2013, hiring Geoff Harris as CFO in 2014, bringing in Ashley Newton as President of CMG and EVP Creative and Special Projects for UMG and tapping the respected **Greg Marella** as EVP Promotion in 2016. His division heads include **Jacqueline Saturn** at both Caroline and Harvest, **Ethiopia Habtemariam** at Motown, **Pete York** at Capitol Christian Music Group and **Don Was** at Blue Note.

As for his degree of comfort in his adopted country, Barnett has embraced living in L.A. since relocating from New York in 2012, and he also has a *Hemingway*-esque bungalow in Key West, the ideal getaway spot for this expert big-game fisherman.

"I really think of myself and my family as Americans," he says. "There are plenty of English people who have been successful over here... So the whole English-American thing, it's a non-issue to me. At the end of the day, you are who you are."



“FROM THE OUTSET, MICHELLE AND I TALKED ABOUT A THEME FOR THE COMPANY, WHICH WOULD BE THAT WE WOULD TRY AND DIFFERENTIATE OURSELVES, AND WE WOULD STAND FOR SOMETHING. AND THAT’S DICTATED BY THE ARTISTS YOU SIGN.”



Clockwise from top: Michelle and Steve with Blue Note topper Don Was; with Nick Raphael; Quality Control's Pee (l), Coach K (r) and Migos visit Barnett and Motown head Ethiopia Habtemariam.

Raised in the rural town of Codsall just outside of Wolverhampton, U.K., Barnett began his music career in 1970 at Gerry Bron's Bron Agency, where he rose to Director, working with progressive jazz-rockers Colosseum and the platform-booted, unbearably loud Uriah Heep. At his next stop, he served as Director at NEMS Enterprises, founded by the late Beatles manager Brian Epstein, which exclusively reped the European activities of some of the era's biggest acts including Elton John, Deep Purple and Black Sabbath. Starting in 1980, he spent eight years as a partner in U.K. management firm Part Rock.

Barnett wed his wife Nancy in 1985; they have four sons. Nancy's father, Dick Vermeil, coached UCLA to a 23-10 upset victory over previously undefeated and top-ranked Ohio State in the 1976 Rose Bowl, avenging

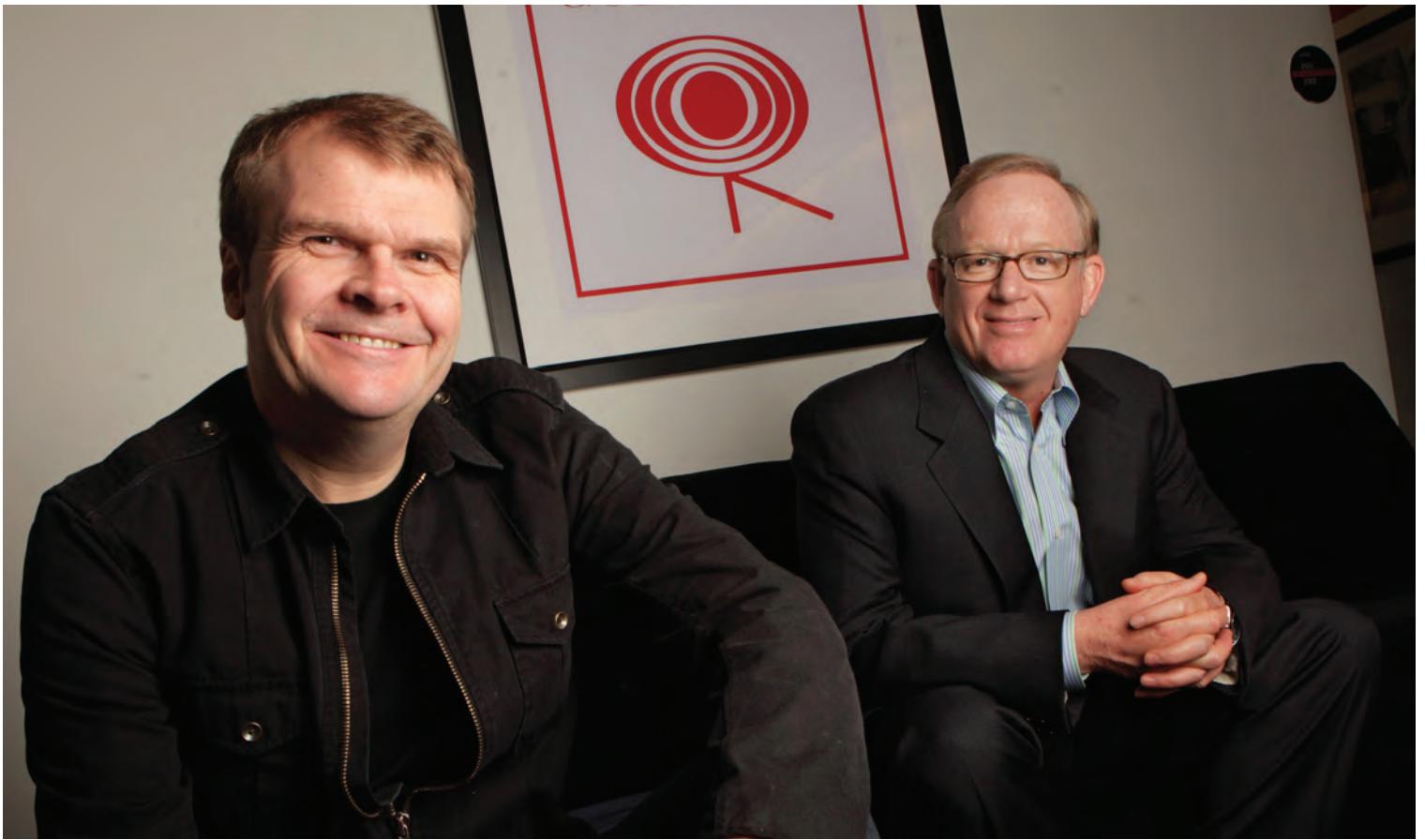
a 41-20 loss earlier in the season. He spent most of his career in the NFL, coaching the Philadelphia Eagles, St. Louis Rams (with whom he won Super Bowl XXXIV in 2000) and the Kansas City Chiefs. Barnett, it could be said, has shown some elevated coaching chops of his own. He's also a rabid fan of both the British and American forms of football. He pulls for the Chiefs in the NFL and the Miami Hurricanes in college football, but he bleeds for Wolverhampton FC, which, following a successful campaign in 2018, was promoted back to the Premier League; they were middle of the table at presstime.

In 1988, Barnett became President of Part Rock's newly established U.S. company, Hard to Handle, and the family moved to Philadelphia. The new management firm had clients including AC/DC, Foreigner and Gary Moore.

It was at Sony Music that Barnett

learned the tricky nuances of the U.S. business as part of the 55th Street rat pack, along with Tommy Mottola, Don Ienner, Michele Anthony, Dave Glew and Polly Anthony. He began his 16-year run at the company in 1996, when he joined Epic as SVP International. He rose to SVP Worldwide Marketing in 1997 and EVP/GM in 2001 before being named Epic President in 2004 by Ienner, who was then President/CEO of the Sony Music Label Group. Barnett was anointed Chairman of Columbia in 2005.

In 2003, Sony had ended the 15-year reign of Mottola, a consummate record man, installing TV exec Andy Lack, who was replaced by Rolf Schmidt-Holtz in 2006. In short order, Schmidt-Holtz fired Ienner and Anthony, pushed legendary exec Clive Davis to the sidelines, elevated Barry Weiss to replace Davis and brought in Rob Stringer to head Sony U.S. Barnett had front-row seats for that period of upheaval inside the combined Sony BMG.



Top: Co-kings Rob Stringer and Barnett jointly ruled Columbia in a music-biz version of Game of Thrones. Bottom: Jacqueline Saturn and Barnett welcome Elliot Grainge to the CMG family.



In 2011, when former UMG topper **Doug Morris** replaced Schmidt-Holtz as Sony Music chief, he immediately shook up the group's leadership ranks, pairing Barnett with Stringer at Columbia. The two execs, who'd taken parallel upward paths on opposite sides of the Atlantic, were kindred spirits—friends as well as business associates—so working together felt natural to both of them.

The Stringer-Barnett partnership was a highly effective one, as Stringer focused on A&R and artist development while Barnett oversaw the marketing of critically and commercially successful albums from iconic artists including AC/DC, Bob Dylan (with back-to-back #1 albums), **Bruce Springsteen** and **Neil Diamond** (who scored his first #1 album), as well as overseeing successful campaigns for ascendant acts including Beyoncé, One Direction, John Mayer, Roc Nation's J. Cole, Jack White and Foster the People. The label hit the jackpot with Adele, whose second album, *21*, racked up more than 11 million in sales, winning six **Grammys**. Under their joint leadership, Columbia became the #1 label in U.S. marketshare in 2011 and 2012.



A lotta love for Lil Yachty from Barnett, Grainge, Coach K, Habtemariam, Ezekiel Lewis, Pee and Newton

But in business as in sports, sometimes a single team can't contain two stars' ambitions. And following UMG's acquisition of EMI, Grainge knew full well that when it came to choosing a leader capable of carrying the weighty responsibility of validating his bold purchase, nobody fit the bill better than his fellow Brit. The UMG ruler offered Barnett the job of revitalizing the U.S. label group, and he jumped at this

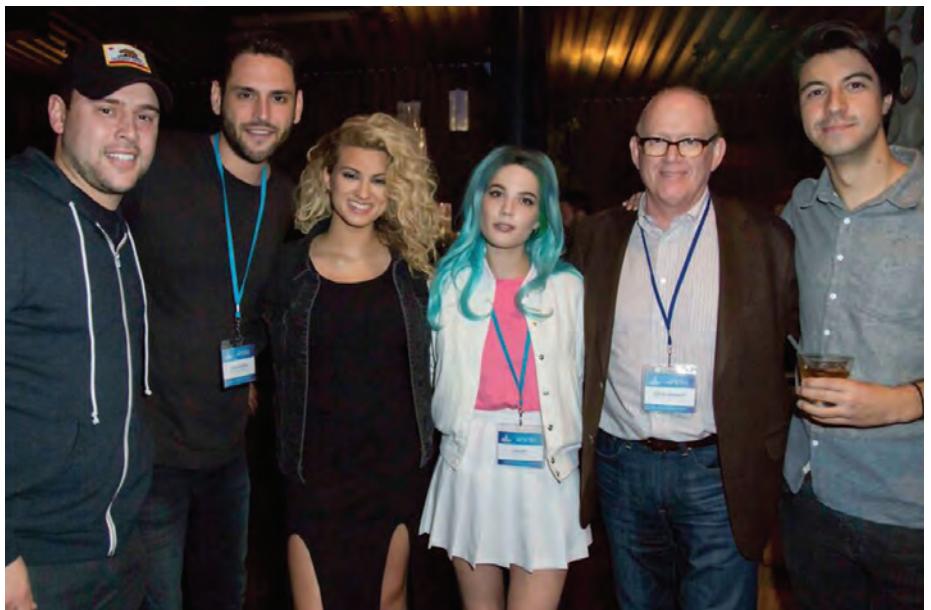
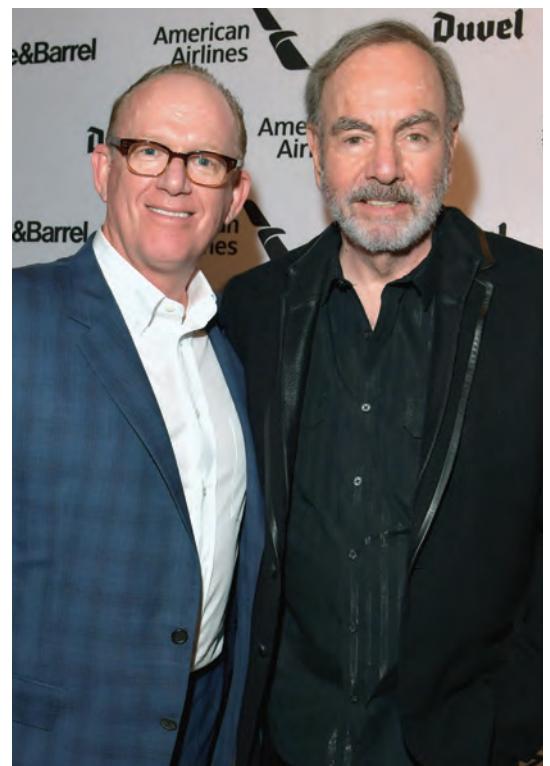
once-in-a-lifetime opportunity.

"I felt that the industry, as well as artists, managers and lawyers, wanted Capitol to be successful again," Barnett reflected. "And that was not the case when Rob and I went to Columbia. Those early days were brutal, because for whatever reason, that company had become an easy target."

The marketplace had turned upside

down multiple times, but Barnett had nimbly managed to remain ahead of the curve throughout each cycle, understanding that it's always about the music. This situation was no different. "You work the best records," he explained. "That's what you do in a big, powerful global company, and that's what Lucian's built at Universal. And certainly, if you look at the success that Rob and I had at

"YOU WORK THE BEST RECORDS. THAT'S WHAT YOU DO IN A BIG, POWERFUL GLOBAL COMPANY, AND THAT'S WHAT LUCIAN'S BUILT AT UNIVERSAL. AND CERTAINLY, IF YOU LOOK AT THE SUCCESS THAT ROB AND I HAD AT COLUMBIA, WE PICKED THE BEST RECORDS. IT DIDN'T MATTER IF IT WAS BEYONCÉ OR ONE DIRECTION OR ADELE OR J. COLE. WE HAVE A SIMILAR PHILOSOPHY HERE."



Top row: A playback at QC in Atlanta; with Neil Diamond. Bottom row: With David Joseph and Michele Anthony; with Scooter Braun, Halsey co-manager Jason Aaron, Tori Kelly, Halsey and Halsey co-manager Anthony Li

Columbia, we picked the best records. It didn't matter if it was Beyoncé or One Direction or Adele or J. Cole. We have a similar philosophy here."

Just two years into Barnett's rebuild, the previously woefully mismanaged label group jumped three spots to the #2 position in overall industry marketshare and made Grammy history sweeping the four majors on the backs of Sam Smith (SOTY, ROTY, BNA) and Beck (Album), whose *Morning Phase* was the first domestically

signed hit of the Barnett era. In all, CMG hauled in 13 total Grammys in 2015, providing the veteran label head with a towering career highlight.

As he told us afterward, "That night was really a testament to so much hard work by so many people on our Capitol team. And then the stars aligned and it became a perfect storm of opportunity, and it was a brilliant night. We celebrated that night, of course, but the next morning I woke up with the thought, 'What

are we going to do for next year?' We are really a startup in comparison to Universal's other American labels, which we view as our competition. And as a startup, we needed to be aggressive."

The 2014 arrival of Habtemariam as President of Motown—which had been moved under the CMG umbrella in a reorganization of Uni's East Coast labels—brought Capitol back into the hip-hop business in a meaningful way for the first time in decades. In 2015 CMG, in tandem



Top row: With Ethiopia, Lil Baby, Pee and Sir Lucian; with Mr. Gordy. Bottom row: With Jody Gerson, Michelle and the big boss; Killer B's Barnett, Beck and Bob Seger

with its Motown label, scored a major coup securing a joint-venture deal with influential Atlanta-based hip-hop indie **Quality Control**, including the highly sought-after **Migos**, whose first release on QC/Motown, *Culture II*, was an immediate chart-topper.

"This is an important and competitive Motown signing by Ethiopia...and a major statement for CMG as a multicultural company," Barnett said at the time. "Capitol has been a great partner," said

QC co-head **Coach K** in mid-2018. "I give it all up to Ethiopia, man. We were in a place where we were looking for a partner that would see our vision, and let us go do our thing but watch our back. And give us enough space where we can learn from our partner, you know? I remember when Ethiopia called...about the publishing side of our business. Then she's like, 'Yo, I got this idea. I want to bring you in to meet with our Chairman.' So me and [co-head] Pee flew out to L.A. and went to Steve

Barnett's house. One conversation, and we shook on the deal. We haven't looked back since then."

Since the deal was signed, QC has released solo albums from each of the members of Migos while also developing **Lil Baby** into the latest of the red-hot label's stable of stars.

Barnett's forward-looking investments and abiding faith in his team and artists have continued to pay off, which was especially clear as 2018 closed... Barnett's



Sir Paul McCartney gets back to where he once belonged, to the delight of Bruce Resnikoff, Michele Anthony, Barnett, Arjun Pulijal, Grainge, Newton, Jubelirer and Will Tanous. Bottom: Mitra Darab, Greg Marella, Grainge, Maggie Rogers, Barnett, Newton and McIntosh at Capitol Congress 2017

“WE CELEBRATED [ON GRAMMY NIGHT 2015], OF COURSE, BUT THE NEXT MORNING I WOKE UP WITH THE THOUGHT, ‘WHAT ARE WE GOING TO DO FOR NEXT YEAR?’ WE ARE REALLY A STARTUP IN COMPARISON TO UNIVERSAL’S OTHER AMERICAN LABELS, WHICH WE VIEW AS OUR COMPETITION. AND AS A STARTUP, WE NEEDED TO BE AGGRESSIVE.”



own summation is perfect. “Bottom line: A negative approach never causes a positive change, and it all starts at the top.” Nobody gives more credit to his team, and if they can’t cut the mustard, away they go. Last year, the chief did away with the old-school marketing model and consolidated domestic, international, digital and sales into one global-marketing department, along with the launching of the Capitol Innovation Center “to bring together leading thinkers from the music and technology industries, as well as the student community, to help drive the future of innovation in music.”

As the industry, its mechanics and players continue to evolve, so, too, does Barnett, who, as always, remains one step ahead. ■