

# THE WALL STREET JOURNAL

## Jimmy Iovine Is Officiating a Marriage of Tech and the Arts

By Hannah Karp

**His job history reads more like an** encyclopedia of music-industry positions than a résumé. Over five decades he has done everything from sweeping out recording studios (his first gig) to producing (John Lennon, Bruce Springsteen, Patti Smith) to founding a record label (Interscope), which he guided through the CD heyday of the late '90s, followed by the turmoil kicked off by file-sharing sites in the early 2000s. The rise of Napster and its successors prompted Iovine to undertake a kind of listening tour to figure out how technology and the arts might coexist. "I met with a lot of tech companies when Napster hit," he says, "and no matter where I went, there was a real cultural impasse."

But in 2003, Iovine met with Apple founder Steve Jobs, in whom he discovered a techie with a deep understanding the arts. Jobs's ability to work across disciplines—to follow the hardware success of the iPod with the game-changing software behind iTunes—inspired Iovine to add "headphone mogul" to his storied job history. In 2006 he teamed up with the hip-hop star Dr. Dre to launch Beats Electronics, a high-end headphone company that later added a music-streaming service. In 2014, Apple bought Beats for \$3 billion, the largest deal in Apple's history and a move that puzzled onlookers: Why would a hardware company buy Beats? The

*How the superproducer-turned-streaming guru is looking to groom the next Steve Jobs*



Jimmy Iovine is focused on cultivating a generation of arts-minded, tech-savvy entrepreneurs. *Photo by Nathaniel Wood for The Wall Street Journal*

answer, some say, was to acquire Iovine, who took an executive role overseeing Apple Music as part of the deal. Today he's focused on cultivating a generation of arts-minded, tech-savvy entrepreneurs, both at Apple Music and at the University of Southern California, where he and Dr. Dre founded an undergraduate program that combines art, technology and business. The goal? Job candidates whom both record companies and tech giants will fight over when the first class graduates in 2018.

**WSJ: What inspired you and Dr. Dre to donate a combined \$70 million to found the USC Jimmy Iovine and Andre Young Academy for Arts, Technology and the Business of Innovation?**

Jimmy Iovine: We were trying to hire people for Beats, and it became apparent that there was a big hole when it comes to merging the arts, business and technology. When you go to college, one side of your brain usually gets shut off. Dre and I talked about it a lot. We thought what was needed was an undergraduate program that prized arts and culture and also demanded a strong ability in math, science and technology—a program where both sides of the brain are nurtured equally. I don't know a lot about education. I didn't go to college. But in my experience there was something missing in the applicants we were interviewing. If a person gets out of college and has a true feel for tech and the arts, he or she is going to be very valuable in these areas when going into the workforce. I'm seeing it now. I have a couple of men and women at Apple who can speak both languages, and they are soaring.

**Do you think you'll be able to create enough of these people, or will they have to evolve on their own?**

I don't presume that I am the only

person thinking about this. I think it's great that other schools like Carnegie Mellon and Arizona State University have started their own innovative programs. Entertainment and media really need people who understand the language of tech, and tech really needs people who understand the arts. That's why Steve [Jobs] was so magical: He truly understood the why of music and movies. He bought Pixar. He had soul. He got it. Tech companies today are, for the most part, still challenged in dealing with the entertainment business and the creative community, and entertainment companies are still lacking a true understanding of tech. And that has to change.

### **How does all this bode for the music industry's future?**

The music industry's fate is a lot more in the music industry's hands than it thinks—or is willing to deal with. There have been a lot of mistakes. What I believe as a record producer is that it's starting to really affect the music. A lot of young people feel that the dream isn't there anymore.

### **Because the money's not there?**

Right. I know a kid who's an incredible piano player but also thinks with the other side of his brain because he grew up with technology. In another era he would have found someone with a voice and created something extraordinary. Instead he works at Snapchat. There's a lot of great talent out there, but there is absolutely a lull in the quality of the music that is being pushed out. To get people to pay, the music has to be very compelling. And the music service has to be extraordinarily compelling.

### **Is the music in a lull because artists are on tour all the time?**

That's another problem. At Interscope, I worked with a very, very successful and talented artist, and one day I pulled this

person into my office and I said: "All the albums you love? The people who made them came off the road for a year and woodshedded to make those records. You're making your album on the road because you feel there's no money in records." Today artists get half a million to go to Dubai, \$100,000 to go somewhere else. It's in the interest of everybody around them to keep them on the road.

### **What will it take to reverse those trends?**

People have to make decisions that are healthy for musicians, artists and their own companies. The decisions are more important now than ever. It's been 15 years of decline.

### **So the money needs to come back?**

The dream has to be enhanced. I think what you're feeling from the artist community is: OK, what's going to happen here? And there's no way to predict what's going to happen unless the right decisions get made around how artists get paid. Fundamentally, that is mostly controlled by the labels. There's no hiding the baloney here.

### **What do you think streaming services will look like in five years?**

They better not be utilities. Right now a lot of them are utilities. We're fighting every day not to be a utility.

### **Is exclusive content a part of the strategy?**

No. You're talking about releasing someone else's content exclusively. Exclusive content will play a role, but not exclusive created by someone else.

### **Spotify has argued that exclusive releases can frustrate and confuse users and may turn them off from paid streaming.**

I don't think it matters. These services have to get great. Music streaming has to be better and more interesting than Netflix. And Netflix isn't free.

### **Do you think better sound quality will be a standard offering in the future?**

In the future, when the tech is right. But right now I don't think people are going to fall all over themselves to get better quality.

### **How many services can ultimately survive?**

I don't know because I'm only concentrating on Apple Music. We're trying to create something unique. Our thing is based on making our service entertaining and to be of service. These services will not survive as just utilities. The reason it was so important to bring [Nine Inch Nails frontman and Apple Music chief creative officer] Trent Reznor to Apple was because he has great feel for technology and design as a master of the arts. Trent's personality is a mixture of an artist and a scientist that is perfect for what we are striving for at Apple Music.

### **Is the work you're doing at Apple somehow connected to the goals of the school?**

Everything we are doing at Apple is connected to the school. We are bringing tech and popular culture together. It's not easy, but it's working.

### **Would you say that tech and the arts are pretty well integrated at Apple?**

It's what Apple was built on. It's the foundation of Apple. [Apple CEO] Tim [Cook] and [Apple SVP of Internet Software and Services] Eddy [Cue] get it completely. When we sold Beats to Apple, I knew that Apple was the only place we could pull this off: bring popular culture and tech together, and thrive. At most other companies, this would have died in the parking lot. All of us at Apple Music spend all day trying to blend these personalities, to bring these cultures together, to make something extraordinary. I think that's what separates us from everybody else.

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