Rappers hear siren song of opportunity

With the genre's sales down, artists are looking elsewhere. Ring tones and shoes can be lucrative, but how about air fresheners and wrestling?

By Alana Semuels, Times Staff Writer
March 12, 2007

In a posh suite in a swanky hotel above Los Angeles, hip-hop artist Lil Jon jerks a controller to a video game, manipulating an image of himself. The on-screen Lil Jon is seen fighting to Lil Jon music and wearing a Lil Jon brand T-shirt and characteristic dreadlocks.

In addition to the video game, the artist, known as the King of Crunk, is also featured in products such as an energy drink (Crunk Juice), a clothing line, Oakley sunglasses, as well as on a Comedy Central cartoon show that’s in development and, of course, a few albums.

"Once you get popular, you have a brand," he said. "You have to market that brand."

Lil Jon, born Jonathan Mortimer Smith, is hardly unique in the hip-hop world, which long ago established itself as a cultural enterprise that went far beyond CD sales.

But never before has it been so important for rappers to focus on their ventures outside the recording studio, and they know it.

Rap suffered a 20% decrease in album sales in 2006 (the second-largest slide of any genre, trailing only "new age" music), and rappers were shut out when it came to nominations in marquee categories at the Grammy Awards last month.

For the first time in more than a decade, no rap album was among the top 10 bestsellers for the year.

Leading voices in the genre, among them Jay-Z, Dr. Dre and Nas, have decried the creative doldrums, the latter even releasing an album titled "Hip-Hop Is Dead" in late 2006. If ever there was a time to diversify, this seems to be it.

The mind-set is one of seizing opportunity, said Todd Boyd, a professor of critical studies at the USC School of Cinematic Arts and author of "The New N.H.I.C.: The Death of Civil Rights and the Reign of Hip-Hop," about the diversification beyond music. These musician-entrepreneurs know "that when one thing dries up, you have to move on to something else."

In no other genre of music, Boyd said, has this diversification become as common or lucrative.

Last week, for example, on the same day the "Def Jam: Icon" video game featuring Lil Jon and 30 other artists was shipped to stores, rapper Jay-Z announced he had sold his clothing line Rocawear for $204 million. Other companies use endorsements from rappers to sell skateboards, hooded sweatshirts for dogs, and chocolate bars, to name a few items.

Hip-hop fashion, footwear and accessories alone are a $2.6-billion industry, said Marshall Cohen, chief industry analyst for the NPD Group.

"From being on the streets, [rappers] have strong business heads," said Mele Mele of pioneering hip-hop group Grandmaster Flash & the Furious Five. "It makes for really good businessmen."

Today, Grandmaster Flash will be the first rap group to be inducted into the Rock & Roll Hall of Fame, a sign to Mele Mele that the genre has arrived in the mainstream, where huge marketing opportunities await. He released a children's book last year that
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came with a fitness DVD.

Observers say hip-hop has proliferated outside the music world because money and bling are such large parts of hip-hop culture. Partnering with corporate sponsors isn't frowned upon among rap fans as it might be in other genres.

In hip-hop, as opposed to other genres, "there really hasn't been the negative association with making money and being an artist," said Clyde Smith, who runs the rap marketing blog prohiphop.com.

"Hip-hop was an escape outlet for people from the inner cities," said Mike Johns, chief executive of Urban World Wireless, which sells hip-hop ring and voice tones. "When the deals started coming, it was the next thing to gravitate toward."

Some of the ring tones Urban World sells have nothing to do with music and aren't bought only by hip-hop fans. A popular Three 6 Mafia tone, for instance, says, "Bubba, is that you calling?" Another says there's a "hoe" on the line.

Johns said that anything related to pimping is a "cash cow," and artists can spend an hour in the studio recording voice tones and make as much as in a year of performing. Hip-hop dominates the $5-billion ring tone market.

"They have auxiliary income that far exceeds what their bread and butter is," said Quik, formerly known as DJ Quik, referring to artists he knows who have branched out. Quik hopes that's his future as well — he's in talks to develop ring tones and movie roles for himself.

Other artists have chosen to go beyond the traditional ring tone or clothing line popularized by such artists as P. Diddy and Jay-Z.

Rapper Master P has owned several restaurants, a toy company, a chain of shoe stores and a phone sex business, said Tim Leffel, co-author of the 2006 book "Hip-Hop Inc.: Success Strategies of the Rap Moguls."

Another artist, Paul Wall, runs a dental business selling gold mouthpieces and opened a Wahoo's fish taco franchise. Russell Simmons, the quintessential hip-hop entrepreneur, who co-founded the Def Jam label, launched a yoga DVD line in 2005. Ice Cube, Snoop Dogg, Eminem and OutKast are among the rap stars whose resumes have been just as notable for their film credits as their musical pursuits.

"Hip-hop entrepreneurs have done a good job in things, like diversifying their income stream, that business schools tell you to do," Leffel said.

Even the somewhat dubious business ideas — the pimp cup air fresheners, the Fallen Rapper Pez heads, the Ghostface Killah doll — have cleverly broken away from the saturated markets for clothing lines and ring tones, he said.

Some artists even hope to change the genre by branching out and bringing in different fans. Such is the case with Mele Mel, who, notwithstanding his DVD and children's book, enrolled in professional wrestling school and is now trying to get a gig with World Wrestling Entertainment Inc.

The 46-year-old Mel says his original fans are aging and today's fans are too interested in violence. He says wrestling has a more diverse fan base ripe for his charisma and his message. He hopes they will end up liking his music too.

"It's going to be a great thing," he said. "It's definitely going to expand my fan base 110%.

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Times staff writer Geoff Boucher contributed to this report.
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