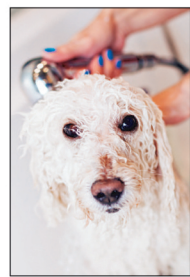


The Philadelphia Inquirer

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CONSUMER
Finding the right dog groomer depends on breed, coat, and more. **E7**



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Naroff: Millennial workers' bad rap.

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Union chief samples politics and labor.

LOCAL ECONOMY | E2
Hiring pitch within the rules — barely.



One of the warehouses, packed to the brim with titles of varying mediums, at the MVD Entertainment headquarters in Pottstown. CAMERON B. POLLACK / Staff Photographer



Kathy Flaherty catalogs vinyl and other titles at the MVD Entertainment headquarters in Pottstown. Last year, MVD had "the best year in our 31-year history," a company official said.

COVER STORY

Making money from a new spin cycle

Music and video on those quaint platters. Just as in the olden days. Pottstown's MVD even had a banner year.

A Record Revolution



Vinyl is popular, for new releases as well as reissues. MVD Entertainment Group's CFO, Eve Edwards, and her brother Ed Seaman, company COO. Last year's gross sales were in the "low eight figures." JONATHAN TAKIFF / Staff

When it comes to "beating the devil," we could all take a page from the team at the MVD Entertainment Group in Pottstown, purveyors of music and video entertainment for more than three decades.

Pundits keep predicting the end of "hard goods" audio and video media, citing punishing numbers that track the trend. Music platter sales slipped 16 percent, to \$1.7 billion, in 2016, the Recording Industry Association of America reported. The Digital Entertainment Group says video discs sales/rentals were off 7 percent, to \$12 billion.

Yet MVD had "the best year in our 31-year history," with gross sales in the "low eight figures." So shared CFO Eve Edwards during a recent visit to the 30,000-square-foot facility crammed with 40,000 titles and almost a million pieces of merchandise.

One big boost: "Digital revenues from streaming sources grew to 30 percent of our business," said her brother Ed Seaman, MVD's chief operating officer. "But we were also up in every hard-goods sector: CDs, vinyl, cassettes, DVDs, and Blu-ray discs. And so far in 2017, we're tracking 20 percent higher across the board."

Driving the train is lots of content that retailers (both "brick-and-mortar" and online) can acquire only through the company's MVD audio and video labels or on imprints that the operation distributes exclusively for North America and sometimes the world.

Prime pickings this month include the *Alive at 25* anniversary Blu-Ray/DVD/CD concert reprise of Jane's Addiction's *Ritual De Lo Habitual* and an all-star video concert tribute to Aretha Franklin, *Divas Live*. Also, new editions of our hometown music documentary champion Robert Mugge's *The Gospel According to Al Green* and *Sonny Rollins: Saxophone Colossus*, a super-deluxe edition of the Oscar-winning foreign film *Cinema Paradiso*, country vet Charley Pride's comeback *Music in My Heart*, and a genre-mashing vinyl and CD release from the legendary Pere Ubu, *20 Years in a Montana Missile Silo*, recently in heavy rotation on Ed Seaman's car stereo. "We all love classical in this family... and punk rock, too." (And Iggy Pop isn't just a client, he's a pal.)

The mind boggles at the diversity of goods MVD introduces every month through a print and digital catalog shared with retailers, including a dozen or so audio and video titles blessed with the MVD imprint and 200 to 300 more exclusives from domestic and foreign labels.

There's a strong focus on fringe genres, from goth rock and electronic to jazz, blues, and nostalgia pop. On the video front, they're celebrating cult content, film classics, and vintage TV shows.

It floored this song-and-dance fan to discover a *Best of the Danny Kaye Show* video disc set — who knew? — with guests including Harry Belafonte, Gene Kelly, Ella Fitzgerald, and a 20-year-old Liza Minnelli.

What unifies MVD's mission is an obsession with "the collectability factor," said Seaman, and a carefully matched marketing of new product to retailers ranked by their past successes with the talent and genre. "It doesn't matter if you can see the artist for free on TV or YouTube. If it's a good package... true fans will want it. I tell producers and labels, 'If people wear a T-shirt with the artist's picture or logo, it'll be a good seller.'"

Also key to MVD's acquisitions is an essential business necessity: "Asking for the digital distribution rights, as well, when we sign up an artist or label for distribution."

The mechanics and politics of moving content to the various streaming/download services and customers can be daunting. Loading videos onto Amazon's servers "is something like a 30-step process," said Edwards. Apple has an "intense quality-control process for iTunes and Apple Music." And while MVD thought Netflix was a "natural fit" for the B.B. King homage *The Life of Riley*, boasting reverent narration by Morgan Freeman, "they didn't show interest until B.B. died."

Digital music distributors such as Pandora and Spotify pay only a tiny fraction of a cent per MVD track play. But video on demand services and affinity channels (such as the Roku and Apple TV-distributed "AsianCrush" and "Night Flight Plus") are "more generous. The ultimate pay-off each month can be very good," said Seaman.

Seaman's instincts haven't always been perfect, he acknowledged, citing buys of such film turkeys as *Jesus Christ, Vampire Hunter*, licensed on name appeal alone. "Eventually, I got serious and hired a video buyer who really knows what to do."

Still, you sense that talent hunting and deal-making acumen run deep in this family-steered, multi-generational business.

As traced in a separate chat with Tom Seaman, Ed and Eve's father and founder of MVD Entertainment, it all started with the trio of Record Hunter shops that Tom's father, George, ran on Fifth Avenue at 42nd Street.

Tom first got a feel for customer buying habits "working the cash register from age 15." Later he dove into the legendary Sam Goody/Musicland discount music operation, eventually entrusted with merchandising its 10-store, Philly-based Franklin Music division.

The impetus behind the elder Seaman's founding of MVD — initially spelled out as Music Video Distributors — came from "looking at the popularity of picture discs" (vinyl 45s and LPs with color pictures embedded in the platter) "and the growth of prerecorded VHS tapes with music clips and



Some of the titles available at MVD Entertainment. CAMERON B. POLLACK / Staff

with Billboard magazine. "As other label distributors like Allegro and eOne have exited the market, sometimes in ugly circumstances, not paying their vendors, MVD has been able to move in and make deals. So they're now one of the top 10 distributors still standing in the country." (Among its most important "wins" of late have been Britain's classics, horror, and cult flicks-focused Arrow Films and with Bear Family Records, an esteemed packager of music compilations and re-issues based in Bremen, Germany.)

"We're free of debt, except for the building mortgage, careful about our expenses, and scrupulous in our accountings," said Ed Seaman. "Given how hard it is to track digital sales, you have to work really hard to gain the label's trust. Whenever I see that distributor is adding multiple vice presidents or investing in fancy furniture, I know they're not long for the world. One of the best compliments we ever got was from Chuck D [of Public Enemy] after he walked into our cramped, dingy conference room and said, 'I can tell you guys are really focused. Let's do business.'"

Filmmaker Robert Mugge seconds the emotion. "Ed Seaman approached me a little more than 2½ years ago, asking if there was anything of mine that would be available for release through their company. We really hit it off, forged a partnership that's now resulted in their releasing 22 of my films, from the Frank Rizzo documentary *Amateur Night at City Hall* to the Al Green film, which we've enhanced with new high-res digital masters and bonus material. It's been wonderful to get all my older films back in circulation. MVD has been fronting the money, I've been fronting the effort in remastering the films, and together we're sharing the potential risk and profit. It's a unique relationship that way."

Industry attrition and its reputation have also helped the MVD cause, said Ed Christman, an industry tracker

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RETAIL | E2
Theater/burger joint a model for Phila.

WHERE ARE... ?
► **Retirement** by Erin Arvedlund does not appear today.
► **MarketWatch:** Sports (back page with Weather)
► **Jobs:** Inside Currents

Going right for that emotional core

You know how something frustrating or depressing, thrilling or sad makes you want to eat a pint of Bassetts Pralines & Cream? That's an emotional connection.

So is when you ooh and ah and feel all warm and fuzzy when a puppy and a Clydesdale share a tender nose-to-nose moment in a Budweiser commercial.

A message that strikes an emotional chord is marketing gold, a powerful motivational tool when it comes to inspiring a purchase, experts say. And in today's sensory-overloaded marketplace of push notifications, banner ads, and email blasts, making such connections is harder than ever for businesses.

"Companies are struggling to break through," said Michael Brenner of West Chester, an expert on branding. See **STELLAR** on E3



Two of Boost Linguistics' cofounders, Ethan Bresnahan (left) and Jeff Nowak, with visual aids for powerful writing. MICHAEL BRYANT / Staff

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► **Where:** Fels Planetarium, Franklin Institute, 222 N. 20th St., Philadelphia 19103.
► **For more information:** www.philly.com/stellarstartups

NEXT SUNDAY
► What the finalists pool reflects with respect to the region's start-up community.



Posters for home-grown releases in the lobby of MVD's headquarters.