

# Case Studies



## Berry Gordy

**D**etroit has long been known as the home of America's automobile industry, but in the 1960s the Motor City took on a new identity. Berry Gordy gave Detroit another claim to fame when he created the Motown Record Company. His music empire made African American musicians and the "Motown" sound a part of mainstream popular music.

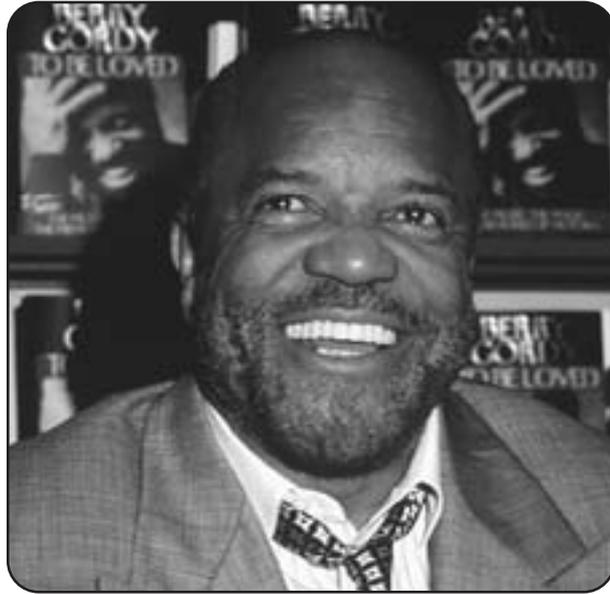
Fusing gospel and blues with popular music, singing groups like Smokey Robinson and the Miracles, Gladys Knight and the Pips, the Four Tops, the Temptations, and the Supremes created a distinctive sound that appealed to black and white teenagers. Motown also introduced solo artists like Marvin Gaye, Diana Ross, and Stevie Wonder, leaving a permanent mark on popular music.

Born in 1929 in Detroit, Gordy was one of eight children. His parents had come north to Detroit from Georgia in 1922. Berry Gordy, Sr. was a plastering contractor, while Bertha Gordy sold real estate and insurance. In the 1950s Gordy, Jr. tried his hand at professional boxing and then served two years in the Army. In 1953 he started a jazz record store, but the business failed and he took an assembly line job at a Ford auto factory. He spent his time off writing songs for local rhythm and blues acts, and soon gained a local reputation as a songwriter. His first break came in 1957 when Brunswick Records bought a song of his for the popular Detroit-born artist Jackie Wilson.

### Modest Beginnings

Gordy founded Motown Records in 1959 and independently produced a few modest hits. Borrowing \$800 from his family, he rented a house, moved in, and hung a sign at the Motown studio that read "Hitsville U.S.A." Gordy's big break came when his young record company released a song by a vocal group called the Miracles that was led by Smokey Robinson. It sold a respectable 60,000 copies. Its follow-up, "Shop Around," cowritten and distributed by Gordy, did even better. It climbed to the top of the pop charts. Suddenly Gordy had a national market for his Detroit sound.

Under his guidance the Motown label became a hit-making factory during the 1960s and a major force in pop music. Motown Records released hundreds of hit singles. In 1966 alone three out of every four Motown releases made the national pop record charts. Gordy's formula for success mixed fine musicians with talented songwriters, arrangers, and producers.



*Berry Gordy gave Detroit another claim to fame when he created the Motown Record Company in 1959.*

"Hitsville," said Gordy, "had an atmosphere that allowed people to experiment creatively and gave them the courage not to be afraid to make mistakes."

### Quality Control

Gordy oversaw every step in the record-making process. He held weekly product evaluation meetings modeled after the quality control meetings in Detroit auto plants. He wanted a consistent sound that listeners would associate with Motown, and he skillfully marketed Motown music as "The Sound of Young America."

Motown's artists, many of whom came from high school singing groups, attended classes where they learned to be confident, poised, and polished professionals. Gordy promoted Motown's new releases by getting his artists appearances on such television programs as the *Ed Sullivan Show* and the *Tonight Show*. The Motown sound became familiar to audiences around the country.

In 1971 Gordy moved Motown Records to Los Angeles, California. In 1988, almost 30 years after he started it, Gordy sold Motown to an entertainment industry giant. Although the company no longer exists, the Motown sound Gordy made famous lives as a part of American music history.

Sales of Recorded Music and Music Videos, by Units Shipped, 1994–2002

Format	Millions of Units Shipped								
	1994	1995	1996	1997	1998	1999	2000	2001	2002
CD	662	723	779	753	847	939	943	882	803
Cassette	345	273	225	173	169	124	76	45	31
LP Record	2	2	3	3	3	3	2	2	2
Music Video	13	13	17	19	27	20	18	18	15

Source: *The World Almanac and Book of Facts 2004*

This table shows sales of recorded music and music videos in units shipped for the years 1994–2002.

### Thinking About the Case Study

1. **Analyzing Information** Judging by the data in this table, which type of recorded music had the overall highest sales from 1994–2002? Which type of recorded music saw the sharpest percentage decline in sales? Which of the products shown did not decline in sales between 1996 and 1997?

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2. **Predicting Consequences** Is the trend in sales of LP records shown by the data likely to continue? Explain your answer.

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3. **Synthesizing Information** How did Gordy draw on his experiences as an autoworker in managing Motown Records?

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4. **Synthesizing Information** How did the consistent “Motown sound” that Gordy’s record company produced help record sales?

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### Free Enterprise Activity

When Motown Records was at the peak of its popularity, television was a relatively new medium that Gordy turned to, along with radio, to promote his records. Conduct a survey of five people in your age group to find out what kind of music they prefer (rock, country, R&B, pop, rap, classical) and how they first learned about or heard the music they most recently purchased. Compile the results of the survey as a class and discuss how you might use this information in producing or marketing new songs.