

BRAND MARKETING

How the 'Latin Motown' Is Remixing Itself for a New Generation of Consumers

Fania Records, the label that launched salsa, is now in the DJ booth

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| 6 days ago



DJ Dave Nada remixes classic Fania tracks.

All photos courtesy of Fania

A few weeks before Christmas last year, a bit of history was made at a former door factory in New York's industrial district of Maspeth in Queens. Inside the 50,000-square-foot warehouse—now a performance space called the Knockdown Center—750 fans of Latin pop converged under twisting LED spotlights as DJs Kenny "Dope" Gonzalez and Jose Marquez fed their mixes though the gut-punching PA system. Off the dance floor, a wall-sized installation of classic salsa albums stretched into the distance, offering the opportunity for selfies, while a nearby pop-up shop did a brisk trade in caps, T-shirts and hoodies.

If the scene looked like yet another of New York's innumerable Friday night dance parties, it was indeed that—but with an important distinction. The music, the wall of classic vinyl and the merchandise (indeed, development of the event itself) were all the intellectual property of Fania Records.

Wait—do you know that brand? Chances are, you don't, especially if you're under 50 and grew up listening to classic rock. But if you're one of the 55 million Latino Americans and lived in New York City in the 1960s or '70s (or had parents who did), then Fania is a household name. At its peak, the record label was known as "the Latin Motown."



But that peak was four decades ago, which is why the dance party at the Knockdown Center was important. It was part of a slow but steady resurgence of the brand, a multiyear, multiplatform marketing effort bent on reintroducing Fania to millennials and Gen-Z music fans.

The ambition to turn a record label of yesteryear into what the company calls "an innovative and digitally driven global music, entertainment and lifestyle company" belongs to CMO Michael Rucker, who has his work cut out for him. At a time when millennials won't pay for downloads, and even the mightiest of music companies are shadows of their former selves, a special-interest label like Fania has a steeper climb than most. Rucker knows it, but he believes salsa gives him an edge.

"Record labels have always been notoriously set up as transactional and business-based, and so they based it all on how many albums you sold and downloads and streams," he said. "[But] we always saw music as an experience that evokes a feeling, and our job is to create those experiences that evoke those feelings and ... evoke a lifelong relationship with the customer."

The rise and fall of a salsa legend

For Rucker, that process began roughly a decade ago, when equity firm Codigo Group purchased the assets of Fania, installing Rucker as chief marketer. Before deciding what to do with the music, he had to *find* the music—literally. Codigo executives didn't even know that the original multitrack recordings were gathering dust in a storehouse in Hudson, N.Y., about 100 miles north of Manhattan. "As we were going through paperwork, we found receipts for the warehouse," Rucker recalls. "[We] sent a team up there, and that's where the tapes were."

Fania Records began in 1964, when Dominican bandleader Johnny Pacheco and impresario-attorney Jerry Masucci (who'd learned his street sense as a Brooklyn beat cop) decided to start a record label. Fania was a shoestring operation in the early years, with Pacheco driving around Harlem and the Bronx and selling Fania LPs out of the trunk of his car.



But the duo's timing was right. Fania's founding coincided with the explosion of salsa, a style of music with Caribbean roots (borrowing from Dominican merengue and Puerto Rican bomba, among others) that drew its energy from the barrios of the Bronx. A

decade in, Fania was pressing records of most every great Latin artist of the era —Willie Colón, Héctor Lavoe, Rubén Blades, Celia Cruz and Tito Puente, to name a few. Fania's enormous influence culminated in an all-star concert at Yankee Stadium in the summer of 1973, a show so electrifying it had to be stopped early when some of the 40,000 ecstatic fans rushed the stage.

But by 1980, Fania was in fiscal straights, a victim of changing tastes and poor financial decisions. Eventually, its master tapes wound up in the warehouse where Rucker found them a generation later. Fania might have been known as "the Latin Motown" in its heyday but, unlike Motown, its name did not endure. As The New York Times put it in 2006, the label "is recalled mostly by collectors and Latinos of a certain age."

Rucker's first step in a process that took three years was to remaster over a thousand original recordings. He put the music on iTunes and Spotify (for which Fania created the first Latin music app). Rucker also reissued original albums and created new box sets.

Fania in the DJ booth

But those efforts were basically focused on getting Fania back to the starting line. The second and more daunting segment of Fania's rebranding has been unfolding since 2014, the label's 50th anniversary, which the company celebrated by partnering with SummerStage for live concerts around New York.

In a nutshell, Rucker's turnaround plan involves remixing the classic tracks from Fania's enormous catalog to be more in tune with millennial ears. To that end, Fania has partnered with a host of influential DJs, including Joe Claussell, Bobbito Garcia and the Whiskey Barons, giving them unprecedentedly free reign to sample the music and spin it to their liking. Salsa purists may blanch at this tactic, but the CMO reveres pancake turners as a means of bridging the generations.

"We see DJs as conduits to our customers," said Rucker, who worked as a DJ himself for 20 years before getting into music marketing. "We've given DJs and producers the original recording tables and the opportunity to go back into the studio. In addition to that, we've given them the standards—the recordings broken out by percussion or horns—to sample them in their DJ sets."

Since those sets are best appreciated live, Rucker also launched Armada Fania, a series of dance parties thrown at underground event spaces that allow fans to hear—and dance to—the remixes live. On the heels of events like the one at the Knockdown Center, Fania will jump to Manhattan for an April 20 event at Subrosa in the Meatpacking District featuring Dave Nada and DJ Turmix. Fania plans to expand the program to Los Angeles and other cities this spring. (For those who can't make the dance parties, Fania has a well-populated YouTube



Live music events, Rucker has found, are also good venues in which to move merchandise—and Fania now sells everything from beanies to posters to laptop bags—which he calls "an amazing source of new revenue but also a point of relationship and connection." (The merch features Fania's classic 1960s logo, which has also been remixed, its signature pastels appropriated as psychedelic swirls in connection with the Armada Fania events.)

Meanwhile, Fania has continued to create playlists from its catalog, which has an astonishing 3,000 albums and 20,000 tracks. Playlists for Spotify, Amazon Prime and Apple Music have become a workhorse for the brand, especially in its efforts to break out of its home turf.

"We used to see our market as New York, Miami, Orlando and Puerto Rico," Rucker said. "But now we see [it as] around the world. We're creating playlists for Stockholm, and Héctor Lavoe playlists for Columbia."



Will enough people come to this party?

There's no doubt that Rucker and his team have been busy. The question is: Will their efforts be enough to get Fania close to the status it enjoyed in the bell-bottom era? Veteran Latino marketing consultant Havi Goffan, for one, believes Fania's off to a good start but has more work to do.

As to the overall rebranding strategy, "I love it," said Goffan, CEO of Target Latino, whose client list includes Papa John's, Verizon and SunTrust. "I love that they do outreach to the DJs, and I love allowing them to do something that other people cannot—they have access to the library, [and] that is special. That's very much millennial oriented. Extremely so. So that is great."

But Goffan believes that to truly draw the attention of millennials and Gen-Z consumers, Fania should pay more attention to its mobile site and, using the rich personalities and colorful stories from the label's proud past, put a greater emphasis on storytelling than trying to sell merchandise.

David Pacher, co-founder of social-marketing firm JumpCrew, agrees. "In terms of credibility in the context of Latin culture, where their roots are, [Fania is] off the charts—they're an iconic brand," he said, adding that the brand's overall reinvention is "a nice evolution from where a lot of brands got stuck." That said, Fania "is still thinking very transactionally about promoting their artists and events," and Pacher called its social-marketing strategy "suboptimal."

Apart from just "posting something on Facebook every three days," Pacher said, Fania should put itself out there as an authoritative brand "for everything hiphop and Latin" and move toward transcending both the salsa category and its traditional audience. Like Goffan, Pacher thinks Fania could make more of its historical assets and also translate them into more interactive marketing opportunities. For example, "Where is the Fania studio in Times Square?" he said.

But Quim Gil, principal at Hispanic advertising agency

Richards/Lerma, believes Fania is both savvy and well positioned with the strategy it has. "The resurgence of a label like Fania is a perfect storm," Gil said, "[of] two great energies clashing." The first is the evolution of music from recorded product to live event. The second is the emergence of what Gill calls "omniculturals," millennials and Gen-Z consumers who eschew racial categorization in favor of "being culturally curious and open to diverse and mixed cultural manifestations." Fania, he said, "is the perfect product for this new generation."

Which Rucker, of course, will tell you all about. The CMO gets particular validation, he said, when he sees the enthusiastic reaction that a young listener has to one of the DJ remixes of a classic Fania tune from back in the day.

"The funniest line I hear so often is, 'Is that [song] new?" he related. "I say, 'It's new to you."

