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## **A Force Behind Lady Gaga Inc.**

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Dominic Chan/WENN.com

Troy Carter, Lady Gaga's manager, helped start Backplane, a way to connect fans, whether of music or sports teams.

Soon after Apple started its music-centric social network Ping last year, Steven P. Jobs reached out to Lady Gaga and her business manager, Troy Carter, for feedback.

At the company's headquarters in Cupertino, Calif., Lady Gaga peppered Mr. Jobs, Apple's chief executive, with questions about Ping's design and how it would work with other social networks. The pop star and Mr. Carter voiced concerns over the lack of integration with Facebook, but they left respecting Mr. Jobs's overall vision.

The meeting also gave Mr. Carter, a new technophile, an idea. He called his friend Matthew Michelsen, a well-connected technology investor and entrepreneur, to find a platform for entertainers that could help them manage their fan base across all major social networks.

"I said why try to find a platform, let's try to build one," Mr. Michelsen said.

Despite Lady Gaga's demanding world tour schedule that fall, Mr. Carter and Mr. Michelsen quietly founded a start-up, the Backplane, with a team of seven. The company, which has not yet been unveiled, is a platform meant to power online communities around specific interests, like musicians and sports teams, and to integrate feeds from Facebook, Twitter and other sites.

"Backplane will provide a platform and tools for communities to socialize and communicate on a more focused level," Mr. Carter said, sounding less like a pop star's manager and more like an entrepreneur delivering the typical elevator pitch. "We needed a more concentrated base."

While Lady Gaga herself — née Stefani Joanne Germanotta — is the artist and creative mind behind Lady Gaga Inc., her lesser-known manager, Mr. Carter, is leading the enterprise's digital strategy. Unlike other managers who focus on a handful of big platforms like YouTube, Mr. Carter is trying to tap into a broad range of online tools to keep the Gaga machine in overdrive.

Backplane — a blend of music, celebrity and technology — was a natural evolution, says Mr. Carter, who has worked with Lady Gaga for more than four years. As traditional sales have dwindled, the Internet has become increasingly important in music management.

“There was a time when radio stations wouldn’t play Gaga’s music, because it was considered dance,” Mr. Carter said. “Outside of live performances, the Internet became our primary tool to help people discover her music.”

Mr. Carter represents an emerging group of Hollywood managers, actors, musicians and other industry players who are spending more time in Silicon Valley, as technology upends the way people consume content.

The worlds of technology and entertainment have often clashed, tested by products like the music-sharing service Napster, through which some users shared files illegally. Some critics in Silicon Valley are still skeptical of Hollywood people, whom they view as carpetbaggers overestimating their worth.

“Sure these guys can be helpful, but can Lady Gaga make a company? No,” said Jeff Clavier, a venture capitalist.

To Mr. Carter, the two industries are symbiotic. As he pushes to extend the Lady Gaga brand and his own influence in Silicon Valley, he has had many meetings with executives from Zynga and Larry Page, the chief of Google, whom Lady Gaga affectionately calls Larry Google. He is also an investor in several promising start-ups, including Bre.ad, Tiny Chat and Lumier, a company backed by Facebook’s first outside investor, Peter Thiel.

Mr. Carter’s own venture, Backplane, is attracting capital from prominent backers. The company has raised more than \$1 million from a group of investors led by Tomorrow Ventures, the investment firm of Google’s chairman, Eric E. Schmidt. Lady Gaga, who has acted as an informal consultant, is also a major shareholder, with a 20 percent stake.

“I’ll never forget when I first met Troy” in 2009, Mr. Michelsen said, who at the time was helping the rapper 50 Cent with his online initiatives. After talking for nearly three hours about the intersection of music and technology, Mr. Carter ended the conversation by saying, “I’m going to get you out of music and you’re going to get me into the tech business.”

Casually dressed in dark jeans, a loose-fitting cream-colored cardigan and thick-framed glasses, Mr. Carter, 38, stands in stark contrast to his client, a paparazzi magnet in her pyrotechnic bras and towering Alexander McQueen heels. Mr. Carter is more comfortable out of the limelight, quietly brokering deals for his larger-than-life clients.

He has worked for Sean Combs, the late Notorious B.I.G. and Will Smith, whom he met in his hometown, West Philadelphia, in the late 1980s. Mr. Carter had come through a scrappy childhood, often subsisting, he said, on government-issued cheese. As a teenager,

he lugged crates of records for D.J. Jazzy Jeff and Mr. Smith, then known as the Fresh Prince.

Today, as the chief executive of his own management company, the Coalition Media Group, he represents the firm's talent, including the YouTube sensation Greyson Chance and the Bollywood actress Priyanka Chopra. But a great deal of his time is spent with his biggest client, Lady Gaga.

Her star power, combined with Mr. Carter's aggressive deal-making, have made Lady Gaga a force on the Web. In May, she became the first Twitter user to reach 10 million followers, edging out the teenage phenomenon Justin Bieber and President Obama. Her Facebook page has 36 million fans. And in the last few weeks she has begun promotional deals with Google, Zynga and Gilt.

"Troy and Gaga are doing things with communications and fan relationships that we haven't really seen before," said Gary Briggs, a vice president at Google, who worked with Lady Gaga's team on her recent TV commercial for Chrome, Google's web browser.

Amazon sold digital copies of Lady Gaga's latest album, "Born This Way," for 99 cents on May 23 in a heavily publicized move to promote its music service. Her fan base of so-called little monsters crashed Amazon's servers on the first day of sales. The promotion, paid for by the retailer, helped her sell 1.1 million albums in the United States in its debut week, according to figures released by Nielsen SoundScan, the most for any artist since 2005.

Unlike most venture capitalists, Mr. Carter tends to invest in platforms that are complementary to entertainers. Backplane, along with Bre.ad, a personalized ad start-up, and Lumier, a design-oriented company, will prominently feature Lady Gaga for their public introductions.

Because of Lady Gaga's reach, she is a valuable incubator to promote new concepts or products. Zynga recently began GagaVille, a special promotion that allowed FarmVille users to unlock her new songs and special virtual items like unicorns and crystals. Bing Gordon, a director at Zynga, called it a logical combination, saying "it's all about entertainment." He recently added Gaga crystals to his virtual farm.

The deal developed like many in Lady Gaga's empire. Mr. Carter and his team negotiated the structure of the arrangement, hammering out a partnership in 90 days. Lady Gaga worked on the creative end, pulling visual components from her music videos and tours to bring a sense of "authenticity" to the design.

"Technology has long been the driver of growth in the music business from the invention of lacquers, eight-track players, vinyl, cassettes and CDs," Mr. Carter said. "In order to continue the growth we have to go back to embracing technology and the way that people choose to consume music."

