The emergence of a national record industry in the Baltic region

The international record industry was created by a small number of multinational companies, which had developed and patented the technology of recording, reproducing and duplicating sound. In the United States, the market leaders before World War I were Victor and Columbia. In Europe, the first record company was the Gramophone Company, founded in the UK in 1898.

Actually the situation is quite similar today, when most records sold in the world are produced by four multinational companies. Many of them have a long history. Today’s EMI Music is the successor of Gramophone; Sony Music incorporates both the Victor and Columbia companies.

In the first decade of the 20th century, the Gramophone Company created a business network which covered most countries of the Old World. the New World was left to Victor, which was a close business partner. The world “gramophone”, which originally was a trade mark of the Gramophone Company Ltd, became in many languages a generic term for all record players. Today, the Gramophone Company is perhaps best remembered for the “His Master’s Voice” trade mark.

The Gramophone Company made its Swedish and Danish recordings in 1899. The first Finnish and Estonian records were made in 1901. Recording in Latvia started in 1904, in Lithuania in 1909.

In the larger European countries, Gramophone had established local subsidiary companies, such as Skandinavisk Grammophon AB in Sweden. In smaller countries it operated through local agents, such as Otto Brandt in Finland. The records were originally pressed at Gramophone’s factory in Hanover. By 1910, regional factories were also established in Paris, London, Riga, Barcelona, Vienna, and Calcutta. The recordings were made by so-called “recordings experts”, technicians trained by the company. Every year the experts would tour all European capitals and set up their recording machines in a hotel cabinet or other suitable location. The artists had been selected by the local agent, and the finished recordings were sent to the nearest factory for processing and pressing.

By 1925, Gramophone had made about a hundred thousand recordings all over the world. 5400 were made in Sweden, 4800 in Denmark, 2300 in Norway and 800 in Helsinki. The number of recordings made in Estonia, Latvia and Lithuania has not yet been determined, but it must been hundreds in each.

Gramophone’s principal competitors were Pathè in France and the Lindström concern in Germany (Odeon, Parlophon, Beka, Favorite, Fonotipia etc). These companies also operated on a global scale, following the model established by Gramophone. In the early 1910s, recorded music was well established in all European countries, and in addition to the wealthy, also the middle class
and the best-earning groups of peasants and workers were often able to entertain themselves with recorded music. Even the poorest could hear recorded music in taverns and amusement parks.

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In this situation, it was natural that businessmen in smaller countries would also try to enter the record market. Many German companies were quite willing to cooperate with local businesses and press records for “private” labels. In Sweden, for instance, before World War I at least a dozen local record labels issued Swedish music recorded and pressed by the German companies.

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Building a complete record factory required a much larger investment and more technical know-how. The first “independent” in the Baltic area was the Syrena company, which was founded by the Feigenbaum family in Warsaw in 1908, to supply the expanding Russian market. Syrena lasted until World War Two.

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Starting a record factory was not only a question of money. It also required special technical skills, which were not readily available. The first record factory in Sweden was opened in Saltsjöbaden in 1919 by the singer-entrepreneur Ernst Rolf. It was unsuccessful and soon closed down. The multinationals, Gramophone, Columbia and Lindström, continued to dominate the market. The late 1920s were boom years in the record business. Records sold well everywhere and a large number of new recordings was also made in the Baltic countries.

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In 1930, the world entered an economic depression. For the record industry, the situation was made worse by the birth of two competing media, radio and sound film. In a few years’ time, global record sales dropped to one tenth of the levels of 1929, and the production of new recordings was almost discontinued. However, there was still a demand for recorded music, and enterprising businessmen in many countries seized the opportunity. In order to encourage local industries, most European countries introduced restrictive economic policies with high import duties. The growth of radio and sound film also meant that recording technology was accessible even in smaller countries. In Sweden, the first company to take advantage of the new situation was Svenska Sonora AB, founded in November 1932. Thanks to local pressing and new marketing methods, it could offer lower prices and soon became a market leader. As the business began to improve in the late 1930s, the best-selling Sonora discs were selling over 100,000 copies.

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In Latvia, the Bellaccord Electro label was started by Helmars Rudzitis in 1931. It began record production in Riga in similar circumstances as Swedish Sonora Rudzitis was born in Riga in 1903 and was the founder of the publishing house Gramatu Draugs. In 1931, he purchased the
equipment of a bankrupt German company and had it brought to Riga. Bellaccord was able to use the studios of Latvian radio to make recordings.

Rudzitis had to leave the country during the war and settled in the United States. He died in New York in 2001. He has briefly discussed the founding of the record company in his memoirs published in New York in 1984, *Manas dzīves dēkas*.

The history of Bellaccord has not yet been written, so we can only give a sketch of the company's history. In addition to an impressive amount of Latvian recordings, Bellaccord soon expanded to the neighboring countries. Because of poor sales, the multinationals had stopped making new recordings in Estonia, and Bellaccord filled the gap. In 1933-34, Bellaccord was the only company making Estonian recordings. The recordings were made in Riga at the studios of Latvian Radio. Bellaccord's Estonian representative was Eesto Muusika in Tallinn. The company made many recordings which have become important documents of Estonian popular music of the 1930s. The singer Artur Rinne, who recorded for Bellaccord, has described the recording sessions in his memoirs (1972).

Bellaccord was also active making recordings for Russian émigrés, who after the revolution were numerous in many European countries. The company's best known Russian singer was the legendary Pyotr Lechenko, who recorded in Riga in the early 1930s. Lechenko's Bellaccord recordings were reissued on vinyl on the Russian Melodiya label in the 1990s. Bellaccord was also active in Lithuania, but no details are known.

The Finnish connection, on the other hand, is quite well documented. The man behind the Finnish Bellaccord records was Niilo Saarikko, a legendary record producer and sometime singer who had started in the record business during the boom years of the late 1920s. He first attempted to obtain the Finnish agency of some international record company, but all the multinationals already had their representatives there. Saarikko had to turn to the smaller European companies. His first connection was German Artiphon. He sent a group of Finnish musicians and singers in 1929 to Berlin to make recordings. The next expedition was to Warsaw, where he engaged the Syrena Company to make a series of Finnish recordings.

In 1933 or 1934, a recording session was organized with Bellaccord in Riga. In order to keep expenses down, Saarikko traveled alone. He sang himself, and a Latvian dance orchestra was engaged to play the accompaniment. Twenty titles were recorded, and Saarikko also had Bellaccord press a number of instrumental dance recordings with Finnish labels and titles. The recordings were attributed to a non-existing Finnish orchestra, although the musicians were Latvian, because it was known that Finnish customers preferred recordings by local artists.

The recordings apparently sold well, because new recording sessions were organized in Riga in 1934-35 with the well-known Finnish singers Matti Jurva and Arvi Hänninen. In 1936 Saarikko finally obtained the Finnish agency for Columbia, and the cooperation with Bellaccord was finished.
Because of the new economic policy, new record companies were now emerging in many European countries: Patria in Hungary, Esta in Czechoslovakia, Tono in Denmark. The first record company to start pressing records in Finland was Sointu, which opened a record factory in Turku in 1938. Sointu had started in 1936 was the Finnish representative of Swedish Sonora, and after the establishment of the pressing plant, many Sointu recordings were still made in Stockholm. Like Sonora in Sweden, Sointu was quite successful. After the war broke out, foreign imports were severely restricted. Sointu was the only company which was able to press records locally, and it soon became the market leader.

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After the war in 1945, everything had to start from zero. It was difficult to get raw materials, but even in these circumstances, records continued to be made. The situation in the record business had now changed radically. Foreign trade was for many years restricted. even more strictly than during the depression years. In order to get back into the business, the multinationals had to start pressing records locally in all European countries. Only metal masters were imported, the pressing was done locally. But there were now regular studios and pressing plants in all countries, and independent local record companies had become a regular part of the record business. In Eastern Europe, Bellaccord, Syrena and other record companies were nationalized. The Riga factory continued making records on the Bellaccord and Ligo labels, until it was merged into Melodiya in the 1960s.

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The emergence of independent record companies in the 1930s was a result of the protectionist economic policies of the time and the simultaneous growth of radio, which made audio technology more widely available. The old multinationals were too inflexible in the new situation. By the end of the 1930s there was a major national record company in many small European countries: Sonora in Sweden, Bellaccord in Latvia, Sointu in Finland, Syrena in Poland and so on. Only the smallest record markets still relied on imported recordings. Estonia, Lithuania and Norway had no national record industry in the 1930s.

It would be interesting to know more about the recording policies of these national record companies. Did they just produce the same types of recordings as the old multinationals, but made them more economically? Or were they better tuned to local musical tastes and perhaps created something unique? We do not know yet, but this period in the history of the recording industry should certainly be studied more closely.

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The numbers in brackets refer to slides on the PowerPoint presentation
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