

AUDIENCE

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Artistes need to decide if they want to keep a good relationship with their fans or are just in it for the money

Neo Sala of Doctor Music in Spain

Pricing it right

Angelo Gopee of Live Nation France echoes those sentiments when he says, "Nobody knows what will happen with the euro. Will we return to the franc or the mark? Nobody knows."

But he is certain that, despite hard times, intelligent ticket pricing can sometimes maintain or even increase profitability.

"We have a tour with Drake in April, and I think we will sell out in Paris-Bercy [17,000]," he states. "The last time he came to Paris he played to 6,000. So, is it better to play to 6,000 at €40 (\$53) or 17,000 at €30 (\$42)?"

Neo Sala of Doctor Music in Spain says, "Whether Spain's problems are caused by the world banking crisis or the so-called euro crisis, it's all the same – you can't separate the effect on music fans.

"Firstly, most people have less money to spend and that is made worse by the fact that people, families, are saving what money they have because they are afraid of what might happen to the economy.

"Then you have ticket prices going up and up for years and now they need to come down. Artistes need to decide if they want to keep a good relationship with their fans or just go for the money. Lower priced tickets would definitely help the situation."

In neighbouring Portugal, veteran promoter Ricardo Casimiro of Take-Off is well aware of the need to get ticket pricing right.

"In a country of such poor economics, where VAT on ticket price has recently increased from six per cent to 13, together with an average

inflation rate of over three per cent, something has got to change," he says. "People will no longer be able to afford high ticket prices, apart from a few major exceptions."

Will doubts spread?

If the factors that concern Metallica's Cliff Burnstein spread to other managers and international promoters, will something have to be done to attract major international artistes to the Eurozone longer term?

“Artistes need to decide if they want to keep a good relationship with their fans or are just in it for the money”

Neo Sala

Live Nation France's Gopee sees no problem. "We have more than enough artistes who want to come. We just finished Rihanna, then Noel Gallagher, LMFAO," he says. "Then we have James Morrison, Lambchop, Il Divo, Coldplay is already sold out, Lenny Kravitz and many more are waiting to be confirmed."

Across the border in the south, Live Nation Spain's Gay Mercader is adamant that the banking crisis and Eurozone troubles are "not having any effect". "We have been dealing in both euros and dollars for years, depending on the management and have more than enough artistes who want to come here," he says. "We've just finished Rihanna, we're in the middle of a long Cirque Du Soleil tour, then Noel Gallagher, Pulled Apart By Horses,

LMFAO...they're doing even better than I expected. Then we have James Morrison, Lambchop, Il Divo, Luis Miguel and Coldplay is already sold out."



Ricardo Casimiro

Sandra Rotondo, head of Planet Events in Madrid, in particular notes one victim of the economic downturn – institutional support of live music.

"Now we must carefully select international artistes to be sure they will be successful here, as we no longer have the help of sponsors or public institutions," she warns.

Back in Italy, the premier league of artistes seems to be holding its ground, despite the fact that the economy shrank by 6.76 per cent between 2007 and 2011, and its weakening economic growth prospects resulted in the downgrading of its international credit rating.

Adolfo Galli of promoters DI and GI is categorical that, "Last year was one of our best ever. We did great business with Paul McCartney, Roger Waters, Dylan and Knopfler, George Michael, Sade, and our summer festivals."

He acknowledges that some economic pressure might be being felt lower down the ladder by smaller acts and admits, "I'm very concerned about 2012. As usual, the acts who worked well last year won't want to come again this year, so it's a new situation each time."

Core strength

As the strongest economy in Europe and a leading member of the Eurozone, along with France, Germany has had to invest billions of euros in support of its weaker Eurozone members, but has apparently yet to experience any resulting hardship itself.

In fact, Deutsche Entertainment AG (DEAG) CEO Peter Schwenkow believes that the live music business is virtually recession-proof. ▶



Angelo Gopee



Neo Sala

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