



LIVE MUSIC INTELLIGENCE

An ILMC Publication. Sept 2011, Issue 37

DARK KNIGHT OF THE ROAD

Batman Live hits the highway

BUILDING THE BUSINESS

New paths as the EAA turns 20

LAYING THE GROUNDWORK

eps and its quiet revolution

RIDE TO LIVE

Two wheels, 26 festivals, 30 days

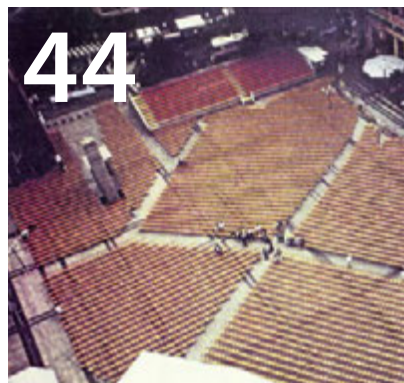


RUSSIAN AHEAD

Market in Overdrive

Bob Taylor: Onwards and Upwards Dear Boy! **LASZLO HEGEDUS: THE TRAP**
Caspar Gerwe: The Show on the Road **RICHARD HOERMANN: CONTINENTAL DIVIDE**

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THE ILMC JOURNAL

Live music intelligence

Issue 37, Sept 2011

IQ Magazine

2-4 Prowse Place,
London, NW1 9PH, UK
info@iq-mag.net
www.iq-mag.net
Tel: +44 (0)20 7284 5867
Fax: +44 (0)20 7284 1870

Publisher

ILMC and M4 Media

Editor

Greg Parmley

Associate Editor

Allan McGowan

Marketing

& Advertising Manager

Terry McNally

Sub Editor

Michael Muldoon

Production Assistant

Adam Milton

Editorial Assistant

Elma Fudd

Contributors

Christopher Barrett, Lars Brandle,
Caspar Gerwe, Laszlo Hegedus,
Richard Hoermann, John Northcote,
Manfred Tari, Bob Taylor & Adam Woods

Editorial Contact

Greg Parmley, greg@iq-mag.net
Tel: +44 (0)20 7284 5867

Advertising Contact

Terry McNally, terry@iq-mag.net
Tel: +44 (0)20 7284 5867



Brighter Times

A spate of festival deaths and news of industry luminaries passing has meant an *aestas horribilis* for many, writes **Greg Parmley**...

To paraphrase the Queen, in the wake of the disaster at Pukkelpop, it's shaping up to be an *aestas horribilis* for many. The tragic news that five people have lost their lives during the storms that swept the Belgian site comes just days after a stage collapse in Indiana also claimed five people. Neither are these incidents isolated. Many festivals have suffered from inclement weather this season, leading some to state that the festival season climate is now a far more unpredictable beast than it once was.

Yourope members adjusted provisions in their contracts dealing with *force majeure* last spring, and in our 2010 *European Festival Report*, Sonisphere promoter Stuart Galbraith told *IQ*, "We now budget for bad weather, which I've never had to do before". So is the climate changing so radically, or with more outdoor structures erected than ever now, is it simply a numbers game that more will be hit? Many festival organisers tout the former. Either way, both recent tragedies will surely trigger reviews of safety procedures and emergency plans, and questions will continue to be asked for some time.

The tragedy at Pukkelpop comes shortly after the passing of two long-term ILMC supporters and industry notables – insurance pioneer Willie Robertson, and venue legend John

Northcote. Everyone at ILMC and *IQ* towers was immensely saddened to hear the news, and what with Amy Winehouse also passing, I've certainly experienced more positive periods of news-writing.

This issue, we're profiling two distinct operations – the first, *Batman Live*, which while facing a few issues in communicating itself to audiences is proving one of the more remarkable stage productions of the year (page 18). Second, we take a look at logistics supplier eps who've been staging a quiet revolution for the last 15 years (p44). For our regular market report, we dive over to Russia, a market swollen with potential (p34), and we catch up with the European Arenas Association as significant questions are posed about its future (p26).

Also check out the account of my recent trip to visit 26 festivals in 30 days by motorbike (p50). Some of the conversations and experiences changed my outlook about what really drives the summer season. And aside from reporting back on some undiscovered gems in Central and Eastern Europe, I hope there are a few observations in there that people will find useful.

Anyway, that's it for now, roll on the autumn, and my deepest sympathies go out to all of those affected by the recent tragedies. ●



Russian Ahead

What was once an exclusive playground for aging rock acts is fast developing into the next major international touring market, writes **Adam Woods**...

Introduction

TWENTY YEARS AFTER THE COLLAPSE of the Soviet Union, Russia has yet to realise much more than a fraction of its potential in live terms. But a crowded summer of major international shows – more than 25 in two months in Moscow and St Petersburg – offers an indication that the business is strengthening, even after you've allowed for a few misfires.

Whereas international shows in Russia tended to be symbolic events in the late-80s and early-90s, superstar names cross Russia's borders in earnest these days. Beyoncé, Shakira, U2 and Linkin Park have all visited in the past two years; Paul McCartney has made a habit of it since he first played there in 2003. Meanwhile, surviving 70s outfits such as Scorpions, Uriah Heep and Nazareth continue to dive further into the wilds of Russia than bands half their age.

It's not hard to see why. In a touring market hungry for unsatisfied demand, here we have an increasingly wealthy country of nearly 140million people that straddles Europe and Asia. More than 13 of its cities – places with names such as Perm, Ufa, Omsk and Chelyabinsk, alongside the better-known Yekaterinburg and Nizhny Novgorod – are inhabited by over a million people.

But the fact that Moscow and St Petersburg between them number nearly 16m inhabitants – more than the next-largest 15 cities combined – means that even now, with notable exceptions, most western traffic stops only in the current and former capitals.

THE SHEER SCALE OF THE SO-CALLED Russian Federation, even at its relatively populous western end, makes touring automatically expensive, and the need for air freight is a logistical barrier to touring.

Much infrastructure dates from Soviet times, even in Moscow and St Petersburg, and the most fervent modernisers admit that transparency (not enough) and corruption (rather too much) remain serious issues.

The average income is liberally estimated at €1,000 a month, but over-paying promoters and over-generous oligarchs have set the bar high for fees. Consequently,

lofty ticket prices result in some embarrassingly empty halls for major western stars. Many local promoters believe international agents ask too much, and plenty of inexperienced opportunists have paid the price. In any case, dramatically polarised ticket prices are a facet of Russia's enormous wealth gap. Front-row VIP tickets can change hands in Moscow at €1,500 to €2,000 a time, though these do not always sell as fast as some might imagine. More typical are tickets priced at between 600 and 1,000 roubles (€15-€25).

Russia facts

Population	139.4m
GDP per capita (US\$)	15,900
Internet users	59.7m
Mobile subscriptions	187.5m

"Russia will be booming in a few years ... It's a natural link between Asia and Europe."

– Dmitry Zaretsky, SAV Entertainment

However, like the canny investors they are, the western live giants appear willing to see past a few cosmetic issues. AEG last month announced deals that will see it consult on and subsequently manage two major new arenas and a stadium, all in Moscow, while local promoters all have their theories about how Live Nation may soon play its hand.

Whatever problems Russia may have, it also has a whole world of potential, particularly with a raft of major sporting events prompting massive government investment in venues.

"Russia will be booming in a few years," says Dmitry Zaretsky, promoter at SAV Entertainment, one of Moscow's biggest. "It's a natural link between Asia and Europe." ►

Below: TCI's Scorpions' farewell Russian tour hits Novosibirsk, Dvorets Sporta Sibir, in May



Promoters



Russia's geography forms a natural promoter division...

INEVITABLY, THE OVERWHELMING majority of Russian promoters congregate in the western cities of Moscow and St Petersburg. Players such as SAV, Melnitsa International, Attack Concerts and TCI in Moscow and St Petersburg's NCA and Planet Plus are among the most active.

While careless stereotypes about Russian promoters don't necessarily hold true any longer, even those in the thick of the country's budding live business will acknowledge there are plenty of sharp operators and opportunists.

"Every year brings new dilettante promoters who spoil the market with over-estimated offers, and the international agents often agree to deal with them," says Maria Axenova, talent buyer at Moscow's Melnitsa International, which has recently brought Muse, System Of A Down, Slayer and Megadeth to the capital.

Of the two cities, Moscow easily maintains the higher ticket prices, though St Petersburg is geographically better located, and while Moscow has (by far) the larger population, St Petersburg promoters believe theirs is the city with the greater potential.

"Increasingly, artists come only to St Petersburg," says Evgueni Finkelstein, managing director of Planet Plus. "I guess this trend will progress in the future."

While many larger promoters operate in both Moscow and St Petersburg to a degree, they all draw their strength outside their home town from strategic partnerships.

"We are different from most developed markets because there aren't any promoters who are strong in both territories," says Michael Shurygin, managing director of St Petersburg-based NCA, pointedly acknowledging the very different cultures and rules of the two cities. "There are differences – Moscow is a lot bigger and there is a lot more money there, naturally – but the reason promoters aren't often strong in both is more about politics."

A St Petersburg promoter seeking to stage a show in Moscow will need a trusted Muscovite confederate to handle the necessary permissions and arrangements, and vice versa. "The partnerships I have don't prevent me from doing shows in Moscow, but there are things you won't do, because you have an understanding," says Shurygin, who has lately promoted or co-promoted St Petersburg shows by Muse and 30 Seconds To Mars as well as the Tuborg GreenFest and Rock On Volga festivals.

FURTHER EAST, KAZAN, THE capital of the Republic of Tatarstan in central Russia, doesn't make the international news all that much, and almost never

Below: Serj Tankian at Crocus City Hall, Moscow |

for musical reasons. So when Sting added a stop at the city's 10,000-seat TatNeft Arena on his *Symphonicities* tour, promoted by Planet Plus, it was clearly worth a mention. Whatever the merits of Kazan, it is not a much-frequented stop on the touring itineraries of major western artists, but the concert's organisers welcomed Sting on 1 July and waved him off the following day. Not for nothing, evidently, is the unofficial motto of Tatarstan "Bez Buldırabız!", meaning "We can!".

While disposable incomes in Russia's smaller cities don't compare to those of western economies, the audiences are substantially less jaded. Accordingly, tours are gradually extending out into the less familiar but still demographically significant parts of the country. Roxette played four regional shows in Russia in March with SAV Entertainment, opening their European tour in Kazan, Samara, Yekaterinburg and Novosibirsk.

*"Increasingly, artists come only to St Petersburg ...
I guess this trend will progress in the future."*

– Evgueni Finkelstein, Planet Plus

Further east, bands leave the orbit of the huge western cities entirely, and dates begin to make more sense scheduled with Asian tours. "A lot of artists are now expressing interest in adding Vladivostok and Khabarovsk in the Russian far-east to their South East Asian tours," says Zaretsky. "Those two cities are too far away from the rest of Russia and even Siberia, but routing works great with Japan or Korea."

If infrastructure is an issue in the capital, then it is certainly a far bigger one in less cosmopolitan destinations, where transport is the abiding deal-breaker. "Most cities in Russia are well connected to Moscow," says Andrei Nedvetsky, general director of Moscow- and Kiev-based logistics specialist Showtime. "The problem is they're not connected to each other. You can have two cities, 300km apart, but the only way you can get from one to the other is to go via Moscow, 1,500 km away." ►





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International Investment



Recent announcements spell change for the market...

CAREFUL LANGUAGE ATTENDED AEG's announcement of its involvement in three new venues in Moscow on 19 July. The US venues, sport and entertainment giant will provide "comprehensive venue services" for VTB Arena Park, the new sports and entertainment development planned in Petrovsky Park near the historic centre of Moscow.

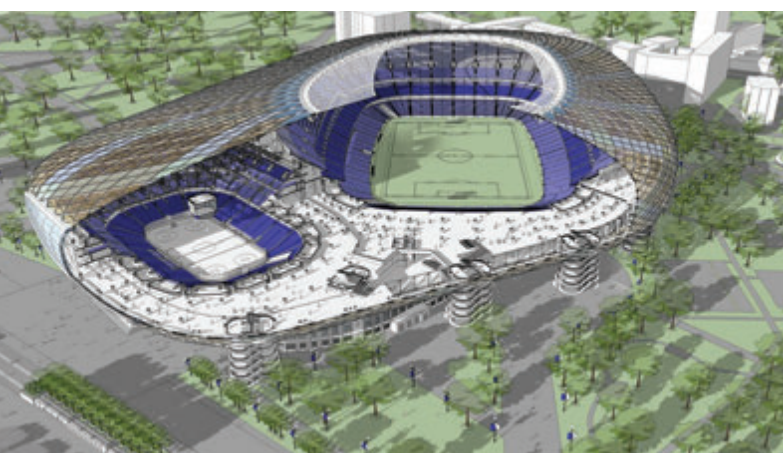
The park encompasses two large venues: a 45,000-seat soccer stadium for Dynamo Moscow Football Club and the 2018 FIFA World Cup, and a 12,000-seat hockey and basketball arena. Needless to say, there will one day be music in both, as there will in another AEG-related development, a 15,000-seater arena to be built on Moscow's ring road.

"We are not joint venture partners and we are not owners, but obviously the largest developing market in Europe is very, very attractive to us."

— Brian Kabatznick, AEG Europe

"To all three of these, AEG is providing strategic venue services," says Brian Kabatznick, VP business development, AEG Facilities Europe. "We are consulting during the design and development phase, and will continue to work on the operating phase. We are not joint venture partners and we are not owners, but obviously the largest developing market in Europe is very, very attractive to us."

The AEG deal is far from a piece of empire-building, but it is nonetheless significant as the entry point for one of the two most substantial international live organisations. Live Nation, no doubt, won't be all that far behind, and rumours persist that it may spearhead a Russian expansion from its Finland office. ▶



Venues



Sport should drive renovations in venues...

TWENTY YEARS AFTER THE DISMANTLING of the Soviet system began, there are still plenty of architectural reminders of those days. As a result, and notwithstanding the AEG-related projects, promoters will have a wish list of new venues in most cities for some years to come.

"The first thing Moscow needs is venues, and the rest of the country too," says Tatiana Dalskaya, whose Dalskaya TOP Holdings has promoted shows for The Prodigy and Placebo, among others. "We still have a lot of old Soviet buildings. Olimpiyskiy Stadium was built for the 1980 Olympics and was beautiful, but it's old now too."

The saviour of music in Russia may yet prove to be sport. The World Cup will come in 2018, to follow the 2013 Universiade, the Winter Olympics in 2014 and the 2016 World Hockey Championships, while St Petersburg is said to be weighing up a bid for the 2024 Summer Olympics. "I think music will come after sport," says Dalskaya. "When they build all these new venues, people will want to see live shows."

There are already significant moves afoot. The 35,000-capacity Olimpiyskiy has signed a deal, not due to come into effect until Christmas, to give TCI the status of in-house promoter for international acts. The aim of TCI's Ed Ratnikoff, as he puts it, is to demonstrate that shows in Russia can run as smoothly as those in any other great nation.

"Our strategy will be to bring the venue to the notice of agents in London and Los Angeles as an absolutely transparent business with controllable, electronic ticket sales and costs that can be broken down, just like on any other show," says Ratnikoff, whose dates this year include Maroon 5 and Rammstein.

Moscow also has the 6,200-capacity Crocus City Hall and the 6,000-capacity State Kremlin Palace, plus clubs such as Dom, Solyanka and the B2 Club, whose 1,000-seater fourth-floor room has hosted shows from Saint Etienne to the Dead Kennedys.

In St Petersburg, clubs include the Glav Club, Kosmonaut, Rocks Club and PORT, while at the upper end are the SCC and the much newer Ice Palace, with capacities of 25,000 and 12,300 respectively. A new 69,000-capacity stadium on Krestovsky Island, a ten-minute underground ride from town, is currently well underway.

Meanwhile, every large city has a sporting and concert complex, from Rostov-on-Don's 5,000-capacity DS Sport-Don to the 9,100-capacity TatNeft Arena in Kazan and Novosibirsk's 7,500-capacity LDS Sibir. ▶

Above: Artist's impression of VTB Arena

Festivals



The festival-going culture is proving a slow burner...

RUSSIA DOESN'T EXACTLY THROG with festivals each summer, but when it does them, it's usually on a large scale. Rock on Volga proudly declares itself the biggest one-day festival, not just in Russia, but in the whole of Europe, with 253,000 attending June's one-day event in Samara.

Unlike Tuborg GreenFest, the St Petersburg-based one-day festival also organised by NCA, Rock on Volga is a free show, with only a limited number of VIP tickets sold. "It is mostly Russian rock, but in the three years it has run, we have had Deep Purple, Skunk Anansie and Apocalyptica," says Michael Shurygin.

Attack Concerts, one of the older concert agencies in Russia organises tours as well as private shows for corporate and monied clients with artists such as Beyoncé, Pink, Katy Perry, Kesha, Flo Rida, Dita Von Teese and FlyProject. It also has a significant roster of festivals that includes Energy Mega Dance (Moscow), Melodies and Rhythms of the Foreign Scene Russian style (Moscow), San-Remo (Moscow and St Petersburg) and The Voice of Asia (Almaty, Kazakhstan).

Other prominent festivals include Nashestviye, another Russia-centric event which takes place in

Zavidovo in the Tver Region with a crowd of 180,000 across three days in July. This year's event narrowly escaped cancellation after an outbreak of African pig plague in the area, going ahead on condition that the entire area was fenced off and disinfected before and after.

Organisers Andrei Matveyev and radio magnate Mikhail Kozyrev also this year revived Maxidrom, an increasingly international festival at Moscow's Toshino Airfield, where Korn, The Prodigy, Travis and Adam Lambert led the first line-up since 2008.

The entertainment media maintain a strong presence at Russia's festivals. Just as Radio Maximum spins off Maxidrom, *Afisha* magazine produces the Afisha Picnic Festival in July at Kolomenskoye, a former imperial estate near Moscow, now a state-owned museum and nature reserve.

Melnitsa co-promoted and funded the show this year, drawing Hole, Kaiser Chiefs and Peaches, among others, and there are plans to extend the festival to two days in 2012.

Among the city festivals in Moscow are the indie festival Avant, which for seven years has mixed Russian alternative bands with acts from around Europe and the US, including, over the years, Devendra Banhart, The Horrors, Spiritualized, Deerhoof and I Am Kloot.

Running in June at Art Play, an art centre in a converted factory, Avant also brought British Sea Power, Chinawoman and the Frozen Orchestra to St Petersburg this year for a night at the Kosmonaut club, and promoter Maxim Silva-Vega told the *St Petersburg Times* of the need for Russia to develop an authentic festival culture.

"The middle class is still some kind of an abstract notion here, and there is a huge gap between poor and rich."

— Maria Axenova, Melnitsa International

"I think we haven't got there yet," he said. "Not just us – nobody in Russia. People here only go to what they're accustomed to. Our goal was to get people... to go to something new and interesting. The festival is intended to help people to discover new things."

If there is a barrier, promoters are agreed, it is in the lack of a thriving middle class, in a hugely polarised economy where very cheap and very expensive tickets sell fast and those in the middle won't shift.

"It's hard to predict the growth in the festival market in Moscow, since it's subject to a growth of middle class," says Melnitsa's Maria Axenova. "The middle class is still some kind of an abstract notion here, and there is a huge gap between poor and rich." ■





KYLIE MADONNA PINK LINKIN PARK
MUSE MARILYN MANSON MASSIVE ATTACK
DISNEY LIVE DEEP PURPLE GREENFEST NINE INCH NAILS
SKUNK ANANSIE ROXETTE THE RASMUS ROCK ON VOLGA
BRYAN ADAMS TOM JONES HIM CESARIA EVORA
CHRIS DE BURGH NAZARETH FAITH NO MORE SARAH BRIGHTMAN
SCORPIONS APOCALYPTICA SERGE TANKIAN KORN SEX PISTOLS
JOE COCKER HEAVEN AND HELL BLACKMORE'S NIGHT ALICE COOPER
JETHRO TULL URIAH HEPP CHICK COREA YES
GOGOL BORDELLO FAT BOY SLIM RICHARD CLAYDERMAN
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Production



Advances in personnel skills drive the sector...

SINCE ALEXANDER STRIZHAK FOUNDED JSA in 1996, he has seen the industry gradually build from its grass roots. “At that time, nobody was engaged in production management as a separate business in Russia,” he recalls. “A year later, I bought a big set of stage structures and JSA became the first professional stage production company in Russia. We provide a full range of organisational and technical support services of any show-projects and concerts – mainly big outdoor events”

Showtime Logistics was established in 2004, but Andrei Nedvetsky cut his teeth on big Red Square shows such as the Red Hot Chili Peppers in 1998 and Paul McCartney in 2003. Nedvetsky testifies to the increased scale.

“We had an extra-big production for Paul McCartney which consisted of 24 trucks,” he recalls. “But last summer we had U2, who were coming with 116 trucks, including the support band and everything else. The scale of the events has grown a lot.”

The next step, he says, is to take the larger acts out on the road. “I know a few promoters already who are putting together tours, and we are getting ready to go outside Moscow and find ourselves partners in the regions.”

Ed Ratnikov’s account suggests that shouldn’t be too hard. “In the last few years, local personnel have gained good experience in show production up to the international standards of live industry – rigging, power supply, crowd control,” he says.

“A lot of hotels are being built all around the country each year, new venues are being constructed, the old ones improved and upgraded. Local production companies have purchased up-to-date sound and lighting equipment. Step by step, the Russian live market is developing and there is a real opportunity opening up to include it in the world circuit.” ■

Below: Rock on Volga crowd |

Money and Politics



Visas are far more negotiable than distance...

BRITISH ROCK MANAGER MARTIN DARVILL has a bold claim to make for Russia. “It’s easier to tour Russia than it is to tour America now,” he says. “In the past couple of years, the red tape in the US, the tax situation, the visas, are all far tougher than in Russia. Can you imagine saying that ten or 15 years ago?”

While bands touring the US can expect to surrender 30% of their fee in tax, deals in Russia are done on a net basis, with the promoter picking up the tax bill.

Likewise, though artists need to be invited via the Ministry of Culture, they are eligible to travel on humanitarian visas, rather than the more bureaucratic personal or tourist kind. “Mostly, it is easy to come here,” says Tatiana Dalskaya. “It is not like it used to be. Artists and tour managers always freak out about visas, but these days, it’s fine.” Nonetheless, it is a fact generally acknowledged that Russian dates come at a hefty premium for a large touring operation – largely, but not entirely, due to the costs of travel.

“In Europe, the distance between cities is about 200-400km,” says Finkelstein. “But if a tour goes from Helsinki to Moscow [a distance of well over 1,000km by road] the expenses increase considerably. There are always police cars escorting the touring. There were about 20-30 escorting cars for the Rolling Stones show. All these expenses are carried by people who buy tickets.”

“Remember,” Zaretsky cautions, “not all of Russia is populated with crazy oil and gas millionaires, though now other cities are able to pay more than before and they are able to get more serious acts.” ●

“It is not like it used to be. Artists and tour managers always freak out about visas, but these days, it’s fine.”

– Tatiana Dalskaya, Dalskaya TOP Holdings

