

Billboard

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Labels Hitching Stars To Global Consumer Brands

BY BRIAN GARRITY

NEW YORK—In the latest sign that the marketing of music is undergoing a sea change, the major labels are forging closer ties with global consumer brands in an effort to gain exposure for their acts. As the deals become more pervasive, they raise questions for artists, who have typically cut their own sponsorship deals.

In the latest case in point, Sony Music Entertainment and Pepsi-Cola North America have inked a broad-based cross-marketing pact in which Sony artists will be fea-



THOMAS MOTTOLA

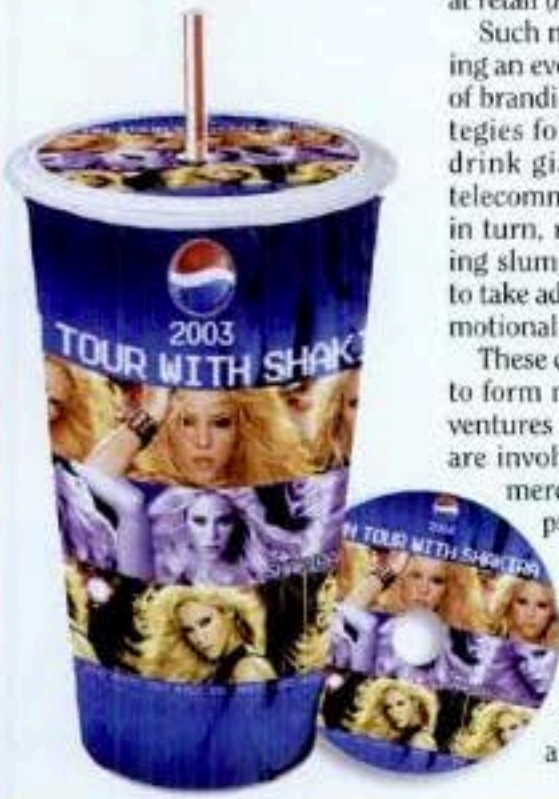
tured in a variety of Pepsi-sponsored promotions on radio, TV, and at retail (*Billboard*, Nov. 23).

Such music tie-ins are becoming an ever-more crucial element of branding and advertising strategies for marketers from soft-drink giants to car makers to telecommunications companies; in turn, record companies—facing slumping sales—are moving to take advantage of growing promotional opportunities.

These deals come as labels look to form more partnership-based ventures with artists, where they are involved in everything from merchandising to touring to publishing.

"It raises the stakes in this whole thing," says Ken Hertz of law firm Goldring, Hertz, Lichtenstein & Haft, who represents Will Smith and Alanis Morissette.

(Continued on page 76)



Clive Greeted As New RCA Chief

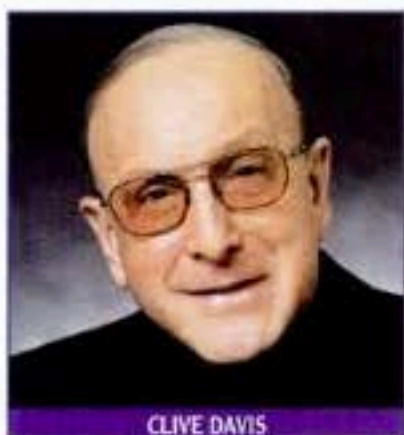
Artists, Managers Heap Praise On Davis, But Some Just Want Stability

BY MELINDA NEWMAN

While managers of acts signed to RCA Records are quick to praise outgoing RCA Music Group (RMG) chairman Bob Jamieson, they are also heralding the news that J Records head Clive Davis will now control both the J label and RCA Records.

BMG announced Nov. 19 that it is buying out Davis' 50% stake in J Records—the label he formed in 2000 following his ouster by BMG from Arista Records—and is giving Davis oversight of both labels in a newly configured RMG.

Davis will report to BMG chairman/CEO Rolf Schmidt-Holtz, who has also named Charles Goldstuck president/COO of RMG. Both men have been



CLIVE DAVIS

given five-year contracts, according to Davis. Goldstuck had been president/COO of J Records. Richard Sanders will continue as executive VP/GM of RCA Records.

"We absolutely loved and have enjoyed working with Bob Jamieson and hope our paths will cross with him again," says artist manager Irving Azoff, whose client Christina Aguilera released *Stripped* on RCA Oct. 29. "I've known and been friends with Clive since 1971, so this is a situation where we were extremely thrilled with Bob and are extremely thrilled with Clive. I'm sure Christina will flourish under the new administration."

Vertical Horizon's manager John Scher adds, "Bob *(Continued on page 75)*

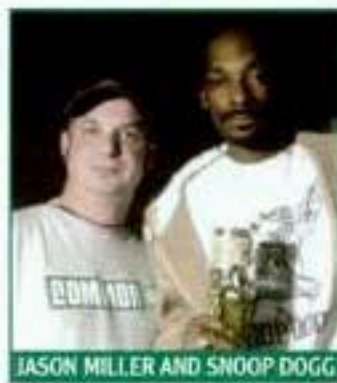
Touring Biz Awaits Rap Boom

BY RAY WADDELL

NASHVILLE—Rap may rule the roost at retail, but the genre remains a relatively weak sister in terms of touring, plagued by a dearth of arena-level headliners and enduring—if often unfounded—negative perceptions.

"I think the rap market has some problems attached to it," Jackson, Miss.-based promoter Lee King admits. "The shows can be expensive to do, but the right show draws very well."

Indeed, some players in the rap touring game in many ways consider this to be the best of times. "It has never been easier to work hip-hop than it is right now," says Brent Smith, the Los Angeles-based agent for Snoop Dogg and other rap acts. "Hip-hop is the new



JASON MILLER AND SNOOP DOGG

rock, and it's only going to get stronger. Like any business, it needs developing, and believe me, it is developing."

Phil Casey, senior VP of International Creative Management and a veteran urban music agent, adds, "The hip-hop market is good if you can put the right package together. Truth be told, this does business; the right package can do 13,000-14,000 a night at a \$40-average ticket."

Jason Miller, VP for House of Blues (HOB) Concerts in Denver, agrees: "Rap is a great market, under-utilized and ever-exploding. It is what's selling records and what kids want to see."

That said, rap has yet to crack the *Billboard* year-end *(Continued on page 74)*

UMG Offers 43,000 Digital Tracks: Page 3 • Jay-Z Has 5th No. 1 Album: Page 63 • BMG Revamps Royalty Policy: Page 75



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ICMC Focus Remains On Security In Face Of Terrorism

Conference Attendees Say Protection Procedures Are Slipping As Memory Of Last Year's Attacks Becomes More Distant

BY SUSANNE AULT

LOS ANGELES—November 2001's International Crowd Management Conference (ICMC) unspooled only a few weeks after the Sept. 11 attacks, so the venue-security-themed workshops were understandably dominated by terrorism concerns. Yet early last week—more than one year since the tragedy—Sept. 11 was just as pressing an issue, if not more so, at ICMC 2002.

That distance between the tragedies and now is causing venue managers and their guests to become dangerously complacent about security, according to leaders of the International Arena Assn. of Managers (IAAM), ICMC's organizing body.

IAAM's Safety and Security Task Force (SSTF), for instance, issued last spring its "Best Practices" guidelines, advising buildings how to beef up their post-Sept. 11 protection procedures. But several attendees of ICMC 2002 (which took place Nov. 10-13 at Reno, Nev.'s Silver Legacy Resort & Casino) admitted that they haven't yet implemented those suggestions, saying that their patrons—not seeing an immediate threat—are becoming impatient with heightened security measures.

TIME DIMS MEMORY OF TERROR

"There seems to be a gap, and that gap simply is this: We've developed Best Practices, but we're finding that people aren't taking the time to take it through its paces," explained Larry Perkins, ICMC committee chair and assistant GM of Raleigh, N.C.'s RBC Center. "Things have shifted from 9/11 to now. Before, people didn't mind waiting in long, long lines. But



PERKINS

now they are getting a little more impatient. They're saying, 'Look, we're in North Carolina, where there's nothing going on.'

The session updating ICMC attendees about the SSTF's current plans—namely, looking for Best Practices feedback—was punctuated with complaints regarding the rollout of bolstered security regulations. Criticism included worries about upsetting patrons in this

rocky economic environment.

"I've had people complaining [that] things are too intense," said Cathy Derr, event manager at the Rupp Arena in Lexington, Ky. But she added, "We're continuing at a serious level, because our employees are now already trained."

At an arena town-hall meeting covering a variety of security issues, Gabriel Iza, assistant director of security at Syracuse, N.Y.'s Oncenter Complex, went so far as to say that balancing between protection and making guests feel comfortable "is probably the toughest thing we deal with. Our venues in our industry are supposed to be customer-friendly. At the same time, you have the responsibility to keep things secure."

Good news for the IAAM's security aspirations for its members is that this year's ICMC attracted about 270 people, which—other than last year—was the most people the conference had drawn since its inception 20 years ago, said Joe Floreano, IAAM president and executive director of Rochester, N.Y.'s Riverside Convention Center. "Attendance is great," he remarked. "We're not losing them in the afternoon to golf. They are coming here to learn."

Dallas American Airlines Center VP/GM Dave Brown called the topics "extremely valuable" and added that "even the best facility in terms of developing their crowd-management programs hasn't covered all the ground this conference has covered."

The SSTF is working on ways to combat complacency, Perkins said, with future audio conferences scheduled for January and February 2003. Plus, a number of ICMC 2002 sessions drilled into attendees the importance of truly practicing their security policy, when too many appear to be just saying they will practice.

THEORY VS. REALITY

Wayne Coleman, president of the Training Assembly Managers & Employees group, talked during his presentation on emergency issues about the "difference between orientation and training. If it's just a talking-head lecture in a classroom, you'll get out there [in a life-threatening situation] and you won't know how to perform."

On top of facility managers' routine run-throughs of safety techniques, Coleman said they should adopt annual full-scale practices, where the city's police and fire officials contribute to the emergency-preparedness activities as well.

But many ICMC attendees argued that even if they wanted to, it is too expensive to follow every suggested security guideline. During a facility-security presentation, Jim Bell, VP of public safety at Salt Lake City's Delta Center, cited his building's recent

security additions, which included closed-circuit TV cameras. Yet Cory Meredith, president/CEO of event services firm StaffPro, noted that Delta Center was spiffed up courtesy of the 2002 Winter Olympics Committee, which enabled the venue to purchase equipment worth \$250,000 for the discounted price of \$50,000. Meredith admitted, "When the old-fashioned way is working OK, it's tough to justify the extra expense. Then it costs a lot of money to man the equipment."

Unlike primary market arenas like

the Delta Center, "most of my clients are mid-range," added Mike Reichert, co-owner of Denver-based Event Security Management. "So if you were to implement everything here, it would be cost-prohibitive for my clients to pay me to do it all."

But Meredith commended ICMC for getting in people's faces and "getting them to react. If anything, we're going to be better-prepared for other types of disasters—things that are more likely to happen than terrorism. Lives will be saved in the long run."

Perkins pointed out that inexpen-

'Life Goes On' As Russia Recovers From Theater Siege

BY ALEKSEY KRUIZIN

MOSCOW—Following the late-October terrorist siege of Moscow's Theater Center—where more than 700 viewers of best-selling patriotic musical *Nord-Ost* were held hostage for four days—the international partners of the Moscow-based entertainment industry expressed their support and concern but did not change any plans.

"During those four days, practically every one of our partners from Los Angeles to Japan [called] to find out if they [could] be of help," says Nadezhda Solovyova, chairman of Russia's leading concert promoter SAV Entertainment. But she says that no plans have been changed and that two George Benson shows several days after the tragedy were unaffected.

The siege, however, caused the second of two Darren Hayes shows in Moscow's Kremlin Palace to be canceled, although not for security reasons. "We have canceled the second show out of respect for people," says Hayes, whose other show date was named a national day of mourning shortly after the outcome of the tragedy.

"It is sad that my first visit to this wonderful country has coincided with such a tragic event. My show is very intimate—it's just me and my music—and I wanted to be really connected with my audience," says Hayes of his post-Savage Garden tour, which played a St. Petersburg arena show the day before coming to Moscow.

"That show could not have taken place by any means," says Alex Ivanov, general producer of ICA, the company that brought Hayes to Russia. "The artist's management agreed that it would have been disruptive to the reputation of the artist, especially [since] the venue is located within the Kremlin walls, literally a few yards away from the presidential premises."

"Anything like that terrorist attack would never have happened at any of our events," says Solovyova, whose track record lists some 400 shows from pop to Luciano Pavarotti's state-commissioned Red Square performance.

"A big part of our shows take place in [the] Kremlin, and there's as much security as can possibly be. If we make a stadium show, various government agencies provide up to 1,500 security [officers], including Federal Security Service agents in civilian clothes and anti-terrorist units checking the venues before each event.

"However, as an extra measure, we practically doubled the security," Solovyova says, pointing out that unlike any major theaters in the U.K. or U.S., Russian theaters rarely ever



SOLOVYOVA

had much more security present than "a couple of babushkas checking tickets" and a few guards. "Now they will have to take the first security measures ever in their history, which is in many cases over a hundred years. [But] life goes on here, just as the fact that there have been terrorist acts in England doesn't make anyone less willing to go there."

While such major acts as Michael Jackson, the Rolling Stones, and Sting may have performed in Russia only once or twice, a whole echelon of artists visits the vast country year after year, discovering more and more remote areas with every new tour. Solovyova says, "We have just done 12 cities with Scorpions, last year six cities with Deep Purple, and this year five cities with Joe Cocker."

Besides such major cities as Moscow, St. Petersburg, and Ukraine cap-

itive security solutions do exist. His own RBC Center building has created "speed lines" where people can enter if they bring just their tickets, leaving searchable bags and cell phones at home. Those who bring personal items must go through the slower, more security-intensive main lines.

Overall, Perkins said, "we've done Best Practices six, seven months ago, and I'm surprised how long it's taking to put these things in place. The unthinkable is now thinkable. It is now real, and we have to step up and take action."

ital Kiev, more tours now include such recently unknown places as Ekaterinburg, Samara, Rostov, and Vladivostok.

With Alice Cooper starting the European leg of his Brutal Planet tour in Moscow's Luzhniki Sports Complex a week after the attack, "the business is going back to usual very fast," Ivanov says. "It was very professionally organized by our colleagues at JSA agency, and I think with the enormous demand for Alice Cooper, could do very well everywhere else in Russia."

While these other cities can only afford artists with performance fees that are well below \$50,000, frequenting the capitals' smaller-size venues still remains an option that is often chosen by the likes of Modern Talking and Londonbeat, which seem to have an unfading popularity among the casino-going capital public. "It was a very marked thing for me when we first came here," Londonbeat's Jimmy Helmes says. "I realized it's not really like what I read about it at all. Now that it is a fairly free society, it totally changed my perspective. It seems to me with everything that's going on in the world now, every territory that has been living in some false sense of security realizes that it's not going to last like that."

"We are trying to build an industry here," says Solovyova, whose career started with the Soviet State Concert Agency back in the '80s. "We have been striving to make Moscow a place as usual to go to as anywhere in Scandinavia."

Andrey Agapov, director general of ICA—who also has some 20 years of experience in the business—says, "Within the past couple of years, I finally got the feeling that we have been accepted by the international industry as part of it. And we are very thankful that Darren [Hayes] did not refuse to come under these tragic circumstances. Terrorism is a new, 21st-century type of war. It is now happening on a global scale, and nobody knows where it is going to hit the next time."

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