

# Independent Talent Network

## Concept Evaluation Outline

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**About the Compiler:** Like thousands of young kids in the 60s I grew up in a tough neighborhood playing outdoor sports with a strong interest in hockey. Primary school interests were hockey and playing rock 'n roll like the Beatles not much academics. During the 60s 70s I dabbled with our local LTD Productions booking local armories through the William Morris Agency, NYC, New England groups The Beacon Street Union, Orphans, and "IF" were a progressive rock band formed in Britain, referred to by Billboard as "unquestionably the best of the so-called jazz-rock bands" in the period spanning 1970–75. This activity led to an association with Northeast Concerts, Andrew Govatsos another New England promoter and this association with Ruffino and Vaughn Productions. Collectively, Tony Ruffino of Birmingham, AL produced many, many East Coast concerts. Some of the projects in Maine included, Yes, Emerson, Lake & Palmer, Aerosmith, Queen, Asia, Lynard Skynyrd, Seals & Croft, ZZ Top, Van Halen, Rush, Eric Clapton . . . etc.

**This outline:** is to propose an evaluation for a method to rebuild a path for independent talent, musicians, bands and groups to succeed in the entertainment business while retaining their independence in an industry dominated by mega corporate control. In the "old days", the success of entertainers came from night club dates, concert exposure, radio play and touring as an act opening for major concert productions for 5,000 to 25,000 attendee shows. This gave these independent, (unsigned acts) the opportunity to perform their original material, promote their CDs, merchandise and standard swag items. This exposure helped them add radio stations to play their music, an absolute necessity to musical exposure and ultimate record "deal". Today, record "deals" CD, DVD and download music is 80 + percent controlled by the music industry giants, Live Nation, Clear Channel, Another Planet, etc. The U.S industry generated \$4.898 billion in 2015. World total 2015, \$15 billion.

**Discussion:** Today, the path for the discovery and establishment of independent musical talent is "**managed and controlled**" by about three worldwide industry behemoth companies. They are tightly connected to the radio, media, music and touring industry, making it nearly impossible for independent talent to launch and sustain themselves without selling out their independence. Such monopolies have become the norm with many U.S. companies. Look at most of them, Microsoft, Amazon, Google, Apple. Minimal research will demonstrate that their largest portions of growth came from acquisitions of competitive companies. Small business is forever challenged by massive corporations. In the past three decades Congress simply "**watched**" or more likely was **on the take** as **Anti-Trust Laws** were **overlooked** as the industry **mega-mergers eliminated independent competition**. You can be sure the industry lobbyists **dealt out millions** to Congressional and Senate politicians, asleep at the wheel on the **Anti-Trust Laws**, but fully awake on campaign war chests.

In the "old days", there were thousands of "independent concert promoters" providing an alternative to "locked-in contract" management. Some groups in those days promoted their own tours sending out their own "advance people" to contract venues, advance work, advertising, tickets sales, promotion, etc. Some promoters would collect advance ticket sales and skip town. Every industry has its rats.

"Unable to hold on, with the Act's sweeping relaxation of their ownership limits, Clear Channel owns approximately **1225 radio stations** in 300 cities and **dominates the audience share in 100 of 112 major markets**. Its closest competitors -- CBS and ABC, media giants in their own right -- own only one-fifth as many "radio" stations".

The rise of large corporation mega-promoters over the past couple decades has made it nearly impossible for aspiring acts and independent tour promoters to break into the industry. **Live Nation (formally Clear Channel Entertainment)** is the number one concert promoter in the world according to *Pollstar Magazine* in 2006.

The Beverly Hills, California-based corporation accounted for about **\$1.3 billion in concert box-office sales during 2005**, according to Billboard magazine's tracking.

Anschutz Entertainment Group (AEG Live) was ranked **second** with (paltry) \$417 million, followed by House of Blues (HOB Entertainment) at number **three** with \$245 million. On July 5, **2006**, **Live Nation purchased**

**HOB Entertainment** for \$350 million, further expanding their market share (**monopoly**) in the live-music business.

Some fans have complained to government, particularly after they found tickets to the same concerts or sporting events available - sometimes at many times the face value - on secondary sellers like Stubhub.com and TicketsNow minutes after the public sale began. (*In this case grassroots education is required in order to push the ticket agenda politics*). After hearing from some would-be ticket buyers, the Missouri attorney general announced the state was **suing three ticket resellers** on charges they violated state consumer protection laws. That same day, the Arkansas attorney general said he was seeking documents from five resellers. And the attorney general's office in Pennsylvania is also looking into the ticket sale business after receiving several hundred complaints over the recent sale of tickets for a Hannah Montana concert in Pittsburgh.

**Live Nation & Ticketmaster** On December 21, 2007, Live Nation announced it would acquire the software and services to ramp up its ticket-selling operation, potentially positioning the company to compete directly with its longtime contractor, Ticketmaster.

Live Nation, the **largest concert promoter**, and **Ticketmaster Entertainment**, the No. 1 ticket seller, announced their **merger** in 2009. Then in 2010 the U.S. Department of Justice approved the merger, more deaf Anti-Trust Laws?

Ticketmaster did have to license its software to Anschutz Entertainment Group (AEG), the company's largest customer. With a copy of the Ticketmaster software, AEG will be able to market an attractive ticketing system to venues, according to the Department of Justice; **under the settlement terms, both companies will be able to compete head-to-head with Ticketmaster**. How so, with Live Nation 3 times larger than **AEG Live**?

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## **COULD WE DEVELOP AN INDEPENDENT CONCERT PRODUCTION THINK TANK?**

It may not be an easy task, but, if a serious effort could take place it might best be developed by assembling a think tank pool of industry people motivated to accomplish the task. Questions and ideas would be fluid.

**Could we “find” Major Acts to participate in Rebuilding Talent Independence:**

- 1) In order to develop a path, we have to find headliner-touring bands to support independent warm up groups. feature them to “open the show”. Encouraging fans to support their music sales, encourage local radio stations to introduce, “the new guys on the block”. It is this type of old-fashioned promoting that such an effort needs to revisit.
- 2) It can be expected, that current headliner management agreements would challenge, (prevent) the headliners ability to sponsor an independent group, NOT under the same, or an “affiliated” management group. (Contract control).
- 3) Are you willing to challenge the establishment for the sake of rebuilding a talent based independent industry instead of ownership driven talent?

**What if, an independent management group could book headliners and independent talent for the development of renewing the old model?**

- 1) **What if**, contracts could be negotiated based on percentages. When new talent “launched”, they would contribute a percentage of their earnings to support continuing the “**Independent Talent Network**”, model providing funding and live concert venues for future startup talent? The organization has to develop out-of-the-box methods to perpetuate the mission.
- 2) **What if**, headliners were to seek other headliners who may share an interest in a **new model** for independent management?
- 3) **What if**, the organization were able to re-generate a new group of local concert promoters associated with the Independent Talent Network.

- 4) **What if**, as the project advances the group could seek and develop 500 to 2,000 seat concert Venus?  
There are many small theater designed facilities across the country that would be ideal for small to medium concert productions and some include audio design.

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**This is a fluid draft version for a Concept Consideration. More will be added as topics integral to the concept are identified and integrated. Gary Duarte**