

# Battle lines drawn

## LNE engages rivals on multiple fronts

**GERMANY** Live Nation Entertainment (LNE) is going head-to-head against ticketing giant CTS Eventim and its Medusa promoter division, after opening an office headed by Music Pool Europe (MPE) founder Johannes Wessels.

The move is also a significant blow to LNE's global rival AEG Live, for whom Wessels was a favoured promoter, staging shows for them by acts such as Beyoncé and Leonard Cohen.



Johannes Wessels

Adding further fuel to the flames, LNE is already experiencing considerable discomfort with Eventim in the UK (see news story on page 8) and US, as the merged Live Nation-Ticketmaster appears to be trying to extricate itself from a deal agreed with Eventim by Live Nation in 2008, whereby the pair would launch a multinational rival to that of Ticketmaster.

At the time, the deal was expected to deliver Eventim 20 million additional ticket sales in 2009-10, rising to 120m in 2014. The company's CEO Klaus Peter Schulenberg was unavailable for comment as *Audience* went to press.

In opening its own German office, LNE has pulled away from long-time promoting partner Marek Lieberberg Konzertagentur (MLK), selling its 20 per cent stake to Eventim, which already owns 50 per cent via Medusa.

If LNE moves all its acts to its own office, it will mean a substantial financial loss to MLK,

the country's top promoter.

Meanwhile, LNE has also beefed up its Ticketmaster (TM) presence, with the appointment of Klaus Zemke, formerly of the country's second largest ticketing company Ticket Online, as MD.

Surprisingly perhaps, UK-based LNE CEO International Alan Ridgeway insists the move won't damage his company's relationship with Eventim and tells *Audience*, "We haven't discussed this move with them, but I'm sure they won't be surprised at it, because Germany is one of the biggest markets in the world."

"We want to use our office for tours as much as possible, but will work with other promoters where necessary."

Meanwhile, MLK boss Marek Lieberberg is keeping fairly quiet on the matter, but says he is disappointed that, despite his best efforts, a way of continuing the relationship with LNE couldn't be found.

As for AEG Live, Wessels has enjoyed a long-standing relationship with UK-based senior vice-president of international touring Rob Hallett.



Alan Ridgeway

"I'm still friendly with Rob," Wessels tells *Audience*. "We've known each other for too long to let changes in a job affect that."

### Competition prizes

National promoter Deutsche Entertainment AG (DEAG) believes the arrival of a

determined LNE in the country will reap benefits.

"I expect Ticketmaster to become very competitive with CTS in a short space of time, which will be good for us as a client," says DEAG CEO Peter Schwenkow.



Jens Michow

"Live Nation will also be looking for local promoters to work with and we have River Concerts in Hamburg and Global Concerts in Munich. I expect they will pick up some more business."

The head of promoter and agents association IDKV, Jens Michow, says, "Live Nation's entry into the market will increase competition considerably, which will be good provided they don't purely focus on growing market share, but also on keeping ticket prices down."

In 2001, *Audience* reported a plan by LNE predecessor SFX to enter the German market through acquiring a 20 per cent stake in Hans Peter Reigel's promoting, marketing and ticketing group, epm Media (see *Audience*, issue 14).

At the time, Wessels was approached to head the Hamburg office of the newly-created emp Entertainment, but the deal collapsed.

In 2002, Wessels sold his 75 per cent MPE stake to DEAG, but acquired it back last year, saying "I didn't feel like I had gained anything" from being part of the conglomerate.