



Conference Report

Full details of the 21st IAMA International Conference
See page 6



Membership Benefits

A summary of the benefits of belonging to IAMA
See page 15



IAMA newsletter



Feedback describes the situation where output from actions in the past influences actions in the future

We need feedback from our members to ensure that what we offer as an association now and in the future is of real benefit and value. To that end, the board will be debating a series of initiatives at its October meeting specifically to address the area of business support, acting on feedback we have received. We think this is important because the vast majority of our members are small to medium size businesses; some of these enterprises can get larger over time, more quickly if supported; all of them need our input and attention. IAMA has the expertise, resource and pool of information to be well able to mentor and assist these organisations. And that, increasingly, is what we shall be offering. All you need do is ask.

In this newsletter we are addressing several important topics - client accounts and foreign exchange transactions, with valuable input from Robert Tench of Intermusica; guidelines on the new Bribery Act 2011; an article on retainers - as well as reports on the London conference and Media Day.

IAMA is a global player; we will be present in many places around the world this year including Moscow, Berlin, Shanghai, Amsterdam, Melbourne and Sydney and, despite large cuts in the public budget, UK Trade and Investment continue to assist and support us. Through our international board of directors we are increasingly enabled to spread our network far and wide.

We have had important feedback from members about the "temperature" of our market place and the additional pressures this puts on them. So read the article and please add your own comments so that we can get a better sense of what it's really like out there. I hope you are having a great summer (for those in the Northern Hemisphere) and are able to take time out for holiday. I also hope you all enjoy this newsletter and find it stimulating and informative.

John Willan, Chairman, IAMA

Dates for your diary

8-11 September 2011:

Alliance of Asia-Pacific Regional Orchestras, Moscow

15 September 2011:

Opera managers' meeting, Savile Club, London

21 September 2011:

Promoters' and members' opening season drinks. IAMA Office, London

3 October 2011:

IAMA board meeting, Wigmore Hall, London. IAMA members meeting, Schott Music offices, London

15-17 October 2011:

The Muziek Centrum Nederland invites all IAMA members to their meeting in Amsterdam. Registration is free.

19-21 October 2011:

Association of Asia Pacific Performing Arts Centres (AAPAC) Annual Conference, Melbourne, Australia. This is a UK Trade and Investment supported opportunity. All enquiries to be directed to the Chief Executive.

24-25 October 2011:

Sydney meeting of Australian managers, promoters and IAMA members. This is a UK Trade and Investment supported opportunity.



22nd IAMA International Conference

19-21 April 2012, Palace of Arts, Budapest.

Gala dinner to be held at the Museum of Fine Arts

Booking opens January 2012

Focus on Client Accounts

One particular area the Association continues to monitor is the members' stance towards separate client accounts for artists

The failure of Ibbs and Tillett back in the early 90s caused sufficient concern that something needed to be done within the sector. The British Association of Concert Agents (BACA), as it was known then, passed a ruling that required companies to audit their client accounts and produce an annual certificate that demonstrated that company money was being treated separately to client money. When IAMA superseded BACA in 1998, this obligation was suspended but a new article appeared in the Code of Practice to which all members subscribed to. This requirement was further entrenched when the Joint IAMA/AEAA Code of Practice was established in 2002 under the Chairmanship of Virginia Braden and James Brown.

Article 4 of the Code reads:

When an agent is in receipt of money on behalf of an artist, such money should always be properly accounted for and held and distributed in accordance with the governing laws of the country in which the agent is based, unless mutually agreed otherwise in writing.

It was not until 2003 that the UK Employment Regulations insisted that UK companies account for client money by independent annual audit. IAMA members in the United Kingdom were thus faced with the same obligation they had in BACA days except it is now required by official regulation. A recent meeting of London-based company finance directors raised issues associated with separate client accounts and what it meant in practical terms today. Presently, the law in the UK requires all companies who have a turnover of more than £6.5 million to have an external audit but not under this threshold. The point was raised that if a company was under this threshold, would it be released from the regulation accompanying client accounts? Baker Tilly International, IAMA's tax advisors, were approached for advice. They confirmed

the regulation for an independent audit of client accounts took precedence over the £6.5 million threshold requirement. To date though, there is no case history nor is there any regulatory body to check if the requirement is being carried out or not. For the Association, the absence of checking mechanisms is not a loop hole. It is good practice to have sound procedures in place where the company knows where they stand financially and the artist too. It makes good business sense and promotes confidence in your dealings with people and companies. This principle is good for all members irrespective of where they are domiciled.

Robert Tench, Director of Finance and Human Resources, Intermusica elaborates from the meeting held in May:

"The position of client accounts in the UK is determined by legislation (Statutory Instrument No 3319 2003). This requires that client funds be held in special accounts with 'Client' in the account name. This law also requires that client accounts should be subject to an annual audit, even though the company accounts may be exempted from audit because of the recent increase in the limit arising from EU wide rule changes. The suggestion was made that in the event of default, the absence of audited client accounts could increase the risk of agency directors being considered negligent and thus personally liable for debts to clients.

I cannot comment the legal position outside the UK, but I would recommend the use of client accounts to all IAMA members on a number of grounds:

- *Clients deserve the confidence that these give and they will help advance the standing of your firm.*
- *If the law is like in the UK, creditors of the firm will have no rights over client funds held this way.*

- *Directors are less likely to be considered personally liable in the event of default.*
- *The use of client foreign currency accounts for both client and company funds can simplify foreign currency accounting and make useful savings in currency conversion charges (see article on Foreign Currency later in this newsletter)*

I would also add the use of client accounts enforces a discipline on the accounts department that materially assists the preparation of accounts. In the case of Intermusica, we use a 'multi-company' version of Sage Line 50 accounts, using one company for Intermusica as such and three 'companies' for the £, € and US\$ client bank accounts. These latter companies have a common account structure, although balance sheet accounts only are used for these. The whole business of foreign currency accounting is much simplified by this arrangement as all debtors and creditors are held in the currency in which they arise, with payments and receipts being in that currency, thus minimising currency conversion costs."

Want to know more?

3 October 2011 IAMA Members' meeting :

Client Accounts will be discussed as part of the agenda: According to the IAMA survey a few years ago, over 50% of IAMA members did not hold separate client accounts due to managements invoicing the artist for commission directly rather than hold artist money. In order to shed more light on the subject and to offer members more practical guidance, a "case study" presentation will be offered by Anderson and Pennington LLP to members, the results of which will be circulated to members on-line.

Retainers: Still not legal in the UK?

UK IAMA members asked the following questions:

It appears that some managements in the UK are asking clients for a retainer. Has something changed?

1. Is a music management agency allowed to charge a retainer?
2. If so, under what circumstances and conditions?
3. If not, where does it prevent it in the regulations?

Taylor Wessing has supplied the following updated information for members:



In general nothing has changed: charging fees for finding a musician employment remains unlawful unless the fee is a commission per booking. If anything

has changed, it is the introduction in October 2010 of cooling off period rights for the musician, thereby improving their protection.

The Employment Agencies Act 1973 (the "EAA"), s.6 prohibits employment businesses or employment agencies for charging work-seekers for finding work. Under the Conduct of Employment Agencies and Employment Business Regulations 2003 (the "Regulations"), at s.26, an employment agency in the modelling and entertainment industries can charge a fee provided that the fee is only a "charge or commission payable out of the work-seeker's earnings from work that the agency has found them". It might be useful to note that "entertainment industry" includes

musicians, singers, composers, and writers, as well as many other more "theatrical" areas (e.g. costume designer or choreographer).

An up-front fee can be charged for including the details of a musician in defined publications for work-seeking purposes. This would include inclusion of the artist's biography on a website or in a magazine. However, the fee must be no more than a "reasonable estimate of the cost of production and circulation of the publication". There is a 30 day cooling off period for musicians, during which time the agency cannot charge for the information and the musician has a right to cancel his/her agreement with the agency.



What about expenses?

From IAMA: Most companies operate on a limit of €150 - €200 without artist consent but many will not incur expenditure at all without discussing it with the artist first. These costs, however, are periodic and can vary. The retainer is something different in our eyes being a set, monthly amount charged to the artist. Is this a "loophole" whereby monthly expenses can be legitimately linked to a service?

TW: In relation to the "expenses point" the EAA does not prevent employment agencies for charging fees for ancillary services (such as photographic services or training). However, they cannot make the work finding services conditional on the worker using the ancillary services. Finally, the agency is required to notify the worker of various basic information, such as what the expense relates to, who it was payable to, and how it was calculated.

In answer to your specific questions:

- 1.No. Our advice would be that charging a standard monthly retainer would be contrary to the Regulations. Any fees for work should be a charge or commission for the booking that the agency has found.
2. The only circumstance in which we could see that a retainer would be permitted would be if there was a regular monthly booking, from which the agency charge was deducted and each month . If there was no work, there should not be a fee.
3. The restriction is found in s.6 of the EAA, with the exemption for specific types of fees for musicians found in s.26 of the Regulations.

Finally, given our conclusion that a retainer is unlawful, it is probably worth mentioning the penalties. Any contract including a provision of that kind would be void, and the worker would be entitled to recover any money paid. It is also a criminal offence to charge a fee, punishable by a fine (although we can only find one reported case where a prosecution has been brought). It is also worth noting the power to make a prohibition order banning a person or company from being involved in an agency business for a specified period. We note from the Department of Business, Innovation and Skills website that around 17 individuals are currently banned from running or being involved in an employment agency, so it is obviously a very real sanction.

Christopher Benson, Special Counsel and Head of Trademarks, Taylor Wessing International

Artist Movement, a temperature reading

The IAMA office has received a number of calls expressing frustration with the current economic climate and contractual relationships are being tested even if they have lasted many years. In more difficult times, artists' expectations can become difficult to manage and sometimes they resort to blaming their managements for not finding them sufficient work rather than keeping the more difficult circumstances in mind.

Here is some advice from members:



Keith Mayler

M.A.M. Management, Austria

In the current economic climate, working together as a team artist/management is more important than ever.

Our artists must be made aware that we are working doubly hard to secure engagements for them with promoters who are suffering huge budgetary cutbacks. Unfortunately, there is an unfavourable attitude creeping in whereby promoters try to contact artists directly, thus cutting out the agent in the hope of saving money. Artists are allowing this to happen which is a fatal mistake for any working relationship based on cooperation and trust.

Fee adjustment and the rethinking of fair fees is a necessity. Working in Austria and central Europe has advantages and disadvantages, Austria being surrounded by eight other countries, all with excellent musicians. Considering promoters' financial concerns hiring local ensembles is becoming an attractive alternative thus averting air travel expenses.

The sharp rise in fee demands for relatively unknown artists outside of the UK, singers in particular, has created a new set of problems in continental competition "Per diem" demands for British orchestras/ ensembles performing outside of the UK are in certain cases almost 40/50% more than European based orchestras/ ensembles. Finally, as agents the representation of any new and, in particular, young clients is becoming especially challenging.



Véronique Jourdain

Véronique Jourdain Artists Management, France

In my opinion, the economic climate encountered in France and elsewhere, I can observe different kinds of attitude among artists:

1) Those who belong to the sought-after group of stars and do not suffer from lack of engagements. They do not even suffer from lower conditions or advantages because promoters want to protect their relationship with those artists and respond to all their wishes.

2) Those who are new-comers and accept any conditions offered because they need to work. They might find the number of engagements not sufficient but, unless a competitor makes attractive – and not necessarily realistic - promises, they have no choice but wait for offers. On the other hand, as far as young and upcoming conductors are concerned, orchestras are always seeking new talents. As to instrumentalists, there is often room for a young inexpensive talent to try too.

3) Those artists who are in the middle range suffer most and are more easily complaining to their managers. They get a smaller number of engagements with comparatively smaller fees than 10 years ago.

I would say that all categories considered, there are artists who appreciate the amount of work done by their managers, the difficulties of our times and try to be as accommodating and helpful as possible. And there are spoiled artists who cannot understand that times have changed, that the worldwide competition has drastically increased in the last few years, that the administrative part of the work their managers have to deal with take much more of their time than before, and that as a consequence they spend more energy fighting the elements rather than organising the elements

Perhaps one should say that, more than ever, trust and confidence prevail and that the quality of the relationship between artists and their managers is the key element, whatever the economic difficulties.

IAMA Awards



Patrick Garvey

Patrick Garvey Management, UK

I have always tried to view difficult things as an opportunity to discover their silver linings and turn them to advantage. So with clients I like to be positive when handling hard realities and not distance myself from their problems as they can all too easily reflect on my agency if not properly dealt with. Together we are a team as, in a wider sense, we artist managers, artists and promoters all are, too, and we are stronger when united but weaker when disunited.

Communication occurs when information is responded to and problems arise when the message is not heard or discussed. So, in my opinion giving information before difficult choices have to be faced is key and that is what I have tried to do as we have entered these hard times. The result is: so far, so good!



Leontien van der Vliet

Interartists, The Netherlands

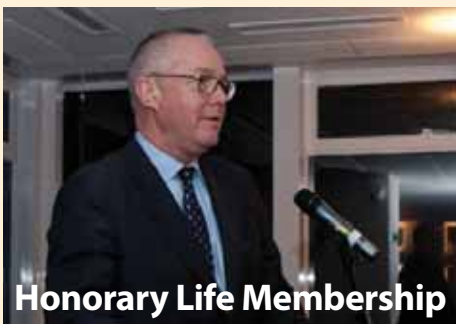
In the fast changing cultural climate of the last years, I indeed have experienced an increase of workload in my agency. The process of selling concerts needs more time and

specialised attention. For instance, in chamber music, one of the strong features in the Dutch music life, many things have changed. I now need to spend more time on publicity activities because several theatres have had to fire specialised staff.

The music market requires inventiveness and new ways to attract the public for classical music concerts. Artists, who are often more than willing to change their strategies, are looking for somebody who can support them in making the right choices. It is obvious that they first try to find personal coaching at our management, but unfortunately it is not possible for us to help them all.

With a relatively small staff Interartists Amsterdam has decided to work for fewer artists, a specialised group, in a greater territory. The work relation with every artist has intensified and I feel I now can offer better servicing, which makes my work more enjoyable. So, the cultural climate in the Netherlands is a bit like winter, but we look for opportunities and try to make it feel like spring!

Two IAMA awards given: IAMA Honorary Life Membership 2011 and IAMA Award 2011



Honorary Life Membership

Jonathan Groves (Ingpen & Williams) received IAMA Honorary Life Membership at the 2011 IAMA International Conference - an award given to a candidate who has invested substantial time and expertise into the development of the artist management profession. For over twenty years, he has headed the BACA/IAMA Opera Committee and has been at the forefront in leading both the IAMA New York committee of members and IAMA Europe into agreeing a new media rights

contract for opera houses who wish to roll out a media and recording legacy. Honorary Life Members also are the profession's elite group of advisors and include: John Bickley, Virginia Braden, Martin Campbell-White, Harold Clarkson, Jasper Parrott, Masayuki Sekita, David Sigall and Marie-Anne de Valmalete. Jonathan is founding board member of Young Concert Artists Trust and is an active Board member of the Board of Governors of the Royal Northern College of Music.



IAMA Award 2011

Amelia Freedman CBE received the IAMA Award 2011 from the Board of Directors. Amelia has been a loyal member of the Association and is widely recognised for her work as a Festival Director, Artistic Director and especially for her commitment to commissioning new works. Throughout her career, she has inspired musicians and audiences and demonstrated an unswerving commitment to musical excellence. The Nash Ensemble is one of the jewels in her crown and the Association's Board had no hesitation in approving her nomination for the

2011 award. She has received numerous honours over her career including recognition at state level from France, the Czech Republic and United Kingdom. She has also received awards from the Royal Philharmonic Society and Performing Rights Society in the United Kingdom. Last year's award in Paris went to Pierre Boulez and previous candidates include Alfonso Aijon, Reinhard Goebel and Lee Lamont. Her award was presented to her by composer, Mark Anthony Turnage, a rising star in contemporary music.

Conference report: Emerging Stronger – Inspiring Artistic Leadership in a Changing World



Stephen Lumsden

The 21st IAMA International Conference chaired by Stephen Lumsden, Managing Director of Intermusica, took place at London's newest concert hall, Kings Place. What was anticipated to be a contained attendance due to the economic situation, turned out to be a record attendance

IAMA's 21st International Conference held in London was, as I hoped, a dynamic and positive occasion which drew the largest list of delegates from a greater number of countries than ever before. Kings Place proved to be an ideal venue for such a conference with light, transparency, canal-side aspects and plenty of room on the trading floor for meetings and social networking. The panel sessions brought many important leaders from the music world debating what makes artistic leadership so critical in the 21st Century.

Sir Clive Gillinson's inspirational Keynote address spoke of the opportunities that can arise from the development of both space in the physical sense and of there being no room for artistic compromise in the face of the forces of recession and downturn. The subsequent debating session with Sir Clive, Pierre Audi and Jude Kelly showed the extent to which venues and festivals are reaching out to audiences through diversification and a pioneering approach to programming, each deeply passionate in advocating their artistic viewpoints. All believe fervently that leading their audiences into new and challenging areas was key to sustaining and developing their constituency.

In a telling moment of mutual honesty all agreed that they, and the music business in general, had failed to make the case to politicians sufficiently well for the importance of arts and culture in our societies to be properly ingrained and that that was more essential than ever. A fascinating debate between Deborah Borda of the Los Angeles Philharmonic, Kathryn McDowell of the London Symphony Orchestra and Andreas Schulz of the Leipzig Gewandhaus pointed up both the uniformity of top level artistic aspiration as the front of everything that they do and the need to lead their organisations through that imperative wherever and at whatever level you are.

The degree to which the three very differing financial models, let alone histories, of these great orchestras plays into how their missions are created and how their audiences are developed, provided ample evidence that the dynamo of artistic innovation is alive and vibrant in the three L's, London, Leipzig and Los Angeles.

The debate on the ever-present and controversial area of the star performer brought together some pertinent and

refreshingly honest appraisals from Paul Moseley of Decca, Nick Matthias of IMG Artists and Timothy Walker of the London Philharmonic Orchestra. All seemed to agree that the importance of the star artist remains but that it has a declining influence in terms of sales. The dangers of creating stars that are ill-fit or prematurely launched was revisited when Riccardo Chailly opened up in what proved to be not only a highly enlightening, amusing and inspiring interview (brilliantly conducted by James Jolly) but a masterclass in pointing out what is essential for aspiring young conductors to address and learn, as well as all those who work with artists in whatever way.

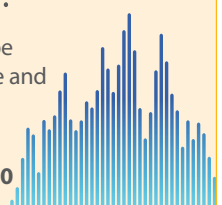
**Stephen Lumsden, Managing Director,
Intermusica and 21st IAMA International
Conference Chairman**



Listen in:

The Chailly interview can be heard on the IAMA website and it is highly recommended listening:

www.iamaworld.com/190



Sharing a Vision

Sir Clive Gillinson, Artistic and Executive Director, Carnegie Hall gave the opening keynote address which was in itself a practical demonstration of inspiring leadership in difficult times



The Carnegie Academy and the expensive redevelopment of a famous New York hall was exactly an example of bringing partnerships about that would inspire enthusiasm and imagination.

To quote Sir Clive, “...it is never about asking for money but sharing a vision ... whatever it is”.

He pointed out in the panel session that followed that this approach in the music business was always relevant including conversations that happen between artist manager and promoter. He maintained that listening needs to be part of the process and understanding mutual concerns and ideas were essential to moving things forward in difficult times. For Jude Kelly, Artistic Director, South Bank Centre, London and Pierre Audi, Artistic Director, Holland Festival and Holland Opera, the challenge is to engage political opinion at every level and for Jude, it was educating the educated in the City that was the challenge – those who had money and

influence were often disinterested or had little idea about the value of music and the arts in people’s lives.

Selling the idea of subsidy for the arts, Pierre Audi remarked that it would not exist in Europe within 30 years if the sector did not think carefully about its value and how it should be portrayed to the decision makers – certainly a clarion call, it seems.

Friday, 15 April

Technical sessions followed on both Friday 15 and Saturday 16 April during the early morning slot. The issue of contracts and cancellation have been a pressing issue for many in the sector and this has been tested several times over the last two years. Mark Boon, Managing Director, La Playa was joined by Brian Taylor Goldstein, Partner, FTM Arts Law and Christopher Benson, Special Counsel, Taylor Wessing International.



“I think what came across was that, while no one will ever be able to anticipate every possible occurrence that could result in the cancellation of an engagement or tour, a well-drafted contract might be the most important tool for evaluating and managing risks and contingencies. The booking contract should be seen as more than just a convenient method to confirm engagement fees and travel arrangements. Rather, it is a means through which parties can raise a myriad of issues of mutual concern and agree upon how to address them.

This can include such topics as which party is responsible for obtaining visas, what happens if weather prevents or delays travel, whether the performance can be cancelled in case of illness, whether or not deposits are refundable, whether there is an obligation to reschedule a cancelled date, whether or not cancellation insurance is appropriate or required, and who bears the burden for costs. As opposed to being a trap for the unwary, or a path to litigation, the contract can be employed creatively to develop a comprehensive checklist of issues and concerns that will facilitate communication, encourage problem solving, and, in many instances, avoid what would otherwise have been an unavoidable cancellation”.

Brian Taylor Goldstein,
Partner, FTM Arts Law.



Ice-breaker reception

Ice-breaker:

The newly opened St.Pancras Renaissance London Hotel at St Pancras International Station was a new venue for all delegates. Lovingly restored to its former Victorian glory, it succeeds in conjuring up an age of steam trains except today its Booking Office Bar and Restaurant opens up on to the platforms leading to a sleek line of Eurostar locomotives.

Conference Report

The orchestral panel session included an illustrious line up including Deborah Borda, President & Chief Executive Officer, Los Angeles Philharmonic Foundation, Kathryn McDowell, Managing Director, London Symphony Orchestra, Prof. Andreas Schulz, Chief Executive Officer, Gewandhaus zu Leipzig, ably moderated by Evans Mirageas, Artistic Director, Cincinnati Opera & Planning Director, Atlanta Symphony.

"There is no such thing as status quo - only going up or down", began Evans but turning to the oldest orchestra represented by Andreas Schulz, he continued with a short overview of the Gewandhaus orchestra (founded in 1743). With 185 musicians it is one of the largest orchestras in the world due to a decision taken in 1860 when it had to serve three venues at the same time - Oper Leipzig, das Gewandhaus and die Thomaskirche. The London Symphony Orchestra was inspired by "rebel" musicians who wanted to govern their own destiny so in 1904 it was formed. Today it is based at LSO St Luke's and the Barbican Centre. Around 70-80 concerts are given abroad with about the same number being performed in London. It boasts its own recording label and active community education programme.

The Los Angeles Philharmonic was started after the First World War in 1919 by William Andrews Clark Jr who founded a railway company, was a collector of fine things, a copper baron and

formed the California nudist movement, apparently! He had a hand in the creation of the Hollywood Bowl too and today, this remarkable venue together with the iconic Gehry designed Walt Disney Hall are the two homes of the orchestra attracting over 1 million attendees each year. It also has an active education programming having adopted the Venezuelan programme of El Sistema. LA Phil Live is their own live simulcast label. The orchestra's budget is US\$100 million which is the single largest music organisation apart from the Metropolitan Opera and its endowment stands at an impressive US\$180 million.

In reply to the moderator's question about the challenges ahead, Andreas Schulz defined the continuing need for local community support. The annual budget of €35 million was not fully covered by the city of Leipzig and with cuts underway and pressure from the Federal Bundesland of Saxony, it posed challenges especially as the model of private sponsorship for the Arts is relatively new in Germany. For the LSO, the greatest challenge is how to promote young artists and emerging work effectively in more difficult times. But, as Kathryn McDowell pointed out by having a mixed "economy" (income) some effects of the recession can be cushioned. The point was echoed by Deborah Borda although the crucial element for support in her case was the generosity of the individual. She also added:

"One can never "over-sell the orchestra to the community..and for the LA Philharmonic it is also appealing to the new Hispanic community. The US demographic is expected to be 50% Spanish by the middle of the century but this percentage has already been reached in Los Angeles. How does one speak in a way that different communities feel they are included?... We may have Facebook, digital contacts, subscribers but how are these messages carried out?"

All three of the orchestras have different approaches to choosing conductors and music directors. For the Gewandhaus it is from a point of continuity and there is a specific identity created around the conductor as citizen, community leader and the sound identity of the orchestra. For the LSO, it is playing to the strength of a number of conductors and for the LA Phil, the search for a music director begins when the appointment of a new music director is made.

After lunch, a showcase by the Orchestra of the Age of Enlightenment and the London Sinfonietta, two of the resident ensembles of Kings Place, was given and this was followed by a workshop given by Karyn Prentice to address the practical skills in the art of conversation. The delegation was joined by youth network representatives, Young People in the Arts (YPIA) many of whom are junior members of member companies.

L-R: Andreas Schulz, Kathryn McDowell, Deborah Borda and Evans Mirageas



Audiences are not a problem, just attitudes...

What will the orchestra of the 21st century be? Are audiences becoming older threatening the future of an orchestra?

For Andreas Schulz, it is also important getting younger people familiar with the building - not just a place for "other people". An hour concert with contemporary music (as Felix Mendelssohn did in his time) followed by three dance floors ensures involvement and exposure of the public to the concert hall space. He pointed out that the

idea is not just an event but had an historical root too. For a London public, subscriptions are less dependable and contemporary music plays a more difficult role in a programming. The LA Phil has a subscription rate of 68% but has an average hall capacity over 93% such is the nature of spontaneous ticket buying.



L-R: Timothy Walker, Nicholas Matthias, James Jolly and Paul Moseley

“The Celebrity syndrome is here to stay but the danger of star culture is too much too soon...” Paul Moseley

Saturday's events got off to a busy start with one of the best attended early morning technical sessions chaired by Janis Susskind and Costa Pilavachi entitled: “Who is Afraid of New Media”. Apart from feedback from the media day, it was clear from this session that members really need further discussions to take place whether the subject matter includes details of a record deal or what social media means to the industry today.

The conference evaluation gave a thumbs up for the session: “How has the Concept of the Star Performer Changed?” Moderator, James Jolly took the chair posing questions to Nick Matthias, Senior Vice President and Co-Director, IMG Artists; Paul Moseley, Managing Director, Decca Classics and Timothy Walker, Chief Executive and Artistic Director, London Philharmonic Orchestra.

A star was defined by Timothy Walker to be somebody who is a great artist. A super-star is somebody who appears on front page mainstream magazines. Nick Matthias believed a super-star is a stella talent like Bernstein or Rubenstein who were not necessarily on the front page. To him, a star is built over many years towards super-star status. What the media and the audience do after that is added to what the artist can already deliver. Paul Moseley's measure was anyone who sold 100 000 CD units although the trend of sales is still downwards. For the audience in London, repertoire is key to driving audience subscription. Commenting on the LPO's database, Timothy Walker quoted 8% of the audience coming regularly i.e. 6 times in a year but many come just once a year. His point was that fashioning a season is more important

along repertoire lines rather than a line up of well known names. Nick Matthias agreed that one of the fundamental things an artist manager had to do was get to know the artist really well and see what directions would be suitable for the artist. Echoed by Paul Moseley, one had to work in the context of the artist and know what would work artistically at an appropriate time in the market.

For Decca, the celebrity syndrome is here to stay but the danger of star culture is too much too soon with media adding to the damage when things go wrong. Timothy Walker also pointed out that “famous” was dependent on different markets e.g. Korean artists might be very well known within Korea but not outside. The presenters in Korea like local stars as this builds the system although the visiting orchestra might have a very different artistic agenda. His point was that one should not have one approach to markets and a degree of flexibility is required.

The closing conference dinner was held at Altitude 360 degrees – probably better remembered for its views than food but it gave delegates the chance to see view of London from a new perspective – something we hope the conference achieved over the three days for all those who attended.

Our grateful thanks especially to **Musical America Worldwide** who have supported the conference in sponsorship for the last ten years; **MünchenMusik**, **Gig Magazine**, **Intermusica**, **Konzertdirektion Schmid** and the **Gürzenich Orchester Köln**.



Riccardo Chailly and James Jolly

The highlight of the conference was the interview between Riccardo Chailly, Kapellmeister of the Gewandhausorchester Leipzig and James Jolly, Editor-in-Chief of Gramophone Magazine.

His life and musical career was a point of fascination for many and the well-attended session gave rise to a real buzz about the afternoon.

Evaluation results:

- Only 25% of delegates thought that we should use Twitter and Facebook
- 75% of delegates thought that the conference was value for money
- 50% of delegates attend on an annual basis
- Less than 50% of delegates were artist managers.



Foreign Exchange

Some financial advice from Robert Tench, Intermusica

As a UK based international agency, Euro and US\$ transactions comprise the greater part of both client funds and our revenue and effective currency management is important to reduce costs for both ourselves and our clients and to reduce currency fluctuation risk. To this end we have put in place the following:

- Conversion facilities have been negotiated with third party specialists to convert currencies at rates that are well below 1% from the 'spot' market rate that determines the conversion cost. By comparison our main bank charges over 2% from 'spot' rate – typically we save around 1.5 % on these currency conversions.
- Not only do we save 1.5% on the majority of our revenue, but we also offer this facility to our clients, which encourages them to have their fees paid directly to us. This is especially attractive where large fees are involved.
- We do everything possible to keep funds in the original contract currency. In the past currency commissions used to be paid into a sterling account, and the bank converted them (at 2%+ cost) on receipt. Now they are paid into the correct currency account and converted 'in bulk', using the special facilities.
- Where possible, we 'swap' currencies at the prevailing spot rate and bi-pass the bank completely. This might be either for clients, for example matching those earning £ and wanting € with those that earn € and want £, or for the company, for example where Euro commission income may be used to pay € costs directly.
- For our own €/£ conversion requirements, we have been using the forward market to secure a particular exchange rate for the next year or more. In this case, we contract to convert a given amount of currency at a fixed rate over a defined period. It is a matter of luck whether one wins or loses versus the movement of the market, but we consider it valuable to insure against, for example, unpredictable swing in a volatile market.



Robert Tench
Director of Finance & HR

Robert Tench graduated from Bristol University and initially worked in marketing at British Leyland. He later qualified as a management accountant (FCMA) and moved to Rank Xerox, where he worked for 23 years until the beginning of 2001 when he moved to Intermusica, joining the Board in 2002.

His roles at Rank Xerox included Financial Controller of Eastern European Operations, Financial Controller of Xerox Russia and a senior role in Internal Audit. His work at Intermusica has included the restructuring of its finance department as well as other varied corporate activities.

In 2006 he took on responsibility for Human Resources in addition to finance. Robert is married to a lecturer in Criminal Law and has three children.

New Opera Committee Chair

Jonathan Groves handed over the reins of the opera committee to Julia Maynard, Director of Intermusica's vocal/opera division.



Julia Maynard read Modern Languages at the University of Durham, and joined HarrisonParrott in 1986 as Concerts Manager in the Singers Department. She later spent two years in Madrid as Casting Coordinator at the Teatro Real under the Music Directorship of Antoni Ros Marba, before returning to the UK and starting up a new Vocal Department at HarrisonParrott in 1994.

She later moved to IMG where she enjoyed managing the careers of many distinguished singers including Gerald Finley, Michael Schade, Russell Braun, Ana-Maria Martinez and Bejun Mehta. In 2006 Stephen Lumsden invited Julia to run the Vocal & Opera Department at Intermusica. Julia has two daughters and a son, and is married to the Consultant, Physician and writer Dr David Williams.

The next Opera Committee Meeting will be 15 September 2011, 15:00-17:00, Savile Club, London. To register your attendance, email Marlena on: ms@iamaworld.com

Report: Media Day 13 April 2011



Janis Susskind



L-R: Kathryn Enticott, Michael Fine, Richard Morrison, Florence Siebert and Andy Doe

The first IAMA Media+ day was presented a day before the conference on 13 April at Kings Place with the aim to bring together the business sectors of record company, new media, publishers and artist managers

IAMA has been involved in a number of media rights initiatives in the past and while this was not exclusively a focus on media rights, the conversation between the parties paved the way for exploring the issues and ideas that could contribute towards a better understanding all round. Unusually, very few people made this their business meeting day with almost all delegates choosing to attend the three main panel sessions curated by Costa Pilavachi, Senior Vice- President, Classical A&R, Universal Music Group and Janis Susskind, Director, Boosey & Hawkes.

To begin the day, Deborah Borda, President and Chief Executive Officer Los Angeles Philharmonic Association gave a keynote that emphasised the need for organisations to embrace ideas and new technologies to enhance what they were doing. "Time of many voices, to many ears, to many eyes too" was the phrase she used to underline the importance of providing platforms for people to interact with music organisations not forgetting the eye which should be included in planning today's seasons and interactive options using the internet.

"Who would have thought that a conducting "app" for the iphone would be a way of interacting with music, the orchestra as well as providing a revenue stream?" **Deborah Borda**

The first session took stock of the classical recording industry's value chain and whether it was still relevant in the context of today's consumer. Andy Doe, Chief Operating Officer,

Naxos, Kathryn Enticott, Director, IMG Artists, Michael Fine, consultant to the Seoul Philharmonic and Rotterdam Philharmonic, Florence Siebert, Vice-President, Business Development Classical, Universal Music Group International moderated by the Times cultural writer, Richard Morrison explored ways in which the value chain had changed for the recording industry. The panel was in agreement that the appetite for classical music was even more widespread than in the past but getting people's attention was the issue in a crowded market place. To Michael Fine, the future market of Western classical music is in the Orient which had developed an insatiable appetite, especially the younger generation, backed by the endorsement of the authorities who attended concerts and were seen to support a flourishing scene. Giving his thoughts on the value chain in recording, orchestras should record because:

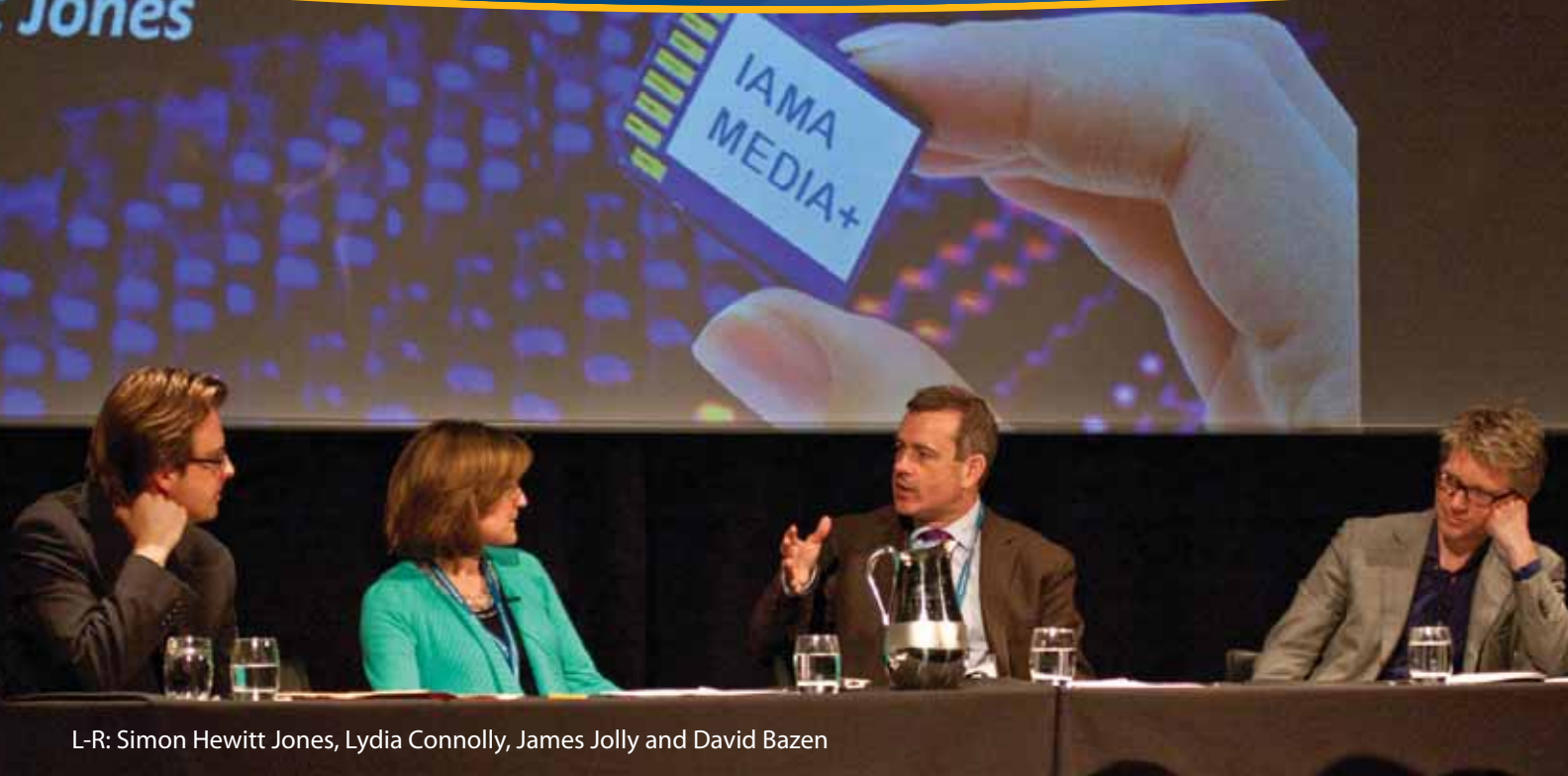
- It is good for promotion
- Artistic quality improves in the orchestra
- It attracts better musicians
- Can be used in physical and digital circulation

Kathryn Enticott believed that the major shift in the way artist managements and record companies interacted with one another had occurred over the last ten years. In the past, there was little referral by the record companies to the artist manager in soliciting advice - such as suitable repertoire. It's now more collaborative and indeed, some of the traditional boundaries



Costa Pilavachi

are becoming blurred between the worlds. In some respects, the shortening of the distance is regrettable too since one needs to also maintain perspective on the artist's career with independent partners, she reported. Florence Siebert recognised this point too but put the concept of 360 degree contract into perspective. The need today to co-ordinate many aspects of media, strategy and management had its advantages. For example, a media campaign of both traditional and new media could become fragmented if it lacked focus and coordination. Such wasted opportunity cannot be afforded in a crowded media market place. For Andy Doe, his remark "I stare at a warehouse floor with 2 million cds waiting to be shifted." provoked a laugh from the floor. For many the value chain still meant physical CD sales and it was pointed out that the classical market is a very loyal market which values quality.



L-R: Simon Hewitt Jones, Lydia Connolly, James Jolly and David Bazen

Session two began after lunch with James Jolly, Editor-in-Chief, Gramophone Magazine moderating David Bazen, Business Manager, Royal Concertgebouw Orchestra, Lydia Connolly, Director, Harrison Parrott and Simon Hewitt Jones, violinist - asking what roles the new record producers fulfilled and how it changed relationships

The point during this session picked up from the first session was that all possible media platforms for artists should be used but there needed to be an integrated strategy that made sense in the artist's career path. David Bazen believed that the concert hall was still the prime space for delivery. In his experience, the digital concert hall will only increase the audience but not revenue. To his mind, the concert hall is still not a very interesting visual image although some organisations have been experimenting to make it more attractive - often receiving a mixed reception. Lydia Connolly stressed the feeling of being invited to a concert, something Deborah Borda touched on in her address.

The Hispanic community in Los Angeles knew of artists on stage but did not necessarily feel part of the place. Some change had occurred as they aspired to get on in society but it was not until they were invited to attend that they responded. "Looking outside in" is something most managements do not do - to their disadvantage. Robert von Bahr of BIS records told the panel he was surprised that during the debate the digital quality of the sound experience had not been more fully explored. This was why, in his opinion, the CD had succeeded and still succeeds in doing to this

day. Low quality delivery is surely the enemy of the sector, he maintained.

But Jessica Lustig in the audience pointed out that the role of "raw versus polished" was a significant factor for the audience in understanding process and experience in the framework of judging something critically. Aesthetic judgement could be greatly enhanced which was positive for the development of music appreciation. By example, she referred to the interest of the audience in the backstage/rehearsal part of the process that hitherto was not at all seen to be of interest but is. Certainly, one should not make judgements how people want to consume their music and what intrigues them in the end to make the journey.

The last session moderated by Norman Lebrecht included panellists, Jessica Lustig, Managing Director, 21 C Media Group Inc. , John Minch, Chief Executive, Iagem UK , Jasper Parrott, Chairman, HarrisonParrott and Bogdan Rošćić, President, Sony Classical. The title: "Superman: Tomorrow's Artist Manager" was not addressed satisfactorily during this 90 minutes session although no delegate was without an opinion about what went wrong

(and right) in this session! Would any member wish to let IAMA know what they feel it means to be a "super-manager"?

Thanks to: **Gramophone Magazine** for being the media day partner and to **HarrisonParrott** for sponsoring the evening reception, and to Janis and Costa for being such great co-chairs!

Evaluation results:

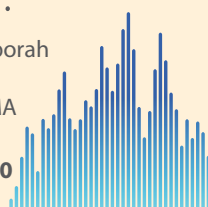
- 58% of delegates thought the Media day should be repeated and 37% thought it should be part of the IAMA International Conference
- 67% thought a separate media day should be repeated annually



Listen in:

An audio recording of Deborah Borda's keynote can be downloaded from the IAMA website:

www.iamaworld.com/190





The Bribery Act 2011

The new UK Bribery Act

A number of members raised the implications of the new UK Bribery Act which IAMA referred to Taylor Wessing International for expert advice. It's important to bear in mind and members would do well to take note of the contents of the revised Act and have the necessary paper work to hand. After reading it, and composing your own company statement, you might want to submit the document to IAMA for a second opinion.

Legal advice:

On 1 July 2011, the Bribery Act came into force and IAMA was prompted to investigate its implications for the sector. It's interesting to note that the other music associations have not paid attention to the details of the Act and have a mixed response to what they offer their members. We take the attitude that it could affect members in the future and good practice means that member companies need to be aware of its implications and decide what is appropriate within the context of their own operation. If there is something documented and on record, your compliance is less in doubt.

Our advice:

Unlike equivalent provisions in other countries

the Act prohibits not only the bribery of individuals working in the public sector but also the giving and receiving of bribes within the private sector. This could mean that at some point in future our industry will be under scrutiny. Companies in our sector could be found liable not only for the acts of its employees but the acts of third parties who do business on their behalf (even if those third parties are not based within the UK).

The Act creates three main offences (1) payment of a bribe; (2) receipt of bribe; and (3) payment of a bribe to a foreign official. The definition of what constitutes a bribe is very wide and includes the promise of, or gift of, any financial or other advantage to another person. In order for an offence to have been committed under offence (1) and (2) the advantage must be paid with the intention that the recipient will improperly perform his or her function or duties. With regard to offence (3) the briber must intend to influence the foreign official in his capacity as an official.

The Act also contains the so called "commercial offence". An offence will be committed by any member carrying on a business in the UK if any person associated with it commits one of the

offences above. Associated persons are not just employees but any individual or organisation that is performing services on behalf of that member. The only available defence to this offence will be if the member can show that at the time the bribery was committed your company had in place adequate procedures to prevent bribery (see below).

It is important to note that the Act is designed to prohibit bribery and not hospitality. Genuine hospitality which seeks to improve the image of a member's company, to present a member's products and services and establish business relationships are not prohibited by the Act. It should, however, be acknowledged that bribes can often be disguised as hospitality. Companies should avoid providing hospitality in situations where it could be inferred the hospitality was paid as a bribe i.e. show that there was an intention to induce improper performance or influence a public official. For example, the more lavish the hospitality the more likely the inference that it was intended as a bribe. Hospitality should not be lavish but instead kept to the kind of hospitality that is reasonable and considered normal within our industry.

Continued over



Continued from page 13

Adequate procedures

In order to have a defence to the commercial offence outlined above members must have in place adequate procedures to prevent bribery. The UK government has provided guidance on what constitutes adequate procedures. This guidance states that companies' procedures should be informed by the following six principles:

1. Proportionate procedures

The procedures members should take must be proportionate to the risks they face.

The level of bribery risk that a member may face will depend on the size of its company and the nature and complexity of its business. The majority of IAMA members should face low bribery risks as they are small companies working in a low-risk sector and with operations in low risk territories.

IAMA members should consider putting in place an anti-corruption policy that considers areas such as the giving and receiving of gifts and hospitality, financial controls such as approval of expenditure, the communication and training of the policy to staff and the levels of checks required when taking on new staff and other associated persons.

2. Top level commitment

Member's top level management should ensure that staff and those who do business with or for the member understand that bribery is never acceptable.

3. Risk assessment

This requires members to assess the nature and the extent of their exposure to external and internal risk of bribery. This assessment needs to be periodic, informed and documented.

Members should assess both internal and external risks of bribery. External risks of bribery include perceived high levels of corruption in a country where the member operates and the types of organisations the member does business with. Internal risks include lack of employee training and a bonus culture that rewards excessive risk taking.

4. Due diligence

This is about knowing who you do business with. Companies should consider undertaking due diligence in respect of persons who will perform services for and on behalf of the member. The amount of due diligence you undertake should be proportionate to the risks faced.

5. Communication (including training)

The communication of bribery policies and procedures to staff and associated persons will deter bribery by enhancing awareness of the member's procedures and its commitment to their proper application. Training should be used to raise awareness about the threats posed by bribery in general and the sector areas in which the member operates.

6. Monitoring and review

Members need to monitor the effectiveness of the procedures they put in place and make improvements where necessary.

Should members have any questions about their approach, please contact the IAMA office for further guidance.

The Act is presented on the IAMA website under Legal helplines.

The direct link to details of the act is:

<http://www.legislation.gov.uk/ukpga/2010/23/contents>

Catherine Le Bris highlights changes to the law regarding artist managers: Décret no. 2011-517 du 11 mai 2011 relatif aux agents artistiques. A full document is posted on-line under legal issues on the IAMA website



The Artists Manager's licence is no longer required, but there is a requirement to be registered with the Ministry of Culture.

In order to work as an agent in France, one needs to provide the following:

1. Surname and Forename
2. Professional contact details including telephone and e-mail address
3. Name of the company
4. Status of the company (e.g. whether it is a limited company, or not)
5. The agency's type of roster
6. A letter to declare that the agent is not involved in film or recording production.

Any agent from the EEC or any affiliated country who is doing business in France is required to register, according to the Décret No 2011 - 517. The registration is for life and a document proving that you have registered should be sent to you.

The agent is a representative of his/her artists and the definition of its role is described, as follows:

- to defend the artists interests
- to assist the artist in the management of his/her career
- to deal with all contracts
- to promote the artist
- to examine all proposals
- to manage his/her diary and deal with the press
- to negotiate and supervise contracts and the application of their terms

A contract is established between the artists and the agent. The contract specifies 1) the mission of the agent and its applications 2) the level of the commission and 3) the duration and conditions for termination of the contract and it must come without cost to the artist.

IAMA Membership benefits:



Membership of the only world-wide association for professionals in Artist Management gives you the benefit of:

- Collective Best Practice recommendations for the sector and raising of professional standards

- Access to a pool of professional expertise:
 - International Tax advice through Baker Tilly and Legal Advice helplines through Taylor Wessing International and FTM Arts Law (USA) and Studio Legale (Italy)
 - Access to an international arbitration scheme run by the Independent Dispute Resolution Service Ltd
- Preferential delegate fees to attend the IAMA International Conference
- Listing artists and company in the directory www.ClassicalMusicArtists.com
- Information and technical support from the IAMA full-time staff members for instance:
 - Immigration advice for visiting artists
 - Information on developing markets in music
 - Contract and media approaches
 - Regular Newsletters, e-bulletins and reports of meetings
- Start-up company mentorship scheme
- Participating in shared issues and lobbying opportunities
- Discounts on publications, seminars and hotels as negotiated
- Membership access to restricted information and specialist advice such as the IAMA watchlist of reported companies
- Young International Performers (YIP) including artist showcases (Non-profit members)
- Voting rights (full members) and the opportunity to become involved in the Association's elected governance structures (all)

The Association exists to support your business needs whatever they may be.

Welcome to new members

Since the last newsletter we have the following members to welcome:

FULL MEMBERS

AUSTRIA

A.Kleibel Collaborative Artists Management

Czerningasse 8/9

A-1020 Vienna

www.a2kmusic.com

Tel: +43 699 1947 3893

International Artists and Project management, Recording and Production Management, A&R Consultancy.

FRANCE

OZ Artists Management

9 bis Villa St Mandé

F-75012 Paris

www.oz-artists.com

Tel: +33 1 4340 2707

Fax: +33 1 4340 2707

OZ Artists Management is dedicated to represent and support outstanding instrumentalists, conductors and composers on their careers and projects.

THE NETHERLANDS

GE#sharp artists events

Hooghiemstraplein 15

NL-3514 AX

Utrecht

www.ge-sharp.eu

Tel: +31 65 511 8544

We offer advice and support in music production, professionalisation, budgeting, fund raising and sales. Our tailor-made services result in policy plans with clear missions and objectives, marketing strategies and sales programmes, or in the execution of production, tour and festival plans.

Cicerone Music and Art

Glacisweg 75

NL-6212 BN

Maastricht

www.ciceronema.com

Tel: +31 6465 60903

Office for artists and project management. Coordination and production of competitions, festivals and events.

NORWAY

Classical Management

Vallerveien 152F

N-1346 Gjetlum

www.classicalmgt.com

Tel: + 479 5120 807

Representing Norwegian classical musicians with expertise in Chinese market.

SWITZERLAND

Interclassics GmbH

Grundstrasse 9

8320 Fehraltorf

www.interclassics.ch

Tel: +41 43 537 39 13

Artist management and concert production

AFFILIATE MEMBERS

AUSTRIA

Wiener Konzerthaus

Lothringerstrasse 20

A-1030 Vienna

www.konzerthaus.at

Tel: +43 1 24200 120

Fax: +43 1 24200 111

The Wiener Konzerthaus is one of the largest and most artistically progressive institutions in international musical life. During the course of a season, which extends from September to June, some 750 wide-ranging events take place and more than 600,000 visitors can listen to around 2,500 different compositions.

FRANCE

Opus 87

65 boulevard de Clichy

F-75018 Paris

www.festival1001notes.com

Tel: +33 981 6060 99

Music Classical Festival in Limousin

GERMANY

Konzertbüro Schoneberg

Waldstr. 14

D-10551 Berlin

www.schoneberg.de

Tel: +49 30 2244 59911

Fax: +49 30 2244 59923

Promoter

Bell Arte Konzertdirektion

Schlehubuschr.1

D-80997 Munich

www.bellarte-muenchen.de

Tel: +49 892 7375961

Fax: +49 892 7817728

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London,

WC2E 9DA

Tel: +44 7770 772939

Accountancy and tax services for music and theatre companies and artistes.

Classical Music Artists - Who represents whom



The 2011 edition of the printed directory is available to purchase now. Members can purchase a copy at the discounted rate of £20 (Pounds sterling).

Order forms can be downloaded from the website: www.ClassicalMusicArtists.com

The CMA directory contains over 8,600 entries of artists and ensembles represented in over 50 countries worldwide, and information on over 250 leading international artist management companies.



The IAMA Newsletter is the journal of the International Artist Managers' Association

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