

Let's start with a little background. The majority of celebrity entertainers reach a level in their careers where (1) they can no longer effectively handle their booking responsibilities alone; and (2) they can finally afford to pay a percentage of their artist fee (typically 10%) to hire an exclusive booking agency. For these reasons, national recording artists and other celebrity entertainers (e.g. comedians, motivational speakers, etc.) are booked through the major exclusive agencies like William Morris Endeavor, Creative Artists Agency and Paradise Artists among others. By their very nature, an exclusive agency books only those artists on their respective roster. There are a dozen or so of these major agencies that account for booking the majority of the top national celebrity entertainers and another hundred or so boutique agencies exclusively booking the remaining artists operating at this level.

The festival manager has several options to book talent through the exclusive agencies. They can book their artists directly or an alternative is to book through a professional talent buyer or a type of non-exclusive booking agency referred to in the industry as a middle agency. For perspective, this correlates with Real Estate sales where you can buy a home directly from its owner or contract with a Real Estate agent who will coordinate the entire sales process for a fee. Below we'll identify the pros and cons of each option.

DIY - The Good, the Bad and the Ugly

Often seasoned festival managers gain experience over the years booking national artists and understand the process well. Sometimes it's a staff member who booked bands in college who's given the reins by default. We will refer to this as the Do It Yourself approach. While this can be a viable solution, it's worth considering what the real value is of expending already-stretched staff resources along with the opportunity cost of not spending time on other event related issues like sponsor development, marketing, and staff oversight. Even so, some festival directors feel it is an important role they play within the organization to personally shoulder the talent buying process. The motivation can be straight from the heart but the execution may not be the most efficient use of staff time. Some rationalize that the DIY model will save the organization money by "cutting out the middle man." Chances are good that it won't provide any material savings. Once all costs are considered along with the minimal financial leverage of a one-off event, achieving lower artist fees by booking an artist on sequential out-of-market dates is not realistic with a Do It Yourself scenario.

Booking multiple entertainers may preclude contracting all of your artists through one exclusive agency, further compounding the human-resources issue. It is also important to know that an exclusive agency's fee is paid by the artist out of the gross artist fee creating a financial incentive for the agent to keep the fee as high as possible. A ten thousand dollar reduction in the artist fee effectively takes a grand out of the exclusive agency's earnings. Given the fact that exclusive agents work with a finite number of artists who have a limited number of open dates (a.k.a. inventory) they are trained to only provide enough information to the buyer to elicit an offer. An exclusive agent will not discuss an artist's current concert attendance, ticket prices, or provide any real quantitative evidence that might indicate the potential of the artist's ability to draw a crowd. While they are financially incented to close the sale, the exclusive agent (on many levels) functions more like an order taker than a proactive order getter. This is understandable as the busy agents not only deal with hundreds of buyers a day but don't want to be held accountable for you booking one of their artists based on opinion - only to see ticket sales do poorly. If you are booking direct with the exclusive agents you should exercise diligence by researching current tour histories, recent airplay, and personal background (i.e. drinking, drugs, no-shows) that may reflect poorly on the artist and your organization before submitting an offer and closing a deal.

Talent Buyers Can Shop Around

It is common for an experienced talent buyer to evolve into their position after working many years for a promoter, a venue, or a booking agency where they have developed industry contacts and relationships with the major exclusive agents over time. These talent buyers can easily navigate through the agency gatekeepers and often talk to the agents daily about multiple buying opportunities for their clients. They can be an invaluable source of information for you and the advantage they share with a middle agent is that neither of them is limited to booking artists from one exclusive roster. They can check availabilities on any artists you are interested in booking, which may involve discussions with many exclusive agencies. The main difference between a talent buyer and a middle agent is that a talent buyer normally limits their involvement on your event through the booking process. They can provide you with all of the pertinent information you need on which to base a booking decision. Their value lies in their ability to leverage their experience, negotiating

skills and potential routing opportunities to secure an artist for you at the best price. They will also recommend changes to the contract for your approval that will protect your interests and reflect industry best practices. Talent buyers may charge either a flat amount (\$2,000 to \$2,500) per artist booked or a percentage of the artist fee (often 10% depending on the artist fee). Agreeing to a flat rate or capping their commission keeps the financial incentive from increasing along with artist fees. Generally, the amount of time the talent buyer spends on booking a \$20,000 versus a \$50,000 act is the same, so depending on your total talent budget it's usually to your benefit to negotiate a ceiling on the fee.

In any case though, good talent buyers (like middle agents) will "pay their way" by saving you more money than the fees they charge. Specifically, talent buyers will (1) save you time (= money) by acting as a clearinghouse for all communication with the exclusive agents; (2) potentially save you money by using their contacts and relationships to route artists into neighboring cities and states to achieve discounts on their artist fee; (3) be offered opportunities by exclusive agents to book acts who are "on their way up" at entry-level rates as a result of their long-standing relationships.

Middle Agents Work Best at the Front of the Line

Middle Agents buy talent also but differ from more limited service Talent Buyers because they typically offer a larger suite of services (in addition to talent buying) that can also include onsite stage and production management, artist rider fulfillment (i.e. coordinating internal ground transportation, flights, Hotel, and catering for the artists). Many middle agents provide turnkey, soup-to-nuts solutions that can also include marketing, production, security management, concessions management and infrastructure design (i.e. fencing, table, tent and chairs, and portable toilets rental and placement). Many middle agencies have the experience and infrastructure to manage entire festivals but may also work on an a *la carte* basis that is solely dependent on the specific needs of an event.

Experienced middle agents (and talent buyers) have a lot of insider information and anecdotal evidence on artists as well as quantifiable resources at their disposal of an artist's tour history that includes ticket prices and attendance records which are good indicators of an artist's current ability to draw an expected crowd size. Because neither is limited to a single artist roster, they are happy to provide their clients with information that will help them make an informed

decision before they're ready to give their middle agent the go-ahead to submit an offer. They have no qualms about divulging an artist's abuse problem(s) or their predilection for showing up late to gigs. Unlike the exclusive agent, the middle agent can steer you away from a certain artist without fear of losing a sale because there are always other artist options available with other exclusive agencies. I was very close to booking a well-known southern rock artist for a festival headline position but was uneasy about his wellpublicized drinking. While the exclusive agent spoke highly of his music, he never once mentioned the possibility the artist might show up drunk. I happen to know one of this artist's bandmates and called him about the artist's current habits. His advice was "It just depends - some shows are great and on other shows he is six sheets to the wind." We passed on that artist based on a candid insider remark - catching this artist on a bad night could have cost us a client but instead it enhanced our value.

Middle agent fees depend on the size of the event and the additional work they are contracted to perform in addition to the talent buying. Typically middle agency fees are based on a percentage (often 10%) of the budget they are responsible for; however, flat fees can also be negotiated with most of them.

There is another variety of middle agent that should be mentioned and that is regional or national promoters (like AEG or Live Nation) that can be contracted to book your entertainment and provide ancillary services. They should be considered but know that generally they will charge higher fees and may not consider a certain artist for the festival if it would be more lucrative for them to book that artist in the market on another show later in the year. The national promoters would have a distinct advantage in securing a routed date for their client's festival but understand that any discount achieved in the artist fee may never be realized by the festival.

Putting Added Value on the Table

Both straight-up talent buyers and talent buying middle agencies also provide intrinsic value to your organization in the exclusive agency negotiations phase prior to an offer being submitted. Herb Cohen, the late entertainment industry executive and author of "You Can Negotiate Anything" discusses three ever-present variables in the negotiation process: Power, Time and Information. All three of these crucial variables can be used to your benefit by enlisting the help of an experienced talent buyer or middle agent.

Two of the most important sources of power a talent buyer can exercise in their discussions with the exclusive agencies are power of competition and power of expertise. The exclusive agents sell in a very competitive marketplace with hundreds of available bands represented by competing agencies vying to win a position on your festival stage. The talent buyer uses the competitive environment as leverage in their negotiations by making the exclusive agencies aware that they are exploring all options.

Obviously, this power can also be exercised by a festival manager in the DIY scenario but chances are they will have fewer agency contacts and alternative opportunities to leverage. The power of expertise comes with your talent buyer who is an experienced industry professional and is known by the exclusive agencies. Additional positioning power is achieved by keeping a buffer between the festival manager and the exclusive agencies if they are limited to communicating only with your talent buyer. While the exclusive agency may prefer to deal directly with the festival manager (i.e. the decision maker) they will welcome the middle agent's involvement because of their long relationship and track record. In doing so, you will enhance your negotiating position by forcing the exclusive agent to deal only with your talent buyer. Adding the middle agent to the mix takes your festival manager off the front line and keeps the exclusive agents at bay.

The other two variables (information and time) are also leverage points for your talent buyer. We previously discussed the kind of information you will not get from the exclusive agent but all information is readily available from the middle agent. Objective information on an artist can either persuade or dissuade you from submitting an offer. The risk is too great for the exclusive agent to provide too much information but on the other hand it can enhance the value of your middle agent by providing it. The experienced talent buyer also knows how to leverage time in your favor. Because the exclusive agency knows only too well that the closer to the date they are trying to fill, the likelihood of filling that date diminishes. If the date passes without it being booked – it is inventory that is lost forever. On the other hand, the DIY festival manager is under lots of pressure on multiple fronts as the festival nears and may appear more anxious to execute a deal which might be to the agent's benefit and not the festival's.

Sidestepping Landmines and Fielding Monkey Wrenches

As we conclude, let's look at another anecdote further illustrating the value of having a talent buyer or middle agent in

your corner when you start shopping for national entertainers. Working as a middle agent a few years ago, I booked a three day festival that had been on sale for a month and was exactly one week out from its opening. All the radio spots had been running for weeks, the print ads were more frequent and all the editorial and press releases had been put to bed. Everything was percolating along just fine and advance sales were on target when we received a call one Thursday afternoon from the exclusive agent for the band he was calling about.

In an apologetic tone he told me the lead singer of our Saturday night headliner cancelled the date due to a throat problem. I totally understood because this "singer" normally sounded like he had just gargled with a glass full of Drano. After accepting reality, I immediately called the festival director who dropped the phone, became speechless and started shaking all over. She was undeniably crippled by the news. We just couldn't let her die on the table so instead got to work. I put out an APB to every exclusive agent I knew and by Friday noon we had a better-than-acceptable replacement booked. By Friday evening the recut radio spots were running with a music bed much stronger than the original spots and tickets sales were back on track.

A week out, festival staffs are typically overwhelmed with the last minute situations like tents getting blown down in a storm, permits that haven't been approved, visits by the alcohol beverage commission, ongoing sponsor requests and other critical needs. The busy festival director wears many hats and has other responsibilities that may suffer if they're unavailable to meet with event sponsors, City Officials and board members because they are still having to take calls from exclusive agents. There are excellent alternatives available that can help lighten the staff load at little to no extra cost if the festival manager decides it is in their best interest to accept some assistance and not "go it alone."

Mark Johnson has enjoyed a well-rounded career in both the entertainment and event ticketing industries that included senior management positions with event and festival producers and ticketing solution providers in multiple major US markets. Mark has booked local, regional and national entertainment for concerts and festivals and produced a variety of events over several decades in addition to performing consultancies with venues, event producers, sports teams, and promoters.

Mark can be reached at 281-751-7199 or mejtex1111@gmail.com.