

# Allen Grubman

## THE KINGMAKER



it only takes one hit to get a career launched, then one of the largest entertainment law practices in the world has to celebrate every time “Macho Man” gets played.

Over the last 44 years, Allen Grubman has built **Grubman Shire Meiselas & Sacks** from a small firm into an international legal powerhouse covering all areas of entertainment. Its core has always been music, the area where Grubman has established himself as a confidante of the industry’s biggest stars and moguls, a fierce negotiator and a dealmaker of the highest order—not to mention the most colorful attorney in the biz. His connections to labels, executives and artists are legendary—every CEO of a major music group has retained Grubman as a consultant over the last 40 years. What’s more, he represents or has represented eight of the other 17 industry figures profiled in this volume.



“People disagree with me, but I’m a big believer that success in business is 75% luck, 25% brains,” Grubman told *Vanity Fair* three years ago. “Maybe it’s 50–50. But there are a thousand people with the same talent, but they didn’t get the break. You need luck and you need *sechel*.”

*Sechel*, he translates for the non-Yiddish speakers, is “a combination of instinct, balls and common sense.” And it’s a big part of what’s taken the gruffly formidable Grubman from the street to his regular perch at the **Hotel du Cap**.

No other music-business attorney has cast as large a shadow or left a bigger footprint over the last 40 years than Grubman. He’s street-smart, funny and gregarious; powerful captains of industry enjoy his company. And he enjoys a big lifestyle.

Grubman entered the music business at a time of transition. His first job found him stepping into the old-school way of doing business—visiting people like **Morris Levy** to get a bill paid and walking out with a five-figure settlement—in green, inside a brown paper bag. He saw the adversarial side of the relationship between labels, managers and artists.

“You had to adapt as the times changed,” Grubman has said. “The artists have a difficult time understanding that the [executives] they have to meet are very different people

than the ones they would have met 10 or 15 years ago. One of the functions a lawyer performs is, he becomes the bridge between the artist and the executives. If you're able to do that, you're able to succeed. I think I've done that."

By the time he hung up his own shingle, in 1974 at the dawn of the disco era, he saw the advantage of firm negotiating, avoiding litigation and—in a move away from legal tradition—embracing practices that in other areas of the law could represent conflicts of interest. The music industry had grown up; legal battles were with corporations, not seat-of-the-pants operations. He saw value in deal-making and partnerships rather than going *mano a mano* over royalty rates.

He also pioneered the concept of not charging an hourly rate and instead handing a bill to a client after a financial settlement had been made. It quickly made him a millionaire—*Forbes* had him in the top five of corporate lawyers in the late '70s based on

individual earnings. *Businessweek* later called him "the most powerful lawyer in the music business."

His career has rolled out like a superstar's—one hit leading to another. Success with **The Village People** and **Hall & Oates** early on led to **Billy Joel** for *52nd Street*, then **Bruce Springsteen** prior to his breakthrough *Born in the U.S.A.*, and then **John Mellencamp**; each artist was impressed with the results of Grubman's efforts to get larger advances and better royalty rates. **U2**, **Madonna**, **Lady Gaga**, **Sting**, **Elton John**, **Lionel Richie**, **Sean Combs** and others fill his high-end client roster, along with **iHeartMedia**, **Spotify**, **Live Nation**, **Irving Azoff**, **Doug Morris**, **David Geffen** and **Jimmy Iovine**. Interestingly, Grubman is no fan of rock & roll—he prefers the music of **Frank Sinatra**—

and therefore has never said, "I listened to your record and I think it could be a hit." But he has great instincts and can smell success from across the room.

Springsteen manager **Jon Landau** told the *Los Angeles Times*, "There's a very simple reason why Allen has accumulated such a massive list of the industry's smartest and most sophisticated clients over the years. He gets results."

**G**rubman, whose first high-profile client was **Tommy Mottola**, then running his artist management company **Champion Entertainment**, built his empire by representing artists and the companies they work for, though his attorneys will never be seated on both sides of the table at a negotiation or on opposing sides in court.

"All this hullabaloo we keep hearing about Allen and conflict of interest is absurd," Azoff told the *Los Angeles Times*. "Every artist who goes to Allen hires him precisely because he *has* relationships with all the label executives."

One of Grubman's clients told *Newsweek* ages ago that the lawyer has a favorite witticism: "If there's no conflict, there's no interest."

We were first introduced to Allen in the late 1970s by **Bang Records** head **Eileen Burns**; we needed help collecting money from **Don Arden**, who had hired us to market and promote **ELO's** releases on his **CBS Records**-distributed **Jet** label. We flew to New York, and Allen walked us into the office of **Walter Yetnikoff**. The **CBS Records** Chief said he would pay us on the condition that if he ever needed help with an artist, he could call us and ask for a favor. We were OK with that—despite the fact that the line sounded chillingly like it came straight out of *Godfather II*. Not long afterward, Arden's daughter **Sharon** stole **Black Sabbath** from her dad and went on to marry frontman **Ozzy Osbourne**—and the rest, as they say, is history.

A brash Brooklynite from Crown Heights, Grubman got his first taste of show biz as a 10-year-old when he was a singer on **NBC's** Sunday





**LIVE WIRES:** With Irving Azoff, Live Nation boss Michael Rapino, Netflix's Ted Sarandos and Maverick's Guy Oseary.

morning variety show *Horn and Hardart Children's Hour*.

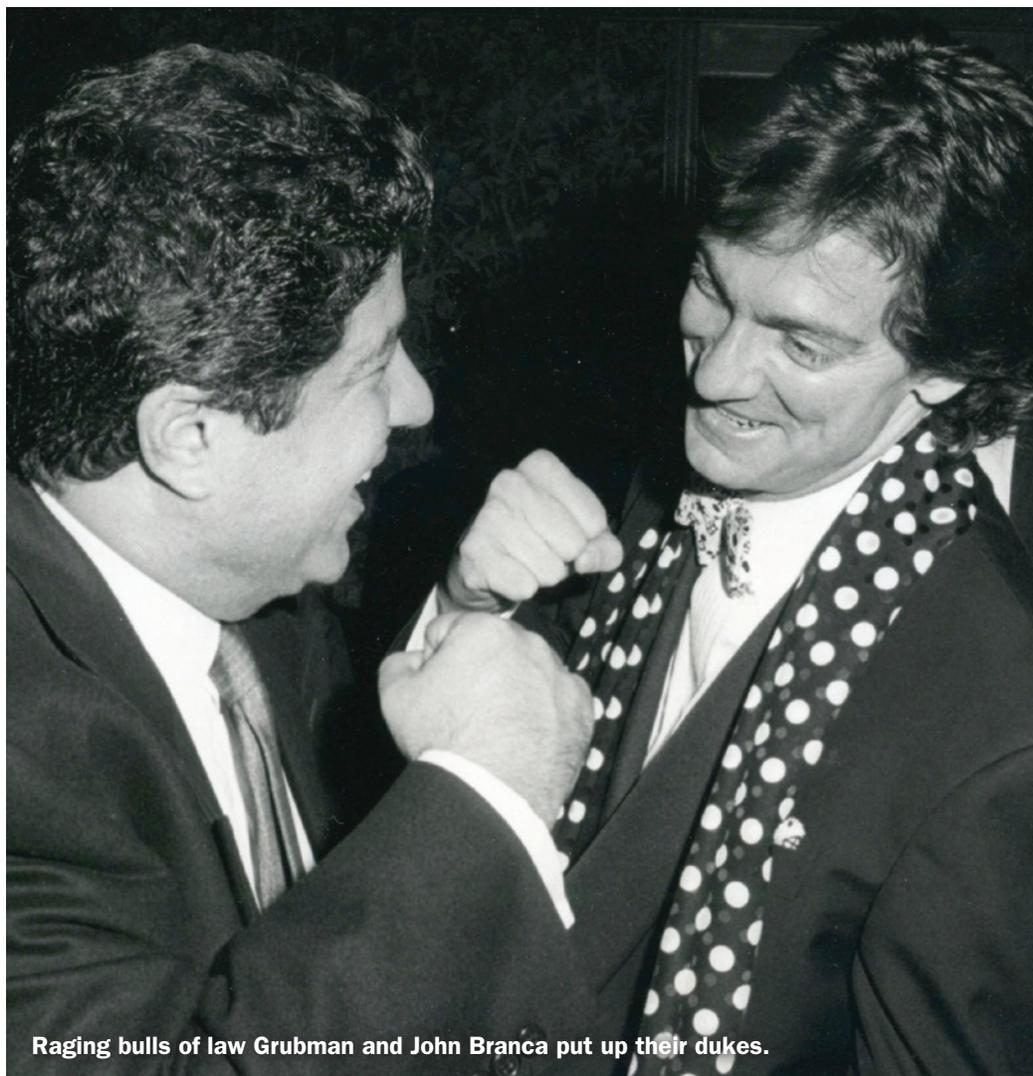
"They picked me up in a limousine every weekend," Grubman said in that *Vanity Fair* profile. "The only other time you were ever in a limo was behind a hearse on the way to a funeral. And they took us to good restaurants. Then my voice broke! But I never forgot the restaurants and the limousine. It was totally unheard of. In my neighborhood, I was a *macher*. I was on a TV show."

He attended City College before heading to Brooklyn Law School, where he squeaked by near the bottom of his class in 1967. During law school, he worked in the mailroom at William Morris Agency and interned at CBS as a page.

His first job was with Walter Hofer, the New York attorney most famous for representing The Beatles and Brian Epstein. "I didn't know what to say, so I tried to get him to like me," Grubman told *Vanity Fair*. "I said, 'I really want to work for you, but I don't come from a very wealthy family, so I can't afford to pay you very much to hire me.'"

He left in 1974, opening his own firm with only five grand in the bank. His initial clients were compilation kingpins K-Tel, Henry Stone's soon-to-be disco specialists T.K. Records and Henri Belolo (The Village People) and Hall & Oates.

Around the same time, Mottola started



**Raging bulls of law Grubman and John Branca put up their dukes.**

feeding clients to Grubman and, in turn, introduced Grubman to Yetnikoff. With shared appetites for food, nightlife and adventure, they formed a bond that would greatly help Grubman's firm.

A pipeline of clients started flowing to Grubman: the Champion-repped **Carly Simon**, Mellencamp and so many **Columbia Records** artists that, by 1987, it was estimated Grubman represented more than a third of the label's acts.

Two years after Yetnikoff guided **Sony's** acquisition of CBS Records and was busy howling at the moon, Mottola staged a coup, with Landau, Grubman, **David Geffen** and even **Michael Jackson** as lieutenants.

When Mottola took over for Yetnikoff, Grubman was a familiar sight at the bargaining table for more than a decade, as he represented a host of top executives who were brought in, among them **Donnie Ienner**, **Dave Glew**, **Polly Anthony** and **Steve Barnett**.

During that coup, Grubman had a nasty public spat with Billy Joel, who found Grubman's

loyalties divided between the artist and the label. It was settled in 1989, and Joel became the only client Grubman lost in the entire decade.

"Anybody who knows me knows that when I represent a client in a transaction, I kill for that client—sometimes to the frustration and anger of the person on the other side of the table—whether or not that person also happens to be a client," Grubman told the *L.A. Times* in 1997. "When the guy on the other side of the table sees me trying to get the absolute best deal for my client in that transaction, he realizes that I am going to kill the same way for them when I am hired to work on some future transaction on their behalf."

In the mid-1990s, Grubman found himself in two of his more famous battles. In 1995, **Time Warner's Michael Fuchs** refused to compromise with Interscope founders **Ted Field** and **Jimmy Iovine** on the release of several rap albums.

According to Field, interviewed in the *L.A. Times*, Grubman told Fuchs, "I represent 48 of the top 50 people in the record business. You don't renege on a deal. You don't do business that way. This is too small a business to act that way.' And that was that—we got out."

A year later, **Edgar Bronfman Jr.** was shaking up the **Universal Music Group** by bringing in **Doug Morris** to replace **Al Teller** at the top. Both executives were Grubman clients. Morris told the *L.A. Times*, "I called Allen and asked if he'd do my deal. And he said, 'I can't. I represent Al Teller; I can't do both.' He didn't conflict the two things."

And don't forget: **Napster** hired him in 2000 as part of its last-ditch effort to cut deals with **Sony**, **Universal**, **EMI** and **Warner Music**.

In 2004, partner **Paul Schindler** stepped down and the firm went by the name **Grubman Indursky**. A year later, the firm's film and TV maven, **Lawrence Shire**, became a name partner after expanding the company's reach into visual media, publishing and fashion. As the recorded-music industry slumped in the early part of the 21st century, Grubman and team developed a digital-media team to work with the likes of **Facebook**, grew a gaming division after games became a new revenue stream for music and entered the Broadway arena with producer **Scott Rudin**.

He's not always well-liked by his com-



**OUT AND ABOUT:** With **Charles Koppelman**; with **Martha Stewart**; with **Deborah Grubman** and **Robert DeNiro**.





**MACHERS:** With Mel Ilberman, Tom Freston and Tommy Mottola; (inset) with Grammy

petitors, as most of them have lost clients to him and accused him of poaching. Sometimes he comes off like a know-it-all—a loud, brash New Yorker. But no one debates that he’s a strong advocate for his clients and has the innate ability to represent either side of an issue with undeniable passion and fierce determination to close a deal.

Recently, Grubman has been consulting for Spotify, which he helped negotiate licensing deals with record companies, Live Nation, Azoff MSG Entertainment and Sony, while his music team, led by Kenny Meiselas, lists clients such as Springsteen, U2, Lady Gaga, The Weeknd, Maroon 5, Elton John, Lionel Richie, Bette Midler, John Mellencamp, Tony Bennett, Mary J. Blige, Sean Combs and AC/DC, as well as the estates of David Bowie and Whitney Houston. (In 2001, he negotiated a \$100 million long-term deal with Arista Records for Houston.) The firm’s non-music clients encompass TV stars (including David Letterman, Diane Sawyer and Martha Stewart), film figures (Robert DeNiro, Spike Lee and Meg Ryan), star athletes (LeBron James, Cam Newton, Colin Kaepernick), media moguls (Bob Iger, Les Moonves, Jim Dolan), publishing luminaries

(Carl Bernstein, John Meacham, *Rolling Stone*), fashion and apparel companies (Tommy Hilfiger, Calvin Klein, Vera Wang), media operations (HBO, iHeart-Media, Vice) and a variety of other businesses, from Samsung to SoulCycle.

He was never tempted to get into management, because he would be competing with his clients. “I sleep better at night knowing a thousand people can confide in me versus one or two.”

In that *L.A. Times* article, he said, “Life is 80% *mazel* and 20% brains. You can be the smartest guy in the world, but if you don’t have any luck, you’re screwed.”

Grubman and his wife, Debbie, an accomplished New York realtor, have led a high-profile life on the social scene;

their Fourth of July parties at their East Hampton estate are one of the most exclusive summer soirees in the Hamptons. They live on Park Ave. near the Met on the Upper East Side and also have a home in Beverly Hills, the former residence of the late agent Sue Mengers. Since the Beverly Hills purchase, he has become a fixture at Nate’n Al’s, where he breakfasts at 8:30 most mornings whenever he’s in town, holding court with the rich and famous.

Early in 2018, Grubman received two significant honors, as Brooklyn Law School named him Alumnus of the Year and the Grammy Foundation’s Entertainment Law Initiative presented him with the President’s Merit Award.

“We do something very important,” Grubman said at the ELI ceremony. “We bring joy to the world.”•