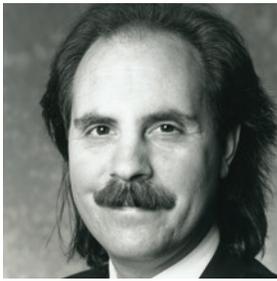


R A I N M A K E R S 2 0 2 0

# JAY MARCIANO

LIVING LIVE TO  
THE FULLEST



It's quite possible no single person has had their fingerprints on more concert venues in the U.S., U.K. or Europe than **Jay Marciano**.

Over the course of an extraordinary run in the '90s and 2000s, Marciano built, with **Universal/MCA Concerts** and **House of Blues Concerts**, part of what would become **Live Nation's** amphitheater network; oversaw festivals for **AEG Live**; ran **Madison Square Garden** and affiliated venues; and returned to **AEG** to build out its European holdings and, subsequently, became its CEO.

Marciano's impressive career owes not only to his wealth of knowledge and superb instincts with regard to the space but also to the fact that he's a true-blue, warmhearted *mensch*—as scores of industry insiders will testify.

The latter qualities were very much on display as the business confronted multiple crises in 2020. First, COVID-19 shut down the live music industry around the world, beginning in March. Then, the death of **George Floyd** in May at the hands of police, sparked new cries for racial justice.

In a midsummer memo to AEG staff, Marciano wrote, "The intolerance and inequality that still permeate so much of our society have to come to an end, and now is the time for all of us to do our part to further that effort. Unity, inclusion and social responsibility are topics that we as a company are taking very seriously and will be addressing head-on in coming weeks. This has been an incredibly challenging time on so many fronts, and I want you all to know that we are acutely aware of the toll these factors are taking on everyone. There's never a good time to go through what we are going through as a company, but this is an especially difficult one.

"Even during these uncertain times," he continued, "I am confident of one thing: Our business WILL be back and as strong as before—if not stronger. I know this doesn't make today any easier, but our future is on tomorrow's horizon."

**N**otoriously media-shy, Marciano takes a low-profile approach to steering AEG, which owns, operates and is affiliated with more than 300 venues. He promoted 10,000+ shows in 2019 and retains a portfolio of more than 25 festivals, among them **Coachella** and the **New**

#### Orleans Jazz and Heritage Festival.

AEG Presents (as the company was renamed in 2017) grossed \$1.6 billion worldwide in 2018, *Pollstar* reported, with massive tours by **Ed Sheeran**, **The Rolling Stones**, **Kenny Chesney**, **Elton John** and **Taylor Swift** leading the way. Owner **Philip Anschutz** is a tough negotiator, but under Marciano, one strategic move after another has paid off.

In his first five years as Chairman, Marciano doubled the number of AEG's venues, acquired **The Bowery Presents**, **PromoWest Productions** and **Frontier Touring** and opened Las Vegas' **T-Mobile Arena**.

"At the core of everything is the fan experience," Marciano said in 2015 at a Singapore symposium. "It drives our business model. The artists have to sell the tickets, but we create a great environment."

**A**n Air Force brat, Marciano got his start in entertainment in Colorado in the mid- to late 1970s, eventually promoting shows for **West Coast Attractions** out of Boulder. The major rock acts were committed to big promoters, so he pivoted to R&B—a genre he happened to love—and worked shows for **Earth, Wind & Fire**, **The Commodores** and **George Benson**, among others. He was also in the retail space, with musical-instrument shops in Fort Collins



Marciano with Elton John and Howard Rose



Marciano, then president of MSG Ent., with (l-r) Jim Dolan, George Porter Jr., Quint Davis, Charles Neville and Allen Toussaint at a press conference for the simultaneous Madison Square Garden and Radio City Music Hall concerts benefiting Hurricane Katrina relief, which raised \$9m, 2005

and Boulder, but ultimately devoted himself to promotion and opted for a move west.

He relocated to L.A. and, in 1982, oversaw the renovation and conversion of the **Beverly Theatre**, a 1925 Beverly Hills movie palace, into a 1,400-seat concert hall. It opened with shows from **Chick Corea** and **Roberta Flack** and a **Devo/Prince** double bill (shrewdly beamed to college campuses).

He left that venture less than two years later to become Director of Entertainment at **Universal Amphitheatre**. In his first full year there, the 6,100-capacity theater grossed roughly \$18 million from 163 shows, making it one of the most successful buildings in the country.

Marciano told *Billboard* in 1986 that the venue's success was a tribute to its marketing department. "We probably take as many meetings with radio and media people as we do with agents and managers," he reckoned. "I think one of the reasons for our success is our ability to squeeze the last 1,000 tickets out of any event."

He moved to **MCA Concerts** as VP in late 1987. In 1990, with freshly earned SVP stripes, he decamped for Toronto and took over management of the company's Canadian action. Just as fellow live-sector entrepreneur **Michael Cohl** leveraged money from **Labatt** for his concert empire (aided by a young striver from Thunder Bay named **Michael Rapino**), Marciano and MCA went to brewer **Molson** for funding.

The collaboration with Molson was a trailblazing strategy. "We can piggyback on their advertising budget, getting artists and their shows placement in Molson's ads," Marciano told *Variety*. "That solidifies for concertgoers the link between the artist, the venue and the product and advances the typical sponsorship arrangement to another level."

Labatt and Molson used music to fight for market-share in the Great White North, and those suds would

ultimately bring the entire live industry to a head. MCA bought out Cohl's **CPI Ventures** for \$3.5m in 1995, netting Vancouver's **Perryscope Concert Productions** and Montreal's **Donald K. Donald Productions** in the comfortably priced deal; SFX purchased Cohl's global promotion company (he was, by this time, fully preoccupied with promoting The Rolling Stones).

That same year saw Marciano become President of **MCA Concerts U.S.**, in which capacity he dramatically



Marciano joins Sen. Chuck Schumer in honoring Billy Joel at Madison Square Garden in 2006.

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expanded the company’s North American amphitheater holdings. To flagship venue **Universal Amphitheater** were added **Fiddler’s Green** (Denver), **Blossom** (Cleveland), **The Gorge** (Seattle), **Coors** (San Diego), **Molson** (Toronto), **Starplex** (Dallas) and **Lakewood** (Atlanta). These acquisitions came on top of venues like Vancouver’s **Commodore Ballroom** and **Molson Park**, in Barrie, Ontario.

As much as the story of the modern concert industry has focused on **Robert Sillerman’s SFX**, **Clear Channel** and **Live Nation**, it should be noted that **Universal Concerts**, under **Marciano’s** watch, was a major force in taking the concert industry from a regional to a national business.

His appetite for—and experience in—expansion led to **Marciano’s** being named **President of MCA Concerts**. (MCA parent **Seagram** would rename all of its divisions “**Universal**,” including **Concerts**, in 1996).

By 1999 **Universal Concerts** was up to 20 venues—13 of which it wholly owned—in addition to its dominant concert-promotion business. The company grossed \$144.5 million in 1998 for concerts it promoted or co-promoted, according to *Amusement Business* figures at the time.

Despite having an edge on **SFX**, **Seagram** chief **Edgar Bronfman Jr.** soured on concert promotion as a business and sold **Universal Concerts** to the upstart **House of Blues**, whose portfolio at the time was seven nightclubs, for \$190 million. It was a foolishly short-sighted play, but it would lend another milestone to the evolution of the live landscape.

The hefty price tag, **Marciano** told *Amusement Business*, “speaks not only to our potential but to our profitability as a company. Ultimately, some of the price that **House of Blues** paid for **Universal** is a reflection of **Universal** being one of the most profitable concert companies in the business.”

**Marciano** and his team were retained, his title becoming **President of House of Blues Concerts**. He shepherded the company until January 2003, when he decided he needed a break. During his tenure, he’d been instrumental in creating a unique network of venues to present acts as they grew from the club to the amphitheater.

“I have enjoyed over 18 great years with the company, and I am very proud of our accomplishments, but I feel the time is right for me to pursue other opportunities,” **Marciano** told *HITS*. Said **HOB** **President/CEO Greg Trojan**, “**Jay** has been an integral part of taking a small concert business in the 1980s and building it into one of today’s industry leaders.”

In 2006 **Rapino’s Live Nation** would acquire **House of Blues**, a much-needed missing piece of its empire, for \$354 million.

**House of Blues** was no longer a scrappy start-up when **Marciano** left, but **Anschutz** was just beginning to explore the concert business, having opened **Staples Center** in 1999.



*Marciano, Jim Dolan, Paul Simon and Ken Ehrlich at the “From the Big Apple to the Big Easy” DVD preview party at Tipitina’s in New Orleans, 2006*

**Marciano** wasn’t interested in a full-time job, but he came aboard as a consultant, with the title **Chief Strategy Officer**. During his initial, two-year stint with **AEG**, he was responsible for the development and overall operation of **AEG Live’s** regional offices, led the company’s acquisition of the **New Orleans Jazz & Heritage Festival** and was part of the team that conceived and designed **London’s O2**, which opened in 2007.

By then, however, he’d been away from the company for two years, having departed in February 2005 to oversee the most famous venues in **New York**: **Madison Square Garden** and **Radio City Music Hall**. As **President of Radio City Entertainment**, which would be renamed **Madison Square Garden Entertainment**, he led rebranding and acquisition efforts; purchasing the **Beacon Theatre** gave the company the ability to promote acts at the small-theater, large-theater and arena levels. He also co-created (along with **AGI’s Dennis Arfa**) the concept for **Billy Joel’s** **Madison Square Garden** residency.

**M**arciano enjoyed a six-year run at **MSGE** before the **Anschutz** organization called again. **AEG** was putting all its European businesses under a central management team, to be overseen by **Marciano** as **President and CEO of AEG Europe**. In May 2011 that consisted of 20 music and entertainment venues located in nine European markets, including the **O2 Arenas**, plus the ticketing and global partnerships units as well as development.

“I’ve had the personal and professional pleasure of working with and knowing **Jay** for many years, and I believe there is no one in the world more qualified to lead **AEG** in Europe,” **AEG** **Global President/CEO Tim Leiweke** said at the time. “His exceptional skills and experience with facilities and content for these facilities is recognized

as being one of the most unique and extraordinary in the industry. It was critical for us to find a person of his stature who can manage our facilities division, our content division and our entry into the ticketing industry, as well as our sports and development divisions across Europe.”

Anschutz flirted with the idea of selling AEG in late 2012, hoping for a deal that would net at least \$7 billion for 100 entertainment venues globally and multiple sports assets. But it was taken off the auction block in early 2013. Marciano returned to L.A. as COO. By Thanksgiving of that year, he'd replaced **Randy Phillips** as Chairman. In that role he would continually strengthen the company's position as the world's largest privately owned concert promoter.

Marciano said at the **All That Matters** conference in 2015 that Anschutz “starts with a business and ends up backing into opportunities not obvious to most people.” He installed cable when he was in the railroad business. He bought the **L.A. Kings** because his wife was a hockey fan and wound up building Staples Center and **LA Live**. And his company created the modern residency model in Las Vegas.

Within three years, AEG would gross \$1.1 billion, from 2,507 shows, in a single year; open T-Mobile Arena in Las Vegas; stage the **Desert Trip** festival in Indio, California—responsible for the biggest gross in history—and promote The Rolling Stones' first-ever concert in Cuba.

Then came the acquisition of **The Bowery Presents**, about which Marciano told *The New York Times*, “[It] represents a perfect complement to **Goldenvoice** and the market position we are looking to build or partner with on the East Coast.” The company added to its New York presence by reopening a renovated **Webster Hall**, with a **Jay-Z** show, in April 2019.

**O**n the philanthropy front, Marciano is an avid supporter of the **Elton John AIDS Foundation**. The **AEG Community Foundation** made its first grant in December 2018 and in 2019 awarded \$1.2 million to 75 nonprofit organizations in more than 20 cities throughout the United States. Between 2010 and 2019, AEG contributed more than \$120 million in direct financial and in-kind support to community and civic programs, with a focus on



children and youth, in the areas of education, the arts and health and wellness.

Also in 2019, The O2 London launched **Good Vibes All Round**, an initiative promoting its work in sustainability, accessibility, charity and community.

**T**he first half of the year saw 11 AEG-affiliated arenas in the Top 20 of ticket sales, selling 57% of all tickets for shows in the Top 20 arenas. By the end of 2019, AEG-promoted tours by The Stones and Elton John were the top two grossers in the country, according to *Pollstar's* year-end list.

The live sector was still pondering what the future would look like as this issue went to press, weighing cautious optimism about vaccines against the painful reality of COVID's human and economic cost. But one thing remained certain: With Marciano at the helm, the challenges to come would be met by clarity and compassion. ■

“AT THE CORE OF EVERYTHING IS THE FAN EXPERIENCE. IT DRIVES OUR BUSINESS MODEL. THE ARTISTS HAVE TO SELL THE TICKETS, BUT WE CREATE A GREAT ENVIRONMENT.”