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# VT PULSE

A WEEKLY PUBLICATION FROM VENUES TODAY

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**Quote of the Week**

*“We didn’t get rid of theft, we got rid of the thief.”*

– *Bil Lowry, Ray Cammack Show, on the cashless midway.*

Greetings,

Welcome to VT Pulse, your weekly guide to the “News Behind the Headlines.” Venues Today is launching our Generation Next Awards for young professionals in the industry. Learn more about the award at [facebook.com/venuestoday](http://facebook.com/venuestoday) and send your nominations to [dave@venuestoday.com](mailto:dave@venuestoday.com)

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## VT NEWS

### PERFORMING ARTS

#### THE BILLION-DOLLAR DALLAS ARTS DISTRICT IS A WORK IN PROGRESS

*Veletta Forsythe Lill, Dallas Arts District; Russell Read, director of operations, AT&T Performing Arts Center, Dallas; and Benton Delinger, Theatre Projects Consultants, after speaking at PAMC in Dallas. (VT Photo)*



REPORTING FROM DALLAS — Nearly a billion dollars worth of Dallas arts venues have opened and more are to come, but the work has really just begun. “It’s a longterm strategy,” said Benton Delinger, Theatre Project Consultants, who added that TPC’s first study on what has become the Dallas Arts District was done in 1984. Moving people out of their silos and into district-wide thinking is the goal now. It is a new kind of construction.

Several sessions addressed the topic of creating a strong arts community during the Performing Arts Managers Conference here Feb. 25-March 1, with what is happening in Dallas as the primary backdrop. With the opening of the \$350 million AT&T Performing Arts Center in 2009 and plans to expand even further, the integration of all the arts facilities in the district and incorporation of the outdoor space as well, is of paramount concern.

A good portion of the 273 PAMC registrants (compared to 269 last year) were on hand to hear the history and future of the Dallas project as presented by Veletta Forsythe Lill, executive director, Dallas Arts District, and Delinger. Further enhancements in Dallas, besides the City Performance Hall which is viewed as a community center and is opening in 2012, are to include a park, opening in 2012; Two Arts Plaza, being built over the freeway; and Three Arts Plaza; a museum tower, to open in 2013; a Hall Arts Tower across from the Winspear Opera House, 2015; McKinney Avenue trolley, 2012-13; and arts carts that will take guests around the district, available as soon as possible.

“It is the commercial aspects of the district that have lagged,” Delinger said. And while they are seeking developers of retail and residence, there are things the Arts District can do to enhance the appeal of downtown immediately, Lill said. “Creating a vibrant street life is necessary,” she said. Delinger defined that as “ways people are accidentally rubbing up against art.

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If they experience it by accident, they may want to pay to see more.”

Techniques being considered to make those accidental connections include Shakespeare in the street, acting demonstrations like teaching people to stage fight with swimming pool noodles, and setting up sponsor sampling and performances on the sidewalk. The Dallas Arts District occupies 68 acres and 19 blocks. “It’s a lot of space to program,” Lill noted. She is looking for “non-educational educational experiences” that will entice tourists and ticketholders alike. “Don’t get caught selling,” she added.

The Dallas Arts District website offers a “plan your visit” function. There is free parking on the street after 6 p.m. or it can cost up to \$25 for valet parking, fitting the something-for-everyone sales point. “We’re putting food trucks out in a couple of months,” Lill said of plans to bring excitement and traffic to the district. There is also a DART to the Arts campaign encouraging use of public transportation, which would also add to the foot traffic. All of these are “visual clues it’s interesting and safe in the district,” she added.

Bill Lively, president and CEO of the North Texas Super Bowl XLV Host Committee who is about to take up a post as CEO of the Dallas Symphony, is known for raising sponsor monies and promoting collaboration, and he agreed the Dallas Arts District needs more of both. “There has been minimal collaboration so far, a result of a lack of strategic analysis and selfishness,” he observed.

The Arts Center is the glamour project in Dallas, but the Super Bowl set new standards for collaboration region-wide, he said. Dallas and Ft. Worth had not worked together for 50 years, except to build an airport, until the Super Bowl bid. His advice to those seeking collaboration and support: “Make what you do incredibly important to people of capacity and means.”

Entitlement is a thing of the past, he warned. And the big three - energy, insurance and banking - that once dominated downtown Dallas are also a thing of the past. Downtown has changed and the Arts District has a challenge ahead in bringing life back to the area. He recalled trying to lure ESPN to downtown Dallas as headquarters during Super Bowl. “We showed them things that didn’t work, so they took their operation to Ft. Worth.”

In the future, beyond programming the district, the goal is to nurture sponsor and board backing. Finding the right board is Lively’s gift and he said he goes about it by gathering the committed and asking “who do we not know that we need to know” and narrowing the list to ethical, good people that have money. The private sector needs to be informed about the value and relevance of the arts. “Most people in Dallas don’t know what to experience or expect,” Lively said.

The economy has encumbered the city and all the players have changed in the arts, including the CEO’s of all the facilities, he noted. At the same time, the artistic product is at a new level. “It demands new leaders. Now we have to foster collaboration,” he said, adding that, in fact, he has \$3 million from a donor that is earmarked for just that - to foster collaboration in Dallas.

Keri Kaiser, vice president of sponsorship and marketing, AT&T Performing Arts Center, added even more depth to the tale of the Dallas Arts District,

Cirque Du Soleil,  
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Manager (Arena Shows)

Cirque Du Soleil,  
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Marketing (Arena Shows)

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Vegas- Creative Services  
Coordinator

Honens International  
Piano Competition,  
Calgary, Canada- VP of  
Development

Delaware North  
Companies, Australia-  
Corporate Catering  
Manager

Tickets.com, Calif.- Sales  
Representative

Delaware North  
Companies, Australia-  
Assistant Retail Catering  
Manager

Clay County (Iowa) Fair-  
Secretary/Manager

Birmingham (Ala.)  
Jefferson Convention  
Complex- Box Office  
Assistant Manager

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revealing how she clinched the title sponsor for the new PAC. “Do your research; look for what they say about themselves,” she advised, adding that she incorporated words and goals from AT&T’s own corporate report in her sponsorship sales pitch.

She also set the stage, using AT&T colors, right down to the orange case on her AT&T iPhone. “Don’t tell them how important the arts are; tell them what the arts can do for them. Bring them a solution.”

Kaiser also advised sponsorship sales include getting connections in the room. “People like to buy from their friends,” she said, which was why having Bill Lively on board worked. — Linda Deckard

*Interviewed for this story: Veletta Forsythe Lill, (214) 744-6642; Benton Delinger, (203) 299-0830; Bill Lively, (214) 692-0203 after April 15; Keri Kaiser, (214) 978-2800*

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#### QUARTERLIES

Live Nation (NYSE: LYV)

4Q High: \$11.98 on Dec. 28

4Q Low: \$9.49 on Oct. 29

#### **Market Cap: \$1.9 Billion**

Live Nation lost more money than ever in 2010, but early signs of a turn-around in 2011 have executives at the company optimistic.

Live Nation started off 2010 strong, finalizing a merger with Ticketmaster after 12 months of negotiating with the Department of Justice. But by the end of the year, revenues had dropped nine percent over 2009 to \$5.1 billion and the company reported a loss of \$228 million, more than triple the \$60 million the company lost in 2009.

Half of that loss in 2010 came during the fourth quarter, with revenues down 2 percent to \$1.24 billion.

But company CEO Michael Rapino said he saw signs that pointed to a stronger concert market in 2011. The company has already sold 11 million tickets, 3 million more than this same time last year. Ticket prices have dropped by about \$5 per ticket on average, and concession sales have been up \$500,000 over last year. Rapino said the numbers were a bit inflated because of early on-sales and several stadium shows, but he noted the company was looking to improve revenues through cost savings. He said he would trim another \$20 million from the company in 2011 and work to lower ticket prices through “packaging more artists together, playing less risky markets and scaling back the production on some of the tours.”

Rapino said he also believed the company needed to better cultivate its customer data - he claims to have email addresses for 200 million people. Ticketmaster and Live Nation are working to improve the conversion rates of those who visit the sites but don't buy tickets. They've had success with their Facebook application. Rapino said the company averages \$5 in incremental ticket sales every time a fan shares their ticket purchase on Facebook.

Attendance at concerts was down 9.4 percent in 2010 to 47.3 million, with amphitheatres taking the biggest hit, dropping six percent. Per caps at amphitheater shows were also down two percent to \$17.96, while festivals saw a seven percent bump in per cap spending to \$14.81. The company sold 63 million concert tickets in 2010 (down 10 percent), 22 million sports tickets (down 1.3 percent), 18 million theater tickets (down 11.7 percent) and 11 million family show tickets, which were flat over the previous year.

Rapino said the company was also working to find new ways to correctly price tickets, especially in the upper reaches of its amphitheatres.

“We know that the lawn is priced \$20 to \$25 all-in, that's the highest purchase intent. It's literally when you charge \$26 onward, the line starts declining on purchase intent,” he said. “If it's a superstar, they pay different. But as a generality, we like to keep our amphitheater in the \$20 to \$25 range all-in from the beginning. We know that's the best optimum driver of revenue and attendance.”

#### **Madison Square Garden Entertainment (NASDAQ: MSG)**

**4Q High:** \$25.26 on Dec. 30

**4Q Low:** \$20.46 on Nov. 2

#### **Market Cap: \$2.1 billion**

The New York entertainment giant enjoyed a profitable 2010, with revenues up 9 percent to \$1.2 billion, creating a net profit of \$83.4 million. The operating income category performed particularly strong, up 198.7 percent compared to 2009.

The company has nearly \$354 million in cash available, nearly triple what they held this same time last year, and the company broke a record for highest adjusted operating cash flow at \$202.8 million. The fourth quarter saw revenues increase five percent to \$432.7 million

The company's live division, MSG Entertainment, performed the strongest, bringing in \$177 million. The company's television unit, MSG Media generated \$144 million, while the sports division did \$128 million.

Despite the positive quarter, the stock price has stayed flat and independent analyst Miller Tabak has downgraded the stock from "buy" to "hold."

"The company has proven that its concert and business units are profitable, but uncertainty over a potential NBA lockout, and its impact on the sports business," create investor skittishness over the stock, he said.

#### **World Wrestling Entertainment (NYSE: WWE)**

**Q4 High:** \$14.84 on Dec. 10

**Q4 Low:** \$13.65 on Oct. 5

**Market Cap:** \$1 billion

Pro wrestling suffered a difficult fourth quarter with net income down 28 percent. Increasing costs edged out an incremental increase in revenue, dropping profits down to \$8.1 million.

Overall, revenues rose four percent, with live event and television revenues dipping, while the company's new movie division saw the strongest performance. For the year, the company reported a net income increase to \$53.5 million, compared to \$50.3 million in 2009. Revenues stayed flat, pulling in \$477 million in 2010.

— Dave Brooks

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## BOOKINGS

### CANADA HOSTS WOMEN'S WORLD CUPS IN 2014 AND 2015

With the FIFA Women's World Cup host country now automatically serving as host of the organization's U-20 Women's World Cup, Canada finds itself as host to two premier international soccer tournaments.

After working in partnership with all levels of government and seven Candidate Bid Cities, the Canadian Soccer Association succeeded in winning the bid to host both the FIFA Women's World Cup in 2015 and U-20 Women's World Cup in 2014.

Canadian cities included within the bid submission were Vancouver, British Columbia, home to BC Place stadium; Edmonton, Alberta, home to Commonwealth Stadium and Northlands; Winnipeg, Manitoba, home to Canad Inns Stadium; Ottawa, home to Lansdowne Park; Montreal, home to the Olympic Stadium; Halifax, Nova Scotia, home to the World Trade Center; and Moncton, New Brunswick, home to Moncton Coliseum.

Through Sport Canada's Hosting Program, the Government of Canada has committed up to \$15 million in operating costs to both World Cup events. For 2015, the event will expand from 16 to 24 participating team-countries and grow from 32 to 52 matches.

The Canadian Soccer Association will now work closely with the Candidate Bid Cities over the coming months to prepare for FIFA's initial site inspections, which are expected to occur in the fall. Following these site inspections, and after a review by FIFA, official Host Cities will be announced. A timeline for this process has yet to be determined.

"We just won the bid and now need to engage in terms of how many venues will be used in which cities," said Richard Scott, director of communications for the Canadian Soccer Association.

Canada's venues are anticipating both World Cup events.

"Our sports marketing group identified the World Cup events as opportunities, and we were very keen on making sure Vancouver was included in the bid," said Howard Crosley, general manager of BC Place.

Canada has hosted FIFA events in the past. The Canadian Soccer Association hosted the FIFA U-17 World Cup Canada in 1987, and has since hosted the inaugural FIFA U-20 Women's World Cup Canada in 2002 and 2007's FIFA U-20 World Cup Canada.

The record-setting 2007 World Cup event held 52 matches that attracted close to 1.2 million spectators. The games generated an estimated \$259 million in economic activity across Canada and supported more than \$43 million in taxes at the federal, provincial and municipal levels.

"Vancouver is on the list of tentative host cities, and BC Place is a contender as a game site," Scott said.

Following the Vancouver Olympics, BC Place began undergoing a \$563 million renovation that includes soccer-specific enhancements.

"We have made the field more intimate," Crosley said. "In addition, our air-supported dome is now cable-supported and includes a center retractable portion, which is the largest of its type in the world." Renovations also include improvements to the Level 3 concourse, structural

upgrades to the roof and new seats.

BC Place, which is the home of Major League Soccer's Vancouver Whitecaps and the Canadian Football League's BC Lions, will reopen on Sept. 30 of this year.

In Canada, roughly 43 percent of all registered FIFA players are women, twice as much as eight years ago when Canada hosted the FIFA U-20 Women's World Cup Canada 2002.

Hosted every four years, the next FIFA Women's World Cup will be held this year from June 26 to July 17 in Germany.

"In preparation for Canada's games in 2015, we plan to get feedback from the Germany games," Scott said. — Lisa White

*Interviewed for this article: Howard Crosley, (604) 646-3567; Richard Scott, (613) 818-0305*

## HOTTickets

HOT TICKETS is a weekly summary of the top acts and ticket sales as reported to VT PULSE. Following are the top 20 concerts and events, the top 5 in each seating capacity category, which took place since Feb. 9.

### VEGAS HOSTS RUGBY ELITES WITH WORLD TOURNEY

15,001 or More Seats	10,001-15,000 Seats	5,001-10,000 Seats	5,000 or Less Seats
<p><b>1) USA Sevens Rugby</b> Gross Sales: \$1,482,211; Venue: <b>Sam Boyd Stadium, Las Vegas</b>; Attendance: 29,829; Ticket Range: \$275-\$20; Promoter: USA Sevens Rugby; Dates: Feb. 12-13; No. of Shows: 2</p>	<p><b>1) Neil Diamond</b> Gross Sales: \$1,677,892; Venue: <b>Vector Arena, Auckland, New Zealand</b>; Attendance: 16,108; Ticket Range: \$141.33-\$45.07; Promoter: Dainty Consolidated Entertainment, Live Nation; Dates: Feb. 26-28; No. of Shows: 2</p>	<p><b>1) Elton John</b> Gross Sales: \$1,588,241; Venue: <b>Maui (Hawaii) Arts &amp; Cultural Center</b>; Attendance: 11,394; Ticket Range: \$252-\$77; Promoter: AEG Live, Goldenvoice; Dates: Feb. 24-25; No. of Shows: 2</p>	<p><b>1) West Side Story</b> Gross Sales: \$1,689,034; Venue: <b>Broward Center For The Perf. Arts, Fort Lauderdale, Fla.</b>; Attendance: 31,531; Ticket Range: \$69-\$25; Promoter: Broadway Across America, In-house; Dates: Feb. 15-27; No. of Shows: 16</p>
<p><b>2) Marco Antonio Solis, Ricardo Montaner</b> Gross Sales: \$1,238,370; Venue: <b>Madison Square Garden Arena, New York</b>; Attendance: 14,446; Ticket Range: \$135-\$30.50; Promoter: 3-N-1 Entertainment, Latin Events, LLC; Dates: Feb. 12; No. of Shows: 1</p>	<p><b>2) Kid Rock</b> Gross Sales: \$375,816; Venue: <b>Peoria (Ill.) Civic Center Arena</b>; Attendance: 8,708; Ticket Range: \$87.50-\$23; Promoter: Jam Productions, Jay Goldberg; Dates: Feb. 28; No. of Shows: 1</p>	<p><b>2) Kevin Hart</b> Gross Sales: \$1,145,925; Venue: <b>Nokia Theatre L.A. Live</b>; Attendance: 13,764; Ticket Range: \$125-\$70; Promoter: AEG Live, Goldenvoice; Dates: Feb. 18-19; No. of Shows: 2</p>	<p><b>2) Wicked</b> Gross Sales: \$1,293,055; Venue: <b>Bob Carr Performing Arts Center, Orlando, Fla.</b>; Attendance: 17,044; Ticket Range: \$150-\$37; Promoter: Broadway Across America Orlando, Florida Theatrical Association; Dates: Feb. 23-27; No. of Shows: 8</p>
<p><b>3) Nitro Circus</b> Gross Sales: \$1,141,401; Venue: <b>AMI Stadium, Christchurch, New Zealand</b>; Attendance: 19,697; Ticket Range: \$113.50-</p>	<p><b>3) Kid Rock</b> Gross Sales: \$322,711; Venue: <b>Roberts Stadium, Evansville, Ind.</b>; Attendance: 7,485; Ticket Range: \$86.50-\$23; Promoter:</p>	<p><b>3) Billy Connolly</b> Gross Sales: \$1,089,886; Venue: <b>Newcastle (Australia) Entertainment Centre</b>; Attendance: 9,344; Ticket Range: \$140.62-\$100.15; Promoter: Duet Entertainment; Dates: March 3-4; No. of Shows: 2</p>	<p><b>3) Turnadot</b> Gross Sales: \$677,193; Venue: <b>Keller Auditorium, Portland, Ore.</b>; Attendance: 9,091; Ticket Range:</p>

\$67.79; Promoter: Global Action Sports; Dates: Feb. 16; No. of Shows: 1

4) **Ozzy Osbourne**  
Gross Sales: \$1,120,221; Venue: **Coliseo De Puerto Rico, San Juan**; Attendance: 10,905; Ticket Range: \$150-\$50; Promoter: Cesar Sainz; Dates: Feb. 26; No. of Shows: 1

5) **Cirque du Soleil "Alegria"**  
Gross Sales: \$957,269; Venue: **BOK Center, Tulsa, Okla.**; Attendance: 13,940; Ticket Range: \$99-\$28; Promoter: Cirque du Soleil; Dates: Feb. 23-27; No. of Shows: 8

Jam Productions; Dates: March 1; No. of Shows: 1

4) **Ozzy Osbourne**  
Gross Sales: \$255,625; Venue: **Jacksonville (Fl.) Veterans Memorial Arena**; Attendance: 5,471; Ticket Range: \$55-\$25; Promoter: Live Nation; Dates: Feb. 11; No. of Shows: 1

5) **Three Hills Rodeo**  
Gross Sales: \$123,368; Venue: **i wireless Center, Moline, Ill.**; Attendance: 6,829; Ticket Range: \$35-\$9; Promoter: Three Hills Rodeo; Dates: Feb. 25-26; No. of Shows: 2

4) **Rihanna**  
Gross Sales: \$783,760; Venue: **Newcastle (Australia) Entertainment Centre**; Attendance: 6,505; Ticket Range: \$142.41-\$101.69; Promoter: Michael Coppel Presents; Dates: Feb. 28; No. of Shows: 1

5) **Ne-Yo**  
Gross Sales: \$426,215; Venue: **Nokia Theatre L.A. Live**; Attendance: 6,147; Ticket Range: \$129.50-\$49.50; Promoter: AEG Live; Dates: Feb. 14; No. of Shows: 1

\$135-\$9; Promoter: Portland Opera; Dates: Feb. 4-12; No. of Shows: 4

4) **Young Frankenstein**  
Gross Sales: \$423,904; Venue: **Ruth Eckerd Hall, Clearwater, Fla.**; Attendance: 6,998; Ticket Range: \$69-\$39; Promoter: In-house; Dates: Feb. 8-13; No. of Shows: 8

5) **John Mellencamp**  
Gross Sales: \$361,622; Venue: **Fox Theatre, Atlanta**; Attendance: 3,634; Ticket Range: \$130-\$46.50; Promoter: AEG Live; Dates: Feb. 27; No. of Shows: 1

Compiled by Josh Huckabee. To submit reports, e-mail [HotTickets@venuestoday.com](mailto:HotTickets@venuestoday.com) or fax to (714) 378-0040.

## THE BEAT

### FAIRS & FESTIVALS

#### FAIR MANAGERS GET UP CLOSE AND PERSONAL WITH RODEOHOUSTON

Leroy Shafer, COO of the Houston Livestock Show & Rodeo, conducts a tour deep inside Reliant Stadium for Mid-West Fairs Association members. (VT Photo)



REPORTING FROM HOUSTON — As the Houston Livestock Show and Rodeo got underway, attendees of the Mid-West Fairs Association conference March 4-5 in that town got the inside story on operations, both at

the show and in the meeting room. Guy Leavitt and Bil Lowry, Ray Cammack Shows, presented a session on the Fun Pass ticketing which is in play at RodeoHouston, and Leroy Shafer, Suzy Martin and Skip Wagner conducted a behind-the-scenes tour of the show and Reliant Stadium, home of the rodeo.

Martin, HLSR marketing and PR, talked about the show's new, free custom app for iPhones and Androids that gives details about traffic and directions to the fair and parking, schedules for the Rodeo Express shuttles and trams, and daily event schedules and entertainment information, including the ability to buy tickets. The app also includes maps, guest services locations and the history and music of RodeoHouston's 350 performing artists. Martin expects the app to grow and sees a day when electronic interaction overtakes the visitors guide in usage.

"We've seen 15,000 downloads at this point," she said on March 5, the first weekend of the March 1-20 event.

HLSR COO Leroy Shafer conducted a tour of Reliant Stadium for a portion of the Mid-West Fairs Association attendees, pointing out that HLSR is the audio/visual contractor for all of Reliant Park year-round and has a massive operation to support that function. Those services were provided for the 2004 National Football League Super Bowl and, upcoming, will handle the 2011 Men's Final Four. The HLSR A/V service is known for its quality, so much so that Fox Sports, which has a new contract for the Final Four, isn't bringing one camera on site, Shafer said. Only the rodeo and the Super Bowl have reached full A/V capacity, he added. The Final Four will require about 25 percent of capacity.

Everything about HLSR is super sized and Reliant Park, particularly Reliant Stadium, was built with the rodeo in mind. It can hang 350,000 pounds of equipment on the retractable roof, for instance. The rodeo requires 250,000 pounds of rigging. They added removable steel in the middle of the loading docks so they can split them into sides during rodeo, half for livestock, half for food and drink which needs sanitary conditions.

RodeoHouston has its own locker room, which can be used for other purposes, like the Big 12 basketball tournament and the NCAA regionals. The NFL Texans, co-inhabitants/owners of the stadium, occupy their dressing rooms and locker rooms year round, but with the rodeo's facilities, the stadium is more versatile.

Almost everything else is co-branded between the Texans and RodeoHouston. "We don't have aisles, we have chutes," Shafer said. The rodeo does own the roof, paid for with \$9 million in nonprofit association funds, which reduces the interest on the loan.

SMG manages Reliant Park with about 90 employees. Aramark has food and drink, with 150 employees. During the rodeo, HLSR will have 2,000 volunteers and employees on site. There are 185 suites, 11 of which are party and sponsor suites. Of those, 54 are shared by the rodeo and football, which alternate, and the rest are designated for either the rodeo, the Texans or the county, which owns the venue.

The rodeo brings in \$12 million from 35-40 sponsors annually, Shafer said. That includes income from five Heritage Sponsors, where the price ranges from \$950,000-\$1.6 million. To pull that off, the event "had to have a piece of the stadium," he noted. Major sponsorships start at \$600,000, and there are packages that go for \$85,000-\$140,000 for rodeo and grounds events.

Future development will hopefully include renting exterior spaces around Reliant Stadium with tenants like an ESPN Zone, Shafer said. They are looking at retail and entertainment options.

One design innovation that Shafer is particularly pleased with is the open-concourse club level, which features 360 degrees of club lounge during the Houston Livestock Show and Rodeo. This club level has five bars outside and three private clubs inside. It's among the reasons that "during the month of March, the Houston Livestock Show and Rodeo is the largest seller of alcohol in the state," he said.

Mark Miller, manager of Reliant Park for SMG, told Venues Today on a separate interview that this is the year the county will decide the fate of the Astrodome, which will drive future renovation of the park. It may be torn down and become a plaza or it may become flat floor event space. Those are two of the options. The eventual plan is to add a 1,500-room hotel atop the event center and to add an 8,000-10,000-seat arena. It has been determined it would cost \$120 million to raze the Astrodome, which includes \$40 million in debt service.

The plan, which is on the Reliant Park web site, would cost \$1.4 billion and is anticipated to be a

public/private partnership. The hope is to have it done before Houston gets the Final Four back in 2016. There will be a vote on the project in the fall of 2012.

Meanwhile, back at the Inn at the Ballpark, Leavitt and Lowry talked about the future of the ticketing system the carnival licensed from Burback's Funtastic Shows and introduced first on rides, then on games and now for fair admission and parking at some events. The topic was cashless midways and the presentation seemed to indicate it has arrived.

Use of the Fun Pass, on which value is imbedded in the bar code, has eliminated rehashing costs, inventory costs, inventory theft and shredding costs, among other benefits, Lowry said. "We didn't get rid of theft; we got rid of the thief." The card is blank until sold and the system is wireless, he noted. The Fun Pass Trailer will have 1.5 million cards (worth one and a half cents each) and one million wristbands (worth two cents each), so it is essentially cashless. Lowry also noted they are experiencing a 20-30 percent reuse of the cards as people load more onto the ticket. It helps that they never expire.

At the Houston Livestock Show and Rodeo, RCS had 22 ticket boxes selling the Fun Pass, 300 hand scanners, 20-30 computers and 50 seller terminals, all on a wireless internet network.

The system has been expanded well beyond tickets, to include game inventory, payroll timecards, and, soon, safety checks.

In terms of clients, they have added admissions and parking at the Arizona State Fair, Phoenix, to the RCS system. Strates Shows is also now using Burback's system, and there is "more on the horizon," Leavitt said.

As to next steps, he sees a cash vending system, a cash-only purchase of a preloaded Fun Pass. Those vending machines cost \$3,000 each to build, but they extend the sell range late into the evening.

Auto Sellers, which eliminate the need for a human teller, are doing very well, Lowry added, saying they were introduced at the Arizona State Fair last year. Also hot is the Fast Pass Lane, where for \$20, riders can be at the front of the line. The first 10 in each Fast Pass Lane are put on the next ride first. "We hoped to sell 2,000 of those in Arizona. We had to cap it. It added \$40,000 to the event gross," Lowry said.

Burback told the group he is in his 13<sup>th</sup> year of this system and it has basically eliminated theft. "This system cost me nothing because the gross is still coming up," he said. "We have just scratched the surface." — Linda Deckard

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## **DEALS**

### **GLOBAL GOES HOLLYWOOD WITH GALEN CENTER DEAL**

Global Spectrum has signed a four-year deal to manage Galen Center on the campus of University of Southern California in downtown Los Angeles.

The company has sent Anthony Vail from the Nassau Coliseum in Long Island, N.Y., to help book the five-year-old arena, which holds 10,000 for men's and women's basketball and volleyball games. It's Vail's second stint on the West Coast, where he worked for SMG at Oracle Arena in Oakland, Calif.

Vail said there's a lot of potential for the lightly used arena, located on a campus with the most active alumni association in the second largest city in North America. But Los Angeles is a competitive market, and Galen Center is literally down the street from the Staples Center Arena and the 7,100-seat Nokia Theatre at L.A. Live, the two highest grossing facilities in their size categories in California. The city's two largest promoters, AEG Live and Live Nation, own over a dozen venues between the two where acts can play instead of the Galen Center. Plus there's competition from independent promoters and half-a-dozen professional sports team. But the executive team at Galen think they can find their niche.

"Our staff would like to see more events come to the Galen Center. We're right here in downtown L.A. and not everyone knows about us," said Gloria Ramirez, business manager.

Vail said he would try to beat Nokia Theatre by offering lower costs, although he was mum on specifics.

The Galen Center is the only facility managed by Global Spectrum in Southern California.

“We have no unions in the building so shows can bring in their own stagehands,” he said. “From a cost standpoint, we’re extremely friendly and I’m in a position to do very aggressive deals because we want to put more events in the building.

The building’s rigging system caps out at about 85,000 lbs. and the back of house has eight separate locker rooms, which can be used as dressing rooms. End-stage concerts can seat between 5,000 and 7,500. While alcohol isn’t allowed at games, Vail plans to sell booze at concession stands and mobile carts during concerts. Most shows will bring their own PA, although they can tap into the house sound system if they like.

Vail said the center has the ability to buy talent and self-promote or co-promote, but he wants mostly to work with promoters who bring their own shows to the building.

Vail hasn’t announced any concerts yet and said the building doesn’t have a lot of recognition in the market. There’s no minimum event requirement in their contract, he said. — Dave Brooks

*Interviewed for this article: Anthony Vail and Gloria Ramirez, (213) 740-0662*