

BMG France Reorganizing Into 2 Labels Each Will Have Own GM And Sales & Promo Staffs

■ BY EMMANUEL LEGRAND

PARIS—BMG France is the latest multinational affiliate planning to divide its A&R, marketing, and promotion resources into two separate, self-sufficient labels.

Company president Bernard Carbonez says the reorganization will take effect July 1. Each of the new labels will have its own GM, and will maintain separate A&R, marketing, and promotion teams; they will share one sales force. The names of each unit have not yet been selected.

Philippe Desindes and Antoine Chouchani will take the GM posts, reporting to Carbonez. Desindes is currently international manager at BMG; Chouchani is promotion manager. Claude Amrane, who is GM of distribution, will add responsibility for the sales force, the classical and jazz departments, and some back-room functions common to both divisions. Christian Herrgott will remain head of the national A&R and creative department. Amrane and Herrgott will report to Carbonez.

BMG is losing a couple of senior managers, however. Current GM Jean-Michel Fava is leaving soon to join independent record and TV production company AB, which handles teen idol Dorothee, among others.

Separately, sales manager Jean-Claude Larco is departing to join EMI France.

The roster of local BMG artists will be divided between the two new labels—as will international repertoire—although exact details have not yet been worked out. It is thought that one division will man-

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age RCA, the other will take Arista and Ariola.

Also to be decided: the handling of Motown, Geffen (which switched from Warner Music to BMG as of Jan. 1), MCA (which switches April 1), and Jive/Silvertone. BMG also distributes Chrysalis in France, but the U.K. label transfers to EMI July 1.

Carbonez says he has been considering the BMG reorganization for more than a year, first signaling it at the company's annual convention last September. "BMG has now a solid foundation," he says. "But to develop, we have to go through

changes. We can't achieve greater growth through our current structure." The new matrix, he adds, will provide "the best possible service to all our artists, producers, and labels."

The plan is being enacted as BMG France prospers. The company had three of the country's best-selling albums last year (by Patrick Bruel, Roch Voisine, and Elsa) and three chart-topping singles (Zouk Machine, Mecano, and, on the distributed Talar label, Felix Gray/Didier Barbelivien). Bruel's album alone has sold more than 1.2 million copies in France.

BMG's 1990 chart share was pegged at 19.8% for albums and 24% for singles, according to a second-half chart survey by local trade publication Show Magazine. (In a separate poll of its readers, Show also named BMG "record company of the year.")

Carbonez says BMG's business increased 40%-45% in 1990 over 1989—while the overall market expanded only 10%—but he declines to reveal specific revenue figures.

New BMG Australia Exec Aims To Raise Co.'s Status

■ BY GLENN A. BAKER

SYDNEY, Australia—Stuart Rubin is a man with a lot to prove. The new managing director of BMG Australia is determined to loosen the company's historic grip on last-place chart and market-share rankings among the majors.

Appointed just more than six months ago, Rubin acknowledges the difficulties. "It is true that we are perceived as the old boys of the industry," he says. "Nothing substantial was ever developed in between the monster acts. Sure, we had Abba and John Farnham and Lionel Richie and Whitney Houston, but often nothing between them to keep the momentum going."

Rubin's own brand of momentum and vigor, not unlike that of Sony Music's Denis Handlin, is becoming evident. Arista artist Taylor Dayne was brought to Australia on a promotional tour, and the payoff has been a top 10, 100,000-plus seller with her "Can't Fight Fate" album.

New local band Southern Stone has been high in the charts with a gold debut album and Girl Overboard, also a new domestic band, has struck gold. And while Rubin can't quite claim credit, mainstay Farnham has given BMG a third successive multiplatinum album, "Chain Reaction," and a brace of hit singles including the top five "Burn For You."

"A key priority is to develop national repertoire. We're doing well with an album by Shane Howard, the former leader of Goanna, which has done over 10,000 units. We've picked

up a new collaboration album by Martin Plaza [of Mental As Anything] and James Freud [formerly of Models]," Rubin says.

"We've signed Mark Stevens of [TV soap series] 'Neighbors,' and we've just done a deal with Annalise and Chris Morrow, who were the core of the '80s local band the Numbers. All this represents a diverse approach to Australian contemporary music."

Like most of his competitors, Rubin is also moving into Melbourne, having wooed David Hunt away from Virgin to helm BMG's southern operation. Also, the national sales force has been significantly expanded. "It's all part of broadening our horizons," he says. "It's not enough to just go to radio with new releases anymore. If you want to get a song on radio these days you could wait forever. I think a new approach is needed, one that incorporates getting retail on our side."

Rubin's reign has received a substantial boost with the acquisition of Geffen (effective Jan. 1) and MCA (effective April 1) via BMG International's new worldwide licensing deal with those labels. "I'm particularly excited by the access this gives us to great midprice back catalog," he says. "Plus the opportunity to work with acts like Aerosmith, Guns N' Roses, Bobby Brown, and Cher."

Rubin concludes, "The days when our position in the market was pretty much taken for granted are over. Now we're attacking with what we have, instead of waiting for things to come through."

SINGAPORE VIDEO DISTRIBUTORS STEPPING UP MARKETING AT RETAIL LEVEL

(Continued from preceding page)

ble that of theatrical billings, Singapore's video trade is well below the theaters. Last year, theatrical billings for both Chinese- and English-language product totaled \$62 million, compared with video rentals of \$25.7 million.

And there was a sharp decline during the usually high-volume Christmas season when sales and rental dropped by almost 20% compared with the same period in 1989.

It could take at least five years for the business here to reach maturity, say distributors. They blame piracy for loss of sales over the past two years. Though the local copyright law was passed in 1987, pirated product still came in from Malaysia—gaining up to 50% of the market, some estimate.

But Malaysia last year signed the Berne Convention, which provides protection for all intellectual properties originating from member countries. The flow of pirated videos has slowed since but it will be some months before the full effect of Malaysia's tougher laws is felt.

High startup costs are also cited here as a cause for damping video development. Retailers have to start by paying a capital of \$57,000, a deposit of \$12,000, and \$685 for a license renewable every two years. Now the window between theatrical to video to television has clearly shortened.

Jessica Wee, sales director of Videovan, licensee for RCA/Columbia and Walt Disney, says, "Retailers demand current titles. We try to help within our contractual obligations, but we do have to face better television programming."

Touchstone's "Pretty Woman," the highest-grossing release here last year, went straight to video barely five months after its cinema run. Video sales have been upbeat,

says Wee, "but we had to really push with a nationwide marketing campaign."

Changes are in the pipeline, though. Videovan is offering premiums for every rental of "Dick Tracy," while Warner Home Video is test-marketing free screenings on selected titles, with customers giv-

PolyGram Enters Laserdisc Market In Italy

MILAN, Italy—PolyGram is entering the laserdisc market in Italy with the release of 30 classical and 10 pop titles.

The company says it aims to increase its output to 150 releases by the end of the year, a total that will include movies and ballet.

PolyGram is not, however, the first on the local market with the format. Sony Music released five titles at the end of last year.

Bruno Fedetto, GM at PolyGram's classical division here and the man in charge of the laserdisc launch, admits he is currently working in a niche market. "There are

Mexican Firm Launching U.S.-Based Music Channel

■ BY PAUL KLEINMAN

LOS ANGELES—Mexican broadcaster group RPM, which runs radio and television stations throughout that country, has set up a subsidiary here to produce a 24-hour-a-day television music channel for Latin America and the Hispanic market in the U.S.

The new operation, TeleMusica, is directed by Jesus Garza Rapport, a veteran Mexican media producer, and is set to launch in Latin America in April.

Aimed at the youth market, the music mix will blend U.S., British, and European pop, Spanish-language rock, and specialist genres such as salsa, according to Alexandra Lioutikoff, program coordinator.

"We're targeting a very diverse market, so there's no program director as such, but the coordinator will work with a team of advisers," says Garza Rapport. "All video jockeys and show hosts speak both Spanish and English."

TeleMusica will be produced en-

tirely in Hollywood, Calif., and include music videos, live performances, interviews, and entertainment news. There will be a weekly countdown show, along with competitions and promotions. Most of the programming will be presented on location around Los Angeles.

The new channel will be telecast to South America on the Pan Am satellite and to Mexico on the Morelos satellite, and picked up by different cable operations throughout the continent. TeleMusica is planned to go on air in the U.S. in July. Long-term plans call for a European launch as well, but no firm sign-on date there has been set.

But a daily two-hour show from TeleMusica will be featured on regular network television in some of that market.

The new service, believed to be the largest of its kind in the Spanish-speaking world, is seen as likely to boost the production of Latin music videos as well as providing simultaneous continental exposure for talent, especially new acts.

Many Private German Broadcasters In Trouble

MUNICH, Germany—Many private radio stations in Germany are trading on the verge of bankruptcy. If their programming is too conservative or insufficiently sophisticated, they are in peril of insolvency.

Dr. Alexander Grossman, of the advisory board of the Information Center of the Bavarian Economy, says that the stations' trading partners are repeatedly having to make cash injections to keep the broadcasters afloat. Grossman says that the financial losses of stations with more "rural" broadcast policies have become so great that about

80% should declare themselves bankrupt.

During the last three years, 40 local stations in Bavaria have accumulated total losses of \$40 million. Apart from a few exceptions, Grossman says, there will be no increase in profits or turnover within the next few years.

He argues that the stations are failing financially because their catchment areas are too small and too poor in potential advertising sources to support them.

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