



MURPHY'S LAW

## Why Is Summerfest Helping Live Nation?

National 'monopoly' company's proposed music halls in Third Ward target local companies.

By Bruce Murphy - Jan 4th, 2022 12:19 pm

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FPC Live concert venue in the Historic Third Ward. Rendering by Eppstein Uhen Architects.

In January 2020 three representatives of [Frank Productions](#) asked to meet with [Leslie West](#) and [Joe Balistreri](#), co-owners of The Rave and the Eagles Ballroom complex.

“They wanted to buy us out,” West recalls, “and they would operate it. Their long-term plan was to tear down The Rave and Eagles Club and build at a new location.”

They also warned that if West and Balistreri turned them down they would put them out of business. In an interview with Urban Milwaukee, [Joel Plant](#), CEO of Frank Productions, denied making any threat, but says “we’ve had a lot of conversations with Leslie.”

Certainly West had reason to worry about the

bought that controlling interest in Frank Productions in 2018, which now books shows as FPC Live and operates the Majestic, The Sylvee and High Noon Saloon in Madison.

But West had been approached years before this by Live Nation, with an offer to buy and had turned them down. “I said I’ve been at this for 27 years and I’m not going to sell it just to tear our buildings down.” But the three people from Frank Productions — Plant, **Charlie Goldstone** and **Scott Leslie** — continued to push the idea.

“We said, well, make us an offer,” West recalls.

Within days, she got an email from Scott Leslie asking to send an appraiser to examine the properties and asking for a list of 17 different documents. The emails, shared with Urban Milwaukee, show that West turned them down. “We feel it is very premature to appraise our building and get all the essential documents when we have no letter of intent, or anything other than a verbal ‘interest,’” she wrote. “We have never indicated to anyone we wanted to sell our business. If someone/company wants to come at us with a blind offer, we would entertain it, otherwise we are not revealing our 27 years of hard work for an assumption of interest.”

Less than a year later, in late 2020, Frank Productions contacted Summerfest about constructing a music venue on Milwaukee World Festival, Inc. land, Leslie told the Journal Sentinel. A plan announced last month would build two halls, one with a capacity of 4,000 people and one for 800 people, as Urban Milwaukee reported. The proposal seems aimed directly at West, whose Eagles Ballroom has a 3,500 capacity and its The Rave 2 has an 800-capacity. The proposed 4,000-capacity hall is flexible and

can also be cut back for 2,000 patrons, making it a competitor to 1,800-capacity The Rave hall.

Within the music industry, the two proposed halls would be considered “clubs,” venues that mostly serve standing-room crowds rather than offering permanent seats, as theaters do. Which means they wouldn’t compete directly with The Pabst and Riverside. But they could be a threat to the 987-capacity Turner Hall, which is part of the Pabst-Riverside operation run by **Gary Witt**.

The new music halls would give more clout to the massive conglomerate that is Live Nation and which some members of Congress have called a “monopoly,” asking President **Joe Biden** to launch an anti-trust investigation. Since Live Nation’s merger with Ticketmaster in 2010, it has created a company that dominates concert promotions, venues and sale of tickets. As of 2018 it controlled more than 200 venues, promoted more than 30,000 shows per year and annually sold 500 million tickets, as a New York Times story found.

All of which raises a number of questions:

**Why Is Summerfest now in the business of leasing land to companies?** Milwaukee World Festival, Inc. (MWF), the parent organization of Summerfest, is a tax-exempt nonprofit that was long subsidized by the city and also receives donations, including \$48 million in gifts over an eight-year period. The land for the new music venue comes from two parcels MWF bought in 2010 and 2011 from Charter Wire. A spokesman for MWF said back then it planned a “flexible and productive use of the area for Summerfest, the ethnic festivals and the neighborhood.” Instead Summerfest will make money by helping an out-of-town conglomerate potentially take business away from local companies.

Summerfest considers itself. As MWF board chairman **Howard Sosoff** told Urban Milwaukee in 2019, the festival no longer considers itself a partner of the city. "Milwaukee World Festival, Inc., is not a public-private entity," he said. "It is a private corporation."

**Will this bring more concerts to Milwaukee?** That's what representatives of FPC Live have said. "In cities across the country where new venues were added, where the styles and sizes are different, the result has been additive," Plant told Urban Milwaukee. But the sizes in this case are almost exactly the same as those owned by The Rave. And if he plans to add to the current scene, then why try to buy out The Rave and Eagles Ballroom? Live Nation has a track record of seeking to dominate the music market, not grow it. Local concert promoters say there is no pie to grow in Milwaukee. "I don't know of any band that hasn't played in this city," West says. "Ask FPC for just three examples."

In response to this question Plant came up with one example: **Sylvan Esso**. But the group played two sold-out nights at the Pabst in 2018 and played the Pabst earlier in 2014 as part of a tour for its debut album. The group has a long history in Milwaukee, as its two members actually met at another Milwaukee venue, the Cactus Club.

Plant promised to get back with more information, but later emailed a statement offering no more examples of bands that haven't played Milwaukee and saying this: "The venue's state of the art amenities will offer an additional option for Milwaukee patrons and will solidify our city's position as a must-play destination for artists at all levels."

**How will Turner Hall be affected?** The venerable Milwaukee nonprofit gets about 15% of its revenue from shows booked there by the Pabst management, says its executive director **Emilio De Torre**. Losing that revenue would have a "dramatic impact," he said, but he remains confident that Witt and the Pabst Theater Group will withstand the new competitor.

**Will Live Nation eventually take over all Summerfest bookings?** Pollster lists Live Nation as the promoter increasingly booking shows at Summerfest, including two in 2018, three in 2019 and four in 2021 (there was no festival in 2020 due to the pandemic). Meanwhile Summerfest cut a deal in October 2019 making FPC Live its preferred promoter for any concerts booked at its amphitheater or the BMO Harris Pavilion. (Prior to that Witt and the Pabst had booked some 70 shows at BMO Harris going back years.) Industry insiders point to the likely retirement of **Bob Babisch**, who has long booked Summerfest shows, and are speculating that Live Nation will eventually take over all bookings.

In an emailed response to Urban Milwaukee, a MWF spokesperson said this: "The Live Nation shows noted in Pollstar may have been part of larger tours produced by Live Nation that played during Summerfest. MWF will periodically book and promote artist tours that are produced by Live Nation, which is likely what is being referenced." As for speculation that Live Nation will eventually take over all Summerfest bookings, the spokesperson said MWF had "no plans to change" how its bookings are handled.

Certainly there could be advantages to Summerfest's alliance with Live Nation, given its massive market power. But the company makes decisions that benefits itself and its profits, not the countless communities in which its venues are based. Thus after Live Nation took over Alpine Valley, once one of the top concert venues in the Midwest, its bookings began to shrink, down to zero in 2017. Many of the concerts it might once have booked were now at Live Nation's four venues in Chicago.

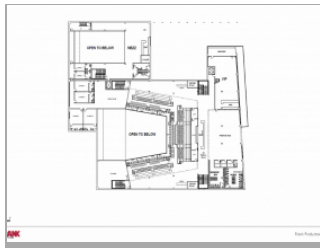
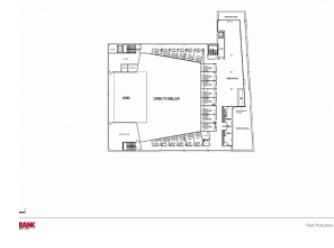
one I'm immune to considering," Bauman says, he's not sure "the city should be in the business of protecting incumbent businesses."

Bauman is requesting a zoning change that might slow down the process, as **Jeramey Jannene** has reported, but is not certain that will have any impact.

Ultimately only the 25-member board of Milwaukee World Festival has the power to stop this project, or to ask questions about the community impact of the ever-closer partnership between Summerfest and Live Nation. And they haven't offered any public comment.

## Site Plan

## Renderings



## 4 THOUGHTS ON “MURPHY’S LAW: WHY IS SUMMERFEST HELPING LIVE NATION?”

### 1. Polaris says:

January 4, 2022 at 2:02 pm

Bruce, thanks so much for all of this! As the old guy used to say, “And now we know...the REST of the story.” 😊

Well, probably not all the rest, but more than the message that this is being driven by Live Nation’s beneficence and the goal of making Milwaukee a more competitive music scene. Why is the (nonprofit) Summerfest helping Live Nation? Indeed...

### 2. btdn says:

January 4, 2022 at 6:09 pm

In its 2019 tax return, filed November 2020, it stated that “The mission of Milwaukee World Festival, Inc. is to promote an understanding of different ethnic cultures, the histories and traditions of various nationalities, harmony in the community, civic pride and provide a showcase for the performing arts, activities and recreation for the public and employment opportunities for the youth of the community”. If MWF isn’t community oriented, it wouldn’t seem to have a reason to exist.

It further states that one director each is appointed by the mayor, the president of the common council, the county executive. I wonder what these directors have to say about this.

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### 3. NieWiederKrieg says:

January 5, 2022 at 5:26 am

“”””Bauman says, he’s not sure “the city should be in the business of protecting incumbent businesses.”””””

There is no poverty, there’s very little crime, and there are no homeless people in Germany because German politicians protect German jobs for the German people. Germans have strong labor unions, free health care, free college education, and 5-6 weeks of paid vacation every year.

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### 4. Mingus says:

January 5, 2022 at 8:31 am

We need to support the local music venues. Summerfest in these recent years has ignored community concerns and acted arrogantly in promoting their self-interest. Maybe it is time to reconsider how the Summerfest Board is selected and mandating policy changes that has them supporting local interests.