

# The Album Network's

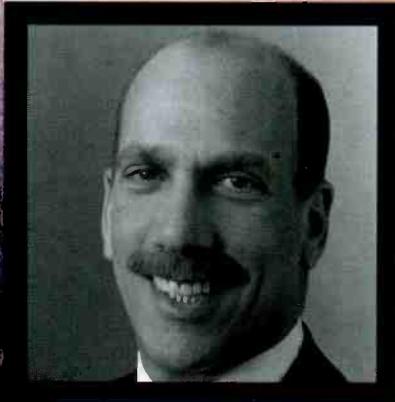
By KEVIN STAPLEFORD

# 120

## INFLUENTIAL PEOPLE

As Chosen By A Panel Of Their Peers

### Robert F.X. Sillerman



Robert F.X. Sillerman didn't make the rules; he simply knows how to play by them *extremely* well.

For example, as Executive Chairman of SFX Broadcasting, he took the company public in 1993 and, when the FCC changed the rules for radio station ownership, he instigated a hugely aggressive "acquisition program" (this means he bought a whole mess of stations). Then, in 1997, while other companies began to grapple with the difficulties of running their new empires, Sillerman simply sold his for a tidy \$2.1 billion.

Wait. That was only the *first* step.

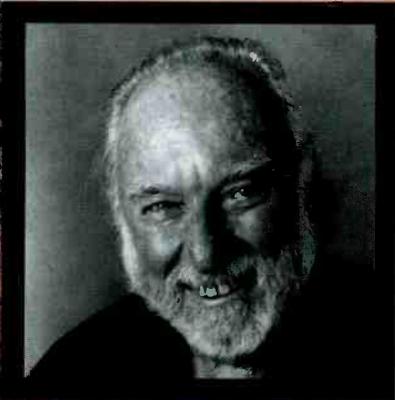
In 1997 Sillerman formed SFX Entertainment and went on an unprecedented shopping spree in the area of live entertainment, purchasing Delsener/Slater Enterprises, Sunshine Promotions, PACE Entertainment, Bill Graham Presents, Avalon Attractions and many others. With

these acquisitions, SFX has come to own and/or manage the largest network of live entertainment venues in history. (He also purchased the Network Magazine Group, but nobody's perfect.)

So where does one learn to buy stuff like Sillerman? Well, he formed Youth Market Consultants while still in college in 1967, which led to the creation of National Discount Marketing in 1974. In '78, he sold NDM and formed the Sillerman-Morrow Broadcasting Group with Bruce "Cousin Bruce" Morrow, Sillerman's first venture into the world of radio. By 1985, the modern Sillerman companies began to emerge, as he served as Co-Chairman of Legacy Broadcasting from '85 to '89, and added similar duties for the Metropolitan Broadcasting Company in '88. Soon he merged both companies with Group W Radio, creating SFX.

Need a clue the next time the rules change? Watch Mr. Sillerman.

### Russ Solomon



When he went to work in his father's Sacramento drug store in 1941, Russ Solomon unknowingly entered the glamorous world of music too; for alongside the soft drinks and corn flakes, the store also sold *records*.

In those days, there were only 78rpm singles, and the major problem was breakage. Right away, young Solomon tried to persuade the record companies that they should take back the broken singles, even though he personally broke quite a few of them himself. Just when he thought the labels were about to give in, the unbreakable 45rpm record was born.

Rats. Solomon had to start all over again and find another way to transform the music industry. So, to develop sales of these new 45s, Solomon decided to start selling RCA 45rpm changers. Soon he had installed over 5,000 of them, thereby developing a market in Sacramento for this wonderful new invention.

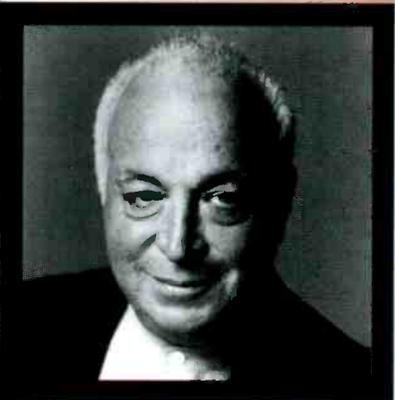
Getting the feeling that he was onto something, Solomon borrowed \$5,000 and opened up his own

record-selling operation on the floor of his father's drugstore. The year was 1960 and, since Sacramento received little attention from the official record label salesman at the time, Solomon quietly adapted supermarket merchandising and advertising theories to his fledgling business. By 1968, he was able to open his first "supermarket style" record store in San Francisco. He called it Tower Records.

Thirty years later, Mr. Solomon is the President of MTS, Incorporated, which is the parent corporation for Tower Records, Tower Video, Tower Books and Tower Galleries. In the United States, Tower currently operates 97 record/video stores, 13 book stores, two art galleries, seven outlet stores, and two mall-order departments. Tower operates stores in Canada, Japan, England, Ireland, Scotland, Taiwan, Mexico, South Korea, Thailand, Singapore, Hong Kong, Malaysia, Argentina and Colombia. Tower also publishes six magazines in four different countries.

Solomon's record-selling theories, apparently, worked out just swell.

### Seymour Stein



"The esoteric music of one generation is the pop music of the next," says Seymour Stein, the king of Sire Records. "Therefore I only sign the music I like, but it's also music that I believe will be popular."

Considering that in the last three decades Stein has guided and overseen the careers of such artists as the Pretenders, Depeche Mode, The Smiths, K.D. Lang, The Replacements, Seal and a former underground dance artist named Madonna, who can argue?

Stein decided early in life that he wanted to be in the music industry. At 15, King Records founder Syd Nathan put the youngster through a music business crash-course, putting him into direct contact with the likes of James Brown and Hank Ballard. In 1963, Stein joined forces with George Goldner, who was in the process of starting Red Robin Records (with partners Jerry Leiber and Mike Stoller). Home of The Dixie Cups and Shangri-Las, the label got off to a phenomenal start, but "nose-dived" in 1966. This was when Stein partnered up with producer Richard Gottherer and

started Sire Records. "The name comes from the first two letters of our first names," he says, "but it's more of a tribute to Syd Nathan and King Records than anything else."

In its first decade, Sire signed distribution deals with British Decca and Blue Horizon. In 1976, Stein inked a distribution pact with the Warner Music Group. By this time, he had already signed the cream of the New York City underground crop, including Richard Hell & The Voidoids, The Ramones and Talking Heads.

Warner eventually bought Sire in 1980, although Stein remained its leader until taking over the role of President of Elektra Records in 1995. Two years later, Stein returned to the label he founded, making it an equal of Elektra, Warner Bros. and Atlantic Records. "Sire's official start date was New Year's Day, 1998," he says, "and to paraphrase a line from one of my favorite records, 'Don't Be Cruel,' the future looks bright ahead."