



Press release

Neustart Kultur – funding programme live

Hamburg/Berlin, 19.8.20 The announcement by the Minister of State for Culture and the Media on 19 August is cause for optimism that, hopefully soon, an unrestricted restart for normality will be made a little easier for the organisers of music concerts and festivals too with the help of the considerable sum of €80 million. This is the result of the negotiations that have been ongoing since the beginning of July between the Federal Association of the Concert and Event Industry (BDKV) and the Ministry. The funds are part of the Federal Government's stimulus package, which has provided the Minister of State with around €1 billion, of which €150 million has been earmarked to help "restart music".

The relevant associations of the music industry – BVMI, DMV, LiveKomm, SOMM and VUT in addition to the BDKV – regard this, following the already implemented increase in the funds for Initiative Musik's artist support programme amounting to €10 million and the also announced support of music clubs, as another important sign for the preservation of the diversity of the German music industry, which has been threatened by the ban on events since March. "While the funding programme is far from being sufficient to fill the financial holes that the organisers have incurred in the last six months and which unfortunately will only increase in the coming months, it will at least ensure a certain basic guarantee of the industry's ongoing attempts to get back to normal," says BDKV President Jens Michow. Once again, the teamwork of the music business associations – which since the crisis have cooperated as a 'Forum Musikwirtschaft' in almost daily web conferences – has proved its worth in demonstrating to politics the closely interlinked value creation processes of the music industry. As early as April, the representatives of the associations had called for an aid programme of around €582 million for the music industry for the period up to the end of September, of which around €410 million was earmarked for the events industry, which has been affected by the crisis to the greatest extent.

For events from October 2020 to the end of August 2021, the current programme provides event organisers with funding of between €75,000 and €800,000 of future event costs. Festival organisers can receive up to €250,000. The maximum amount depends on the average number of events and visitors in the years 2017 - 2019, as well as the average turnover from cultural events within Germany. Applications will be processed through Initiative Musik, with the applications being submitted through its website. They will be processed immediately after receipt: Initiative Musik has hired eight additional members of staff for application processing. A special BDKV team is available to advise and assist in the event of problematic applications. "Provided that the application documents are complete and the costings are plausible, the payment will be made after verification of the documents," explains Michow. The programme will start on 7 September; until then,

companies will have to have a little patience. He recommends that the organisers familiarise themselves with the programme and prepare the necessary documents in the meantime.

Michow is disappointed by the unfortunate fact that the artist management and agents have not benefitted from the funding programme. Despite the most intensive efforts, it was not possible to come up with a funding approach. "I find this extremely regrettable since, after all, artist managers and agents were explicitly mentioned as recipients of aid in the 'Restart Culture' programme," says Michow. He has now contacted the Federal Ministry of Economics and Energy and called for the support of the mediators there. "I will not let up until this branch, which is so important for the cultural industry, receives adequate support for the restart," states the Association's president. Another problem is the fact that the programme currently only provides for the funding of music events. We are also in talks with BKM to quickly find a comparable solution for non-music organisers.

"Despite all the difficulties and the complexity of such a new funding project for all parties involved, I am very grateful on behalf of the industry I represent that at least a first step has now been taken to preserve our events industry," says Michow. In addition to my thanks to the Minister of State, I would also like to express my gratitude to her team of staff who have worked admirably tirelessly on this funding programme, even throughout several weekends. Of course, I would also like to thank my colleagues from the associations of the Forum Musikwirtschaft, who with their collegial and competent support have played a significant role in this important partial success."

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The Federal Association of the Concert and Event Industry was founded on 1 January 2019 through the merger of the two associations bdkv Bundesverband der Veranstaltungswirtschaft e.V. and the Verband der Deutsche Konzertdirektionen e.V. (VDKD). This professional association for the German live entertainment industry unites 500 agencies and tour and concert organisers. With sale of 113.5 million tickets, the events industry generates a total annual turnover of around €5 billion.