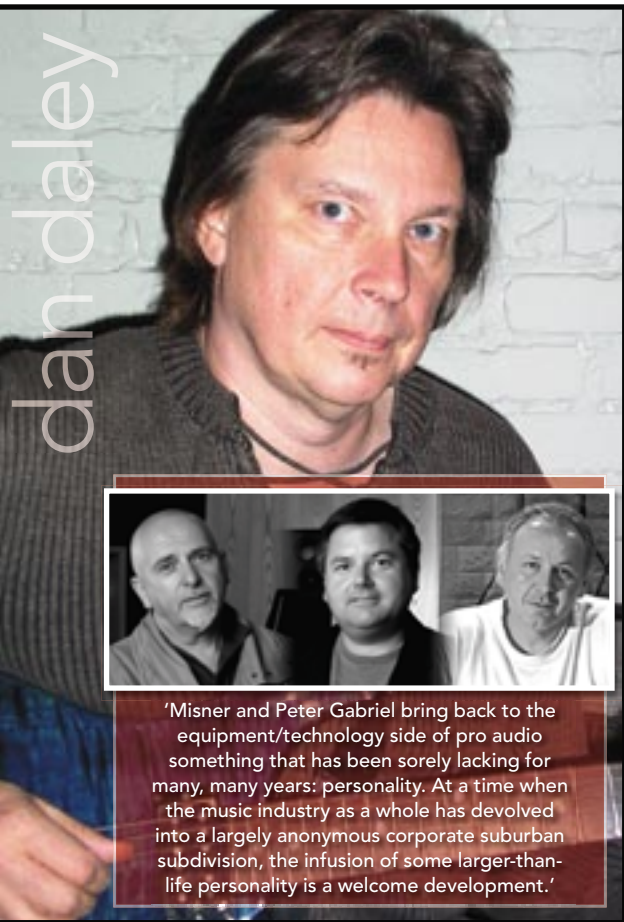


## Change partners

The change in ownership of the industry's two biggest traditional brands is a sign of the times but it also heralds the possibility of a return to 'industry characters', according to **DAN DALEY**



'Misner and Peter Gabriel bring back to the equipment/technology side of pro audio something that has been sorely lacking for many, many years: personality. At a time when the music industry as a whole has devolved into a largely anonymous corporate suburban subdivision, the infusion of some larger-than-life personality is a welcome development.'

**THERE COMES A MOMENT** in every industry when a point of change occurs. Usually, it is discovered only with the visual acuity of retrospection; we can look in the rear-view mirror of pro audio and see when digital overtook analogue as the primary format of music recording. Other sea-change events can be seen coming like a train lamp at the other end of a tunnel, such as the demise of many of the flagship music recording palaces. However, in those cases for far too many people, the event, as inevitable as it was, still had to take place for it to be believed. Ouch.

Then there are the events, just as crucial to the evolution of a business, that are more or less predictable, allowing us to take a front-row seat as they unfold as if in slow motion. One of these is going on right now, and it's worth watching.

It's the changing of hands of the industry's two leading legacy manufacturers of battleship consoles, Solid State Logic and AMS-Neve. At first glance, the changes — the sale of SSL to a joint venture comprised of musician Peter Gabriel and broadcast entrepreneur David Engelke, and the acquisition of AMS-Neve by Tom Misner, the owner of multinational multimedia education conglomerate SAE — follow the pattern established by digital technology in every industry that

it's touched: large-ticket items are undermined in both price and performance, putting their economics at risk and ultimately toppling them. Neither SSL nor AMS-Neve took the necessary evasive action to forestall this eventuality soon enough; SSL's US\$88,000 AWS-900 mixer gets raves for its performance but it arrived a day late and a dollar (or two) over market budget. AMS-Neve is rumoured to have its own scaled-down technology platforms ready to roll, but the same dynamic applies there as well. These are textbook examples of how legacy companies that don't readily adapt to change have it forced upon them.

The good news is that both companies have marques whose values are more robust than their most recent balance sheets. 'SSL' became a surrogate for the word 'console' in the 1980s in the advertising business in Manhattan in much the same way that Xerox came to stand for copier. I remember losing commercial sessions when we had to admit to the agency that we didn't have an SSL in our studio. Never mind that the redoubtable Trident Series 80 was a sonically wonderful piece of gear, or that the account rep at the agency couldn't tell an aux send from his arse. SSL did what every brand in any industry in the world strives to do: they made their name tantamount in importance to their product.

Neve still has similar power to its moniker. In fact, the change of ownership could be the impetus the company needs to put its relationship with its own legacy into proper context. In many ways, Neve's greatest competitor was itself, in the form of the legendary 80 series of desks that largely defined record-making in the 1970s and 80s. As good as the V and VR series were, they never attained the perceptual status of the vintage desks, and many music sales that might have gone to a new console went instead to a classic pre-owned one. To this day, some engineers and producers maintain their old Neves the way a resident of Havana does a 1957 Cadillac, with an ingenuity fueled by passion. Enough time gone by, enough of an investment in a new generation of technology and people to use it, coupled with the perceptual invigoration of new leadership at the company, could create renewed interest in new products with a brand that most other pro audio companies would die for. It certainly worked for Vox and Marshall.

But what interests me most about the change of guard at these two emblematic companies is the people. Peter Gabriel brings a tremendous presence to the picture at SSL: legitimate creative chops trimmed with just enough celebrity, as well as a technical validity that engineers respect. His long-time ownership of his studio, Real World, makes him a doyen of the upscale personal studio movement yet sympathetic to the realities faced by conventional studio owners. Gabriel founded Syco Systems, which co-developed the Tablet, one of the world's first DAWs. Real World Multi Media, part of Gabriel's Real World Group of technology and music entities, won awards for technological and creative innovation. More recently, he has been associated with OD2 (On Demand Distribution), a leading European provider for the distribution of on-line music. He is Bill Gates with a better wardrobe, Richard Branson *sans* balloon.

David Engelke is less well-known — Boolean out 'SSL' from a recent Google search on him and he goes from several thousand hits to less than 30 — but has been quietly yet effectively in the thick of the audio industry's consolidation free-for-all. He was an executive at Pinnacle, the US company that acquired Steinberg (Nuendo), then sold it to Yamaha just before selling itself to AVID/Digidesign.

On the AMS-Neve side, try to picture this same combination of artistic temperament and business savvy in one person and you get Tom Misner. Misner is an entrepreneurial throwback to the titans of industry that built early 20th century industry. He has an ego (he commissioned his own autobiography, available at any SAE school) and can be ruthless, two very useful qualities in business — you can't accomplish great things unless you believe you're great, and sentimentality becomes a liability as soon as you cross the seven-figures threshold.

Misner's greatest achievement is the network of SAE schools he's built throughout the globe, the only global entertainment technology-oriented multimedia education effort in the world. But he's also a mixer of some note, and financed and propelled a massive

renovation of Studios 301 in Sydney and more recently completed a multimillion-dollar project that brings doctorate-level degree certification to pro audio academia and puts yet another world-class studio on the market in Byron Bay, his personal and corporate Valhalla on the Australian East coast.

Misner and Gabriel bring back to the equipment/technology side of pro audio something that has been sorely lacking for many, many years: personality. The legends of this business, from Rupert Neve to Joe Meek, have all infused their products and inventions with personal charisma tinged with a patina that ranges from eccentricity to outright lunacy. At a time when the music industry as a whole has devolved into a largely anonymous corporate suburban subdivision, when the biggest news is not the technology itself but who's buying the technology companies, the infusion of some larger-than-life personality is a welcome development. It recalls the days when the music industry itself was a personality-driven enterprise. And this is not mere nostalgia talking — that same kind of forcefulness of spirit has also successfully rejuvenated companies in other sectors, most notably Steven Jobs' return to Apple.

This change in the reins at these companies also offers another opportunity, one in which the producers and engineers are once again the source of much of the industry's technological evolution. The same people making the music 40 and 50 years ago developed much of the equipment used to make that music. If a particular tool did not yet exist, they would invent it. Product development was very much along those lines for years to come: the technology developers listened to their peers to guide their R&D. As pro audio became an industry, the paradigm slowly reversed: companies developed products from within and marketed them to potential users. As the industry continues to move downmarket — ringtones and consumer remixes — the voice of the professional gets increasingly drowned out.

The ears now coming into executive positions of power at SSL and AMS-Neve are tuned to those professionals's voices. That's not to say that both companies are not going to pursue scaled-down product lines. That genie's not going back in the bottle. But they can redefine the upper tier of professional audio technology by creating the tools that the next generation of professionals — rather than the dilettantes — will want and need. This is already happening in the conventional studio business. New owners, albeit mostly already wealthy ones, are picking up the pieces of some of the shuttered studios in the US, reinvigorating a sector that had become bloated with too many studios killing each other in rate wars but which could never go completely disappear because the need for large, well-maintained acoustical spaces for recording music would diminish but never completely go away. What's left is increasingly better matched to the reality of the music business in a digital world. SSL and AMS-Neve, by listening to producers and engineers, are positioning themselves to provide the tools also better matched for the next iteration of music production. ■