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Live Nation, Inc. Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from David C. Joyce – Miller Tabak & Co., LLC.

David C. Joyce – Miller Tabak & Co., LLC

There are some good metrics coming out of this quarter and I was wondering if you could fill in if there's like some sort of seasonality going here? Overall the attendance was below what we expected but better revenue per attendee, is that I guess ancillary revenue that flows through from the events possibly that's on an uptrend?

Michael Rapino

Yes, absolutely.

David C. Joyce – Miller Tabak & Co., LLC

Because that metric was up but I was wondering also because of the global economic slowdown how much of that was a factor to some of the European countries you mentioned versus it being pipeline volume?

Michael Rapino

Zero. In the fourth quarter it was arena show comparable 2008 to 2007 in Europe was down so if you don't have the big arena shows – remember, we don't have amphitheatres in Europe so if our arena shows are down our ancillaries go down. Then also a large majority of it was just pure currency year-over-year. I'd just tell you that although it's not a big month and as most of you know Q1 is a fairly irrelevant quarter in our overall year since we're actually just buying the shows and getting them on sale for the summer.

Now, that we've sold motorsports year-over-year it will be a very low quota for us in terms of activity. But, we do have some shows that have been already executed, Nickelback is already on sale and closing nightly sold out and our per heads or any of the revenue metrics in January and February seem online with last year so we have not seen any decline in ticket sales or decline in someone having a beer, or a hot dog or parking at the venue in these arenas that they're going to already.

David C. Joyce – Miller Tabak & Co., LLC

On the sponsorship front, granted you said that in this advertising environment that's going to be one of the challenges for this year and you were still up 14% in the fourth quarter is there any clear seasonality starting to emerge from sponsorship revenue or is it very highly linked with the regular concert season?

Michael Rapino

It's 100% linked with the concern season. Usually, a sponsor would be buying some activity whether it's a sign, a sampling or some advertising campaign that's usually probably going to happen with the majority of the shows are so we haven't seen any decline to date. But, we are absolutely in the middle of renewing for the summer and we would say that in Q3 we knocked it out of the park and there was a lot of skepticism on was that history and with the future on ticket sales hurt us?

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