

'Mr. Greek Music' Takes Over Industry in EMI Merger

John Carr

Special to the Greek News

WHEN GREECE'S biggest independent record company, Minos Matsas and Son, decided last fall to merge with London-based music giant EMI, it was a personal as well as professional triumph for MM&S chief executive, Makis Matsas. Soft-spoken and low-profile in a country where business bombast tends to be the rule, Matsas had sat quietly at the pinnacle of the Greek record industry for years. Now, in one stroke, he will head a marketing machine expected to control at least half of the national record and cassette market by this year's end.

He also gets satisfaction from finally bringing together Greece's two oldest recording establishments, continuing a tradition started by his father almost 70 years ago.

"He is simply Mr. Greek Music," says EMI's Athens managing director, Tony Salter.

The Greek music industry has been through some hard times lately. The country is Europe's smallest record market; sales of vinyl albums, cassettes and compact discs in 1989 totalled just over 8 million units. Competition for listeners' attention by

private commercial radio stations, widespread home taping and persistent economic recession (coupled with a decline in purchasing power) have kept the industry in the doldrums for at least ten years.

Domestic (i.e. bouzouki-dominated) repertoire accounts for 55 percent of total sales. Industry observers say this may have been one reason why EMI, which has seen its Greek share of domestic repertoire dwindle, joined forces with Minos Records, the giant in the field. Executives of both companies insist the Minos-EMI deal is a merger for mutual benefit, rather than an acquisition by EMI, as rivals have suggested.

The merger gives Minos Records the international marketing muscle to promote its roster of top Greek artists — George Dalaras, Haris Alexiou, Yannis Parios and talented rocker Vassilis Papakostantinou — in other countries. EMI, in return, will cash in on higher domestic repertoire sales in Greece.

Matsas has consistently earned praise even from his rivals for quietly building up a solid business rather than relying on flashy, superficial public relations. The company is named after his father, Minos Matsas, a former bank employee who took a job in 1926

with the fledgling recording company Odeon, owned by German interests. At the time Greece had no proper recording studios, so the German engineers used the lobbies of plush Athenian hotels in which to make recordings.

When the first real studio was built in 1936 (it's still there with the original equipment in the EMI's Perissos premises off Herakliou Street), Odeon signed its first artists whose distinctive rembetika sound, born in the poorer quarters of Pireaus, was starting to have an underground appeal.

The best-known was Markos Vamvakaris, signed by Minos Matsas in defiance of established musical taste at the time. Vamvakaris, with his gravelly voice and unerring instinct for musical innovation, went on to become a Greek musical hero of Homeric proportions, pointing the way for the young record company.

Since then the 'Minos sound' has emphasized a bouzouki repertoire derived from rembetika. Lately, it has been modernized with syrupy layers of bass and electric fuzz guitar, but it unfailingly appeals to the lower-and middle-class Greek record and cassette buyer. All sales of more than 100,000 units are almost exclusively of this genre.

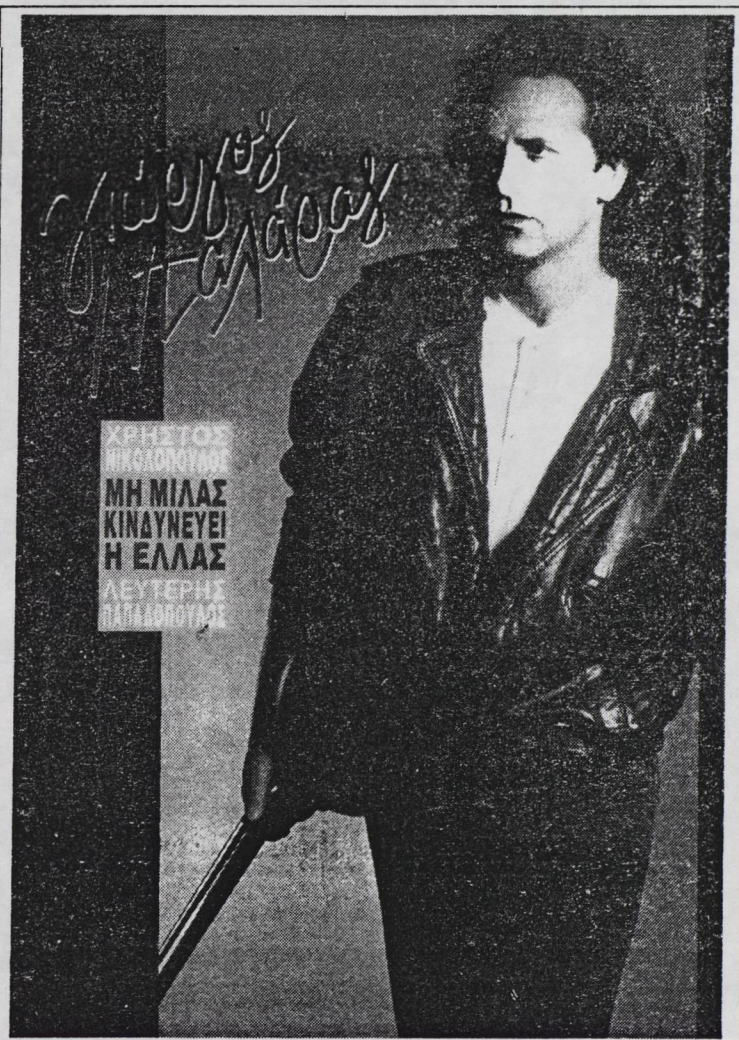
When Matsas' son Makis joined the company's executive staff in 1960, he changed the label from Odeon to Minos Matsas and Son. Some ten years later he stumbled on an artist who would prove to be as much a gold mine as Vamvakaris was for his father: George Dalaras, discovered in a corner of a Plaka nightclub stage.

A superstar for more than 15 years, Dalaras never fails to fill stadiums and theaters whenever he performs. The same can be said for another Matsas discovery, Yannis Parios, Greece's top-selling vocalist and holder of the all-time sales record — more than 200,000 copies of his *Nisiotika* album (1983) of traditional Aegean island songs.

The marvel is that such stars were created with very little promotional hoopla. "I don't believe in too much marketing," says Matsas in a near-whisper behind his impeccably polished desk, surrounded by a wall of gold and platinum records and society photographs.

By late last year, say industry sources, Minos Matsas and Son had reached a watershed: Success meant Greece's boundaries were becoming too small. And with the European Single Market just around the corner, Matsas realized along with other shrewd Greek managers that international connections could well mean the difference between survival and failure.

His reply to critics who claim he has created a near-monopoly of the national domestic repertoire market is a shy smile and a defiant "Why not?"



Don't Speak, Greece is in Danger is the title of George Dalaras' new release on Minos Records.