

Submitter: Danny Kime

On Behalf Of:

Committee: House Committee On Economic Recovery and Prosperity

Measure: HB4040

Hi,

I've owned and operated Sessions Music Hall (formerly Hi Fi) for seven years. As of right now, if we do not receive additional support funding we will likely have to close within 2-3 months.

Even though we are allowed to be open, music venues are operating at a major loss. We are selling about half as many tickets as we were prior to the pandemic. Of those ticket purchasers only about 60-70% are actually showing up to the concerts.

- We are losing money on nearly every show we produce. Touring costs for artists are higher so they demand a higher pay.
- We rely on producing concerts 5-7 nights a week, but now the inventory of available shows has been reduced due to touring expenses and fear of the pandemic and lowered ticket sales.
- The cost of staffing our venue has risen about 30-35%.
- Cost of goods have risen.
- We renewed our lease and our rent has gone up nearly 30%
- This last month we lost nearly \$50k. It was a particularly slow month, but on average we are projecting a monthly loss of around \$30k.

Prior to the pandemic our business generated around 1.2 million in revenue. Studies show that for every \$1 spent inside a music venue, \$12 is spent at surrounding business - hotels, restaurants, coffee shops, taxi's, etc. That's \$14.4 million in annual revenue that we help bring to a struggling downtown Eugene. Not only are most of the venues in Oregon a cultural cornerstone in our neighborhood, but we are also a critical component to the economic ecosystem.

It's going to be a long road to recovery as fear of being in public will take awhile to reside in the minds of many. As most people understand there isn't a light switch we can simply turn back on to get back to normal. The live music industry is going to take years to rebuild and unless the state is willing to let many - if not most or all - of its music venues fail, then we are going to need financial support. We need it fast

and we will need it for at least a couple years to come.

None of us in the live music industry chose this to happen. We were the first to close and the last to be allowed to reopen. In many cases we opted for the safety and well being of communities over the financial survivability of our venues on the hope that we would be supported when the time came. The time is now. Again, if we don't receive support in the next couple months we will be forced to close permanently. Please vote to allocate these necessary resources so we can save the live music industry in Oregon.

Thanks,

Danny Kime  
Sessions Music Hall