

WHILE TRYING TO 'ESTABLISH' THE STUDIO ~~AND~~ AND
 ACQUIRING, SECURING & PRODUCING NEW RECORDING ACTS,
 THE DAY TO DAY RUNNING OF THE OFFICE
 WOULD PROHIBIT ANY MANAGEMENT FORM OF
 BANDS MARKETING & GENERAL PROMOTION.
 TWO DAILY RUNNING INCREASES:
 OFF. letters, DISCUSSIONS, DEMOS, MEETINGS,
 (PHONE & VISITORS) (WALKERS)

Minton House
 11.30 AM

I would not like to see a
 situation ~~develop~~ when after
 my investment, (Almost 2 years
 of development this project after
 24000 ^{AMOUNT} of debts of over 100,000)

becomes a success because of
 my input, contacts

the question is HOW DO
 MIKE OLDFIELD/DEREK HANNAN

DAVID MARKS

OUR MEETING ON THURSDAY THE 18TH OCTOBER 1990.

23RD OCTOBER 1990

BANGILE NEKU

we
 seem

Some points to consider:

1. Under the new proposed arrangements I could be employed as a
~~Studio Engineer/Producer~~ on a freelance (hourly?) basis. In
 other words, similar to how we envisaged KEVIN BLACK operating.
 i.e: As engineer/producer on projects that I can bring into the
 Studio; as engineer on approved 3rd Ear Music Projects; as an ETC
~~organiser/sound engineer for any of your proposed launches,~~
~~conventions or music functions.~~

2. That before any decision is made on the "old" studio
 equipment, or the equipment you that purchased from 3rd Ear
 Music, I would appreciate it if you let me know well in advance.
~~The reason for this is that~~ I would still require the use of some
 multi-track facilities for my productions. Hopefully we can come
 to some arrangement on this equipment - besides which I have
 grown fondly attached to much of this equipment and despite the
 dismal utilisation of this gear, I'm still convinced that much
 of it can be put to good constructive and PROFITABLE use.

3. Although I sincerely appreciate your endeavours and
 suggestions (trying to turn around a bad financial situation into
 an advantage for myself and Mark) and that I fully understand

an advantage for myself and Tusk), and that I fully understand the implications of how a subsidiary should be in a position to market its own music, I cannot help feel a little apprehensive about the new proposed dispensation without asking the question "Why was this aggressive marketing approach not vigorously implemented here in Natal, especially when I did not have the infrastructure, staff or budgets to do the kind of marketing needed for our product?"

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I also fully understand that "the proposed licencing arrangement between us" would mean that the expense and expertise needed to market would be for the account and the responsibility of Tusk, but I also must emphasise that despite vast amount of money (seemingly) spent on these productions, it is important that we analyze the hours spent and the materials used from the studio on each and every production that will come into effect on this proposed new arrangement.

4. I do appreciate TUSK'S dilemma and your personal involvement and investment in this project, but I also have to be absolutely realistic when assessing my present predicament. Certain items of equipment would help me to continue producing and developing the current Artists that I have and hopefully we can come to some arrangement on this. I am of course presuming that this would happen only if the Studio were not to continue.

5. There are certain albums which I do not own but were put into production on behalf of Phil Audoire such as : RUFARO, THE BLESSED BROTHERS, MASHIDO AND TUXEDO. What would we do about "producer's" royalties? Phil did help to produce certain of these albums, if only in an advisory capacity. SIPHO MCHUNU has also produced a number of records. He was signed up by Tusk as a "in-house producer" for a 4% royalty. What happens in these cases?.

In Conclusion: I do agree that I am not "cut-out" to direct or manage a corporate enterprise such as you envisage for Tusk. In other words I don't quite fit into the " corporate world." However I have said this before and I will say it many times again, Natal, and Durban in particular, are largely untapped "markets". I personally do not believe that Tusk or any other record company will succeed to the levels that they could, if they try and market and operate from Johannesburg. The "New South Africa" is going to make sure that such corporate approaches from the top-down will not function in the old capitalist way. TUSK MUSIC, and more particularly yourselves personally, have a credibility and a foundation amongst most of the music listening and performing community that should not be wasted on short-term financial considerations only. What I'm trying to say is that you have made a start here in Natal and it would be a great waste of effort (not to mention financial)

