



Klaus Heymann

EDITORS' NOTE Klaus Heymann's name is synonymous with making classical music available to a much wider audience than was the case prior to his founding in 1987 of Naxos, the CD label that undercut the major labels in terms of price, without compromising on quality. Heymann has received many awards recognizing his acumen and the indelible stamp he has planted on the industry he represents. He led the field in foreseeing the inevitable synthesis of recorded classical music with the Internet as its vehicle for distribution. In 2002, Heymann pioneered the concept of subscription streaming services four years before the arrival of Spotify, having launched the industry's first streaming platform in 1996. In 2014, he introduced the latest version of ClassicsOnline.

COMPANY BRIEF Founded in 1987, Naxos Music Group (naxosmusicgroup.com) has developed from being known primarily as a classical record label into a global enterprise that owns, administers and/or distributes a large number of independent and major classical record labels, both physically and digitally. With its suite of digital subscription platforms, including NaxosMusicLibrary.com, NaxosWorks.com and several others, Naxos remains a leader and innovator in the classical music industry.

What was your vision in creating Naxos Music Group?

Before Naxos, Marco Polo focused on works that had never been recorded before.

In 1985, CD prices started to come down. When that happened, I thought there was a market for a label that would sell CDs at the price of an LP. That's what we did and the first things we recorded, we licensed. Then we started to make recordings of our own. I never had a grand vision though of what it would become.

The phone started ringing and people were asking where they could buy the CDs. The next thing was that we had to find distributors overseas, but we had to go with outsiders,

A Walking Encyclopedia of Classical Music

An Interview with Klaus Heymann,
Founding Chairman, Naxos Music Group

which didn't work out, so we decided to set up our own companies. This is how we grew.

When did you realize this business was going to have longevity?

When we first launched, my concern was that the major record companies that had huge catalogs of older recordings would compete with me and release those older recordings with famous names at the same price. Fortunately, they were so keen on exploiting these older records at full price, they didn't do that.

I was always looking over my shoulder to find out when they would compete, but they never did. First, we did 100 recordings and then another 100, and then I realized we had a future.

When they finally released their older recordings at budget prices, they were analog, not digital like ours, and it didn't impact us.

In the early '90s, I felt we had a future. We also had more opportunities then to record in Eastern Europe. Soon enough, the first orchestra in the West asked us to record them.

The next big jump was in the mid-'90s when *The New York Times* indicated the Internet might be the future of music distribution.

In 1996, we launched the industry's first streaming site called hnh.com. The next big break came about when bandwidth became cheaper in 2001 and we launched the Naxos Music Library, which was the industry's first subscription streaming service.

I continued to stay informed on trends, so we always adapted to what was going on in the market.

How has this brand remained relevant over the years?

We tend to stay ahead of the market, which is not easy in an ever-changing environment. Also, the people running our various companies around the world think of themselves as entrepreneurs, and they get very little micromanagement. If they are profitable, I leave them alone. Because I'm still the decision maker, we are very flexible. If someone makes a suggestion, we can try it and move on if it doesn't work. We now distribute about 40 percent of all classical music online.

Are there certain markets that offer the greatest opportunities for growth?

The biggest market is China. Being based in Hong Kong, for many years we invested in Chinese composers and artists, but the market

was dominated by piracy and we never got payback until a few years ago when the Chinese authorities decided to crack down on it. We now have deals with the online Chinese platforms.

North America was a struggle for many years, and we eventually moved from New Jersey to Nashville after not having much success. The community there opened their arms to us.

How do you continue to make classical music relevant for young people?

The traditional audience is greying and aging, but the young people generally listen online. By and large, our audience is younger today than they were during the CD days. Many young people listen to symphonic video game soundtracks, for instance, and get used to the sound of a symphony orchestra.

Do you ever have the urge to slow down?

I enjoy what I'm doing tremendously – classical music is my life. We're successful and I make a comfortable living from it, and what else would I do? I have no intention of slowing down. I could turn the business over to our senior executives who are quite strong. Giving my continued good health and exercise, I hope to hang on a few more years and continue to do what I'm doing. I hand more things now to my second in command than I once did. My major contribution is to deal with the most important artists and I can also spend time thinking about other things.

Were you intrigued by classical music at a young age?

My mother took me to my first concert at the end of the war when I was nine years old, and I was hooked. It's all my parents ever listened to. We got our first record player in 1954 and the first record was a little 45 rpm disc. I used money I made as a caddy to buy my first three LPs. I collected records and went to concerts, and I never listened to anything else. Nothing else excited me.

Even my conductors and artists refer to me as a walking encyclopedia of classical music.

Do you take moments to celebrate what you've built?

My wife and I sit down over coffee and talk about how lucky we are to be so successful at what we like to do. We appreciate what we have. People refer to me as a visionary but, basically, I'm a guy who has had a lot of luck. ●