

# A Year Later, Jackson Estate Is Prospering



Michael Jackson fans during a memorial for the singer in Harlem last July.

Chris Hondros/Getty Images

By Ben Sisario

June 22, 2010

In death, Michael Jackson has had the comeback he always wanted. His estate, managed by two longtime associates, the entertainment lawyer John Branca and the music executive John McClain, has nearly settled his troubled finances by making a string of big deals: a record-contract extension with Sony, a new Jackson-themed video game, two Cirque du Soleil shows and a plethora of merchandise.

Over the last year, the Jackson brand has generated hundreds of millions of dollars, and experts in the management of celebrity estates say that in the long term it might very well equal or eclipse the value of what until now has been the ultimate entertainment estate: that of Elvis Presley, which earned \$55 million last year, according to an estimate by Forbes magazine.

“Michael Jackson’s This Is It,” a film drawn from rehearsal tapes for the O2 arena shows in London that had been scheduled before he died a year ago, grossed \$261 million around the world, according to [boxofficemojo.com](http://boxofficemojo.com). And last year Jackson sold nearly 8.3 million albums in the United States, according to Nielsen SoundScan far more than any other artist.

“What they’ve done brilliantly is that they’ve taken advantage of the emotion surrounding the tragic and unexpected passing of Michael Jackson, and done it in a way that’s tasteful yet profitable, and that’s challenging,” said Robert F. X. Sillerman, the financier who until recently was the chairman and chief executive of CKX, which controls the Presley estate. (Mr. Sillerman remains CKX’s largest shareholder.)

Before Jackson died on June 25 at the age of 50, he was on the brink of financial disaster, and he was about to embark on a risky move to return to performing after a 12-year absence. He was more than \$400 million in debt, and bookmakers in London were placing bets that he would not appear for a planned series of 50 concerts at the O2 arena.

The change in public perception since Jackson’s death has been just as remarkable as his estate’s financial turnaround.

Although tickets to his London shows sold out in hours, the Jackson brand had been hurt by allegations of child abuse that had dogged him over the last two decades. (He settled a case in the 1990s, and was acquitted at a trial in 2005.) Last spring few fans turned out to view memorabilia at a planned auction in Beverly Hills, Calif. (it was canceled after Jackson objected), but when another Jackson auction opens in Las Vegas on Thursday, significantly bigger crowds and higher prices are expected.

Jackson’s executors were well aware that his public image needed tending.

“We felt we needed to restore Michael’s image, and the first building block of that was the movie,” Mr. Branca said in an interview on Tuesday. “People came away from that movie with a completely different view of Michael. Rather than being this out-of-control eccentric, they saw him as the ultimate artist, the ultimate perfectionist, but at the same time respectful of other people.”



Jackson's signature rhinestone glove at a recent auction.

Robyn Beck/Agence France-Presse — Getty Images

But many cultural critics and estate managers say that the enormous, worldwide outpouring of emotion upon Jackson's death — aided by an Internet-fueled news engine that has kept the issue in the public eye for the last year — established a momentum of its own.

“His sainthood began the moment that he died,” said David Reeder, vice president of GreenLight, a licensing agency that works with the estates of Johnny Cash, Steve McQueen and other celebrities. “That’s been beneficial for the estate. They haven’t had to overcome a lot of obstacles that might have made him less desirable commercially.”

Mark Anthony Neal, a professor of black popular culture at Duke University, said that death has changed the way Jackson is remembered and discussed, particularly among African-Americans. Last week Jackson was inducted into the Apollo Theater's hall of fame, along with Aretha Franklin.

“Ultimately it comes down to the fact that the Michael Jackson story is such a sad story in the end,” Professor Neal said. “And in reading him that way, some of his humanity has been recovered. We don’t necessarily see Michael as the demon that some folks might have seen him as in those last couple years of his life.”

Whether the Jackson estate can sustain its current levels of business — and whether public opinion will remain rosy — is another question.

This fall, Sony is planning to release an album of unreleased Jackson material. But the one major new song that has been released so far, "This Is It," from the soundtrack of the movie, failed to catch fire on the charts. And the enormous spike in record sales from last year has settled down to the level of Jackson's sales while he was alive; halfway through 2010, a little more than a million of his albums have been sold in the United States.

Bob Lefsetz, a former entertainment lawyer who writes a widely read blog about the music industry, said in an interview that without a Graceland-style destination to attract fans Jackson's ranch, Neverland, will most likely be sold, according to people with knowledge of the property Jackson's sales will eventually slow to a modest level.

"The question is legacy: Is he Elvis or is he not?" Mr. Lefsetz said. "It's not like Elvis. There's not much music. There's one and a half albums there, somewhere between 'Off the Wall' and 'Bad,' and I think it ultimately fades out."

Not everyone is so certain. Mr. Sillerman, who noted that the Presley estate was on track to have its most profitable year ever, said that death changes everything.

"There's something unique about Americans," he said. "We root against people and look for the negative while people are alive, and then we're very forgiving, whether they deserve it or not, and we celebrate their success in death."

A version of this article appears in print on , Section C, Page 1 of the National edition with the headline: A Year Later, Jackson Estate Is Prospering