

# HEADRUSH

a little excitement

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# Introduction

Producing and selling a CD of the newcomer band Headrush with the album „A Little Excitement“ can be an example for any other newborn band to show the problems they may come across when producing their own album. The business plan contains the solutions for some of the problems, some market analysis and an outlook of the cash flow over the years

*For newcomer bands like Headrush (more than 63 unprofessional bands in circle Heinsberg) it is very hard to find a label because of the number of bands and relatively small number of labels, in which the most are independent labels, that do not have to take any of the cost of producing a CD, normally just providing some advertisement and Legal security for the producers*



# Who is Headrush?

**Rough vocals, virtuosic guitar solos, impulsive Drums, melodic and chunky riffs** – that and much more makes the significant sound of **HEADRUSH**, a young three man Band from the wide area of Aachen. Their songs are rich with guitars, harmonically challenging, without compromise and potential birthplaces for earworms. The genre moves between different varieties of **Classic Rock**. Whether it is combined with certain innovative **Indie**-influences, **trendy Funk** or **Irish Folk**, the main thing is that it **ROCKS!**



# Who is Headrush?

The trio has been founded at the end of the year 2008. They gained regional popularity with various live-performances on rock events like „Rock die Ruine“, „Rock am Gleis“ or „Rock die Ente“. Their **interactive, thrilling** and intense **energized stage shows** live up to their reputation. Humorously, and with a certain sarcastic charm as well as musical splendour they succeed to fire up the audience. Here, the feedback speaks for itself.

Since Nov 19th, 2011, they released their arduously self-made **album „A Little Excitement“**. It contains **10 songs** with a full album length of 45 min and for 8€ per copy, which sure is a fair price.

## Line-up:

- **Ron** (*Vocals / Guitar*)

- **Tobi** (*Bass*)

- **Moe** (*Drums / Percussion*)





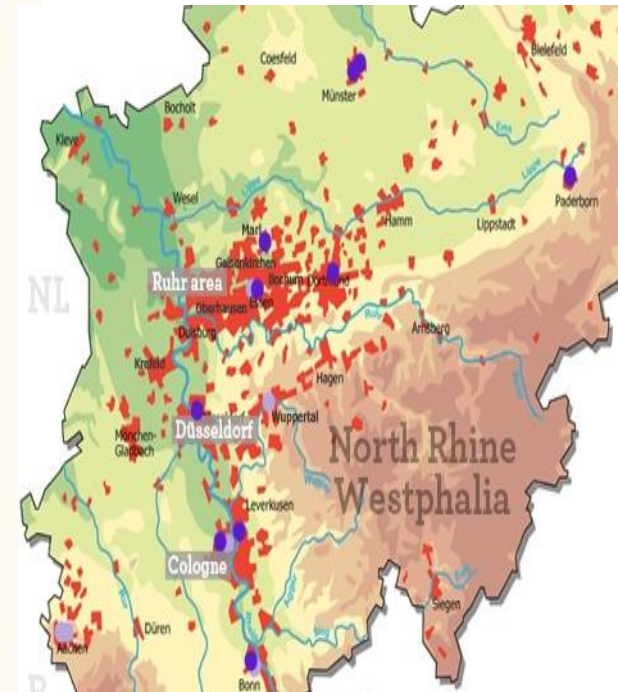
# Market analysis

## Why CD?

1. 80 % of the music which is sold in Germany, is still sold as CD,
2. Cheap and universal data carrier with enough space for recorded songs.
3. As we write all songs by themselves and we have no label to do the legal security, we send our own CD to our safe by an enrol, so we can proof before court that we have the music and design at a certain time.

## The need for music and life-entertainment:

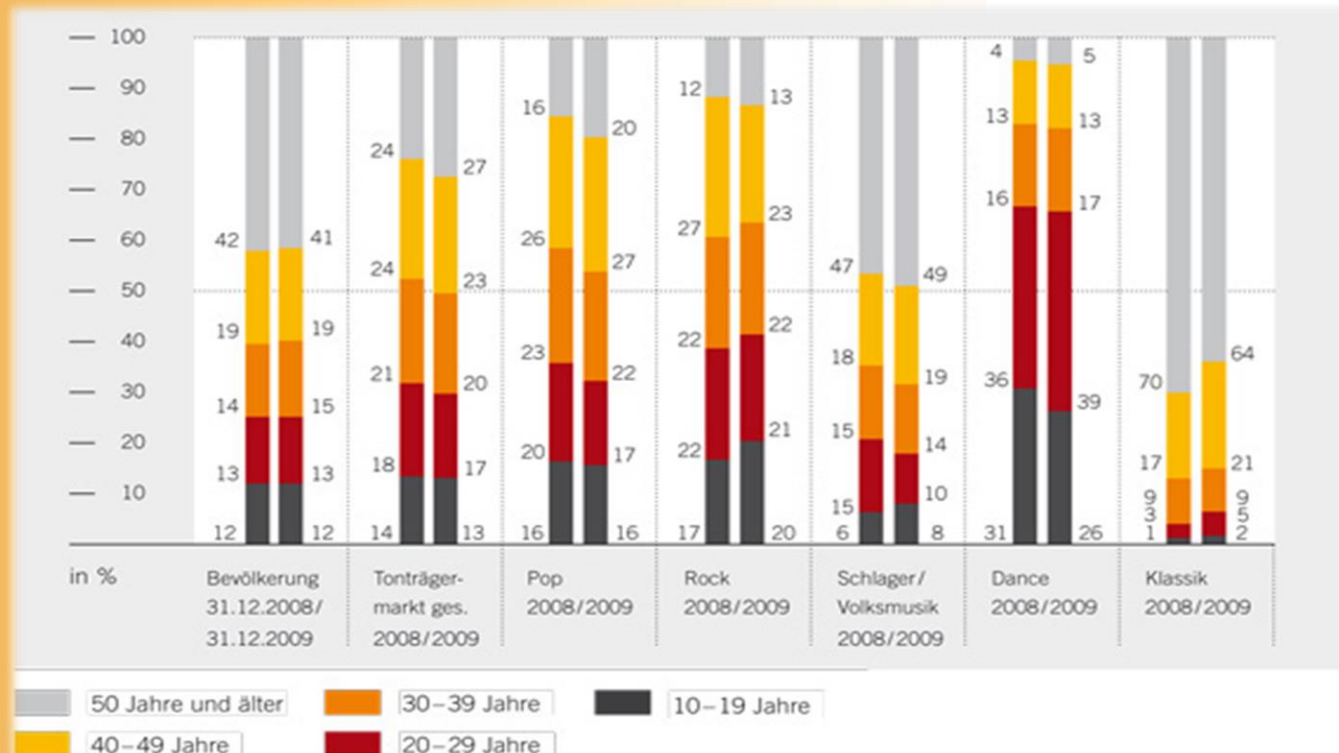
1. For a local band performing in Nordrhein-Westfalen, vast population in dozens of well-connected big cities nearby(Aachen, Cologne, Bonn, Duesseldrf, Essen and many others) creates many opportuinties to play concerts
2. With around 18 mln population in NRW with over 18% declaring interest in rock music gives around 3,4 mln possible fans to acquire.



# Market analysis

## Target group

Our target age group is ~10 to ~49 years which make 86% of the turnover in the rock and pop segment in Germany

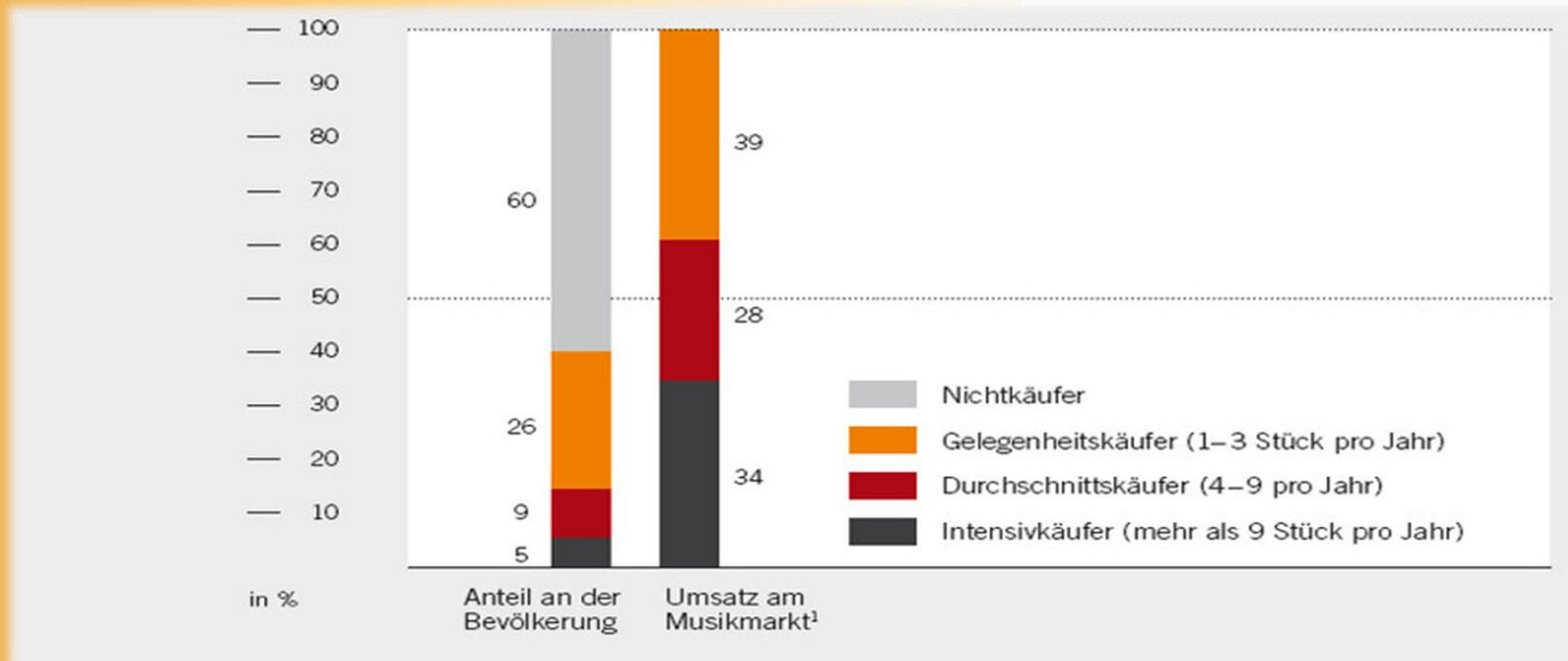


<sup>1</sup>Basis Umsatz inkl. Musikvideos (VHS+DVD), Downloads und Mobile

Quelle: GfK Panel Services

# Market analysis

From all people only 40% will may buy a CD and just 5% do that often, so in our calculations we consider 5% to be on the safe side. Also our first 3 concerts have shown numbers not significantly away from this.



inkl. Musikvideo (VHS+DVD), Musikdownloads und Mobile

Quelle: GfK Panel Services



# Sell strategy

Our strategy is to sell CDs on concerts, as fans hear the music live which is easier to immediately become convinced that they want to buy the CD and listen to it again at home. Also much of them feel that they should be supporting such a newcomer bands when inspired by the music performed in front of them. This is a cheaper and no third-party present way than advertising the album in mass media, giving additionally the opportunity to face to face contacts with possible future fans





# Cost calculation

Investment	
Pressing 500 CDs	700 E
Recording & mastering 10 songs for	500 E
Total investment	1200 E



Finacing		Shares	Interest / for one year	in euro
Shareholders*	700 E	58%	8%	56
Own investment	500 E	42%	for everyband member	166,67

\*Loan from a relative

Album realease "Do you need some excitement" Tour								Fee	Variable Costs		Income
Concerts	Fans	Selled CD	CD/People	selled cd	turnover/evening	whole turnover (building up)	profit		fuel	Tamyca car rental	
19.11.2011 Aachen	250	20	8%	20	160	160	-1096	200	30	49	121
01,12,2011 Bonn	50	3	6%	23	24	184	-1072	50	50	49	-49
02.12.2011 Erkelenz	50	2	4%	25	16	200	-1056	50	50	49	-49
		average	6%	to be safe we concider 5%							
Planed Concerts											
2012-01-10	200	10	5%	35	80	280	-976	200	50	49	101
2012-01-24	50	3	5%	38	20	300	-956	50	50	49	-49
2012-02-04	160	8	5%	46	64	364	-892	160	50	49	61
2012-03-17	60	3	5%	49	24	388	-868	60	50	49	-39
2012-03-23	78	4	5%	52	31	419	-837	78	50	49	-21
2012-03-24	300	15	5%	67	120	539	-717	300	50	49	201
2012-04-21	52	3	5%	70	21	560	-696	52	50	49	-47
2012-05-04	100	5	5%	75	40	600	-656	100	50	49	1
2012-05-05	120	6	5%	81	48	648	-608	120	50	49	21
2012-06-09	60	3	5%	84	24	672	-584	60	50	49	-39
2012-06-10	300	15	5%	99	120	792	-464	300	50	49	201
Retearn of investment for shareholder*				credit		interest					
				700		56					

# Cost calculation table continuation

2012-06-23	85	4	5%	103	34	826	-430	85	50	49	-14
2012-07-07	120	6	5%	109	48	874	-382	120	50	49	21
2012-07-08	80	4	5%	113	32	906	-350	80	50	49	-19
2012-07-21	350	18	5%	131	140	1046	-210	350	50	49	251
2012-08-11	260	13	5%	144	104	1150	-106	260	50	49	161
2012-08-18	75	4	5%	148	30	1180	-76	75	50	49	-24
2012-08-25	80	4	5%	152	32	1212	-44	80	50	49	-19
2012-08-26	120	6	5%	158	48	1260	4	120	50	49	21
Retearn of whole investment				1256							
2012-09-01	60	3	5%	161	24	1284	28	60	50	49	-39
2012-09-15	450	23	5%	183	180	1464	208	450	50	49	351
2012-09-22	55	3	5%	186	22	1486	230	55	50	49	-44
2012-10-20	90	5	5%	190	36	1522	266	90	50	49	-9
2012-10-27	80	4	5%	194	32	1554	298	80	50	49	-19
2012-11-03	160	8	5%	202	64	1618	362	160	50	49	61
2012-11-17	190	10	5%	212	76	1694	438	190	50	49	91
2012-11-24	300	15	5%	227	120	1814	558	300	50	49	201
2012-12-08	65	3	5%	230	26	1840	584	65	50	49	-34
2012-12-09	70	4	5%	234	28	1868	612	70	50	49	-29
2012-12-15	45	2	5%	236	18	1886	630	45	50	49	-54



# Cost calculation table continuation

Band member	Selled CDs	selled CD overall	whole turnover (building up)	profit	Fee	fuel	Tamyca car rental	Income
Privat sells					TOTAL			
Moritz	12	248	1982	726	4515			1268
Tobias	8	256	2046	790				
Ron	9	<u>265</u>	2118	862				

All numbers, without CD quantities, are in Euros



CDs only		Concerts only	
Profit in the end of 2012	862	Music instrument upkeep(fixed cost)	-219
		Income	1268
		Profit in the end of 2012	1049
Overall profit from 2012 tour+CDs			
1911			
Per every band member per year			
637			

# Legal remarks

1. The band is considered to be the OHG (offene Handelsgesellschaft- eng. *General Partnership*)
2. As a OHG, there is a possibility to buy a *Public liability insurance*, which costs around 250 Euro annually, but it is not included in this business plan
3. According to the German law if the profit per person is lower than 400Euro/month it is tax free, that's why tax it is not included in the cost calculations.



See you on the  
tour!

[www.facebook.com/headrush](http://www.facebook.com/headrush)

