EMI cost-cutting irks Rolling Stones

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PARIS - The Rolling Stones may leave EMI Group PLC after more than 20 years on the label, said a person with direct knowledge of the matter. The band would be at least the fourth to express unhappiness with owner Guy Hands's job cuts.

The Stones are considering options for the rights to their song library and new recordings after the band's contract with EMI expires in May, said the person, who asked not to be named because the plans are confidential.

Hands, the private-equity financier who bought EMI for $4.7 billion in August, said this week he will cut as many as 2,000 jobs to reduce as much as $394 million in costs a year. The Stones' departure would add to EMI's troubles after Robbie Williams's manager said the singer might withhold his next album to protest the cuts.

"We are looking at a dwindling EMI," said Dan Cryan, a London-based music and entertainment analyst at Screen Digest. "They've been losing some marquee talent. If the Stones leave, we are looking at an increase in the speed of the decline."

The band has ties with Vivendi SA's Universal Music Group, the world's largest music company. Yesterday, the Stones said in a statement that Universal will distribute the soundtrack for Martin Scorsese's "Shine a Light." The movie was
shot at the band's performance at the Beacon Theatre in New York in 2006 and includes archival footage.

Colin Browne, a spokesman for EMI at the Maitland public relations firm, said the Rolling Stones haven't signed with Universal and haven't left EMI. He declined to comment further.

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