Harmony on the Stage, Solo at the Bank

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MIAMI

When they stepped onstage at the Grammys ceremonies in February to accept the Legend Award, Barry and Robin Gibb, the two remaining Bee Gees, gave a touching tribute to their brother Maurice, who died a month earlier at the age of 53. Barry Gibb told the audience that "the measure of a man is his family" and gracefully handed the gold statue to Maurice's son, Adam.

It was an appearance that cast the Gibb family as close-knit. But it masked a dispute in recent years among the three brothers, whose falsetto singing in the soundtrack of the film "Saturday Night Fever" came to symbolize the harmonies of the disco world in the late 1970's. That soundtrack, which once sent polyester partyers swooping onto dance floors around the world, turned the Gibbs into megastars.

Though they continued to work together on albums and their families live within minutes of one another in Miami, Barry Gibb, the oldest, has at times been unhappy with his brothers, in part over the management of the Gibb business interests.

By January of this year, his relationship with Robin had so deteriorated that Barry did not even know that Robin had made "Magnet," his first solo album since 1985, until it was released. And Barry said he was "devastated" to learn that Robin, in that album, had altered a classic Bee Gees song, "Wish You Were Here."

Although Barry Gibb's rapport with Maurice was better, in 2001 Barry severed ties with Michael Eaton, a British lawyer who represented the group for over 30 years.

Maurice and Robin Gibb, who were fraternal twins, stayed with Mr. Eaton. But Barry hired his own team to direct his business affairs. And in a striking divergence from decades in which the trio acted as one, Barry decided last year to have Warner/Chappell Music, a part of AOL Time Warner, handle his interest in the song publishing business. His brothers stayed with the group's longtime publisher, the BMG unit of Bertelsmann.

The turmoil among family members has been resolved in recent weeks, Barry Gibb said in a telephone interview last Wednesday. But the differences among the Bee Gees, which he discussed during an interview earlier this year at his Miami mansion, offer insights into how complex family dynamics can affect what amounts to a successful family business.

"What changed for me was a midlife crisis," said Barry Gibb, who is now 57. Sitting in the living room of the mansion he has owned since 1981, and dressed casually in sports slacks, a blue shirt and a gray cardigan, he talked softly of the unhappiness that led him to rethink how his affairs were handled.
Mr. Gibb, whose songwriting skills were responsible for many Bee Gees hits, said that about five years ago he began to look hard at how the group's music was being promoted and how his own finances were managed. He didn't like what he found. He didn't feel that the publishing rights to the group's songs were promoted aggressively enough in a time when popular songs are used not only for advertising but also in other commercial applications like background music on telephone systems. "They were stagnating," he said.

Mr. Gibb also wanted a better handle on his investments, which were spread between Britain and the United States.

WHEN you get to 50, you change," he said. "I gained a fascination for the business, for understanding it, for archaeology, for ancient civilizations. You just reach an age where other things really start to interest you."

So Mr. Gibb hired John Cousins, a British accountant who is senior partner of Cousins Brett, a firm that handles the business affairs of music groups. He also hired John Branca, a Hollywood music lawyer who sought a new music publishing deal for the Gibbs. But Robin and Maurice Gibb decided not to go along.

Whether that decision was the cause of growing tension, or a result of it, Barry Gibb apparently wanted to establish more of his own identity. "All three of us were living in each other's pockets for 35 years," Barry Gibb said. "For the past five years, we were strangers."

Among the sore points for Barry Gibb was family resistance to a suggestion he made five years ago that each group member write and produce for other people. "Neither Robin nor Maurice would accept that," he said.

Though he did not name names, he said the tension had been exacerbated by a close family adviser, "who wanted to keep them together until there was trouble, and then it was divide and conquer. Make sure each brother doesn't trust the other," he said. Several associates said that Mr. Gibb believes that Mr. Eaton is the adviser who aggravated the tensions among the brothers.

Mr. Gibb sounded neither angry nor bitter about the rift but appeared pleased that he had moved on and now had his own affairs under his control.

There is a lot to tend to in his business empire.

The Bee Gees, for Brothers Gibb, are pop music royalty. The group, known for tight white jumpsuits and big hair during its prime, has written hits in every decade since the 1960's. The only group to outsell the Bee Gees has been the Beatles, according to the Rock and Roll Hall of Fame. After the death of Maurice Gibb, Barry and Robin said they would continue to work together, but not as the Bee Gees.

The Bee Gees' sound was always a seemingly effortless harmony, but their energy and productivity were enormous. Their first hit, "Spicks and Specks," which went to the top of the Australian charts in
1967, started a family career that produced a catalog of 600 songs and 28 albums.

"When I first heard them, I was astounded," said Ahmet M. Ertegun, a founder of Atlantic Records, the group's first American distributor. "They had the most beautiful voices, unlike anything I had ever heard: beautiful clarity and a lot of feeling. It was the sound of brothers — like the Everly Brothers. There is something about brothers harmonizing together. They were fantastic."

With ups and downs, the Bee Gees created a roster of hits like "Massachusetts," "Stayin' Alive" and "How Deep Is Your Love."

Barry Gibb produced successful albums for Dionne Warwick, Barbra Streisand and Diana Ross, as well as the best-selling version of "Islands in the Stream" performed by Dolly Parton and Kenny Rogers.

The group was never a touring phenomenon, however, and so it did not cash in on an extremely lucrative side of the music business.

Although Mr. Gibb would not reveal his net worth, several people close to him put the value of his real estate and investments at $30 million to $50 million, of which $20 million is invested in homes that include his Miami property, a 90-acre estate near London and homes he has bought for his mother and two of his five children.

FOR roughly the last decade, his advisers have kept a large chunk of assets in very conservative currency funds that invested in British pounds and in dollars. Some assets were invested in Britain and some were handled by Goldman, Sachs in the United States.

But during the last several years, Barry Gibb has consolidated all his holdings at Sanford C. Bernstein, the New York investment firm, in part because he grew unhappy with Goldman, Sachs. Much of the investment, he said, is in fixed-income securities.

"Goldman, Sachs put my kids' trusts in the stock market when I specifically asked them not to," he said. "That broke the bond of trust. I decided I had to get my stuff out of there." He has never been much of a fan of the stock market, he said, believing that real estate and bonds gave him more security.

A Goldman, Sachs spokeswoman said that the firm had no records to suggest that Mr. Gibb did not want equities in his children's accounts or that he had ever been unhappy with the asset allocation.

As for why he chose Sanford C. Bernstein, "I thought they were bold, and they handled high-profile people," he said. "I felt that Goldman, Sachs was handling 10,000 people."

The Gibb brothers' real source of wealth is their publishing catalog, which experts say could fetch up to $150 million. Barry Gibb would get $60 million; he has a 40 percent stake in the catalog because he wrote more songs than his brothers did. The catalog reflects the ownership value of songs they have written and generates fees every time recordings of those songs are sold or played.

By the end of 2005, Barry and Robin Gibb and Maurice's estate will also own the copyrights to almost
all their recordings. Most of those copyrights are currently held by Universal Music, their record label and a unit of Vivendi Universal. A sale of the rights to their records could bring each Gibb $15 million to $20 million, several music industry experts estimate.

Whether or not they sell the rights, Barry Gibb receives substantial income from publishing and record sales. One person who has seen the financial details of the catalogs said the music publishing revenue alone generates about $8 million a year, of which Barry Gibb keeps $3.2 million.

Sales of older albums, along with the five new ones the brothers have released since 1993, run at about 2.4 million albums a year, according to Universal Music. Those sales could give Mr. Gibb about $1.5 million a year, a person close to Mr. Gibb said.

There have been a handful of tours, too. In 1998, Allen Kovac, the chief executive of 10th Street Entertainment, a firm in Los Angeles that manages the group, arranged six concerts, a tour that netted each brother about $2 million, according to another person close to the group.

The Bee Gees have their roots on the Isle of Man, where Barry was born in 1946. When he was 9, his father, Hugh Gibb, a dance band leader, moved the family to Brisbane, Australia. By then, Barry and his younger brothers, Robin and Maurice, were singing. "Our parents came home one day and heard us, and they thought it was the radio, but our grandfather told them it was us," Barry recalled.

The three started performing on local radio shows and by 1967 had their first hit. Hugh Gibb decided that he had to take them to London if they were to become world stars. Almost immediately, Robert Stigwood, an entertainment entrepreneur, signed them and the group took off.

In 1975, Mr. Stigwood asked to borrow several songs the trio had written so he could use them for a new film, "Saturday Night Fever."

When the disco fever broke, the Bee Gees were pulled down with it. But Barry Gibb's songwriting and producing talent was still in demand and the family continued to record best-selling albums. Since the early 1960's, the brothers have had 14 that ranked among the 20 best-selling albums in the United States, according to the online music reference site allmusic.com.

Their youngest brother, Andy, who died of a heart disorder in 1988 at the age of 30, was a solo pop music performer but collaborated with his brothers on some of his songs.

The brothers have practically lived together throughout their careers. The home of Barry Gibb and his wife, Linda, on Biscayne Bay is two doors down from Robin's home; Jennifer Lopez recently paid $9.5 million for the property in between. Maurice's family lives nearby.

THE clannishness, however, has belied tension that began before Barry Gibb reached his midlife reassessment.

Just as the Bee Gees' voices seem to meld so effortlessly, their creative efforts were supposed to be a blur, so no one would get more credit than anyone else, he said. But he had come to feel that his own role was not properly acknowledged.
"I made an album with Barbra Streisand that sold 15 million copies," he said, referring to "Guilty," in 1980. "We won a Grammy for best duet, but I was not allowed to mention that Grammy during interviews. Over a long period of time, those things make you distraught.

"When you are in your 20's and 30's, you just want a hit record and you don't really care how it happens," he said. "But when you are in your 50's, you want a hit record, and you want to be recognized as the person who came up with it."

Whatever the reason, Barry Gibb began focusing on the Bee Gees' businesses, in part, several associates said, because he was not happy with how they were being handled.

In a telephone interview, Mr. Eaton said he made good deals for the Gibbs. "People in the industry know what I did for the family," he said.

Barry Gibb's goal in hiring Mr. Branca, the Hollywood lawyer, was to have him represent all the Gibbs in a new publishing deal. Mr. Branca recalled that in his first meetings with Warner/Chappell, "I thought I was representing the whole family, but at the last minute, the other two brothers would not go along."

The chairman of BMG Music Publishing, Nicholas Firth, defended the decision of Robin and Maurice Gibb, asserting that BMG is the fastest-growing company in the industry.

Barry Gibb also had issues with a contract that his lawyers had negotiated with Universal. He found that the records were "cross collateralized," a common industry practice in which Universal could recover, from the sale of other albums, the advance it paid the group for an album that did not do well.

"It lit me up," Barry Gibb recalled. "I had never agreed to it, and it was in the contract. That was when the trouble started."

He said Robin, however, was less concerned about the business issues at the record label than with making another recording. He said his brothers were not upset because "they didn't understand."

Today, Barry Gibb seems convinced that focusing on business issues has paid off. He said he had made progress with Universal. The family struck a deal that lets it out of its contract by enabling it to compile another album of "greatest hits" rather than make a new recording.

Now that he has streamlined his business affairs, and resolved the turmoil with his family, Mr. Gibb may well feel that his midlife crisis was worth it.