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What 'Leaving Neverland' Means For Michael Jackson's Business Empire



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Wave of Uncertainty: The legacy of Michael Jackson, photographed in 2005, is at a crossroads. But a... [+] GETTY

Michael Jackson is, once again, at the center of a very public reckoning. This week, HBO's *Leaving Neverland* resurfaced graphic sex abuse accusations, [leveled](#) on screen by Wade Robson and James Safechuck, who allege the singer molested them repeatedly as boys. The film prompted renewed debate over Jackson's legacy; the *New Yorker* [called](#) the film "horrifying and unforgettable," while the *Washington Post* [dubbed](#) it "devastating and credible."

At the same time, defenders loudly proclaimed Jackson's innocence, noting he'd been **cleared** of all charges in his highly publicized 2005 trial. His estate **filed** a \$100 million lawsuit against HBO, and his family **called** the film "a public lynching." Some observers seized on Robson's history and **reversal** between testifying on Jackson's behalf in 2005 and bringing his story to HBO, and fans **protested** *Leaving Neverland* with campaigns stretching from Twitter to the London bus system.

Regardless of the ultimate cultural fallout from the past week, a commercial reckoning may prove elusive for Jackson. The singer has **pulled** in \$2.4 billion since his death in 2009, much of it from the sale of two assets: Jackson received \$750 million for his half of the Sony/ATV publishing catalog in 2016 and \$287 million for his EMI Music Publishing stake last year. Thus far, Jackson's remaining deals appear largely intact in the wake of *Leaving Neverland*, judging by a brief survey of his financial realm.

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The singer's empire begins with his music, the logical first target of any Jackson backlash. Indeed, several radio outlets from Canada to New Zealand have **pulled** his songs from rotation, but he's available on most stations and, critically, via streaming services like Apple Music and Spotify, which recently **rolled back** a controversial policy on problematic artists. Neither service replied to a request for comment, nor did Sony/ATV, which still administers his publishing. A spokesperson for Sony, which houses Jackson's recorded music catalog, declined to comment, but a rep for Jackson's estate confirms the singer's major deals—including the Sony pact—remain in place.

While it's still too early to see how *Leaving Neverland* will impact overall consumption of Jackson's work, early indications are that the numbers are mostly flat or rising. "We haven't seen an uptick or downtick in album sales or song sales, but there has been an upward trend the last two weeks for streams," says Jim Lidestri, chief of Border City Media, the company behind the BuzzAngle music charts. Newer week-over-week numbers provided by rival outfit Nielsen for the period ending Tuesday tell a similar story. While Jackson's U.S. terrestrial radio spins dipped by 5%, on-demand audio and video streams ticked up by half a percent apiece while album sales increased by 3.4% and song sales grew 5.8%.

Such a boost could be attributed to Jackson's fans—who have [advocated](#) consuming the singer's music instead of watching *Leaving Neverland*—or to the old adage that any publicity is good publicity. Either way, Jackson's postmortem music earnings are insulated against a potential decline in consumption by a quarter-billion-dollar pact [signed](#) with Sony last year. Although most record deals contain morals clauses that allow labels wide latitude to drop artists, it's not clear how such provisions would apply to a deceased performer, and observers see such action as extremely unlikely anyhow.

"From a purely business perspective, it's hard to imagine Sony Music/Epic Records or Sony/ATV dropping Michael Jackson," says veteran entertainment attorney Bernie Resnick. "Setting aside the 'did he or didn't he' debate, and speaking of Mr. Jackson purely as an artist, the King of Pop is the star of the biggest-selling LP in the history of the recording industry."

Like Sony itself, Sony/ATV recently **signed** a long-term deal with Jackson. The idea of the company disentangling itself from the singer—who **paid** \$47.5 million for the original ATV catalog, which included some of the Beatles' biggest hits, in the 1980s before merging it with Sony's a decade later—seems complicated at best. Any theoretical unwinding of Jackson's publishing would likely drag along other music contained within his Mijac publishing entity, **including** the catalog of Sly and the Family Stone, as well as hits popularized by Aretha Franklin and Jackson's late father-in-law, Elvis Presley.

Beyond music, other licensing deals appear to have remained in place thus far. Authentic Brands Group, which handles Jackson's merchandise, asserts that none of its partners have pulled out of any agreements. *Michael Jackson One*, the Cirque du Soleil production at Mandalay Bay in Las Vegas, seems to be on track as well (although there is a petition **calling** for its cancelation). Sin City ticketing is notoriously opaque, but show dates look to be half to two thirds full as far out as December, although a spokesperson for Cirque wouldn't reveal exact sales numbers.



Selling Neverland: Jackson's ranch is on the block; the asking price has dropped from \$100 million... [+]

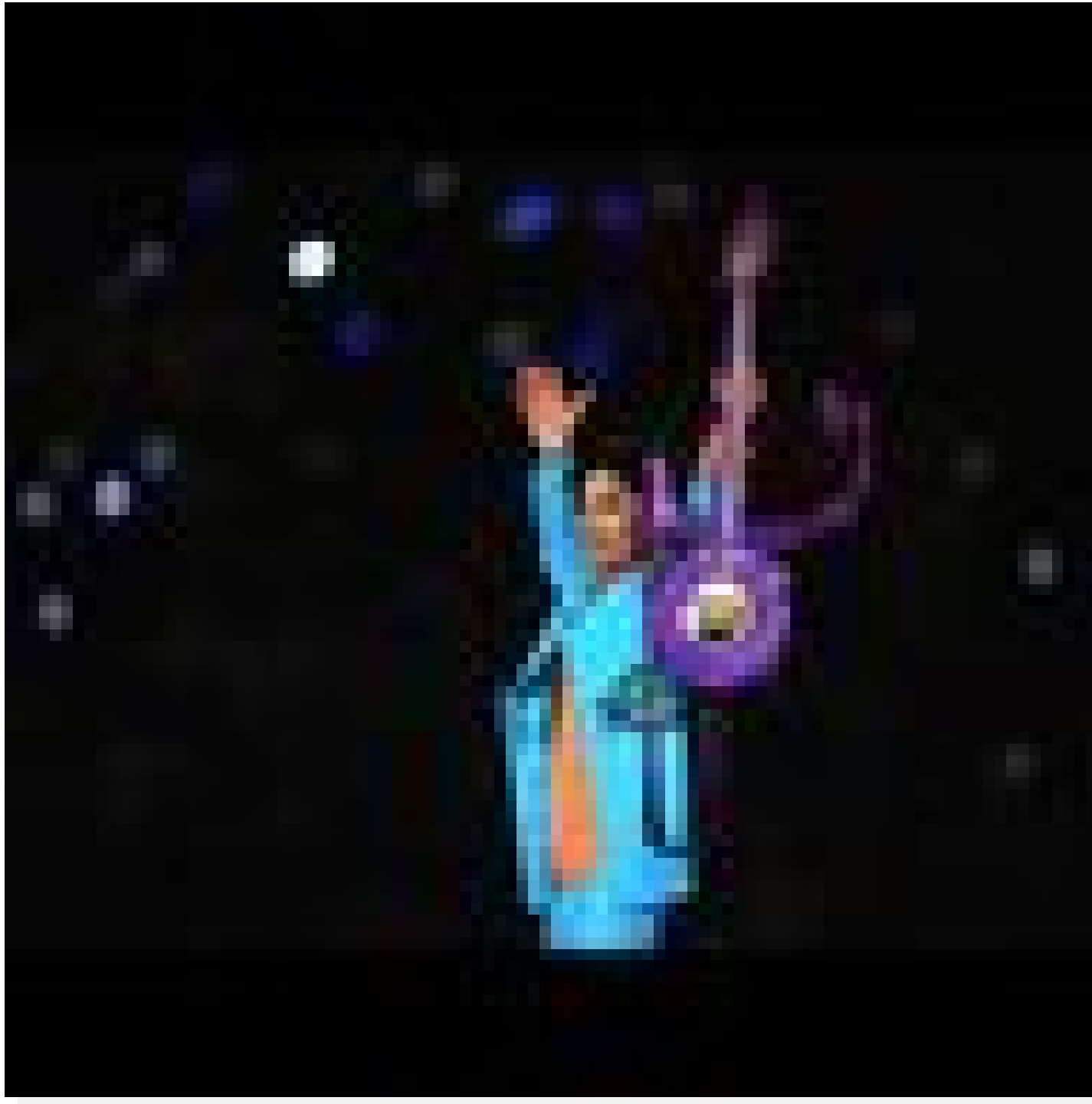
One area where *Leaving Neverland* may have already had a negative impact on Jackson's postmortem finances is [the property named in the film's title](#), where many instances of abuse allegedly occurred. In 2015, Neverland Ranch went up for sale with a price tag of \$100 million; within two years, the price fell to \$67 million. The number recently [dropped](#) again, to \$31 million—a discount of nearly 70% on its initial list price—and although the estate has [characterized](#) the dip as a coincidence, it's hard to imagine the documentary not affecting its sale.

Without a steady flow of new material, [deceased stars](#)—among whom Jackson was the highest-paid last year, earning \$400 million, mostly from the EMI sale—must find ways to expand their audience. That's what may prove toughest for Jackson's financial legacy in the wake of *Leaving Neverland*. A planned Broadway musical based on his work has already hit [possibly unrelated](#) speed bumps, although a spokesperson for the show confirms it's on schedule to launch this summer. The fate of *Michael Jackson's Halloween*—a television special launched in 2017, with aspirations of becoming an annual event, that features a pair of children roaming a haunted house with the help of Jackson's spirit—is less clear. (A representative for CBS, which aired the program, didn't reply to a request for comment.)

But the amount of money generated by those sorts of brand extensions is negligible compared with Jackson's music and publishing—especially abroad, where he's particularly popular. *Thriller* has [sold](#) some 100 million copies, with 66 million coming internationally. Jackson fans also appear poised to consume his work over the top if need be, as evidenced by their embrace of the concert film [released](#) this week as *Leaving Neverland* counter-programming.

Meanwhile, the debate over art versus artist continues to rage. And Jackson's legacy could always be damaged further over time, especially if additional accusers come forward. Still, artists tainted by allegations of vile acts can maintain commercial appeal long after they're gone. One need look no further than sexual abuse [claims](#) leveled against Presley—last year's [second-highest-paid dead celebrity](#)—for proof that when it comes to business, pop royalty often take their teflon crowns to the grave.

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Gallery: Top-Earning Dead Celebrities 2018

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