
The show must go on: Cirque du Soleil



As we brace ourselves for what threatens to be the worst economic slump since the Great Depression, one company seems to be relatively unscathed by the global financial meltdown.

According to **Daniel Lamarre**, president and chief executive officer of performance troupe Cirque du Soleil, whose shows still play to sell-out audiences, he is confident that his company will ride out the recession.

“In the past when there was an economic crisis, people are turning to entertainment because you just want to forget about your problem and you're looking for hope and you're looking for distraction. And that's entertainment. So normally we are not touched as bad as the other sectors of the economy.”

He concedes, however, that forging partnerships with people who have deep pockets has helped cushion the business even in bad times.

“The good news for us, if we're talking about the business model, is that the financing comes from a third party. It's not ourselves who have to invest all that money ... We're very, very lucky. I should say we're spoilt, because we have partners that are willing to invest a lot of money behind our brand. So

financially it's great for us because they do finance those ventures by building for us the best theatres, by allowing us to develop huge productions, huge spectacles and because of that, we're in a huge growth mode.”

Growth spurt

Indeed, Cirque’s growth has been unstoppable. Its gross revenues climbed to \$630 million in 2007 from \$550 million in 2005, and they have continued to grow.

“The big change in our strategy is that we are really in a growth mode also in geographical diversification. So with our touring show we went from touring in 70 cities around the world to 250 cities around the world now. We went from having just permanent shows in Las Vegas. Now we're bringing permanent shows in Asia. And I wouldn't be surprised if within the next five to ten years, we don't end up having a permanent show in each major city around the world. So there is still a lot of potential for us.”

If Asia is the next frontier for Cirque, Lamarre says that China is most definitely on his radar, as well as Japan and Korea. “It's a huge potential in terms of numbers ... and that's why I'm spending a lot of time and a lot of resources in Asia. This is our number one priority for Cirque du Soleil right now.”

In the meantime, Lamarre assures that the public should not expect anything less than leading-edge performances from Cirque, as artistic integrity will not in any way be compromised and it will always strive to be innovative.

“What we have done in order not to compromise the quality of our shows, is that we have creative teams which are totally dedicated to each show. No one at Cirque works on the development of more than one show ... It will take (them) three years to develop that show and three years from now we find (them) a new challenge.”

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