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# DOLAN'S

James Dolan has spent \$2.3 billion in an attempt to reimagine live events. A project that once looked like a white elephant may actually end up being a strange gem

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# S DEATH STAR



FOR THE LAST SEVERAL YEARS, LAS VEGAS'S PLEASURE

seekers might have been puzzled as they gazed westward from the city's Strip. Looming in the distance was a 366-foot-tall sphere. The dark orb bore a familial resemblance to the Death Star but lacked any signage offering a clue to its purpose. It was obviously an attraction, but what kind?

If the Sphere were actually a space station, its commander would be James Dolan, scion of the family that controls some of New York's most famous venues and two of the city's sports franchises. The irascible tycoon is a figure of dubious celebrity on his home turf, where he's blamed for the seemingly perpetual mediocrity of the Knicks and derided for fronting what some would consider a high-priced vanity roots-rock band, JD & the Straight Shot. For the better part of a decade, Dolan has been at work on the enormous spherical building in the Nevada desert in an unlikely bid to establish himself as a man of vision.

Dolan has his own preferred sci-fi metaphor for the building: He's said it was inspired by Ray Bradbury's classic *The Veldt*, where children can project anything they imagine on their nursery's walls. With that image in mind, he and his company set out to build an event venue with 17,500 seats, an interior wallpapered with "the highest-resolution LED screen on Earth" and a glowing exterior that made it look in early drawings like a fireball dropped from the sky. The planet's bigger musical acts would be offered the privilege of doing extended residencies and experimenting with the venue's novel technology. During the day, the Sphere would morph into a tourist attraction, outdoing the Strip's giant-screened IMAX theater experience with its own superpumped arsenal of "immersive

entertainment" flourishes, including wind effects, temperature shifts, seats shaking and scents wafting through the building. Kevin Reichard, editor of the trade publication *Arena Digest*, struggles to find the appropriate words to describe it. "It's just so far advanced in terms of capabilities, I don't have any baseline comparison," he says.

Locating in Las Vegas was an obvious choice, but this Sphere would be only the first in a constellation of next-generation venues around the globe. Dolan began work on a second Sphere in London, long before the first one was set to open.

This all had the potential to go badly, as anyone who's read all the way to the end of *The Veldt* knows: The children dream up an African grassland so realistic that lions devour their parents. The Sphere's narrative arc seemed to be bending in a similarly troubling direction, as pandemic-related delays pushed its opening date back years and cost increases added more than \$1 billion to its original estimated price, eventually bringing the total to \$2.3 billion. Dolan shuffled the project between different family-controlled companies, recombining assets that had previously been spun off and selling others to help fund the exorbitantly expensive venue, which is now part of an entity known as Sphere Entertainment Co. Even a 15-second Super Bowl ad announcing that U2 would be headlining a series of kickoff shows, scheduled to begin on Sept. 29, did little to alter the minds of those who'd written off the Sphere as an all-but-certain disaster in the Nevada. "How many red flags to you need to see that this is just a boondoggle in the making?" says Scott Roeben, founder of Vital Vegas, a lively blog about the casino town.

Then, on July 4, the Sphere's exterior began to swirl with images of clouds, stars and molten lava. A leering jack-o'-lantern appeared, then the fiery planet Mars, a geodesic dome, a snow globe, a hideous gigantic eyeball and video-game-worthy tableaux of extraterrestrial and undersea worlds. Pedestrians stopped to marvel at the glowing orb.

Phases of the Sphere TK



Traffic slowed as drivers took pictures to post online. Twitter users piled on with superlatives, from “freaking amazing!” to “so epic!!!”

Within a week, Sphere Entertainment’s shares, previously in the doldrums, were up 25%. It turned out that Dolan’s pet project was potentially much cooler than many expected. “The whispers in the industry for a long time have been somewhat dismissive of this,” says Nathan Hubbard, former chief executive officer of Ticketmaster and co-founder of the music startup Firebird. “There’s going to be a lot of people with their foot in their mouth.”

**IT’S NOT SO EASY TO CHEER FOR JAMES DOLAN. HIS** family fortune largely flowed from its cable company—not the sort of business that tends to have appreciative customers. His tenure with the Knicks has been marked by poor on-court performance, head-scratching personnel moves and a seemingly gratuitous conflict with beloved former star Charles Oakley, who was forcibly removed from Madison Square Garden during a 2017 game after allegedly heckling Dolan. (Litigation stemming from the event is ongoing.)

Dolan has also drawn criticism for vowing to use facial recognition technology to identify attorneys who have sued his companies and ban them from his arenas. When the New York State Liquor Authority embarked on an investigation of the use of facial recognition, Dolan threatened to halt liquor sales during hockey games. “They’re doing this for publicity, so we’re going to give them some publicity,” he told Fox 5, looking as though nothing would give him more pleasure.

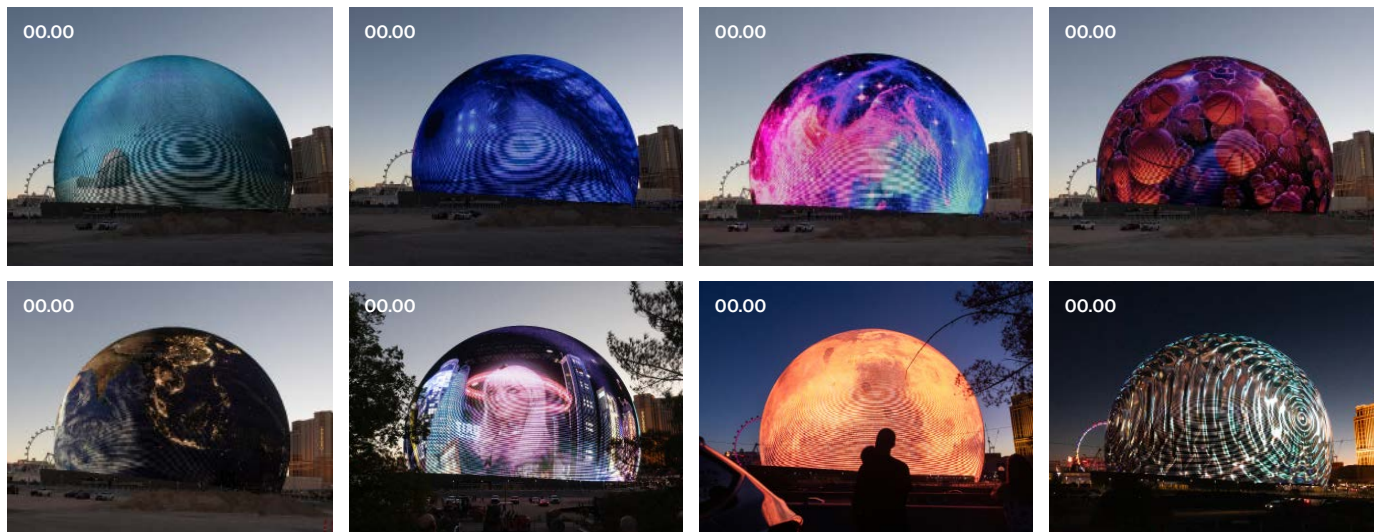
Dolan declined to be interviewed for this article. But soon after the lighting up of the Sphere’s outer skin, he made a surprise appearance in July at the venue, where reporters had been invited for a demonstration of its sound system. Dolan looked slightly disheveled in his blue blazer and white polo shirt, but he still had the air of someone who responds best to genuflection.

A publicist told journalists that Dolan’s presence showed how important the Sphere’s audio quality is to him. “That’s a lie,” Dolan scoffed. “I was in town for another reason.”

Still, since he was there, he was eager to show off. Dolan assured the crowd that the Sphere’s sophisticated technology meant audiences would experience their favorite artists in a new light. He also suggested that musicians used to getting away with sloppiness at other venues would be in for a surprise. “Mistakes won’t be covered up by distortion,” he warned. “If you sing a wrong note, everyone’s going to hear it.”

Then he took a seat while others described the way the audio system would create sound waves using algorithms to ensure that the howls of a lead singer or the bowing of a string section sounded the same to everyone, no matter where they sat. “Tell ‘em about the seats!” Dolan interrupted, spurring an explanation of how they’d been designed to replicate human skin, so the sound in the arena wouldn’t change depending on how many of them were filled. He then sat back, grinning at times, as his staff showed off the system with demos featuring the Beatles, J.Lo, Pitbull and U2, before closing with a rendition of Queen’s *Bohemian Rhapsody* that swelled to a deafening crescendo. “If you want to blow your ears off, we’ll blow your ears off,” Dolan boasted.

**THAT THE SPHERE HAS COME THIS FAR SPEAKS TO** Dolan’s perseverance—or perhaps his obstinacy. The project’s origin dates to 2016, the year he and his family sold their long-time crown jewel, Cablevision—then the fifth-largest cable-TV system in the US—to billionaire Patrick Drahi’s Altice for \$18 billion. This might have freed up Dolan to devote more time to JD & the Straight Shot. Instead, he surprised David Dibble, Cablevision’s former chief technology officer, during a dinner at Madison Square Garden by drawing a globelike shape on a napkin and telling him it was a rough sketch of the venue ▶



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◀ of the future. “We don’t even have to have a sign,” Dibble remembers his boss saying. “They’re going to see that building and say, ‘yep, MSG.’”

Dolan tasked Dibble with finding the tech that could make the Sphere a reality as the head of the newly created MSG Ventures. Dibble says he set off on a global tour, meeting with potential suppliers who often informed him that he and his boss were out of their minds. A beach ball-like building would be an acoustical nightmare; why were Dolan and his employees even thinking about staging rock concerts in one? “It’s like taking a giant laundry basket full of pingpong balls and tossing them on the kitchen floor, they’re just bouncing all over the place,” Dibble acknowledges. “That’s your audio experience.”

To help with the sound system, Dibble’s team invested an undisclosed amount in a German company called Holoplot that had created a means of beaming announcements around cavernous rail stations. To work on illuminating the building, it purchased Obscura Digital, a San Francisco-based creative studio specializing in immersive fare that had recently projected skyscraper-size photos of Jennifer Aniston and Audrey Hepburn on the Empire State Building to celebrate the 150th anniversary of *Harper’s Bazaar*. The challenge was developing content for the enormous high-resolution inner screen that didn’t make audiences snacking on popcorn feel like vomiting. “It can make you very, very sick,” says Travis Threlkel, the former chief creative officer of Obscura Digital who worked on the Sphere for three years before leaving Dolan’s company in 2019 and is now co-founder of Minds Over Matter, a similar firm. “You know, motion sick.” Before finding out how that’d play out, however, Dolan decided to scrap projection in favor of LED lighting, which the company believed would be brighter and more lifelike.

The Sphere would be located on 18 acres of vacant land near the Strip, leased from the late billionaire Sheldon Adelson’s Las Vegas Sands Corp. Adelson’s company would contribute \$75 million to fund the construction of a pedestrian bridge linking the Sphere with its sprawling Venetian resort.

Local politicians were thrilled about the prospect of Sphere at the Venetian—the venue’s official name—joining Las Vegas’s existing array of casinos and arenas. “Now that’s what I’m talking about right there,” said Lawrence Weekly, then a member of the Clark County Board of Commissioners, at a 2018 hearing on the project. “That’s how you change the game.” Dolan offered his own wet kiss to, as he put it, “all of Las Vegas and Nevada” at a groundbreaking ceremony that same

year featuring a troupe of shovel-wielding Rockettes from Radio City Music Hall. “You’re the right place for this,” Dolan said. “You showed us you’re the right place.” The next year, his company unveiled its preliminary estimate: \$1.2 billion to build, with an opening scheduled in 2021. Then Covid-19 hit, sending up the cost of labor, glass, computer chips and all kinds of other things needed for a billion-dollar development project. Subcontractors put liens on the property, saying they hadn’t been paid. In December 2020, Dolan’s company fired Aecom Hunt, the Sphere’s general contractor. The firm responded with a breach of contract suit in Clark County District Court in Nevada, saying Dolan’s company still owed it \$5 million. Dolan’s company countersued, blaming Aecom Hunt for the Sphere’s cost overruns. By June 2021 the project’s estimated price had swelled to \$1.8 billion. (Neither Sphere Entertainment nor Aecom Hunt would discuss the litigation.)

At the time, the pandemic had devastated live music venues, and the threat of Covid still hung over the industry. Dolan’s company warned in a public filing that the Sphere had to be substantially completed by September 2023 or Las Vegas Sands might terminate its lease for the property. So it kept pouring in cash, and not just on the primary site. In 2021 the company won approval to build what was effectively a mini-Sphere: a 100-foot-tall replica of the domed theater in Burbank, California. It was here that employees of what would be known as Sphere Studios would experiment with developing content for the newfangled Vegas venue.

One of the problems they still needed to solve was finding the best way to capture high-resolution images suitable for the Sphere’s enormous inner screen. Initially, the Sphere Studios team cobbled together 15 different cameras mounted on a rack, stitching the results together into a single image. But the device was too weighty and the stitching process too cumbersome. So they designed their own single-lens camera known as Big Sky, the centerpiece of which was a 3-by-3-inch digital sensor required to capture images just as film does in a traditional movie camera.

Other people in the industry warned Dolan’s camera people that a sensor that size would crack or melt. But Big Sky ended up working, and Dolan’s company has since patented it. Sphere Studio executives decline to say how much the camera cost. “We can put it this way,” says Andrew Shulkind, a senior vice president at Sphere Studios and a cinematographer who has worked on movies such as Steven Spielberg’s *A.I. Artificial Intelligence* and David Fincher’s *Panic Room*. “It was worth it to us.” Whatever numbers may have been involved, he says, Dolan didn’t flinch.



Dolan

**FINALLY, DOLAN'S COMPANY STRUCK A DEAL WITH** U2 to open the Sphere by its September 2023 deadline, where the band would perform its multiplatinum 1991 album, *Achtung Baby*. Bono, U2's frontman and shoulder-rubber of world leaders, seemed characteristically ebullient during a visit to the venue with the band's guitarist the Edge, captured on video by Apple Music. "How cool is that?" he said, standing outside the enormous building, still forbiddingly dark. "It's light years ahead of everything that's out there," the Edge agreed.

Upon entering the Sphere, the rock stars gushed about its advanced sound system and the imagery they might conjure up on the massive LED sphere. But Bono seemed to grow more sober, momentarily at least, at the thought of being Dolan's guinea pig. "It's all kind of amazing," he said, gazing around the building. "But look, it all has to work. Who do we blame if it doesn't work?"

Bono will have reason to be forgiving of Sphere Entertainment, because even if things go awry creatively, they're set to work out for his band financially. It's been widely reported that U2 is being paid \$10 million to be Dolan's test case, as well as to snag 90% of the ticket sales for their stint, which has been extended to 25 shows. They're almost sold out.

Dolan's company has revealed that Hollywood auteur Darren Aronofsky will be directing Sphere's first immersive movie, *Postcard From Earth*. The movie, which premieres on Oct. 6, will feature footage of sharks and the innards of a volcano. While such nature porn is standard IMAX fare these days, having Aronofsky—a filmmaker best known for hard-to-watch films about heroin addicts and a psychotic ballerina—is a potentially intriguing twist. Audiences had better be impressed, given that tickets start at \$49.

The Sphere's other major revenue source is likely to be its exterior, which Dolan's company refers to as the Exosphere. They've boasted that companies will be able to use it to hawk their brands not to just drivers and pavement pounders, but passersby in airplanes overhead. In early September, YouTube launched the first Exosphere-designed brand campaign, decorating the surface with football helmets to promote its subscriptions offering National Football League games.

Dolan's company won't say how much money it's receiving, but Martin Porter, head of out-of-home advertising for Dentsu Media US, an ad-buying agency, says Sphere Entertainment is seeking \$650,000 a week from prospective advertisers to grace the Sphere's exterior. "It's very expensive compared to anything else on the market," he says. Porter adds that while the company has dazzled people with images on the Sphere that are often globular, not every shape may fit the venue as flatteringly. He offers the example of Britney Spears, who has a forthcoming memoir to promote. "If you

want to put Britney's face on that," he says, "you're going to be very careful."

## IN LATE AUGUST, DOLAN APPEARED ON A SPHERE

Entertainment quarterly earnings call to reassure investors on the eve of the Sphere's opening. He spoke enthusiastically about the experience at the venue and alluded to future residencies there by artists "maybe not as high-profile as U2, but close"—while also confessing that he hadn't planned to spend so much.

While Dolan did hold out the possibility of building other Spheres, he said he'd rely on business partners to help pay for them. Initial success in Vegas could help attract interest in such deals. But the very things that make the Sphere an ideal spectacle for Las Vegas—its blazing lights, imposing size and outlandish addition to the skyline—may actually work against it in numerous other cities where he may wish to land a replica.

This is the case in London, where the public reception has been notably less enthusiastic. After years of fierce debate, in March 2022 Sphere Entertainment finally got the signoff from the local development corporation overseeing the vacant parking lot in the working-class Stratford area of East London, where the venue is slated to go. The project still requires the blessing of London Mayor Sadiq Khan, and he's under intense pressure from locals to kill it. In May the London Assembly's environmental committee issued a report condemning light pollution in the city, urging Khan to reject Dolan's shining orb. Four years in, nothing has been built.

Lyn Brown, the member of Parliament representing the area where the Sphere would rise, says Dolan's company is "frankly very confused" if it thinks Stratford is similar to Las Vegas. "We are not in the middle of a desert with few people nearby who will have their lives blighted," she says. "Some of my constituents who've overcome many barriers to find a home now face living next to an enormous orb that will beam directly into their apartments."

Perhaps no one has a better feeling for this than Ceren Sonmez and her husband, Alessandro Galletta, who live in a third-floor apartment with Sid, their cat, looking directly over the site from which the Sphere could one day emerge in all its blazing glory. Sipping strong Turkish tea, the two say they bought their plant-filled apartment knowing something would inevitably spout on the adjacent property. "This is London," Sonmez says. "Of course something's going to be built there! How could I ever possibly have imagined that it would be this?"

As a sort of peace offering, Dolan's company has offered residents of such buildings a different kind of dramatic backdrop: blackout curtains. **B**

**"It's all kind of amazing. But look, it all has to work. Who do we blame if it doesn't work?"**