



ON THE MOVE:
Koppelman riding
high in his Bentley

the picture and downplaying her name. Koppelman, who once ran EMI Music, bristled at the notion—de-Martha-izing, he called it—and said at the dinner that the strategy was the opposite of everything he'd done with artists whose careers he helped guide. He suggested she use her voting control to bring in “pro-active, independent directors.” Koppelman’s work at Madden’s company, which had surged on his watch, impressed her. “He had dealt with the problems of a CEO having difficulties,” Stewart told NEWSWEEK. “He helped maintain the value of Steve Madden through that ordeal.”

From his dining room to Martha’s boardroom: it may seem an unlikely career path, but Koppelman has pulled it off. In the 18 months since he and Stewart broke bread at his five-story mansion on New York’s Long Island, Koppelman has become a consultant, vice chairman and now chairman of Martha Stewart Living Omnimedia. Mining his Rolodex and negotiating talents, he has helped rapidly expand the brand into new arenas. And now, after assisting Stewart’s improbable comeback from convicted felon, Koppelman, 65, will take his own star turn in prime time as her right-hand man, alongside Stewart’s daughter, Alexis, in the boardroom on “The Apprentice: Martha Stewart.”

He was already famous in music circles. For decades, Koppelman played important behind-the-scenes roles in the lives of stars as diverse as Vanilla Ice and Frank Sinatra. “I’ve always felt I was in a bit of the spotlight,” he says. But now he is basking in a limelight that burns much brighter. When it came

time to meet with NEWSWEEK to discuss this story, for instance, he arrived for lunch at Michael’s, where Manhattan’s media elite gather, in a chauffeured Bentley along with former Texas governor Ann Richards to serve as his public-relations adviser. He savored the gazes. But remarking on his own approaching star turn, he says only, “My kids tell me that life is going to be different.”

That’s just Koppelman being coy. He knows about managing transformative mo-

A Breakout Act

For decades, Charles Koppelman has worked showbiz magic behind the scenes. Now, with Martha, he’s going prime time.

BY JOHNNIE L. ROBERTS

IT WAS A SATURDAY NIGHT IN MARCH 2004, and Martha Stewart’s world was crumbling. A week earlier she had been convicted for lying to federal investigators, and her business empire, not to mention her reputation, was in tatters. But for now, while Stewart remained free, her worried friends were welcoming her to a dinner party to deal with the crisis. The guests included Jane Heller, a banker to the

superwealthy who with her husband had initiated the gathering. The host, however, was Charles Koppelman, a casual acquaintance of Stewart’s who was guiding Steve Madden’s shoe company while the namesake founder was serving a 41-month prison sentence for securities fraud.

It wasn’t just the Stewart verdict that weighed on everyone. Martha was feeling betrayed, as directors and the CEO of the company she founded were cutting her out of

Six Degrees of Separation

Over the course of his 45-year career in show business, Koppelman has worked with many boldfaced names. Some of the stars in his galaxy:



MARTHA STEWART: As chairman of Martha's company, Koppelman is her right-hand man



FRANK SINATRA: Koppelman helped him hit a new high note with hit CD 'Duets' in 1993



ANN RICHARDS: The former Texas governor advises him on public relations



MICHAEL JACKSON: When the king of pop ran into money trouble, Koppelman advised him



VANILLA ICE: He'd still be Robert Van Winkle, and not a white rap star, if not for Koppelman



BARBRA STREISAND: Koppelman helped produce big hits for Babs, like 'Guilty,' with Barry Gibbs

ments. Just ask Vanilla Ice, who was a 16-year-old named Robert Van Winkle in 1990 when Koppelman discovered him. Van Winkle says he resisted Koppelman's suggestions to be styled with a funny haircut and baggy pants. Van Winkle says Koppelman made his case that the image fit, and plied him with jewelry and helicopter tours of Manhattan. The debut single, "Ice Ice Baby," sold 17 million copies, making him the first white rap superstar. "He was always right," Van Winkle now says. "He made me a wealthy man."

Koppelman himself has amassed a fortune estimated at \$100 million to \$200 million (he won't comment) over a career stretching back 45 years. In 1960, he and college buddies formed The Ivy Three and scored a top-10 hit, "Yogi." He went on to build the world's largest music-publishing company and launched one of the hottest independent music labels, with acts that included not only Vanilla Ice but also Wilson Phillips and Technotronic. His tastes

ranged across musical genres—he coproduced the Lovin' Spoonful hit, "Daydream," in the 1960s, launched Tracy Chapman's career and played a variety of roles in the careers of headliners like Barbra Streisand and Billy Joel. By the early 1990s, Koppelman had landed the CEO job at EMI Music. Though Frank Sinatra was past his prime, Koppelman saw opportunity. The result: one of Sinatra's biggest releases, "Duets," the 1993 album pairing the legend with younger stars. Four years later Koppelman was out, as EMI reeled with political intrigue and lagged rivals, despite expensive restructurings.

He hustled his way back to the top. He tried to build a talent and marketing firm, but the venture collapsed when he couldn't finance a plan to buy the famed Ford modeling agency. His Steve Madden project resulted from golf games at their club. In 1998, he joined Madden's board. Soon he

was waking to news that his friend faced securities-fraud charges. Madden tapped Koppelman to watch over things while he was behind bars.

In recent years, filmmaker Brett Ratner, a Koppelman friend, led him to Michael Jackson, whose finances were spinning out of control. Bank of America eventually required Jackson, who owed it almost \$300 million, to retain Koppelman as an adviser. (Jane Heller worked for Bank of America, where Koppelman and Jackson were her clients.) Koppelman, preoccupied with Stewart, recently dropped Jackson as a client.

Koppelman says he always believed that Martha, despite her legal woes, had staying power. When he began to formally evaluate the company, he found rich opportunities in her vast libraries of designs, photos, TV shows and recipes. His assessment matched that of Susan Lyne, Martha's new CEO, whom Heller had recommended at that fateful dinner party. Even while Stewart was in prison, the dealmaking had begun. He and Lyne negotiated a deal at Warner Bros. Studio to distribute Stewart DVDs. In October, Rodale is publishing "Martha's Rules," a book of business tips. (Rodale's CEO used to work for Koppelman.) With Sirius, Koppelman led negotiations for Stewart's own satellite radio channel. He knew someone who knew someone at residential developer Kaufman & Broad. Now a line of custom-built Martha Stewart homes is under discussion (though nothing is finalized).

Koppelman and Stewart share more than an interest in seeing the stock price rise. (Koppelman owns about 600,000 shares, excluding options.) Each knows the feeling of being on top, getting knocked down and rising again. Both are in their 60s, and seem in a rush to triumph again.

On the eve of his breakout moment, Koppelman finds himself in the midst of a buzz-building tradition—a tabloid scandal, under the headline **MARTHA 'APPRENTICE' 'RIG' SCANDAL**, the New York Post suggested the fix was in for one Martha wanna-be. Years ago, the contestant, who owned a New York cookie company, had "a steamy relationship with the judge's sons," the Post wrote. Koppelman told NEWSWEEK he had no idea of her involvement, and addresses it in the first episode, apparently telling her: "I had no idea that you had applied for 'The Apprentice.'" It's a funny line, considering that he hadn't realized at that dinner last year that "Martha Stewart: The Apprentice" would be his own dessert, the icing of his career. ■

Watch

a video clip of

"The Apprentice: Martha Stewart" at Newsweek.com on MSNBC

The Koppelman connection led to talks about a Martha Stewart line of homes.

LEFT TO RIGHT, TOP TO BOTTOM: LARRY BUSACCA—WIREIMAGE, KEVORA DANKSIZIAN—AP, BETTMANN CORBIS, JOHN NASANOLO—AP, GETTY IMAGES, STEVE ALLEN—GETTY IMAGES, JEFF PERLA—WIREIMAGE, SCOTT DREYER—GETTY IMAGES