

# **amid recession, 'Oldest Profession' gets creative**

**German prostitutes resort to rebates and gimmicks to boost falling demand**

**Reuters / April 20, 2009**

BERLIN - It did not take long for the world financial crisis to affect the World's oldest profession in Germany.

In one of the few countries where prostitution is legal and unusually transparent, the industry has responded with an economic stimulus package of its own: modern marketing tools, rebates and gimmicks to boost falling demand.

Some brothels have cut prices or added free promotions while others have introduced all-inclusive flat-rate fees. Free shuttle buses, discounts for seniors and taxi drivers, as well as "day passes" are among marketing strategies designed to keep business going.

"Times are tough for us too," said Karin Ahrens who manages the "Yes, Sir" brothel in Hanover. She told Reuters revenue had dropped by 30 percent at her establishment while turnover had fallen by as much as 50 percent at other clubs.

"We're definitely feeling the crisis. Clients are being tight with their money. They're afraid. You can't charge for the extras anymore and there is pressure to cut prices. Everyone wants a deal. Special promotions are essential these days."

Germany has about 400,000 professional prostitutes. Official figures do not distinguish between the sexes and the number of male prostitutes is not known. But they account for a small fraction of the total and are treated the same under the law.

In 2002, new legislation allowed prostitutes to advertise and to enter into formal labor contracts. It opened the way for them to obtain health insurance (previously refused if they listed their true profession).

Annual revenues are about 14 billion euros (\$18 billion) according to an estimate by the Verdi services union. Taxes on prostitution are an important source of income for some cities.

Prostitution is also legal and regulated in the Netherlands, Austria, Switzerland, Hungary, Greece, Turkey, and in some parts of Australia, and the U.S. state of Nevada.

In other countries such as Luxembourg, Latvia, Denmark, Belgium and Finland, it is legal but brothels and pimping are not.

Berlin's "Pussy Club" has attracted media attention with its headline-grabbing "flat rate" -- a 70-euro admission charge for unlimited food, drink, and sex between 10:00 am and 4:00 pm.

"You've got to come up with creative solutions these days," said club manager Stefan who requested his surname not be published. "We're feeling the economic crisis too even though business has fortunately been more or less okay for us so far.

"Our offer might sound like it's too good to be true. But it's real. **You can eat as much as you want; drink as much as you want; and have as much sex as you want.**"

Stefan -- who runs other establishments in Heidelberg and Wuppertal besides the Berlin club -- said the flat rate had helped keep the 30 women working in each location fully employed.

Other novel ideas used by brothels and prostitutes include loyalty cards, group sex parties, and rebates for golf players. Hamburg's "GeizHaus" is especially proud of its discount 38.50 euro price. The city has Germany's most famous red-light district (the Reeperbahn) in the notorious St. Pauli district.

Anke Christiansen -- manager of the "GeizHaus" -- said the effects of the economic crisis were clear. "The regular customers who used to come by 2-or-3 times a week are only coming by once-or-twice a week now."

A "GeizHaus" client who gave his name as Pascal said: "Naturally, we're all feeling the effects of the crisis." He added that he could no longer afford his usual 2-or-3 visits a week.

Guenter Krull -- manager of the "FKK Villa" in Hanover -- concurred. "The girls are complaining, too, because business is bad. And I worry that it's all going to get even worse.

Ecki Krumeich -- manager of upmarket Artemis Club in Berlin -- said he resisted pressure to cut prices although senior citizens and taxi drivers get a 50-percent discount on the 80-euro admission fee on Sundays and Mondays.

"Naturally, we're keeping an eye on the overall economic situation and making contingency plans," said Krumeich who said his "wellness club" is one of the largest in Europe with about 70 prostitutes.

"Our philosophy is that we provide an important service and even in a recession there are some things people won't do without. Other downmarket places might cut prices. But we decided we won't do that. In fact, we raised prices by 10 euros in January."

Stephanie Klee -- a prostitute in Berlin and former leader of the German association of sex workers - - said even if a few luxury brothels were weathering the storm because of their wealthy regular clientele, many were struggling.

"Just about everyone's turning to advertising in one form or another," she said. "If the consumer electronics shop and the optician come out with rebates and special promotions, why shouldn't we try the same thing?"

While she and her colleagues might have had 5-or-6 clients per day a year ago, that had fallen to 1 or even none.

Klee worries, however, that the crisis has led to "price dumping" in some cities. Fees have fallen as low as 30 euros in some parts of Berlin and elsewhere, she said.

"You'll find a lot of customers trying to negotiate prices down now," said Klee. "A 30-year-old came up to me and said 'I lost my job so will you give me a discount?'"

She and others said they were alarmed that amateur prostitutes (i.e., mostly women with low-paid careers) were increasingly turning to prostitution to make ends meet.

"More and more women are moonlighting on the weekends," said Ahrens. "They're not able to get by with their main job and are in pretty dire straits. For some, it works out okay. But it's tough for some others and they often don't stay very long."