

The Producer

Most people don't go into theatre to make money. But, if that was your goal, you'd want to be a producer. For a producer, theatre is a business. Anyone can produce a Broadway show . . . anyone. All you need is money . . . *(or someone else's money)*.



On Broadway, “p-r-o-d-u-c-e-r” might be a misnomer. More than likely, “**producers**” would be correct. Most big Broadway shows are produced by a firm. If you've ever seen the Tony Awards, you might notice the crowd of people that mount the stage to receive an award for “Best” something. Therefore, the term “producer” could well be used in a plural sense.

“Show me the \$\$\$!”

The producer represents the initiating spark of the production. There may be no theatre without a play, but there's no Broadway without the producer. The producer procures the script and purchases all rights, pays all fees and licenses, employs the production team, organizes the business hierarchy, and takes all financial risks.

So why do it? These agencies and firms use their money, or other's money to make money. The idea is to spend less than they make; *(the age old business philosophy)*.

“Like Money in the Bank”



The producer begins with a stockpile of money in the bank. With a large immediate outflow of payments expected, the source must be exceptional. A New York musical costs tens of millions. There will be months before any funds are taken in.

Who's in Charge?

Each production is formed into its own business. Each production has a **business manager** whose responsibility is to take care of all financial activity for that

production. Besides paying all salaries and expenses, the business manager will hire the publicists, acquire rehearsal space, rent the theatre with its staff, and deal with the day-to-day problems of production.

The Run



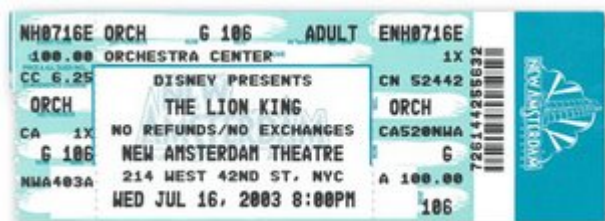
Everything focuses on the run. The play is scheduled to run a certain length of time. Once the opening night curtain goes up, the producer empowers the **critic** to have control over the success or failure of the play. After opening night and the critics have printed their reviews, the producer begins crunching numbers. If the reviews were good, the show will run. If the reviews were lukewarm, the producer will probably allow the show to run, but will watch very warily for any sign of a faltering box office. If the reviews were bad, the producer may well close the show immediately. It's happened many times before.

An example of “crunching numbers” can be found at:

<http://www.playbill.com/index.php>

Look under “Broadway Grosses”. In fact, you have an assignment there. The producer will watch how the attendance rises or falls versus future sales to determine production vitality. As long as % capacity is above 50%, things are in varying degrees of “ok”. If you are in the constant range of 80+, how happy everybody is. Once you dip below a % where you pay out more than you take in, chances are you'll soon close.

The \$100 Ticket



Why does it cost so much to attend a play on Broadway? If you check the prices on Playbill.com, you'll see most Broadway musicals are in the \$100 range. Several factors lead to this:

Everything costs more in New York. *(Food, materials, rentals, real estate, salaries to name a few.)*

Producers must meet the demands of one of the strongest union cities in the world. *(Actors, directors, designers, technicians, and construction workers, stagehands, transportation, to name a few. All have their individual unions.)*

Real estate is at a premium which means land-locked theatres. *(New York theatres are comparatively small to many in Texas high schools.)*

And the cost is passed on to the consumer!

In "Closing"!

There are happy stories, too. Imagine you were one of the lucky people asked to support a brand new off-Broadway musical with the donation of \$25.00. After paying off bills each month, the producers of this little production paid back their donors with small dividends. The play was the longest running show in the history of Broadway, *The Fantasticks*, and the donors received these dividends for over 25 years!