THE THEATRE SHOP CONFERENCE

Friday 4 October 2002 Liberty Hall, Dublin

Panel Discussion: Presenting Theatre in the Commercial Sector

Chair

Una Carmody, Arts Project Manager

Speakers

Pat Moylan, Artistic Director, Andrew's Lane Theatre/Lane Productions, Dublin
Julian Erskine, Executive Producer, Abhann Productions, Dublin
Roger Chapman, Director of Touring, National Theatre, London

Chair, Una Carmody

I'd like to introduce the participants on this panel: Pat and Julian are currently co-producing Triple Espresso in Andrew's Lane, I believe the phones are hopping, and Roger is here from The National Theatre. I've asked each of the speakers to explain what exactly it is that they do, and then we look forward to your questions.

Pat Moylan, Andrew's Lane Theatre/Lane Productions

How do you know when you have a success on your hands, and if you have, what do you do with it? That, I suppose, is really the brief for today. I can't say I know the answer to that question, but I'll tell you where I'm coming from, and what my philosophy is, how I've got to the stage where I've produced shows in the West End and on Broadway, and I've also produced shows in Andrew's Lane, my own theatre, which is very tiny, only 220 seats, that have been most unsuccessful, so I'm a non-commercial as well as a commercial producer.

Andrew's Lane is a small venue which was set up about 15 years ago, conceived as a receiving venue. In the earlier days, it was very difficult because there wasn't enough product out there, it wasn't a well-known venue, and it was very difficult to make ends meet. Running a venue is very expensive and then because it's commercial, because a mortgage

had to be paid on that building, it was very difficult to make ends meet. So in the first couple of years, it was necessary to do anything that would bring in a few bob: as well as doing theatre, we had late-night discos and awful, awful stuff. Eventually it got to the stage that I decided that the wear and tear on the building was too great a price to pay on the income I was making on the bar at the late-night disco, and the wear and tear on the sets, et cetera, so I had to come up with another plan. That was to try and get more quality product at Andrew's Lane. At this stage we were about five years old, it was more established as a venue, the location was always very good, even though the building was always a bit rickety.

So we went into a better time then: two things, I think, happened. First of all, in the early 1990s, a lot of independent theatre companies based outside Dublin wanted to present their work in Dublin, and Andrew's Lane was an ideal venue for them because it was one of the only two venues that could make ends meet for these companies. Then later on in the 1990s, Project closed because it was going to be rebuilt, and a lot of the companies that went into Project came over to Andrew's Lane.

I still needed product for 50 weeks of the year, so for about one third of the year, I used to produce plays myself. I got to a stage where these plays I was producing were usually during the summer months so they were the light, frothy comedy for the summer. Then I thought I would have to make adjustments to what I was doing because, again, two things were happening. A lot of the companies that came from outside Dublin to present their own plays in Dublin were now finding that they didn't have to do this any more, they'd established themselves and a lot of beautiful theatres opened up throughout the country and facilities that were far, far greater than mine. The other thing was the new Project was being built like crazy. I had visions of the independent companies that used Andrew's Lane going to the two spaces in Project, and I would be left with less product, and I still had a mortgage and a staff to pay. So I produced more and more stuff. I became partners with Breda Cash and formed Lane Productions. Since that partnership happened three years ago, we've been constantly producing work. Some of it has been well-received and some of it has been quite successful. So that's just a little bit of background as to why I'm producing.

Probably the reason for the session today is to try and find out how you know if you have a success on your hands. Is it because of the number of people coming, is it because it's

critically acclaimed? I think it's probably a combination of both. Andrew's Lane is only 220 seats, so things are perceived to be very successful sometimes because you can't get a ticket for a show. People tend to think of that in the same way as when you can't get a ticket for the Gate or the Gaiety, but they don't take into consideration that we really only have 220 seats to sell, and if you move this show into a bigger venue and sold 230 or 240 seats, you might have 750 seats that wouldn't be sold, so it's about making that decision.

Some of the shows that have been successful have moved on from Andrew's Lane. I suppose the one that's been most successful has been Stones in His Pockets. It was originally produced by the Lyric in Belfast, and then they wanted a Dublin partner because they wanted to present it in both cities. It made sense for them at the time. I was that Dublin partner and they played in Andrew's Lane for three weeks. I thought this was the most amazing piece of theatre I had ever seen, with fantastic performances and superb direction. I just thought it was really, really special. Over the three weeks in Andrew's Lane it did about 50% business, so it wasn't a success at the box office, even though artistically it was. That was, I suppose, the biggest chance in taking that and trying to find a partner in the West End, to move that play on. On the 16th October 2002, we're celebrating its 1,000th performance in the West End, and it has also gone to Broadway. Like winning the lottery, they don't happen all of the time, they rarely happen, particularly for a show like this where everybody involved in it initially was completely unknown.

The other ones that moved outside Andrew's Lane and into various places: Alone It Stands, which Lane Productions also produced. Originally produced by Yew Tree Theatre Company, we acquired the rights once they had finished with the show. This also moved into the West End, there was a window of opportunity for seven weeks that we pounced on. It has been absolutely more successful in Ireland, and we've also licensed it to Australia where it's been a huge success in very recent times. In some instances, some plays might be hugely successful here, but they shouldn't necessarily go to the UK or go touring in the UK. For example, Twelve Angry Men, that's out on tour at the moment, again, that was a big success in Andrew's Lane – now a big success in Andrew's Lane, remember, is filling 220 seats, it's not like major stuff – but we took a risk on that and put it into the Gaiety and it did about 86% business over three weeks. But there's no question of bringing Twelve Angry Men to America, because that just won't happen, they don't want to see that.

Women on the Verge of HRT, which is the one I did previously with Dubbeljoint, went into the West End, where it played for ten weeks at the time. It wasn't terribly successful in the West End but then it toured the UK, and the tour was extremely successful. They did number one venues, mainly because it could go out touring with the 'We've been in the West End' tag. Also it was probably one of the great titles around in the last couple of years. And it appealed to that audience that seem to be our theatre-goers, the over-35 females who seem to be making the decision about where to go and what shows to see, and just going to the theatre in the first place.

That's basically what I've done. Basically, there are a couple ways of bringing a show into the West End, but one of the most direct ways is to get a producer partner on the ground, somebody who has already produced in the West End, that's used to producing, that knows it. When you feel that you have an exciting product, get people from the venues in the UK, from the West End theatres, to come and see it. It seems like there are hundreds of West End theatres; there aren't all that many, because a lot of them are run by just two groups of people, so it means if you get two of the right people over to see your show, you've covered a lot of theatres.

It's a question of finding money to put a show on. Just to give you a few ballpark figures: it cost £150,000 sterling to bring Stones in His Pockets into the West End. The producers raise the money for that, they get it from the investors, the investors get paid back their money first. Then if it goes into profit, if it continues running, the investors would get 60% of the profit and the producers would get 40%. And that 40% would be divided in proportion to the investment that you got in the first place. So if you got 25% of the investment, you will get 25% of that 40% of the profit.

That's how it works. At the end of the day, I think, producing is just the question of having the combination of business acumen and artistic know-how, and if you have that combination, it should work for some of the stuff, but who knows? Producing a play is like backing a horse: you don't know why people come in and you've no idea why they come to some shows and they don't to others. If we knew the answer to that, we'd all be doing it all the time and making an awful lot of money.

Una Carmody

Thanks, Pat. Julian, do you want to fire away?

Julian Erskine, Abhann Productions

I'm here because I'm a producer in the commercial sector; I started in the business 30 years ago as an Assistant Stage Manager. Except for seven years spent touring with the Irish Theatre Company, I've worked exclusively in the commercial sector. I've worked on shares, where we've all counted the house each night to see how much we'd take home at the end of the week. I've worked on shows where we've been asked to halve our salaries because business was brutal, and I've also worked on shows where we got a bonus when things were good, so this is my experience of life in the commercial sector.

I've worked as a freelance producer since the late 1980s, and for the last five years, I have worked exclusively on Riverdance – The Show. The last two years, though, Abhann Productions has started to spread our wings, and we're now producing, co-producing and investing in other productions. We started with The Well in Vicar Street in the 2000 Dublin Theatre Festival, and we've been continuously producing other stuff, right up to today where we have the fabulous Triple Espresso in Andrew's Lane Theatre.

We operate every day in the commercial sector. Everything we do with Riverdance is commercially driven; every decision we take is budgeted and thought out before we move on anything. This may sound like we're accountants, but in fact, nowadays, especially with Riverdance, we're running a global business where the risks are enormous – the returns are fabulous, but the risks are enormous. In our heyday, we were more cavalier as we had queues everywhere we went, but now seven years on, we're just another show on the circuit, and we're battling for the punters' attention and for their money.

We're also, as I said, commercial producers, so we're on the lookout for opportunities. Currently, we receive scripts and proposals all day, every day. We look at them all, we weigh them up, because we all know the stories about 'the big ones that got away'. There are several people in Dublin that let Riverdance get away and are still kicking themselves. I see my job as very simple – to put on shows that people want to see, nothing more, nothing less.

As well as originating our own shows, we've a couple of new shows in the pipeline at the moment, and we're also looking for new or existing material to produce. We receive scripts, proposals, a lot of which we reject, but if we make a decision on a product we think we're going to go with, we make a decision on whether we're just going to invest money in it and help it on its way, or whether we want to co-produce it or produce it entirely ourselves.

There's another angle to what we do. The owners of Riverdance, John O'Colgan and Moya Doherty, also through Abhann Productions, sponsor many events and organisations. It's their way of putting something back into the business. We take in applications from people who have a project they think we may want to look at on that basis. Someone said to me the other night we're becoming like a second Arts Council. We're not, we have a budget, we want to put money back into things that we think deserve the help, and we don't ask or expect anything of those projects except that they hopefully go on and be successful.

On the commercial front, we're looking for shows that potentially have the legs to travel. I think it's hard – at least it's our experience – to get your investment back in the home market and we would always plan for the bigger picture. Pre-production costs are so high now, it's unrealistic to expect, in a short Dublin run, to be able to recoup, and you have to amortise your budgets over longer periods than are available here. And, more importantly, you have to try to get your product to where the ticket prices are more realistic. We face two large problems operating here in Dublin: small numbers and low ticket prices. It's not a great combination. You're constrained by your budgets all the time, you want to advertise more but you don't have the money, and you're not doing the business because you're not advertising enough. There isn't a simple solution.

Certainly, the answer that we're looking at more and more is travelling abroad. We can get ticket prices three times the Dublin price in the US; we can get twice the Dublin ticket price in Europe. So when we look at shows now, we think as much about them in terms of 'Will they work in America' as much we think 'Will they work in Dublin', because we would always be planning for moving it on. We see ourselves now as global producers, not so much because we can, but because we have to.

I jotted down three bullet points for producing shows, in my view, especially here in Ireland. The first thing I think is you have to absolutely believe in what you're doing – there's no point in putting on something that you don't fully believe in and aren't fully committed to. I think producing by committee doesn't work. It's great to have someone to bounce ideas off but if you have to take a vote on what you're going to do next, it's a recipe for disaster. Most successful producers, I think, work alone, and because they believe in what they're doing, they're able to persuade others to come on board, they're able to persuade actors to come on board, and investors to part with their money. I think if the producer is passionate about the show, then the show is halfway to opening night before it even starts.

The second thing I think you need to be is very brave. I think along with your belief has to come courage, and ironically I think you need the courage to be prudent. You shouldn't be afraid to share the risk, don't think you have to take it all on your own back, and sometimes, more importantly, you have to be prepared to close a show quickly if it's not making money – hanging out there and hoping it's going to turn round, more often than not, just means you lose more money.

The last thing I'll say is, for me, very important: advertising. I was in an advertising agency in New York and in the lobby they had this huge poster that said, 'What happens if you don't advertise? Nothing.' That's absolutely true, and it's the one area of the budget nobody should ever skimp on. There's no point in spending half a million in putting a show up and then having ten grand to sell it. You're just wasting the half million. I believe that success should be celebrated and publicised – once a show is doing well, people seem to stop advertising. I think that's very short-term thinking. I think if you're selling out, you should take a big poster saying sold out. It won't sell you any more tickets for this run, but it certainly will sell tickets when you bring it back.

As we're on the topic of advertising, in the commercial sector, this is just an anecdote I thought pertinent to today's discussion. We had an involvement with a show in the Project recently, and the producer of the show, who was keen to sell tickets, normally enough, gathered together friends and relatives to hand out fliers outside Dublin theatres to the audiences coming out. And two interesting things happened: on the first night they went out, outside the Abbey they were told in no uncertain terms to move on. This was followed

through the next day by a phone call from the Abbey to the Project saying that this was appalling behaviour. Outside Andrew's Lane theatre, where Triple Espresso is playing, the theatre owner, herself a commercial producer and not very far away here, came out to congratulate the people on their initiative.

For me, those two different reactions to the same activity speak volumes about being commercial. Being commercial, or worse, being too commercial, is often used as a pejorative term. Of course, there are awful shows that people put on to try and make a quick buck, but I think in the main, commercial producers are trying to put on good theatre that'll be popular. That's not a crime, there's no shame in giving people what they actually want. In thinking about it this morning, I just looked up the word 'commercial' in the dictionary, and I found two definitions. One was 'involved in work that is intended for the mass market' and the other was 'having profit as a main aim'. So there's not much more to say, really. That's exactly what we do: come up with something a lot of people will want to pay to see, and in doing so, we hope to make a profit.

Una Carmody

Thank you, Julian. Our next speaker is Roger Chapman, from the National Theatre, London, who works in, I suppose, that intersection between the subsidised and the commercial sector.

Roger Chapman, The National Theatre, London

I'm a bit of a one-company person, I'm afraid, in a way, and don't have the experience of my other colleagues because I've worked with every director of the National Theatre. I started my life as an actor in Sir Laurence Olivier's theatre, the Old Vic, and saw the development and the idea of what a national theatre might be. I saw it change to Peter Hall, who took it into a gigantic place on the South Bank, with three separate theatres. I'm currently working with Peter Hall on major Greek productions around the world. I came back with Richard Eyre, and my job was to turn it into a national theatre, not a large theatre on the South Bank. I lived through that period and I've now gone through Trevor Nunn's period of six years, which has had a very high commercial side to it, as one would expect, for a man who's had such commercial and international success. I'm now going into a new period of Nicholas Hytner.

We're a subsidised theatre insofar as we eat an enormous amount of subsidy but we're commercial in this regard: we have three theatres that operate a repertoire system. In each theatre, there are three plays running. Over the course of any one week, to break even, we have to sell 70% of the seats on offer. What that means in reality is that every week we have to sell 17,500 tickets. Every week of the year – we're open 52 weeks. That's what happens on the South Bank. My job is to take that company out around the UK, do at least 15 weeks around the UK, respond to international initiatives, work with the British Council and the Foreign Office, and do international tours.

I also handle any transfer that may happen from the National into the West End, and maybe on to Broadway. Of the recent shows I've done, An Inspector Calls was my first big one. It was an odd show that opened in the Lyttleton Theatre in the National. Stephen Daldry had turned an old war-horse on its ear, and it looked as though it was either going to be a disastrous failure or some kind of success. We did average business and a Japanese businessman came to see it and said he would put money into it to take it into the West End. He teamed up with a West End producer and we all thought that this was madness, that it would not have any commercial life. Two weeks before it was due to transfer into the West End, the Japanese businessman pulled out and the West End producer — he's still around — mortgaged his house to take it in. As I say, it ran for seven years, and it got a Broadway run. He's got a much larger house now. It was a moment where we all thought, this is just madness.

I've done Noises Off recently, in the West End and on Broadway; Humble Boy in the West End and it's probably likely to go to Broadway; Oklahoma! – a six-month run in the West End, it's now running on Broadway successfully; My Fair Lady at Drury Lane, likely to go to America in a year's time; Vincent in Brixton, which is currently running in Wyndham's Theatre and likely to tour in the UK, likely to travel.

The last part of my job is to bring international companies into the National Theatre, be they from Japan or South Africa, or whatever it is. So my actual job during the daytime, sitting at a desk, is two things. The first thing is budgets. I probably do five or six budgets a day, for different projects and for different people. The centre of any deal and any contract is not what's written in by the local authority; it's the budget. That's what you're looking for, at the

end, the bottom line that you've come to, that's the kind of deal that you intend to make. The second part of the job is sitting on the telephone doing what people call deals, and that's probably the most interesting part that people want to talk about, simply because nobody does talk about it – it's a secret. And it's a secret between the people who do it on both sides because they're both nervous about it getting out, in case one party has been extremely advantageous against the other party.

From my point of view, and I say this and I hope there are no Americans in the room: there's a philosophy, particularly when you're dealing with the National Theatre, and this may be dealing with all of you, because we don't talk about it, and we don't know how the others cope. In America, what the person who's on the other end of the phone wants to do every night is to put down the phone and say, 'I screwed the National Theatre!' and go home feeling terrific. It's my job to let them think that. So I'm constructing budgets, and I'm doing deals but they come out of it feeling terrific. And equally, I've quietly gotten what I thought was appropriate.

Una Carmody

Thank you very much, Roger. We're going to take questions in a moment. All three presentations come from various angles. Pat has what many people would regard as a millstone around her neck in the sense of a physical theatre that needs to be programmed, and programmed again 50 weeks of the year, but equally acts as an incubator for work that she may wish to take into other venues. Julian is operating, as he said, in this global environment and has a different take on the financial issues, particularly on the promotional side, and what the returns are. Roger lives in what many of us would regard is an interesting grey area.

I think it's fair to say that the kinds of structures in place in the UK for transfers from the subsidised to the commercial sectors, here, there's virtually no history of that. I'd be very interested to hear if anyone has any suggestions or thoughts on that particular issue.

I would like to ask a question first, probably aimed at Pat and Julian. One of the areas it seems to me deserves some exploration is that I know, Pat, for instance, you have three shows out on tour at the moment, two shows presumably on in Andrew's Lane, and plans for many more, and you work with a team of four people, five people? Julian, I've no doubt that

Abhann Productions also regards itself as a lean producing machine. Do you feel that there is something that the subsidised sector could learn from what it is that you do or from the partners that you work with, in terms of how they structure their organisations and what can be achieved?

Pat Moylan

There's no room for navel-gazing in the organisation I work for. At the moment, we've got Twelve Angry Men out on tour, Forty Four Sycamore out on tour, Triple Espresso in Andrew's Lane, Stones in His Pockets in the West End and also on a UK tour, and we're planning a tour in the US starting in October. We're doing a production of [One Flew Over the] Cuckoo's Nest in Andrew's Lane for the Christmas period. We all work flat out doing that. I have never worked in a subsidised theatre and I don't really know how it works. But at the same time, I also appreciate the fact that they have the time and the wherewithal to look at new work, to try and develop new work. I don't have that luxury because I can't afford to do that because if at the end of the day, that work doesn't prove to be viable commercially, it can't be part of what my organisation does. So I think in developing new work, the subsidised theatre needs to be there. I do think that Andrew's Lane is probably different to most other venues. Usually the venues are not producing houses, except for the Gate and the Abbey, and they are highly subsidised as well. It's a strange kind of situation, and again it's down

to budgeting.

The other thing with regard to the subsidised theatre, I know that companies like Rough Magic, for example, will go in and do a play in Project, say, for four weeks. You couldn't actually produce a play and put it on for four weeks and get a 100% houses and still get that break-even figure because the figures just couldn't add up. When I'm doing something like this, I have to divide the budget, amortise it over the number of weeks that will get me to a 60% break-even so that I feel fairly comfortable. That's why, when Twelve Angry Men was going into Andrew's Lane, I knew it had to play for 14 weeks to reach that break-even figure at a higher percentage, probably 70%. So because I have the kind of venue that's my own, I can do it. There are many disadvantages to having your own venue but there are some advantages as well. You can do a play if you like it, and you want to, and that's great. And then you can run it for 14 weeks if that's what it needs to do. Having said that, if it wasn't

successful, it was going to be whipped out of there after three weeks, and I would have to find something really fast, but I'd do it because that's the reality of the situation. So I don't know whether that answers your question or not.

Una Carmody

Do you have a view on the efficiency/overhead question, Julian?

Julian Erskine

We've been through an interesting series of changes over the years. When Riverdance started, we were extremely commercially driven because we were doing four weeks in The Point and that's all. We had no plan to do anything more than that, so the set-up was as a normal production with a very small staff. When it took off, and the money starting rolling in, we almost relaxed on it because there's so much money coming in, it was like being subsidised, we were being subsidised by the public. The staff grew and grew, and we were very busy, as we were spreading all over the world very fast, and putting up new companies every year. We've gone full circle now: as things have levelled off and business has eased back a bit, we're now becoming very commercial again, stripping down, we've been on the cutbacks, letting people go, tightening up the office staff... Going back to my Abbey anecdote – and I'm not here to Abbey-bash, more to highlight how essential it is our business to be out there, doing everything we can to sell tickets – I suppose that the way we are now, and the way we think about it now is that every day, everybody's job depends on how well they do it, and how much effort they put in, every decision they take can have a direct result on whether they're working in two weeks' time. So we're absolutely focussed on what we do, and that's why we spend so much time on our budgets, and why we take so much time before we finally move on something is because at the end of the day, our jobs depend on it. We're not in that subsidised situation where the job doesn't really depend on what you do or how you do it. I may have to reel that back a bit... I think that's the difference. We go in every day, and how we operate and the decisions we make depend on whether we have a job in a few weeks time.

Una Carmody

Would you like the subsidised sector learn some of those lessons?

Julian Erskine

Absolutely. As Pat says, of course there has to be subsidy, and of course it's essential for fostering new product, for getting writers up and going, for getting performers up and going. Absolutely, it must be there. But I do think, and have felt for a long time, I can't believe, at times, how uncommercial it is, even when selling its own stuff. If you're going to put a show on, you've got to tell people it's on, and if you've got a success on your hands, you've really got to push it out there, instead of sitting back and saying, 'It's grand, we're selling tickets, we're alright, and if we do 70%, we're grand.' They should be looking for the 100%.

Una Carmody

I know, Roger, that there have been questions around some of what the National has done, and I've certainly read in the newspapers some criticisms of initiatives, My Fair Lady being the most high-profile, which was conceived as something which was always going to go into the West End. Correct? And that there is a perception that there might be a tension in artistic policy, in other words that the artistic policy of the National might, obviously in part only, be driven by what it perceived as having commercial potential elsewhere. Is there a way of squaring that circle?

Roger Chapman

The National Theatre employs somewhere between 800 and 1,000 people, and that sounds horrific. At any one time, we have 120 actors on the books. Probably 200 of those people are casual staff, in the bars and restaurants, but there is an enormous number of people. If you want to find me, and you ask for touring, there's only two people, myself and an assistant in the office, but what I have to call on is quite fantastic: I can call on accountants, we have two lawyers who I regularly deal with, and a whole series of associate directors, and whatever it is that comes into subsidised theatre.

I think probably the rest of the country is pretty dismayed about the fact that we get the lion's share of the money, we get £13.5 million, and the Royal Shakespeare Company gets about the same. But then you go to the next regional theatre, the next large regional theatre, and that gets £1 million. Now that's a huge gap which puts us in really quite a vulnerable position. It becomes even more vulnerable when you think that some things look as though they have been chosen cynically to make people, who are on the staff of the National Theatre, money,

as well as the National Theatre itself. I have never been to a meeting, ever, where anyone has discussed a project with the possibility of its transfer either to the West End or to Broadway. I've been to meetings where people with great skills in musical theatre have said, 'I think we should do the great classic, the great British classic, because it's based on Bernard Shaw, My Fair Lady', and that, you could say, was just done for the National Theatre. However, the casting had Martine McCutcheon in it, a lady who is known as a pop star more than anything else, so I think questions were raised about it, and of course she wasn't trained to do eight performances a week, and broke down continually. In fact, the show Chitty Chitty Bang Bang was also in the West End, in the Palladium, that had a car that flies – but it didn't always fly so the cast called it 'Martine'!

So it's a tricky one, and the tricky part of it is this: that when you get a stream of income like we had in the West End with My Fair Lady, this is a sizeable stream. 2% of gross box office is coming directly from that commercial theatre into the National Theatre. Exactly the same happened with Oklahoma! on Broadway. So two sizeable streams coming in. Now the problem is, and I think it's like all of us, when you get a salary rise, your lifestyle increases and you live up to that thing, and if you ever go backwards, you find yourself in trouble. And these are moments – these shows will evaporate, they all evaporate – and then you're left with your core funding and, suddenly, a diminished amount of money, or so it feels. I think the real danger is when you get these successes, you can never plan for them, but when you get them, you can never actually take the money and start to rely on it because it's completely ephemeral, it'll just disappear.

Anne Clarke, Deputy Director, The Gate Theatre, Dublin

I just wanted to pick up on your last point, on not relying on that extra stream of income. What do you do with that income, does it go straight to specific projects, or does it go into the general overall pot?

Roger Chapman

It goes into the general – it goes into the hole in the centre. Now, here's our problem. 45% of our overall running costs is subsidy. 45% of our running costs is box office. 90%. There's a 10% hole in the middle which we try and fill through catering, bars, bookshops, but the key thing, in the subsidised world, is sponsorship. We've got to get at least £2 million a year from

sponsorship. Now what happened last September in America shook that premise, and whatever you had in your budget for sponsorship, people knocked that down by 45%. Which leaves you with a sizeable gap. The West End shows are filling that gap at the moment. But unless we can radically rethink what happens if we don't have these, then we're going to find ourselves in deep trouble. Added to that, the next director of the National Theatre, Nicholas Hytner, believes that the one thing stopping young audiences coming in to the theatre – and I have to say, this is our danger: most of our audiences are white, middle-class and over the age of 55, even though there's a lot of them, that's what they are – is because our seat prices are about £30 sterling. So Nicholas Hytner, when he starts on 1st April 2003, in the Olivier, which is the engine room of the theatre and has to sell 1,100 seats every night, those seats will go down from £32 to £10, until November. The cost of that, in terms of the budget, is £2 million. Now we had a sponsor who was prepared to be part of this and put their name to it, but suddenly they're retreating, by the day, and so the nervousness of the next regime, of which I am a part, is increasing. Can we hold to that promise of these £10 tickets, or are we actually being utterly irresponsible and heading for bankruptcy or serious deficit?

Jackie Ryan, Team Theatre Company, Dublin

I have a question to ask, but I want to just precede it with a little story that might be of relevance to the subsidised sector here, relating to My Fair Lady. I used to work in The National Gallery of Ireland, and almost half of the purchasing budget for paintings in there comes from the rights to My Fair Lady because George Bernard Shaw, his estate had his contracts very squeaky clean. So what I am going to ask is in relation to contracts. You mentioned where an initial company, sometimes a subsidised company, would produce a show and you would then buy in the rights. Is there any norm in the industry for a small percentage that would be in perpetuity to an original production house for a show?

Pat Moylan

There are no rules on this. I know that the two experiences on that one are, first of all, with Stones in His Pockets. The original producers were the Lyric Theatre in Belfast and the Lyric was going through a change at the time, their artistic director was leaving. There was a new general manager coming in or going out, I can't remember the details, but I do remember when I wanted that production, going and talking to them. First of all, I knew they said they had absolutely no interest in the rights, after a certain period of time the rights were available,

and they had no interest in holding on to these rights. And, secondly, I bought the physical production from them. I actually spoke to the person at the time, and said, 'Look, I need to pay you a royalty for this, for every week it's playing' and he was absolutely amazed at the time, 'Do you really have to do that?' and I said, 'Yeah, in fairness.' Now, when I was getting those rights, and it was a very small royalty, I didn't see West End and Broadway and all of that. I thought more people have to see this because it's a terrific show and I really need that to work. This was a show I was passionate about, not that I was thinking dollars about – and maybe in that sense I'm not a commercial producer. I just wanted more people to see it. So that's what happened on that occasion and they do get a small fixed royalty.

The other one, and this is where the subsidised theatre comes in, was Alone It Stands which was another product that I took. The original producers, Yew Tree Theatre Company, were developing this project for a long time, it went into rehearsal for seven weeks, and then they put it into rugby clubs. I would never have done that. I just saw it, loved it and said well, 'What happens at the end of this period?' and because of their remit, they weren't going to continue running it, this was the end for them. So because of what had happened in the Lyric, and in retrospect, I was thinking that a fixed amount of money at the time was a very good deal for them, I wanted to be fair and honest and reasonable with them, but I didn't think it was going to Broadway. They should have actually had a percentage rather than a fixed sum. But they didn't get that, and it was because I didn't see the potential and the success. With Yew Tree, there is a percentage in place for a period of time, it's not forever, because we would have the right only or a certain period of time as well. It was over, I can't remember what, something like two and a half years, they would get a percentage.

Una Carmody

Yes, as you say, it depends on the rights period, how long any royalties are paid.

Patrick Lynch, Broadway Productions

I'm producing Golden Boy, which is running at The Pavilion. I'd just like to ask: Twelve Angry Men is coming in to The Pavilion after us next week but it started at The Olympia, and I'm not entirely sure, but it's going to Bray as well, and other venues that seem to me very close together. How does it work or why does it work like that?

Pat Moylan

Twelve Angry Men started at Andrew's Lane Theatre, where Triple Espresso is playing at the moment, and it moved to the Gaiety Theatre. Then it was to go back into the Gaiety Theatre, but it didn't happen for various reasons. They had a huge success on their hands but I had promised it to the Cork Opera House, who wanted it and I knew that I couldn't get the cast together if I was only going to do it for two weeks, so I had to add other venues on. There was a week available in the Olympia, I took that, and to make it a viable proposition, it's very difficult to do it outside Dublin in a venue that isn't very big because you have to pay the per diems for a crew of about 20 people in total, so when you go to those venues, it's less expensive as a producing company because they're still based in town – you don't have to pay the touring allowance. For a big company like that, it's substantial. And other products that I have had have gone to Draoícht and Tallaght, and not Bray. This is the first time ever in Bray, in a new theatre that's just opened, and in Dun Laoghaire, and they've all been very successful there. It doesn't affect the business and they have developed audiences all on their own, and they're doing really good jobs in their own areas by developing their own audiences. Bray is full this week, and I know that the booking is really, really healthy for Dun Laoghaire for next week.

Una Carmody

For anybody in the room, or indeed on the panel, it certainly has sometimes seemed to me that the length of run in Dublin that's possible really mitigates against a healthy, lively commercial sector. We've all talked endlessly about how hidebound we are by the two big theatres, i.e. very, very big, the Gaiety and The Olympia, far too big for a lot of small, independent houses; and then the huge jump down to Project, Andrew's Lane, and that given the size of the audience and all those things, is there anything that can be done about it, other than build more theatres? I know there's a sense in which people feel we may be somewhat over-supplied with seats now, if you like, in the greater Dublin area, and possibly not enough seats in the city centre. Is there anything that can be done structurally to look at the length-of-run issue, the investment and the venues – a mixture of all those three things?

Julian Erskine

I think as Pat said earlier, it's a gamble, you can't dictate the length of run, you can plan for it.

Una Carmody

I used to work in the Gaiety. It is of course possible to make money in the Gaiety but anybody who wanted to go in for a nice long run, there was always an Opera Ireland season in the way, or a week of Tops of the Town, all of these kinds of limiting factors. If you had the most fantastic show in the world, you still couldn't put it on in the Gaiety for six months or seven months or two years.

Julian Erskine

Absolutely, and as we all know, the choices are the Gaiety and the Olympia. There are problems in the Olympia which is largely a music venue now. When you've got your show there, you've got to vacate on Friday and Saturday when the bands come in on the set. I have to say the state of the theatre is not that attractive for a lot of straight theatre shows. The big issue with the Gaiety is that they have a lot of pre-determined events that can't be shifted so you can't get a long run. I think what's also missing, too, is the mid-range, 500, 600-seater theatre, where it would make more sense – I mean, we have a situation now with Triple Espresso, running in Andrew's Lane. It's going fabulously well, we're there for six weeks, where do we go with it now? We need to make another step with it, we need to move it up a layer to a bigger house where we could make more sense, we do have an American cast, we have fairly high overheads on it, and at the moment we're trying to work out where we go with it because the problem is exactly as you've just said. And I mentioned earlier, just this whole issue with ticket price, we're crippled with the ticket price, it's so low. You see people spending, at Santa's Kingdom, €25 a head plus booking charge for every member of the family to go, and people are spending hundreds of euros to go and see it, and they won't spend €18 to go see a play.

Julian Erskine

The Helix is a venue that is coming online. It hasn't been really tested yet, has it?

Nick Reed, the Helix, Dublin

Thanks for the plug, and looking forward to Triple Espresso. We have a 450-seat theatre, 12 metre by 12 metre proscenium arch stage, one of the biggest in the city, we think. We're very interested to hear the commercial sentiments coming from the panel this morning. We are

certainly very willing and interested in dealing with anyone who might have a commerciallybased production that can fill that space.

Una Carmody

But is it the case that audiences are just resistant to paying more money or is it that producers are afraid?

Julian Erskine

I think they'll pay it...

Una Carmody

If they really want to go...

Pat Moylan

If they go to The Point...

Julian Erskine

They're paying €75 for Nina Simone, there's no limit on what they'll pay if they really want to see it. But that's our problem: look at a situation where you up your prices if you've got something really hot on your hands, which is the situation with The Producers on Broadway where they just upped the prices, shamelessly, as soon as it opened and they realised what they had on their hands, up went the prices. And that's another way of being very commercial about it – if they want it, let them pay for it.

Zita Griffin, Sponsorship/Special Events Manager, Temple Bar Properties, Dublin

I just wonder, when choosing a production, do you look for it to fill a certain criteria, or is it partly gut feeling as well? Or is it a bit of both?

Pat Moylan

I wanted to do Twelve Angry Men because I loved it all my life. I thought it was a great play, and I really wanted to do it. I didn't think it was going to be successful. Commercially, it needed to get a certain level of business, but it didn't really make any sense to have a big production of that in a small venue like Andrew's Lane. But sometimes... the reason I did

this, all the wrong reasons, because Alone It Stands had gone on very well during the summer, and I made money and I said, To hell, I'm putting it into this, because I'd always wanted to do it. I didn't know it was going to turn around and be successful, so it's instinct and it's my theatre. If I'm going to produce something, I have to love it and I have to be passionate about it or else I can't sell it. And I can't persuade somebody to direct it and actors to come into it. If they don't get that vibe from me... It has to be very important to me, in the first instance.

Julian Erskine

Everything we look at, it's down to the gut whether you like it or not. If it happens to fall into certain guideline or criteria that you've set, that's not the answer, you have to like it. You have to like it first.

Pat Moylan

In fact, on one occasion, someone sent me a script which I read and didn't like but this was a play that had been done very successfully in the States, they had a lot of money, and they wanted to put it on in Andrew's Lane. I said no, and they just weren't going to take no for an answer and eventually they said, 'Look, why not?' 'Because I don't like it,' and they said, 'Well, we're going to complain about you to the Arts Council,' and I said, 'Please do!'

Una Carmody

But presumably there are constraints in terms of, say, if there are 14 people in the show, somebody sends you a script and it needs 14 actors, somebody else sends you a script and it needs two, and there's one set...

Julian Erskine

Well, I think as Roger said, we spend most of our day doing budgets. Budgets, at the end of the day, decide whether you move forward or not, and the budget for 70 in the cast, or for two in the cast, may both make sense, depending upon what your plans are for it.

Pat Moylan

An interesting fact, I think, is that... Stones in His Pockets, for those of you who haven't seen it, has two actors who were absolutely unknown outside this country, half a backdrop, and a

row of shoes. When that was going on, on Broadway – and it was a production that was up and running – one million dollars had to be raised to put it on to Broadway. And that's that play. And the backdrop was done there, and there was a sign up in the Duke of York's Theatre backstage, saying 'Please bring in any old shoes' – and they went with two sacks of shoes from London, and a box of mini-disks, and the backdrop was reproduced over there, and it took a million dollars to do that.

Julian Erskine

Triple Espresso is another example where there's only three in the cast, it should make absolute sense to be in Andrew's Lane with it but the budget was extraordinarily tight, cripplingly tight, but Pat and I decided to go with it because we loved it, thought it was great, we loved the show, thought it had potential. Commercially, I must say, looking at the budget, you'd say, 'It's great but it doesn't make sense.' But we went with it because we really liked it. So a three-hander doesn't always add up – it's what's around the three that costs a lot. \square