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COMMITTEE NOTES

This first issue of the 1966-67 SUPPLEMENT series gives us a chance to preview some of the Administration Committee's activities for the coming season.

Following the sense of the 1966 Chairman's report, presented in April to the USITT Conference in Toronto, the Administration Committee will concentrate its efforts in two areas: special projects and the dissemination of written information. We will continue to encourage participation on the part of the nationwide membership, particularly in reference to articles and news summaries which may be printed in the JOURNAL or SUPPLEMENT.

The first special project will be a USITT Symposium to be conducted in New York City during the week of October 24. The title is: THE EXPERTS SPEAK ON THEATRE ADMINISTRATION. The one-week series of meetings will include a session with the New York, New Jersey, and Connecticut Bar Association's Committee on the Law of the Theatre. Other sessions will feature discussions by Edward Lutz, T. Bruce Birkenhead, and others. The purpose of the meetings is to present a succinct statement of current administrative problems and thinking.

The October Symposium will be open to a limited number of participants who plan to take an active interest in theatre administration. If the meetings are successful, we hope that they will be repeated in other parts of the country. Further details will be available in October. If you are interested in attending, please write to the Chairman, Committee for Theatre Administration, USITT, 245 West 52nd Street, New York, New York 10019.

James L. Nuckolls
Chairman,
Committee for
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JOHN F. WHARTON - A SUPPLEMENT interview by T. Bruce Birkenhead

Having helped in a destruction of the rather Mercantilistic Federal regulations surrounding the fees charged by ticket brokers, John F. Wharton and the Legitimate Theatre Industry Exploratory Commission (backed by the League of New York Theatres and the Schuberts) are now turning their reasoned arguments on local laws and regulations surrounding the sale and distribution of theatre tickets in New York.

At the start of an interview with Mr. Wharton in his Madison Avenue offices, I asked five or six questions - all surrounding the purpose and function of his reports*. I then sat back and listened to him respond to all of them within the framework of his own philosophy of the theatre. Among other things, he developed his theory concerning the positive gains for producers, theatre owners, and the public that would result from changes in the ticket policy.

In part, the founding of the Exploratory Commission was a defensive act. You will remember that there was some scurrying about, breast beating, and even serious thought, when the investigations of "Broadway's Ice" revealed that the theatre was a business after all - a business made up of individuals who respond to market forces as do individuals in other businesses. The Exploratory Commission was the result of a search for a possible theatre "Czar" (Mr. Wharton being a leading contender), and the presence of legal problems (anti-trust laws and all that) surrounding a formal combination of interests such as those represented by the Schuberts and the League.

The Commission's early arguments and pressures helped eliminate Federal taxation of Broker's commissions, including a penalty tax on commissions which were above the legal maximum set by local government.

What are the Commission's goals now? The center of attention remains ticket pricing policy. But now it is greater flexibility in pricing and greater freedom surrounding payments to brokers that is desired.

Mr. Wharton argues rather forcefully that the placing of a fee for services rendered by the broker, on top of the "list" price of a ticket, creates an automatic psychological response on the part of the buyer. The response is anything but positive. Drawing an analogy with the retailing of a TV set, he correctly points out that the retailer of the set performs no greater function than the ticket broker. Yet, the public accepts the fact that the price paid for a TV set must, and should, contain a return to the retail merchant. Thus, if brokers could buy tickets below "retail list" (or receive a commission from producers), it would not be necessary to place a service charge on the advertised price.

* see December 1965 and September 1966 SUPPLEMENTS

Related to this proposal is the need to examine the entire scaling of the typical Broadway house. As do many others, Mr. Wharton believes that producers should take advantage of the inelastic nature of demand for theatre - especially at the front of the house - by raising ticket prices. His argument goes like this; if individuals are willing to pay \$20 for a seat in the first ten rows of the orchestra, not only should the producer have the right to increase that price, but it would also be healthier to do so. With market pressure forcing actual prices upward for admission to a given production, the retention of a "list" price which is below market price only makes possible the existence of scalpers, ice, and the temptation on the part of those legitimately connected with the production to share in the revenue. Just as important, according to Mr. Wharton, is that a more selective scaling of the house (as with Superman*) will allow for lower prices in the rear of the theatre to accommodate the young and the "underpaid intellectual market."

What did Harold Prince's experiment*, which apparently will be repeated with his incoming Cabaret, prove? Well for one thing, it worked. With three prices in the orchestra, and a relatively low price at the rear of the balcony, the entire house apparently sold successfully. In addition, individuals and groups who normally insist on the "best" seats in the house were willing to accept the middle range of orchestra seats. Apparently, the lower priced orchestra seats served the function of supporting the prestige of the middle section. Mr. Wharton does not feel that this has set a pattern for regional theatre; rather, the more elaborate scaling of Superman only echoes, on Broadway, a pattern accepted in other parts of the country.

An additional benefit claimed by Mr. Wharton is that a more rational scaling of the house, according to demand, will increase the chances of preselling a drama. If one wishes to take the chance on a production being a hit, a ticket purchased before opening will be less expensive than one acquired later on.

Finally, Mr. Wharton sees a need to cultivate the young audience as a future market - lest Broadway lose its attendance through the simple process of age and death. This young market must be brought into the theatre now if they are to emerge as buyers in the future.

My own reaction to all of this is basically positive. But the changes in existing practices must be drastic. There is no doubt that Superman was a move in the right direction. Those willing to pay more for a production should be allowed to provide revenue for the production itself, rather than have it be siphoned off by a scalper. To the extent that producers actually use the funds to, in effect, subsidize the rear of the house, the effect can only be positive.

* See bibliographic entry; Morse, Tom, "See Scaled Floor for 'Superman' As Initial Test of Wharton Plan;" January 28, 1966 SUPPLEMENT.

However, what is really needed is a more flexible system which will allow producers to raise or lower ticket prices as the market changes. This may not always be to the self interest of the theatre owner or even to the producers as a group, for price competition is not a natural development of what the economists refer to as a monopolistically competitive market.

Certainly, the broker should be able to price his product, as do the retailers of other commodities. That is, the price charged for a ticket should include his commission. A more "normal" system of discounting the retail price to the retailer will also allow for a lower commission charge for lower ticket prices than would be contained in the price of the more expensive seats. Also, increased flexibility in pricing, coupled with the ability on the part of the producers to offer broker commissions, will not only allow for the lowering of ticket prices (in order to move the hard to sell seats) but also allow for the payment of bonuses to the broker himself if he is able to move such seats. All too often, the hardest seats to sell are for those productions of great artistic worth.

One real area of disagreement surrounds the ability to presell a drama - an ability based on a change in ticket price policy. Only education and a change in taste can increase the demand for drama. The young market will not be developed merely by offering the last three rows of the house at a price of \$1.00 per seat. The entire educational system must be brought into the picture with the cooperation of producers and theatre owners alike. And a taste for theatre in general must be developed in areas outside the major producing centers.

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ANTA'S RESIDENT THEATRE MANAGEMENT TRAINING PROGRAM

The first Resident Theatre Management Training Program, organized by ANTA's Jean Guest, will meet in New York on November 7, 1966. The program will be conducted by Harlan Kleiman, executive director of the Long Wharf Theatre in New Haven. According to the ANTA Newsletter,* "The areas covered will include: background and definition of regional or resident theatre; procedures for creating such a theatre..." relationship to a Board of Directors and to the various elements in a community that can be helpful; operational procedures covering all business and legal aspects of running a theatre...; and finally, development and future planning..."

Experienced regional management personnel will speak to a highly selective enrollment limited to 25 people "with previous administrative or theatre experience." Applications, addressed to Mrs. Guest at the New York ANTA office, must be sent no later than October 5, 1966.

ANTA Newsletter, Volume 4, No. 2.

THEATRE ADMINISTRATION NEWS FROM CANADA - The Canada Council

On April 26, 1966, the Canada Council announced awards to 48 professional artists representing both the creative and the performing arts. The total sum of the awards was \$185,150.

The awards were for artists who already had an established reputation and who submitted a specific program of work or study. The awards were given for a year of less and were tenable in Canada or abroad.

The recipients included Francoise Berd and Curt Reis, both of whom have administration-related topics. Miss Berd is a theatre director and administrator in Montreal. She is spending a year in France and other European countries studying artistic and administrative direction. Mr. Reis is well known in English Canada as a theatre and television director. He plans to visit theatres in six countries to study various examples of the relation between theatres and the communities they serve.

Other grants totalling \$226,500 were announced by the Canada Council on May 24. This sum will assist four theatres and one film organization. The theatre grants were designed to assist the organizations with their general operations during the 1966-67 season. Recipients included: Instant Theatre Productions of Montreal (\$10,000), the Neptune Theatre of Halifax (\$65,000, plus \$10,000 to match proceeds from a fund-raising drive), the Stratford Shakespearian Festival Foundation of Canada (\$125,000), and Toronto Workshop Productions which received \$5,000 for the production of a new play at the 1966 Stratford Festival.

The Council has recently received a private benefaction which is by far the largest in its history. It is in the form of a bequest from the late Mrs. Dorothy J. Killam, and its total amount will eventually reach \$12 million. Under the provisions of Mrs. Killam's will, the money is not to be used to subsidize "the arts as presently defined in the Canada Council Act," but must serve to set up a fund which will finance an entirely new and special program of assistance to advanced research.

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A BIBLIOGRAPHY?

The September 1966 issue of TULANE DRAMA REVIEW contains a section titled, "Books and Theatre: A Bibliography, compiled by Richard Hornby. It claims to be "a complete listing of all theatre and related books...including unedited reprints." Few theatre administration or management titles are listed.

HOW TO SUCCEED IN REPERTORY

On August 9, an informal symposium was held at the Huntington Hartford in Hollywood. The topic: How to Succeed in Repertory. The speakers: James A. Doolittle (General Director of the Greek Theatre Association) and members of the A.P.A. Repertory Co.

BIBLIOGRAPHY

BOOKS

Rigdon, Walter, THE BIOGRAPHICAL ENCYCLOPAEDIA AND WHO'S WHO IN THE AMERICAN THEATRE (Heinemann), 1966.

The volume lists, with references, every New York theatrical production since 1900, as well as the work of certain outstanding regional theatres. There are histories of several organizations.

MAGAZINES

Reiss, Alvin H., "The Lincoln Center Syndrome," ESQUIRE (August 1966) pp: 94, 134.

A parody and comment on the building of arts centers.

NEWSLETTERS

"New National Organization to Serve Dance," ARTS MANAGEMENT (June-July 1966), No. 50:1.

The Association of American Dance Companies is formed to act as "a coordinating and service agency to help dance companies...and to encourage greater support for dance in general."

REPORTS

Wharton, John F., SOME FORGOTTEN FACETS OF THEATRICAL FINANCING, A report to the Legitimate Theatre Industry Exploratory Commission (circ. May 1966), New York.

Wharton, in a report which follows A FRESH LOOK AT THEATRE TICKETS, indicates two long-range factors which he feels may spell disaster for theatre's venture capital: the steady decline of large backers and the increased legal problems associated with getting money from the public. Wharton explains his view and offers recommendations.

"New Manpower for Theatres Held Critical," MOTION PICTURES DAILY (April 8, 1966), pp. 1-2.

Charles Winchell, at a banquet of the North Central Association of Theatre Owners, notes that there is a serious lack of young people entering management areas of the motion picture exhibition industry. (83)

"Delta Wants In On Ticket Setup," VARIETY (May 18, 1966), Vol. 242, No. 13:65.

"Delta Airlines has applied to the Shubert theatre firm for a half-price legitimate ticket arrangement for Youth Card holders similar to the exclusive setup started last week with American Airlines." (86)

Morse, Tom, "B'way Legit's New B.O. Pitch," VARIETY (May 18, 1966), Vol. 242, No. 13:1, 66.

Broadway looks into new merchandising ideas. Described are: the Schubert-American Airlines tie for discounts to youngsters, Theatre Going Inc.'s plan for discount dinner-theatre combinations to student groups, SUPERMAN's low price section aimed at students, and Tahse Corp.'s imaginative merchandising of bonuses and its New York computerized ticket-handling center. There is a brief history of the problems involved. (84-1)

"Wharton Calls for New Approach To Attract B'way Production Coin," VARIETY (May 18, 1966), Vol. 242, No. 13:65, 68.

An announcement and discussion of Wharton's SOME FORGOTTEN FACETS OF THEATRICAL FINANCING. (84-2)

Shepard, Richard F., "Arts Aide Warns of Unused Plants," THE NEW YORK TIMES (May 21, 1966), Vol. CXV, No. 39,564:26.

Hanes, president of the National Arts Councils of America, is interviewed on the opening day of the ACA conference in New York City. His brief biography is included. Hanes offers opinions on the function of an arts administrator: his strength lies "not in meddling with the arts but in administering." (87-1)

"Agency Offers NY Theatre Tours Via Pennsy and Other Railroads," VARIETY (May 25, 1966), Vol. 243, No. 1:66.

Theatours, Inc. announces a deal whereby train travelers can reserve hotel accommodations and tickets to Broadway shows at one time. (87-2)

"Local Jr. C of C. Will Raise 35G to Have NRT Return to Greensboro," VARIETY (May 25, 1966), Vol. 243, No. 1:66

Community help replaces foundation financing to assure the return of the National Repertory Theatre to Greensboro, North Carolina this year to continue its residence at the University of North Carolina. The remainder of the cost is paid by student fees and the university's instructional fund. (87-3)

Taubman, Howard, "Rich Uncle of the Arts," THE NEW YORK TIMES (May 31, 1966), Vol. CXV, No. 39,574:37

"What kind of patron is the government?" Opinions expressed by artists gathered at a conference of the American Academy of Arts and Lectures. (87-4)

"British How Biz Groups Fighting New Selective Employment Tax Bite," VARIETY (June 1, 1966), Vol. 243, No. 2:60.

The theatre, "classified as a service" in British terms, is to be hit with a new Selective Employment Tax. A delegation, spearheaded by British Equity, is fighting the proposal. (88)

Morse, Tom, "Macy's Stores B.O.s See \$2,250,000 B'way Ticket Sales for 1966-67," VARIETY (June 1, 1966), Vol. 243, No. 2:58, 66.

Six box offices, located in prime first-floor locations, charge regular Broadway prices. The producers pay for the space and guarantee ticket availability. The store pays for booth construction and advertisements. The store benefits from the booth as a customer draw. Theatres benefit because of greater ticket availability. Customers gain more convenient outlets without a special charge. (89)

Zolotow, Sam, "Priming the Source," THE NEW YORK TIMES (June 2, 1966), Vol. CXV, No. 39,576:50.

Producer Stanley Gordon awards his backers 60% of the profits. The traditional split is 50-50 with management. (90)

"Enter the Duke to Aid the Bard," THE NEW YORK TIMES (June 7, 1966), Vol. CXV, No. 39,581:52.

Duke Ellington helps to launch the Oregon Shakespearian Festival Association's \$500,000 expansion program. Included is a brief history of this successful 31-year old summer theatre's growth and its plans for the future (91-1)

"Milwaukee Rep Reports Best Season in 5 Years," VARIETY (June 8, 1966), Vol. 243, No. 3:55.

The Milwaukee Repertory Theatre reports its best season since it dropped the star system to concentrate on classics. A surge in student attendance is given as the reason; students makes up to 1/3 of the gross. (95)

Rees, Bob, "Starless Co. OK; Plays are Thing at Guthrie, Mpls.," VARIETY (June 8, 1966), Vol. 243, No. 3:53, 58.

Loss of "stars" and Guthrie does not seem to impair the quality of this season's productions. The loss, plus a 10% hike in admission, does raise attendance problem. (97)

"Nat'l Arts Group to Give 25G Yearly To Produce 7 Selected New Plays," VARIETY (June 22, 1966), Vol. 243, No. 5:63, 68.

The Playwrights Experimental Theatre project moves forward with the appointment of a 10-man panel to select seven plays. Grants of \$25,000 will be given each play to assure a professional production. Details of the program given. (98)

Zolotow, Sam, "\$25,000 Granted to Papp Festival," THE NEW YORK TIMES (June 27, 1966).

A grant of \$25,000 has been made by the Old Dominion Foundation of the New York Shakespearian Festival. The money is earmarked for the 275 seat theatre in the former Astor Library.

Echelson, Robert, "Hartford's Long Languishing Legit Cheery Prospect: Two Theatres In \$10,000,000 Community Arts Center," VARIETY (June 29, 1966), Vol. 243, No. 6:2, 60.

A report on a proposed center, similar to New York's Lincoln Center. The Connecticut project will house a theatre for the Hartford Stage Company and a smaller theatre for the area's amateur groups. Details of the Hartford Co.'s history given. (93)

"Long Wharf's Kleiman Will Teach Management," VARIETY (July 6, 1966), Vol. 243, No. 7:53.

Harlan P. Kleiman, executive director of New Haven's Long Wharf Theatre, will teach a course in theatre management at New York University. (99)

"S.F. Workshop Loses John Hancock, Several Aides to Pitt. Playhouse," VARIETY (July 6, 1966), Vol. 243, No. 7:52.

The Workshop's continuing financial problems bring the exit of its latest director. The loss creates an additional financial burden which may close the company in spite of its successful 65-66 season (attendance up). (100)

Clines, Francis X., "Musicians Assail Plan for Suffolk," THE NEW YORK TIMES (July 12, 1966).

The proposed \$5-million culture center is attacked and branded a "white elephant for fire department bands" by Victor J. Yanacone, Jr.

"Newport Hoping For More Opera," THE NEW YORK TIMES (July 18, 1966)

Although a financial loss was suffered by Newport's first outdoor Opera Festival, there are plans for the Met to return next season.

"Arts Chief Says Critics Need Aid," THE NEW YORK TIMES (July 19, 1966)

Roger L. Stevens has announced unspecified plans for Federal aid to improve the state of American criticism.

"Devise 'Society' To Run Houston Hall, Soon To Operate," VARIETY (July 20, 1966), Vol. 243, No. 9:69.

Details of an organization proposed to manage the Jesse H. Jones Hall for the Performing Arts. The Society would be responsible for the "leasing and operations of the hall and booking attractions" where "other impresarios have neither the inclination nor the ability." (101)

Morse, Tom, "Long 'Indulged' By Partisan Critics, Off-B'way Lags, and B.O. Ditto," VARIETY (July 20, 1966), Vol. 243, No. 9:67.

Off-Broadway producers are apt to blame "increased costs, unreasonable union regulations, debilitatingly high turn-over in performers...and the transit strike..." for bad season. A general discussion of the season and its shows. (102)

Roth, Morry, " 'Resident' Legit for Chicago," VARIETY (July 20, 1966), Vol. 243, No. 9:63, 66.

Chicago's Mayor Daley announces the plan, although there are still gaps in the proposed \$5,000,000 to \$10,000,000 budget and no theatre site has been selected. Oliver Rea, former administrative director of the Tyrone Guthrie Theatre, is named consultant. (103)

Taubman, Howard, "U.S. Is Becoming an 'Angel' to Promote Theatre in High Schools." THE NEW YORK TIMES (July 21, 1966)

The Federal Government will contribute in excess of \$500,000 to high school theatre projects in Rhode Island and Louisiana.

Taubman, Howard, "Setting Stage for Change," THE NEW YORK TIMES (July 22, 1966)

Mr. Taubman sees Federal support for resident groups as speeding decentralization of theatre in the United States. He also believes that the effects can only be salutary for Broadway.

"Church and Arts To Join In Parley," THE NEW YORK TIMES (July 23, 1966)

The United Church of Christ arranges a conference in an effort to have religion become more involved with the arts and sciences.

Dooley, John, "Al McCleery Takes Artistic Helm at Pasa Playhouse; To Forge Close Pic Link," DAILY VARIETY (California July 25, 1966), Vol. 132, No. 35:1.

A debt of \$500,000 is declared. McCleery intends to streamline the operation using methods found in TV and the films. He wants to bring "quick, shortcut efficiency." (104)

Taubman, Howard, "Culture and Our Schools," THE NEW YORK TIMES (July 26, 1966)

An independent research group has been asked to study the effects of Federal support for high school theatre in Rhode Island and Louisiana. The purpose is to develop guidelines for duplication, expansion and alterations.

Adilman, Sid, "Stratford (Ont.) Fest Canadian Phenomenon; Major Dominion Group," VARIETY (July 27, 1966), Vol. 243, No. 10:103.

A short history of this 13-year old "theatrical curiosity in Canada." (105)

"Ailing Israeli Legits Ask Government For \$1-mil. Subsidy (4 Times 1966)," VARIETY (July 27, 1966), Vol. 243, No. 10:103

An inflation-retarding economic "slowdown" has prevented Israeli theatres from increasing prices while costs increase. Five major repertory theatres ask government to contribute. (106)

"Ford Fund Names 15 Arts Interns," THE NEW YORK TIMES (July 29, 1966)

Internships, ranging from \$5,000 to \$6,000 a year are awarded to fifteen persons who will learn the daily work of the organizations with which they will be attached.

"Foundation Rescues Milwaukee Theatre," THE NEW YORK TIMES (July 30, 1966).

A new non-profit corporation has been formed to operate the Papst Theatre which closed on June 1, 1966.

"Fernald to Have Theatre-School at Mich. College," VARIETY (August 8, 1966), Vol. 243, No. 11:65.

The former director of the London Royal Academy of Dramatic Art will set up a theatre-school at the Oakland University, Rochester, Michigan. It will cost \$500,000 a year to run (RADA cost \$204,000). (107)

"Mpls. Ends Fight To Tax Guthrie," VARIETY (August 3, 1966), Vol. 243, No. 11:63.

The State Tax Court drops its case against the Gurherie Theatre on the ground that the non-profit repertory company is, in effect, a charity. The tax could have cost \$202,858.

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CONTRIBUTORS TO THE SUPPLEMENT

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