Show Me the Money: A Study of Interrelationships between a Regional Theatre's Revenue and Location

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Show Me the Money: A Study of Interrelationships between a Regional Theatre’s Revenue and Location

by

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Advised by
Shirley Huston-Findley

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Abstract

Regional theatres are non-profit organizations that survive off earned and contributed income. In particular, contributed, or donated, income can change depending on the community a theatre is located in. However, there is no consensus whether there is a relationship between the two. This study compares Arena Stage, Guthrie Theater, Cleveland Play House and Alley Theatre to answer the question; how does geographic location relate to the ratios of revenue sources? The income ratios were based off numbers derived from 990 tax forms and the theatres’ operating budgets. Those numbers were then analyzed and compared to the other theatres’ income ratios. It was conclusive that there is a relationship between location and the income sources of a theatre. However, the study should not end here. There are other facets of this topic that need to be explored so that theatres can better understand their local financial options to maximize both their earned and contributed revenue.
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You have opened my eyes to a professional world that I cannot wait to join one day.


Introduction

Every family in every country has a different way of passing the time together. Some families go to a pub, others meet at the movies. Sometimes it can be as simple as a picnic in the park or more elaborate like a party to which everyone you know will be invited. Families can also get together to enjoy sports; whether it be playing together, watching your favorite local team, or cheering on your chosen professional team. In the United States alone, several million people attend some type of professional game annually. For those who are not into sports, there are a wide variety of other pastimes such as going to the theatre. In fact, more people attended a theatre performance in 2015 than games in any professional American sport—except for Major League Baseball.¹

Some theatres, such as those on Broadway, are like sporting events whose high attendance rates are vital to the success of the company. Broadway shows are geared toward bringing in an audience, whether they are avid theatre goers or tourists visiting New York City for the first time. Professional regional theatres² also work hard to bring in a substantial audience but their survival is not entirely dependent on selling tickets. Regional theatres are nonprofit organizations meaning their income is based on more than box office revenue alone; additional sources can include government funding and support from foundations as well as corporations.

Typically, government funds come from state, local, and federal governments. The National Endowment for the Arts is a consistent supporter of theatres throughout the country.

¹ According to ESPN, the National Basketball Association had almost twenty-two million in attendance in 2015. The National Football League had 17.3 million, the National Hockey League had 21.5 million and Major League Baseball had 73.7 million in attendance. Theatre Facts 2015 reports the attendance for all U.S. professional nonprofit theatres was 29.5 million patrons. Broadway League estimates 13.3 million people in attendance for a Broadway production.
²Regional theatres are typically located outside of New York City across the United States
Some states are excellent at providing funding for the arts such as New York and Minnesota while others, like Georgia, are lacking (St. Germain-Gordon; Smith). The options available to each theatre are dependent on how much their individual governments support the arts.

If the state is not as dedicated to funding the arts, there are also non-government grants available in each region. There are foundations, such as the Shubert Foundation, that do not have a geographic requirement. Others, like the Dorsey & Whitney Foundation, only award grants to art nonprofits located in communities that house a branch of their law firm. These two foundations have allocated funds for theatres or other arts organizations. Corporations also distribute funds to assist nonprofit companies in their continued success. Both foundations and corporations usually fund a specific startup program, such as a new initiative in an education department. There are a few grants that can be used for general operations, but those are unusual.

Each area has a different set of funding options available to the theatres, but it is unclear whether there is any correlation between the area and the sources of funding. This study explores the question: how does geographic location relate to the ratios of revenue sources in a comparison of four regional theatres throughout the United States? To ensure a well-rounded analysis, regional theatres were asked to participate in this study that represented one of the following regions: West coast, South, Midwest, Northeast and East coast. In the end, four theatres agreed to participate, each in vastly different areas: The Alley Theatre located in Houston, TX; Arena Stage in Washington, DC; the Guthrie Theater in Minneapolis, MN; and Cleveland Play House in the heart of Cleveland, OH. The only region that is not represented is the West coast. While this is not an inclusive list of theatres that fit
the requirements to participate, the diverse locations provide a representative sample that will be sufficient to draw a conclusion.

The participating theatres are all recipients of the Special Tony Award for Outstanding Regional Theatre. This award was created in 1976 by The Broadway League and American Theatre Wing to honor “a company that has displayed a continuous level of artistic achievement contributing to the growth of theatre nationally” (“The Special Tony Award for Regional Theatre”). It was originally created to highlight theatres outside of New York City, but the rules were changed in 2014 to allow non-Broadway theatres within the city to be eligible.³ Arena Stage was the first theatre to be honored in 1976 whereas Cleveland Play House is one of the most recent winners, awarded in 2015. No theatre has won it twice which “testif[ies] to the growing strength of professional theater nation-wide” (“The Special Tony Award for Regional Theatre”).

In addition to being recognized as an outstanding theatre, the participating theatres are members of the League of Regional Theatres (LORT). LORT members “must be incorporated as a nonprofit IRS-approved organization, each self-produced production must be rehearsed for a minimum of three weeks, the theatre must have a playing season of twelve weeks or more,” and operate under LORT contracts with Actor’s Equity Association, the Stage Directors and Choreographers Society and United Scenic Artists (“How to Join”). Regional theatres are not required to join, but membership comes with several benefits including semi-annual meetings dedicated to furthering education and improving communication among other member theatres. LORT also offers help with legal contracts and union conversations, and they will even mediate disputes between theatres and

³ As of 2016, the only theatre in New York that has received this award is Signature Theatre in 2014.
employees. The important aspects of a LORT theatre for this research are that they are an IRS-approved nonprofit organization and work under contracts of multiple unions, ensuring that the theatres are professional but not for-profit.

Most of the theatres that fit these two requirements are also key theatres analyzed in Theatre Facts—an annual report published by the Theatre Communications Group (TCG). The annual publication includes professional and nonprofit theatres willing to complete a survey about their previous fiscal year. While Theatre Facts is successful in reporting financial trends throughout the theatre community, the financials are not broken down by location. In each edition, the data presented are averages, and outliers are not taken into consideration or highlighted. Mathematically, this means the numbers are calculated as typical but may not accurately represent what the theatre community is experiencing. Furthermore, the study reports expenses and net income, which this study will not be considering. Theatre Facts is a great resource to use to understand the big picture of what is happening in American theatre, but it does not help a theatre understand their unique financial situation.

To focus on the local theatre, it is first imperative to understand how regional theatres were formed and why they are important. Thus, I will begin with a recap of the history of English-style American theatre, focusing on theatre as businesses which include theatre buildings and the various ways theatres have made a profit over the years. Garff B. Wilson’s Three Hundred Years of American Drama and Theatre tells the history of American theatre through stories. Several chapters begin with an account of what attending the theatre would look and feel like. During these tales, Wilson describes the theatre building and how much it would cost to see a production, alongside other useful information. The book also dedicates
several chapters to what was happening in the business of theatre, which is not often seen in historical sources as most are dedicated to the evolution of acting or another specific theatrical element. Finally, Wilson’s book pairs a brief overview of what was happening in the United States to an important theatrical event, giving it context. The large issue with this book is Wilson tends to whitewash theatre in America. He does not spend any time exploring non-European theatre styles and their impact on American theatre.

For this reason, I also rely upon *History of Theatre* edited by Oscar G. Brockett and Franklin J. Hildy, which discusses theatre in all parts of the world, not just Western theatre. It paints a more accurate picture of American theatre and is less story-based than Wilson’s book. Therefore, I will be using it for specific facts and statistics that are not available in other sources. These two books are the main sources of information until we reach the mid-twentieth century. From there, Margo Jones’ *Theatre-in-the-Round* and *Regional Theatre: The Revolutionary Stage* by Joseph Wesley are used to explain the regional theatre movement. Jones’ book describes her dream to create theatres across the United States before the movement happened while Zeigler’s book was written in 1973 and reflects back on the movement. These two sources frame the movement and help grapple with what ideas worked and which had to be tweaked or changed entirely.

The four theatres chosen for this study were instrumental in making the regional theatre movement credible. Each played an important, but different, role in moving regional theatres forward in history. Therefore, chapter two is divided into four sections, each exploring the rich history of the individual theatres and an interpretation of where they are today. Current information is a mixture of facts from the corresponding websites and personal observations. As for the history, four books provide the basis: *The Cleveland Play
*House: How it Began* by Julia McCune Flory, *The Alley Theatre: Four Decades in Three Acts* by Ann Hitchcock Holmes, *The Arena Adventure: The First 40 Years* by Laurence Maslon, and *Tyrone Guthrie* by James Forsyth. Some were written by founding members, some by friends of founders, and some authors interviewed the founders. Each book contained personal stories about the theatres that could not be found on their websites.

After absorbing how the theatres came to be and who they are today, it will be time to turn to the computational part of the study. The final chapter is, again, split into four sections; each section has an analysis of the theatres’ income sources during the fiscal years (FY) 2013, 2014, and 2015. As previously mentioned, each theatre is a nonprofit organization required to file a 990 tax form to keep tax-exempt status. Furthermore, these forms are available to the public to guarantee the organizations remain honest about their financial records. A member of the public can have access to these forms by asking for them from the company or using an online database. Companies such as GuideStar have even created websites dedicated to providing information “about each nonprofit's mission, legitimacy, impact, reputation, finances, programs, transparency, governance, and so much more” (“About Us”). GuideStar has an electronic copy of previous years 990 forms as well as an optional GuideStar profile, which all four theatres have completed with varying volumes of information. The fiscal years that will be analyzed are based upon what is available to me through this website.

For a further explanation of the finances and how the theatres are funded, I contacted each organization requesting a representative that would answer questions. These representatives were Allen O’Reilly, the Programs Manager at Cleveland Play House; Don Poole, the Director of Finance at Alley Theatre; Kristen Mitchell, the Interim Director of
Development at Arena Stage; and Danielle St. Germain-Gordon, the Director of Development at the Guthrie Theater. I traveled to each location to tour the space, see a show, and conduct an interview with the representative. The interviews gave a unique perspective into the budgets because different parts were highlighted depending on what the company and interviewee felt was most important. For example, Cleveland Play House highlighted education while the Guthrie Theater spotlighted corporate funding.

Each interviewee also provided additional resources such as the operating budgets of the company. I will be using ratio percentages to compare the theatres’ budgets because the budgets are not all the same and using ratios will not distort the impact of each income amount. These percentages or ratios are a calculation of numbers from the 990 tax forms and operating budgets provided by the companies. Unless published in an annual report, these budgets are internal documents and require permission from the organization to view. The budgets are pivotal in understanding the theatres’ income because they clarify sections, such as individual giving, that is not otherwise indicated on the 990 form. The interviews and subsequent information formed the basis of this study.

While traveling to experience and comprehend the theatres, I also analyzed the surrounding city and area. I spent at least a day in each city exploring and trying to get to know the people and culture. Google Maps are helpful, but no matter how many times I studied that map or any other electronic image, I would not have been able to properly explain that Arena Stage’s roof was built pointing to the Washington Monument or that the Alley Theatre is two blocks away from some of the best restaurants in Houston. However, visiting the locations does not replace tangible information such as the demographics of the population. Each city and county’s racial and economic demographics as reported by the
American Community Survey were analyzed. The county data was used because it more accurately reflects the commuting audience whereas the city data provides information for the area surrounding the theatre.

Traveling to each theatre reminded me how often their differences are similar. Theatres can be struggling in different ways, but it all comes down to trying to maximize profit to keep the doors open. Through this study, I hope to spark a larger conversation regarding the importance of a theatre’s location. Funding for a new theatre can be difficult to achieve. Consideration of potential income sources based upon location could be a beneficial tool used by established theatres to increase their revenue. With the constant fluctuation of government funding, it is imperative that income be maximized for every theatre. If the conclusion is there is no distinction of different ratios amongst the theatres, then it poses the question: is there a “magic ratio” for theatres to follow that will maximize income? No matter the results of this study, I hope a larger conversation will begin that will ensure the arts continue to be an important part of our culture and world.
Chapter One: History of Theatre in America

Theatre as an art form does not have an official ‘start date’ in the United States because Native Americans used it for celebrations, religious rituals, and storytelling long before colonization occurred. There were also theatre performances by Frenchmen and Spaniards happening on unclaimed land. Spanish missionaries performed a religious play in what is now part of Florida in 1567. In 1606, Marc Lescarbot wrote and performed a masque on the other side of the continent in current Nova Scotia territory. However, according to the author of Three Hundred Years of American Drama and Theatre, Garff B. Wilson, “they made no major contribution to the development of the American theatre” (2). While I do not agree with Wilson’s perspective, this chapter will focus only on the history of English-style theatre in America.

The beginning of English-style theatre is sketchy at best. There were several events that could claim ‘first’ but they were sporadic for about a century. The first recorded English theatre event on American soil was Ye Bare and Ye Cubb by William Darby, produced in Virginia in 1665. Darby and two of his associates were summoned to court and charged with performing a play—they were all acquitted shortly after. The first published play was by Robert Hunter in 1714 called Androboros; a Biographical Farce in Three Acts but it was never produced. The assumption was that it was performed a few times over the coming decades, but no concrete evidence has confirmed that. The first recorded production was George Farquhar’s The Recruiting Officer in 1732. Thomas Godfrey’s The Prince of Parthia was first staged in 1767 and is one of the first plays written by an American. Although all ‘firsts,’ consistent recorded history of theatre productions did not begin until the formation of professional companies.
The first official professional company was led by Walter Murray and Thomas Kean. It began in 1749 and traveled the colonies for several years being “the first to present seasons of some length in several towns” (Brockett 225). They disappeared from any record shortly after it began. There was speculation that the fold was because they could not meet the competition of the Hallam company. The Hallam company began in 1752 and while they only lasted three years under this name, it paved the way to future companies. The company was started by William Hallam with help from his brother and sister-in-law, Mr. and Mrs. Lewis Hallam. They sailed to the colonies under the leadership of Lewis while William stayed in London. The Hallam company began their success in Virginia and continued to New York, Philadelphia, and Charleston. In 1755, they decided to try their luck in Jamaica. Disaster struck when Lewis died while in Jamaica, ending of the Hallam company as it was known.

Instead of disbanding the Hallam company, it joined with another in Jamaica under the direction of David Douglass. This merge was further sealed when Douglas and Mrs. Hallam were married. The American Theatre Company, as they were now called, sailed back to New York in 1758 and continued to dominate the theatrical scene for decades to come. They performed in several cities including the ones previously mentioned as well as Annapolis, Williamsburg and cities in Rhode Island—giving the first professional performance in New England. Upon their return, they advertised their performances as moral dialogues to bypass laws and restrictions that had been put in place by the government in their absence.

Laws against theatrical productions were extremely common in the eighteenth century. Massachusetts passed a law “forbidding any form of theatrical entertainment and
establishing a schedule of fines to be levied against actors and owners of buildings where plays were performed” in 1750 after a show was presented at a coffee shop (Wilson 5). In fact, every colony except Virginia and Maryland had some legal prevention of theatre. While most of these restrictions came from the Puritans, the most restrictive laws came during the Revolutionary War. In 1774, the Continental Congress banned all theatricals. This ban was detrimental to the already limited theatre world— most of The American Theatre Company dispersed and David Douglass decided to return to Jamaica. While this paused professional theatre for the moment, amateur theatre continued through the war and even made its way into soldiers’ encampments. British soldiers were active in Philadelphia, New York and Boston but the American soldiers were not as lively with dramatics. They “stopped playmaking completely in 1778 when the Continental Congress passed another resolution to discourage playgoing and to forbid acting by anyone on the national payroll” (Wilson 18). After the war ended, professional theatre started up again even while the ban was still in place. Theatre was not completely legal until the end of the eighteenth century.

As theatre performances became more socially acceptable, playhouses became a necessary building in the community. The first playhouse created for the specific purpose of theatricals was built before the war began in 1716 and remained open until 1745 when it was converted into a town hall. There were playhouses built for the use of The American Company in cities such as New York, Philadelphia, Annapolis, Newport and Charleston during their heightened popularity. After the bans were lifted, playhouses began to expand in both size and beauty. The two most extravagant theatres at the time were Chestnut Street Theatre—later Old Drury—in Philadelphia and the Park in New York City. Chestnut Street Theatre opened in 1794 and contained about 1,200 seats (remodeled in 1805 to fit two
thousand) that were gradually raked. The stage was also sloped slightly and contained proscenium doors that would open the audience to the drama on stage. There was space in front of the stage for the orchestra to sit if the production required music. It was rebuilt after a fire in 1820 but closed its doors for good in 1856. The Old Drury helped Philadelphia claim itself as the nation’s theatre and art capital before New York established itself as such.

The Park Theatre opened in 1798 for the use of The American Company, which later changed its name to the Old American Company. It was also rebuilt in 1820 after a fire and was considered “the premier theatre of the United States” after Philadelphia’s theatres had financial issues (Wilson 23). It was successful until December 1848 when another fire destroyed it. With the opening of these major theatres, New York and Philadelphia became American theatre hubs, followed by Charleston and Boston. As the nineteenth century began, the number of playhouses were growing, and touring troupes brought entertainment to people living outside of the major cities more than ever before.

The turn of the century brought advances in every aspect of theatre from buildings to scenery to acting and beyond. Theatre expanded from exclusively Shakespeare productions to several different types of theatre. “Patrons flocked to the popular theatre, where spectacle, vaudeville, burlesque and minstrelsy offered something to please everyone” (Wilson 113). Vaudeville, or variety acts, was not a new form of entertainment for the United States. At first, it was performed as part of an intermission between two dramatic productions but during the nineteenth century it broke off to produce its own performances. Another type of variety act was known as minstrel shows. African Americans were permitted to perform only if they were acting as a caricature of their own race. Black actors would “imitate their white counterparts, even to blacking their faces…to introduce many new specialty numbers”
(Brockett 326). For the most part, minstrel companies were male and white despite their show content.

Similarly, Edward Harrigan and his partner Tony Hart created full-length farces that followed a group of Irish, German, Italian and African immigrants. These plays were extremely popular and entertaining—taking some shows all the way to Broadway. Burlesque was used in these and many other productions to spice up the written text. Burlesque was described as leg art and considered lewd and slightly inappropriate while also entertaining.

The final popular theatre type was circus acts which gained popularity during the 1800s. Names such as P.T. Barnum, James H. Bailey, and the Ringling brothers are still recognizable today. Circus performances began on tour, then tried to create permanent houses but decided that the road was the best way to bring this type of entertainment to the United States.

With each of the new types of theatre gaining popularity, playhouses were built to accommodate their different needs. New York now held the title as theatre capital and hosted an impressive number of playhouses and halls where minstrel and variety shows could be performed. Among the more popular ones were the Bowery, the National, the Olympic and Barnum’s Museum. The Bowery Theatre was the largest in the country when it was built in 1826 with four thousand seats. The Broadway Theatre also opened and took over for the Park Theatre as the leading New York theatre, named the “house of stars”. On the opposite end of the spectrum, the Olympic did not perform any shows with star actors. This allowed the owner to sell tickets at a discounted rate and provided “a lower-class audience with first-rate productions” (Wilson 45). There were theatres that specialized in certain types of theatre and
others that did a wide variety. New York had something for everyone—provided they lived within a reasonable distance.

For those who were not fortunate to live close to New York, productions could be seen in makeshift theatres. Acting companies moved across the country carrying “a scanty supply of scenery, costumes, and properties and performed in taverns, barns, warehouses, and any other place—including flatboats—which they could devise or improvise” (Wilson 46). The actors in each traveling troupe also functioned as managers, stagehands, box office, and anything else that needed to be accomplished on the road. The company would stay in a city as long as there were tickets to sell. Touring companies traveled on any means of transportation they could with the preference being by boat. Some companies would use boats purely to get from one place to another but William Chapman “converted a flatboat and gave performances on it” in 1831 (Brockett 312). His creation led to the phenomenon of the showboat that lasted for about a century.

As the country began to expand and cities were established, theatre buildings were “rank[ed] just behind the schoolhouse, church, jail and saloon as a construction priority in every new western town with any pretension to culture” (Berkowitz 3). These theatres were different than the ones back in New York. Theatre buildings in the colonies had a dedication to beauty and cutting-edge technology. The frontier theatres were built wherever they could be with any materials available. The first theatre built in California for the specific use of showing theatricals was in Sacramento in 1849. The Eagle Theatre held about four hundred people and was described as having “a dirt floor and a timber framework…the roof of the theatre [was] sheet-iron and tin and the sides [were] canvas” (Wilson 87). Soon after, other cities took notice and started building their own theatres. The location of theatres in the East
were erected based off rivers but theatres in the West were built close to the transcontinental railroad in mining towns. In fact, the Salt Lake Theatre was “the first major structure built in Salt Lake City” in 1862 proving the importance of theatre in new areas of the country (Brockett 324). The frontier theatres had to develop quickly to keep up with those in the east. Soon, theatre of various tiers was available to every mid-sized town or larger throughout the United States.

Even though most cities had theatres, they were used primarily for touring companies. Actors now had star recognition and would partner with an acting company to bring theatre to as many cities as they could. Citizens across the country knew of these stars and wanted to see them perform. Many theatres would pick what to produce based on the show the star actor wanted to perform. Companies would rehearse for weeks without the actor then once the star of the show arrived, there were limited rehearsals, a short run of performances, and the show would close. Even though this brought theatre to many different places, it was not beneficial to the local actors or theatre companies.

Theatregoers across the country expected the same quality of shows given in New York. The Park and Chestnut Street Theatre moved away from running a season in repertory and began to perform a single show, often a new work, for multiple weeks. Other theatres adopted a similar schedule until it became the norm. Audiences became fascinated with the “Broadway hit” rather than what was being performed at their local theatre. To ensure that Broadway’s audience expanded beyond the population of New York, producers began brainstorming different options for tours. The economic choice was to send an entire show, including the cast, on tour to local theatre venues. When solo actors would tour community

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4 Repertory theatre showcases different productions during a singular run time
cast members were used, but when entire casts went on tour this was no longer a requirement. “As local support was withdrawn from the resident troupes and given to touring productions, many managers dismissed their actors and became mere landlords” (Brockett 328). Local theatres’ revenue would depend entirely on touring performances and have little to no reliance on local talent.

As the end of the nineteenth century approached, the United States defined itself as one of the world’s leading countries. The World Fair was held in Chicago in 1893 which allowed the country to show off new technologies, cutting edge architecture, even different cultures seen in the United States. The Spanish-American War of 1898 confirmed to the world that the United States had become a superpower in war as well as culture. It was toward the end of industrialism that brought the world inventions such as the typewriter, the telephone, and the electric light. The increase of machine usage and the railroad system allowed businesses to produce more product and ship to more places. Those that owned or managed businesses profited, expanding the gap between classes. Jobs were increasing in cities just as swiftly as the population. Immigration had increased to almost eleven million arrivals in the final three decades of the 1800s (Wilson 188). It appeared life was going well for US citizens—at least those in the middle and upper classes.

In Europe, the rise of the middle class was also apparent. The realism movement formed in celebration of the middle class and their success. It was dominated by the art world but had influence in other art forms including literature, music, and theatre. Realism “must depict truthfully the real, physical world, and, since only the contemporary world can be observed directly, truth can be attained most fully through impersonal, objective observation and representation of the world around us” (Brockett 370). Depicting a realistic experience
became important to much of the Western world, even American theatre audiences started to demand realistic scenery, costumes, and effects. Inventions were created to help realize the audiences’ desires.

Some of the most influential people during the move to realism included Augustin Daly, Steele Mackaye, and David Belasco. Daly was the first régisseur, also known as a master director. A régisseur oversaw the entire production from the actors to the special effects and the scenery. Daly “permitted no voice but his own to be heard” during the rehearsal process (Wilson 153). His plays were some of the first that had the realistic quality audiences were asking for. His attention to detail from the casting process to the backdrop is why he is considered “one of the most influential figures in the American theatre” (Brockett 329).

As Daly focused on what was happening on stage, Steele Mackaye was more interested in building theatres that could house such productions successfully. Garff Wilson describes Mackaye as,

An architect-inventor who is credited with devising such conveniences for the playgoer as folding seats with hat rack and umbrella holder; such architectural reforms as better sightlines, wider aisles, and more intimate relationship between player and spectator; and such technical equipment for the stage as improved systems of lighting and scene shifting. (155)

Scene shifting is in reference to Mackaye’s invention of the stage elevator which allowed scene changes to occur in a timely manner. The elevator had two stages that would move vertically to fit one in the proscenium at a time. As the actors were performing on one stage, the technical crew would be changing the scenery on the other stage. When it was time for
the scene change, the newly prepared stage would move into place using cables and pulleys and the ‘old’ stage would be removed and prepared for the next scene. This was a great way to provide the audience with the realistic scenery they were asking for, but the cost of installation was too high, and few theatres implemented it.

Madison Square Theatre and Lyceum Theatre were exceptions to that. They were both redesigned by Mackaye and installed with the latest stage elevator. Both theatres were also managed by David Belasco. Belasco was a leader in creating realistic scenery and lighting. Paired with the redesigned Mackaye theatres, Belasco’s productions featured real props and set pieces such as a real flock of sheep and solid walls with actual furniture. Before Belasco, a scene involving sheep would have the flock painted on a canvas and hung as a backdrop. This was the first-time real objects were used in every aspect of the production. He also wanted his lighting to be realistic, so he moved the lights from the floor of the stage to overhead and noticed that a light changed color when a piece of colored silk was placed in front of it. His work in different areas of the theatre were instrumental in creating more realistic productions for audience members.

David Belasco’s productions remained successful until the turn of the century when they faced business opposition. Theatre became a popular form of entertainment that attracted businessmen. The Syndicate was created in 1896 by six businessmen who wanted to profit off theatre. They contracted with playhouses throughout the country and in every major city. They “demanded that producers and managers book their plays exclusively in Syndicate houses, with a high fee paid to the Syndicate for ‘booking charges’” (Wilson 160). If a company did not want to do business with the Syndicate, the businessmen would go to a smaller theatre in the same city and contract them at a discount price causing the other theatre
to go bankrupt. The Syndicate also focused on sending tours with star power that would bring in a large audience. While this was profitable, it caused theatre to be “a conservative, largely commercial venture” (Brockett 384). Artists who wanted to create or experiment with new work were out of luck with Syndicate playhouses.

For that reason and countless others, there were directors and playwrights that tried to protest the Syndicate and its playhouse domination. The Syndicate’s reach was so extensive that the protestors were forced to use run down theatres and some were forced out completely. Among the protestors was David Belasco who refused to book his productions exclusively in Syndicate playhouses. However, Belasco’s productions were in such high demand that the Syndicate eventually had to agree to his terms to keep audiences happy. Resistance from big names and the formation of a firm called the Shubert Brothers in 1905 created a dent in the Syndicate control.

The Shubert brothers created their monopoly by buying or building new theatres using their name. The rival tour-producing companies’ fight for playhouses, plays and audience members grew steadily until it peaked in 1913. The Syndicate began to dissolve until it officially disappeared in 1917 to the joy of theatre managers across the country. Unfortunately, the Shubert brothers were not much better than the Syndicate and controlled the steady decline of touring productions until 1956. Their control was relinquished but their legacy remains important today. As of 2017, the Shubert Organization owns multiple theatres, primarily on Broadway, but they make sure their reach extends far beyond New York City. The Foundation gives money annually to multiple theatres throughout the country to support their continued work.
Just as local live theatre was reviving and experiencing consistent success, the phenomenon of the motion picture began. It started in 1894 with Thomas Edison’s public premier of his invention, the kinetoscope. It was originally created for one person to view film at a time, but when it was combined with Thomas Armat’s projector it could be viewed by a large audience. It was first shown to an audience at a vaudeville show in New York City in 1896 and was an immediate success. “In 1905 the first movie theatre was opened, and by 1909 there were 8000” (Brockett 387). The motion picture, specifically silent film, was universal and cheap. One draw of silent films was that audience members did not have to understand English to enjoy them which became necessary as immigration picked up. The price of admission was ten cents, later reduced to five cents, giving almost every citizen the ability to pay for a ticket. The motion picture changed theatre forever; it gave the art a wider and more diverse audience but almost wiped out live performance in the process. In 1915, there were approximately 1,500 professional theatres outside of Broadway, but by 1930 that number had been cut by two-thirds (Brockett 387).

The following few decades of theatre echoed the atmosphere of the world. While the professional theatre world was on a decline, American citizens were not completely ready to give up their theatre experience for movies. A movement beginning in Paris in 1887 called the little theatre movement opened with the goal of counteracting the professional commercial theatre that dominated the industry. It was based off theatres in Europe that produced experimental works. The idea moved to the United States less than twenty years later. Little theatres were local theatres that used community talent to produce new works as opposed to ‘the classics’. There is still much debate on the difference between little and community theatres. Their structures are similar, but their goals sometimes differ “as Little
Theatre ‘aim to raise the appreciations of its audiences…to a higher intellectual level’ while ‘the function of the Community Theatre is to give opportunity of expression to those in the community who wish to try their talents’” (Lee F. Hancock qtd. in Chansky 6). Others disagree and believe there is no distinction between the two.

The little theatre movement put an emphasis on new works that led to the discovery of some of the greatest American playwrights and plays of the time. The Provincetown Players, a Massachusetts theatre, was formed in 1915 by a group of playwrights—including Susan Glaspell. A year after its inception, Eugene O’Neill joined the company and is now considered one of America’s most notable playwrights. While Provincetown Players was not a pioneer of the movement, it is the theatre most often mentioned because of their success finding new works and playwrights.

The little theatre movement helped open theatres throughout the country. Cleveland Play House and Pasadena Community Playhouse, founded in 1916 and 1917 respectively, were among the theatres that opened during this time, but they were not part of the little theatre movement. All theatres continued to expand until 1929 when almost everything in America, and the world, slowed. The Great Depression brought about the decline of most of the entertainment industry. Some theatres tried to counteract it by reducing their ticket prices and minimizing their season. Other theatres had no other option but to close their doors.

Franklin D. Roosevelt won the 1932 presidential election during the Great Depression. One of his goals was to combat the extensive number of unemployed citizens by creating the Works Progress Administration in 1935. Under this umbrella, the Federal Theatre Project was conceived with the help of Hallie Flannagan, director of a theatre at Vassar College in New York state. The purpose of the Federal Theatre Project was to
encourage the production of American plays and help unemployed theatre workers find work. The United States was divided into regions with capital cities that acted as a “production center, a retraining center for actors, and a service, research, and playwriting center for its region” (Wilson 259). The Federal Theatre Project hoped it would bring theatre to all parts of the country. At its peak, it employed more than fifteen thousand professionals in an array of cities. It looked like things were going well for the new project.

However, the United States Congress thought differently. They believed that some of the shows being produced were dangerous and should be restricted. Congress started going after individual shows but quickly graduated to the national publication, Federal Theatre Magazine. Congress also claimed the Federal Theatre Project was communist and placed the organization and artists under investigation by the House of Un-American Activities. Congress officially ended the Federal Theatre Project in June of 1939.

In the end it was a failure, but the Federal Theatre Project changed the way the United States viewed theatre. It produced more than twelve hundred different productions of classic and new works, promoted African American theatre, and created “an audience for serious and socially committed drama” (Zeigler 9). It is unclear whether the Federal Theatre Project would have succeeded had Congress let it be. But as of 2017, a second attempt at a national theatre has not been made.

After the end of the Federal Theatre Project and the Great Depression, theatre was stagnant during World War II. Playwrights were writing new plays, although not necessarily about the war. The shows were geared towards helping those at home feel better and more positive. Productions such as Oklahoma! were a huge success. However, since the end of the Federal Theatre Project, there were not many theatres open outside of New York City. In
fact, Gerald Berkowitz writes, “in the first week of January 1950 there were twenty-seven shows on Broadway…five productions in Philadelphia, five in Boston… Chicago had six road companies…[and] most of the rest of the country had no live theatre at all” (30). But this was all about to change.

A year later, Margo Jones expressed her thoughts on the decline of theatre in her book, *Theatre-in-the-Round*. She writes, “the diminishing number of Broadway playhouses is terrifying at first glance, but rather than a sign of death I interpret it as a sign of change” (7). Jones believed that every city in the country should have a resident professional theatre and that it should be good theatre for “bad theatre is worse than no theatre at all” (12). Some would argue that her greatest contribution to the theatre world was the creation of theatre-in-the-round. However, her idea to change theatres to nonprofit organizations would have a larger impact for years to come.

Margo Jones worked on opening her own theatre company for years. Her first production was in December of 1936 on a stage normally used for square dancing. Her second was held in a courtroom. Nine people showed up to her first audition, just enough to cover the roles needed. By the early 1940s, there were about six hundred participants in what had become known as the Houston Community Players. She wanted to rehearse eight hours a day to live up to her high standards of production quality. But considering it was a community theatre, this goal was impossible to achieve. She concluded that “to satisfy [her] needs, the ideal working situation would be a permanent professional theatre” (Jones 50). Jones decided this during World War II. With people going off to war, Houston Community Players could not continue. She taught at the University of Texas while directing plays at Cleveland Play House and Pasadena Community Playhouse. At the end of 1943, she
concluded the time was right to put her thoughts into action and began taking steps to open her own permanent professional theatre.

Jones first decided that Dallas was the ideal city. It lacked a theatre presence and her work would bring a much needed artistic presence to the community. She applied for a Rockefeller Foundation fellowship which would allow her to travel and study different theatres, playwrights, directors to gather a broader understanding of theatre. Her application was approved, but before she could conduct in-depth research she was contracted to co-direct Tennessee William’s first Broadway production of The Glass Menagerie. This halted her research as she went to work on Broadway. However, after the production opened she returned to Dallas to begin fundraising for her theatre. She never did return to her research with the Rockefeller Foundation.

Margo Jones’ company marked the first time a theatre was a nonprofit organization; originally they were either funded by the founder or investors. According to Jones, “unlike many nonprofit organizations, a theatre should and can make enough money to pay for itself, provided an initial sum is raised to start it” (68). On June 3, 1947, Theatre ’47 opened its doors after a successful fundraising campaign and building search. Theatre ’47 changed their name “every year on New Year’s Eve in order to remain contemporary” (Jones 63). The first season made enough money to fund Theatre ’48 with an extended run of productions. It continued until 1959, four years after Jones’ untimely death, when the doors were closed for the last time.

Margo Jones and Theatre ’47\(^5\) were important because they jump started the regional theatre movement. Zeigler goes as far as saying, “Margo served as high priestess of the

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\(^5\) I will refer to Theatre ’47 by its first name since I am talking about its inception. The proper name depends on the year in reference.
movement and a measure for all others...[her] book is the nearest thing to a bible in the regional theatre world” (17). Jones set the stage for the regional theatre movement which brought live theatre within driving distance of virtually every household in America before the turn of the millennium.

After the opening of Theatre ’47, two other theatres implemented Jones’ strategy: Alley Theatre in Houston and Arena Stage in Washington, DC. The Alley Theatre was formed by Nina Vance who worked with Margo Jones in the Houston Community Players. Alley Theatre began as a community theatre producing shows out of a rented dance studio. With the Community Players no longer in Houston, it filled the region’s theatre void. Alley Theatre quickly grew in popularity and found a new home in an old factory that could only be reached through an alley. It became a professional\(^6\) company in 1954. Around the same time, Zelda Fichandler opened Arena Stage in a converted movie theatre in 1950. Unlike Alley Theatre, it became a professional company after only one season. It was originally a for-profit theatre, but when it was clear that it could not sustain itself it made the switch to nonprofit in 1959.

The Cleveland Play House also made the switch to regional theatre around the same time. It was founded by Raymond O’Neill with the help of Charles and Minerva Brooks in 1916. Within the first year of performances it was clear that they needed a larger theatre space than their original home. They underwent several moves and changes of leadership before signing their first formal agreement with Actors Equity Association in 1958. In 2009, Cleveland Play House joined with Playhouse Square to form the second largest performing arts center in the country.

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\(^6\) Equity compliant
The Guthrie Theatre in Minneapolis opened a decade after the movement began in 1963. It was founded by director Sir Tyrone Guthrie, producer Oliver Rea, and production manager Peter Zeisler. The famous trio gave the regional theatre movement credibility. Joseph Zeigler claims, “the opening of the Guthrie was a turning point because it brought national attention to the movement” (75). It gave the push that some theatres, or theatre founders, needed. There was a new desire to become a “regional professional theatre, like the Guthrie in Minneapolis” (Zeigler 75). While no theatre became exactly like the Guthrie, their work inspired a new generation of theatres.

The Guthrie Theater was also one of the first theatres to develop a relationship with a local university. The partnership with the University of Minnesota was mutually beneficial. Partnerships like this one popped up all around the country. Some regional theatres opened for the specific purpose of working with a university, such as Yale Repertory Theatre. Others, like Cleveland Play House and Case Western Reserve University, developed a relationship with the creation of a Master of Fine Arts program. The regional theatre movement fostered these relationships and helped change the way theatre was taught. Theatre departments went from being extra-curricular or strictly classroom-based to having a more hands-on training approach. University-based theatres provided a space for students to interact with working theatre artists who sometimes doubled as faculty members, while providing the theatre company willing interns who wanted to gain experience in the professional world.

The movement also created regional theatres that were crucial to making theatre available for everyone, whether residing in New York or elsewhere. Zelda Fichandler reflects,
The American resident theater, as a continuing collective of artists and administrators, existing for and engaging with audiences who not only attend it but take responsibility for nurturance and survival, whose purpose is not to make money but to make art, has been, in terms of calendar years, the fastest-growing artform in American history! (Maslon 6)

Margo Jones inspired the theatre world through her belief that, “it is the duty and business of a capable theatre person to go into the communities of this country and create fine theatres. It takes time and courage and patience…It is a matter of hard work, positive thinking, endurance and, above all, great faith” (Jones 6-7). Five decades after her book was published, her dream became a reality with thousands of theatres scattered across the country. Even now, some are resident professional and others are amateur community, but all of them ensure that theatre is available to anyone who has the desire to go.
Chapter Two: Theatre Biographies

Cleveland Play House

Cleveland Play House is known as America’s first professional regional theatre. Cleveland Play House (or CPH) currently utilizes three different spaces in Playhouse Square—the largest performing arts center in the United States outside of New York City. Throughout its history, Cleveland Play House has “produced more than one hundred world and/or American premiers and…more than twelve million people have attended over 16,000 productions” ("Overview & Mission"). They have succeeded where many other theatres have failed—especially during the first half of the twentieth century. Their vision is “to be a premier American regional theatre that is welcoming, diverse, distinctive, bold, thrilling and essential to [their] community” through many different types of programs ("Overview & Mission"). Collaboration and engagement in the community are among their top priorities. Their dedication to the theatre arts for over a century is what makes them one of the most influential theatres in America.

The Cleveland Play House may be grand now, but they had a humble beginning. Inspiration came from Raymond O’Neill who saw the importance of an all-controlling director. However, actors cannot be controlled. Consequently, O’Neill became fascinated with puppet theatre. His modest productions had amazing scenery and lighting that sparked the interest of Minerva Brooks. She proposed they “form a little theatre group to produce plays in this new art form” and asked O’Neill to direct if she “did all the leg work” (Flory 5). The first meeting of the Cleveland Play House included Minerva Brooks, her husband Charles, Raymond O’Neill, and seven other Cleveland citizens that supported this initiative. The members decided that this new theatre should offer a variation of three types of
performances: puppets, shadowgraphs, and contemporary plays. During a dinner party at millionaire Francis Drury’s home, a discussion began about the concept of this theatre. Drury was intrigued and offered to allow them the use of the Ammon House for their premiere performances provided they continue to look for a more permanent home.

The first performances were in May of 1916 and included a puppet show, a shadowgraph production of a Grimm fairy tale, and a staging of August Strindberg’s *Mother Love*. There was no charge for any of these performances as they were hoping to ignite interest from the public. Many attendees later became members of the theatre and agreed upon the name Cleveland Play House with the motto *Art in Democracy*. In the winter of 1917, Minerva and Charles Brooks announced their departure to New York. Charles, who was the first president, was succeeded by Walter Flory. Flory’s first major task was to find a permanent home for the Play House. He found a Lutheran church that he believed could be converted into a theatre. Francis Drury recognized that the Ammon House could not offer a continuous home to CPH, so he gave them six thousand dollars and the building materials from the demolition of the Ammon House to help with the church renovation. The rest of the money was raised by sending out pamphlets into the community advertising membership to the Play House for twenty-five dollars a person. Thanks to all the community support, the Cedar Avenue Theatre opened in December of 1917 with the pantomime, *The Garden of Semiramis*.

Monetary issues rose to the surface in 1919 because the cost of sustainability far outweighed the price of membership. Walter Flory wrote a report that highlighted these concerns and brought to light his frustrations with the artistic director, Raymond O’Neill. He believed O’Neill’s control was too extensive and the board needed to be reimagined to create
a balanced system. Flory reminded the board members, “the Play House does not belong to
you or me, or even to us as a group. It belongs to the community…We are merely its trustees
and guardians, not its owners” (Flory 44). At the end of his report, he resigned his position as
president with most of the other officers following his lead—only four remained on the
board. It is important to recognize that although they stepped down as officers, none of them
relinquished their membership to the Play House.

At the same time, Raymond O’Neill became increasingly frustrated with the demands
that were put on him as artistic director. He was “a perfectionist, he had high standards of
artistic production. He never felt a play was actually ready for presentation, so the pressure
of producing twelve in one season must have terrified and sickened him” (Flory 66). The new
board president, Leonard Smith, became desperate and approached Walter Flory to ask if he
would consider becoming president again. Flory agreed to come back on the board, but
suggested Smith keep his current title and ask Charles Brooks, who had returned from New
York, to be vice president. The new board appointed Frederic McConnell as the new artistic
director upon retirement of O’Neill in 1921. McConnell brought K. Elmo Lowe and Mac
Eisenstat with him to assist. Their first season they produced twelve main productions, two
marionette productions and a burlesque show. Named the triumvirate, “McConnell, Lowe,
and Eisenstat proved most efficient, and under their direction The Play House entered upon a
new era of accomplishment” (Flory 72).

Cleveland Play House continued to expand in multiple ways. They established a
subscriber based audience during the 1922-23 season which totaled one thousand patrons.
The demand increased until they opened the Puppet Theatre in 1924. This theatre focused on
marionette productions while the mainstage remained focused upon live productions. The
Puppet Theatre did not last long but it did bring to light the need to expand. In 1925, The Play House Foundation was formed with the intention of using the money that was raised for any future building needs. Once again, the Drurys gave a generous donation of fifteen thousand dollars along with a plot of land where the new theatre would be built. There were two auditoriums in this new theatre; One was named after Charles Brooks (seating 160 patrons) and the other Francis Drury (seating 500). The first season in the 86th Street Theatre was 1926-27. This move was exactly what CPH needed to grow for decades to come.

By 1949, they were producing enough new works to constitute another space. They opened a third stage on 77th Street that allowed them to increase their audience and programming. One of the most successful shows to premiere during this time of growth was *You Touched Me* by Tennessee Williams, directed by Margo Jones, the first female director at the Play House. Around the same time, the Play House Children’s Theatre, later called the Curtain Pullers, was created. It is “believed to be the first of its kind in America, [providing] free theatre education to Cleveland youngsters” (“History”).

In 1958, Cleveland Play House signed its first contract with the Actors Equity Association making it a professional theatre. In the same year, Frederic McConnell retired as artistic director but was succeeded by his assistant K. Elmo Lowe. Lowe held this position for eleven years, guiding the Play House to be a founding member of both the Theatre Communications Group and the League of Regional Theatres. After Lowe’s retirement, the Play House had three different artistic directors in the span of just two years. The fourth, Richard Oberlin, was appointed in 1971 and remained director for more than a decade.

Oberlin oversaw the expansion of the 86th Street Theatre in 1983 that included a 650-seat proscenium theatre named the Kenyon Bolt Theatre and a small black box. They used an
adjacent building for rehearsal space which allowed the Play House to be enclosed in a single location for the first time in more than thirty years. They also hired their first managing director breaking up the responsibilities of the artistic director. Cleveland Play House went through several management changes but by the late eighties, Dean Gladden was the managing director and Cleveland Play House’s first female artistic director was Josephine Abady.

The Play House announced their move to their current home in 2009 in partnership with Cleveland State University and Playhouse Square Foundation, naming themselves The Power of Three. Three stages make up their newest facility: The Allen Theatre, seating 500, the Outcalt Theatre with flexible seating, and a black box theatre, Helen Rosenfeld Lewis Bialosky Lab Theatre. Cleveland Play House is currently being led by Laura Kepley as artistic director and Kevin Moore as managing director. It was under their leadership that the Play House celebrated its centennial season and received the Regional Theatre Tony Award in 2015.

**Alley Theatre**

The Alley Theatre can be recognized in downtown Houston by its unique style building connected to an eighteen-story high-rise. The tower holds offices and artistic shops while the theatre sits on the ground floor and sports two different stages. The importance of the Alley Theatre to Houston is not exclusive to their buildings. The Alley Theatre produced “more than 500 performances in 2015-2016, … [equating to] more performances than all other performing arts organizations in the Houston Theater District combined” (“About Us”). Their vision and mission are simple: “to be an acknowledged leader of the American Theatre
movement” and to “produce great theatre that embodies the resident company” (“About Us”). They have achieved both throughout their seventy years.

Their history begins with Margo Jones’ influential work in Houston in the 1930s. She formed her own theatre group known as the Community Players, which became incredibly popular in a matter of years. Her company grew “from nine actors in 1936 to some 600 participants in the early 40s” (Holmes 14). After Jones concluded that Dallas would be a better setting to open her own permanent repertory theatre, most of the Community Players migrated to the Houston Little Theatre. One of these participants was Nina Vance—a name that would become one of the most recognized in regional theatre history.

Nina Vance was a teacher at San Jacinto High School while volunteering for small jobs with Community Players and later, the Little Theatre. She took a leave of absence from her teaching job in 1946 to direct plays at the Jewish Community Center. This move introduced her to Bob and Vivien Altfeld. Nina reflects, “they all gathered around and said ‘you know, why don’t we start a theater?’ (Meaning why don’t YOU?)” (Holmes 15). Vivien Altfeld offered to house the new theatre in her dance studio; a single room crammed between two retail stores. Vance knew that the first step to a new theatre was to tell people of its existence. She and a couple of friends created a list of people that should know about this theatre. As the story goes, Nina “reached in her purse, found $2.14 and with this they bought the fabled 214 penny post cards and mailed them to those on the list” (Holmes 15). Each card had a simple message: “It’s Beginning! Do you want a new theater for Houston?” followed by the address and time of the first meeting. Nina Vance signed each card individually.

The first meeting happened on October 7, 1947 in Altfeld’s dance studio. One hundred recipients of the penny cards showed up to discuss the possibility of a new theatre.
The first order of business was to create a name for the company. An actress in attendance, “looked at their surroundings and the narrow path leading to the building and suggested ‘The Alley’”. (Holmes 17). Everyone present agreed with the new title. A little over a month later the first production was presented. The community and critics were positive about what the Alley was producing. Vance staged five more shows during their first season. Their second season was also held in the dance studio until the lease was cancelled at the end of 1948.

Bob Altfeld went in search of a new building and found an abandoned fan factory. Volunteers assembled together to solicit material, labor, money, anything they could that would help with the renovation. The motto surrounding this campaign was “come, bring a brick and a buck” (Holmes 23). Risers were built surrounding the stage, making it a theatre-in-the-round with 230 seats. To keep the namesake, “a small alleyway was created at the side of the property as the access between the lobby area and the arena” (“Building History”). Old elevator doors were found and used as a gate to the alley. Those doors have followed the Alley to every building they have inhabited since and are currently on display in their lobby.

Opening night in the fan factory was February 8, 1949 with Lillian Hellman’s *The Children’s Hour*. Nina Vance took a chance on a production with almost a complete female cast and homosexual content. It could have been a difficult play for a conservative audience to watch however it became a stirring success. Houston theatre audiences wanted “mature, thought-provoking theatre” which is exactly what Vance wanted to give them. The production received an immediate standing ovation. Vance came out and gave a speech to the Houston community that included her historic words, “this is your theater”.

The first big bump in the road came in 1952 when the future of the Alley was being reevaluated. By this point, Vance could manage the theatre but was not named the director—
the board held most of the power. Vance wanted to become a professional company with a full-time director and paid staff, but the board wanted to continue as volunteer and board driven. In the end, Vance received control of the Alley. While this was the smartest decision for the theatre, there were several board members who left in anger—including the Altfelds.

Until this point, few people involved were paid; the workers, actors and board were primarily volunteers. Nina Vance started bringing in actors and stars from other theatres across the United States. The first paid actor was Clarence Cavanaugh from the Cleveland Play House. Before Vance offered Cavanaugh the part, she asked her current cast if they would have a problem with one paid actor while they continued to volunteer. They reassured her, and Cavanaugh performed in the 1951 season. After bringing in other Equity actors, Vance signed several of her own actors making the Alley a professional theatre in 1954. Again, this caused some growing pains in the theatre but ultimately pushed the Alley into the professional theatre world where it was highly celebrated.

The Alley Theatre and Nina Vance were in high demand. Vance was being pursued by several other theatre companies with more ‘perks.’ At the same time, Houston audiences packed themselves into the theatre night after night. In an attempt to put both issues to rest, the president of the board announced plans to increase Vance’s salary, build a new 500-seat theatre, and hire a general manager that would allow Vance to focus on her art more than the day-to-day activities of the theatre. In 1959, The Ford Foundation awarded Nina Vance a personal grant of one hundred thousand dollars and an additional grant of 156 thousand dollars for a resident ensemble which grew to a full company in two years. These grants kept Vance at the Alley temporarily and allowed her to grow as an artist and director.
While Vance stayed on for a few more years, the Alley’s building remained an issue. She remembers, “it was falling down. The roof was falling in. It was a physical necessity to leave.” (Holmes 42). The board president’s promise of a new and larger theatre was also not forgotten. In 1962, a trust called the Houston Endowment donated a half-block worth of land in the middle of downtown of a new site. The Ford Foundation was willing to donate 2.1 million dollars if the Alley could raise at least nine hundred thousand dollars from the community. In a matter of months, individual contributions raised three thousand more than the goal (Holmes 36). The Alley also obtained additional land next to the donated plot making the site almost an entire city block. Ulrich Franzen was named head architect and with an additional generous gift of 1.4 million dollars from the Ford Foundation, construction began on August 10, 1966.

Two years later, the building opened on November 26, 1968 to enthusiastic patrons, actors, volunteers, directors, and donors. Actors Dame Maggie Smith and Sir Robert Stephens even traveled from London for the historic occasion. The grant from the Ford Foundation came with a few requirements including an 800-seat theatre and a forty-week season. The company needed time to adjust to both, but these developments allowed the Alley to match their audience demand. The new building held two stages: one an 824-seat thrust stage and the other, a stage that could manipulated into a thrust or theatre-in-the-round that sat 310 patrons. The new design fit the Alley well and continues to be their home today.

Over the next decade, the Alley balanced a bigger space with an increase in the number of shows and innovative productions. In 1977, Vance was one of eight directors invited on a State Department tour of Russian Theatre. This trip led her to invite the director of the Sovremennik Theater of Moscow to the Alley to direct a production of his using
American actors. This was the first time a Russian was invited to reproduce a production as seen in the Soviet Union. This collaboration further solidified the Alley Theatre’s international recognition and respect.

Even after this historic partnership, the Alley went through a couple years where it was unclear if it would survive. It was later attributed to the illness of Nina Vance. Throughout the entire life of the Alley, “the theatre was so inseparable from the woman who began it and had masterminded its aspirations and directions” (Holmes 53). Few knew that she was fighting cancer for she kept her illness a secret from everyone except a close friend. She didn’t want to worry her staff or those who grew to love her. She died on February 18, 1980 and the sorrow was felt throughout the country. The Alley board president at the time announced shortly after her death the theatre would be named the Nina Vance Alley Theatre.

Nina Vance was succeeded by Pat Brown who had worked with Vance and the Alley from the beginning. Since Brown was promoted from within instead of bringing someone more qualified from elsewhere, she had to prove to several skeptics that she was the right woman for the job. Concurrently, Iris Stiff was named the first managing director to help Brown run the theatre. As expected, there were growing pains alongside the expansion of staff but Stiff and Brown were able work together during this crucial time. Their collaboration ended abruptly when on January 13, 1982, Pat Brown received a phone call that Iris Stiff had been murdered in the theatre. A former security guard, Clifford Phillips, admitted to the murder after being arrested. After the unexpected deaths of two significant leaders, Pat Brown made important decisions regarding how the theatre was going to be portrayed. Brown used the national

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7 There is little information about the motive for her murder. There is some speculation that it could have been retaliation for being fired a few weeks beforehand. Phillips was executed in December 1993.
attention along with the change in “manners, priorities and demographics” of Houston to take bold steps in their new season of “contemporary plays… that would not be altered to suit the squeamish” (Holmes 57). This change insulted some long-time patrons, but it also attracted new audience members to fill the seats of those that left. The new direction helped propel the Alley out of the Nina Vance era.

   The Alley Theatre remained in a constant upward motion for the next couple of decades. There were several productions that transferred to Broadway, London and US tours. The smaller, flexible stage was renamed the Neuhaus Stage in 1987 to honor of the building’s architect. In 1989, Pat Brown stepped down from artistic director and was replaced by current director, Gregory Boyd. Boyd’s commitment to the theatre’s success can be seen through the countless productions that have gone on to diverse audiences. He and the “addition of artistic associates [have] enhanced the Alley’s visibility and reputation worldwide” (“Leadership”). They were presented with the Regional Theatre Tony Award in 1996.

   The success of the company sparked conversations regarding an expansion of space. These discussions remained without action until the summer of 2001 when Tropical Storm Allison flooded the bottom two floors of the theatre. “Extensive damage was caused to the Alley’s Neuhaus Arena Stage, rehearsal hall and costume, scene and props departments” (“Building History”). The shows that were scheduled for that stage were performed in alternative spaces during renovations. The newly renovated and expanded theatre opened in January of 2002.

   At the end of that year, the Alley revealed plans for their new Center for Theatre Production. The project seemed similar to a plan discussed in 1982 to build a fifteen to
eighteen story addition to the theatre. The initial plans were to use the top two floors of a high-rise structure for a “500-seat proscenium theatre, rehearsal and storage space and a two-story lobby” (Holmes 58). These plans went undeveloped and the floors sat empty for twenty years. The new proposal wanted to use the top five floors of an eighteen-story parking garage. After it was approved, construction began. The Center for Theatre Production now holds “spacious rooms with 56-foot ceilings for creating sets, costumes and props, three new rehearsal studios, [and] the Alley’s artistic, production and administrative offices” (“Building History”). An industrial elevator connects both buildings and allows set pieces to be taken from the scenic shop on the fifteenth floor straight to stage level.

With the Center for Theatre Production up and running, the Alley focused its most recent building improvement on public areas, backstage and the Hubbard theatre—the thrust stage named in 2003 after a life-time board member. The 46.5-million-dollar renovation took place during the 2014-15 season, moving all performances to the University of Houston. A majority of the renovation was focused on reimagining the Hubbard theatre. In the original design, the stage was barely a thrust—it had more features of a proscenium stage. A grid set was held up by pillars on stage that had to be incorporated into every scenic design. The renovation removed the pillars and grid system. Cat walks were added and additional fly space above the proscenium increased accessibility. The stage was also raised to make room for a trap room underneath. These changes required seats to be removed or rearranged to establish a more honest design of a thrust stage. Walls were also added in the back of the house to help with sound and visibility issues. In the end, the Alley only lost fifty seats but gained new spaces that could be used by production in ways that were restricted before. The
renovation was funded by several contributions through the Extended Engagement Capital Campaign.

In the process of this study, the Alley Theatre was hit by Hurricane Harvey in the fall of 2017. The storm damaged the bottom floors which is reminiscent of Tropical Storm Allison. The Neuhaus Theatre and prop storage took the biggest hit. The Alley is raising funds to help cover items that were lost in the flood while continuing to produce shows at the University of Houston and in the Hubbard Theatre. Under the direction of Gregory Boyd and Dean Gladden, artistic and managing directors, the Alley Theatre will continue to thrill and challenge audiences for years to come despite what is thrown its way.

**Arena Stage**

Arena Stage in Washington, DC strives to “explore issues from the past, present and future that reflect America’s diversity and challenges” through dramatic productions, community engagement and educational opportunities (“Mission Statement”). Since 2010, the theatre has been housed in the Mead Center for American Theater on the bank of the Washington Channel. Zelda Fichandler, a founding member, described Arena Stage in 1990 as “a theater of multicultural expression… Multiculturalism at Arena is not a social program but an aspect of its artistic expressivity” (Maslon 8). Throughout the rewarding history of almost seven decades, they have been the first regional theatre to send a show to Broadway (*The Great White Hope* in 1967), the first to receive the Regional Theatre Tony Award in 1976, and the first theatre in Washington, DC with an integrated audience and artistic staff. As of today, they have sent twenty-two productions to Broadway and have remained an internationally recognized regional theatre.
Arena Stage was founded on August 16, 1950 by Professor Edward Magnum, his student, Zelda Fichandler, and her husband, Tom Fichandler. Magnum was a professor at George Washington University who ran an amateur theatre group called the Mount Vernon Players. Fichandler was one of his shining students. They noticed the lack of theatre in Washington, DC and concluded that the best way to fix this was to open one of their own. Magnum was fascinated with Margo Jones’ invention of theatre-in-the-round because it “unit[ed] audience and play in one room, in one emotional environment” (Maslon, 9). The first home to the new theatre was the Hippodrome Theatre, a former burlesque and movie house. They formed a stock company named Arena Enterprises, Inc. and obtained shares from an eclectic group of forty local citizens that helped raise the money needed to purchase and renovate the theatre. On the day they were to open, a city inspector came to the theatre and asked for their occupancy permit. None of the founding members knew what that was but Fichandler quickly figured out what to do and returned within a couple of hours with the desired permit. The inspector then informed them he did not want to license a theatre without a standard fire curtain. Since this was a theatre-in-the-round, a fire curtain was all but impossible to implement. However, the group concluded that if the word “theatre” was taken off all promotional materials, it no longer had to follow the guidelines of a standard theatre. Thus, the name Arena Stage was created.

The Hippodrome Theatre was renovated into a 247-seat theatre-in-the-round. During Arena’s first season, seventeen productions were produced. The schedule was fluid since it was a new theatre and still figuring out the interests of their audiences. If it was clear that a production was not doing well, Arena Stage would cancel all future productions. Similarly, if

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8 Fichandler refers to Zelda unless otherwise stated as Tom Fichandler.
a show was receiving strong support the run was extended. In the second season, Arena Stage became a member of the Actors Equity Association, making it a professional theatre company. The co-founder Edward Mangum left to accept a director position at another theatre company that same year. Arena Stage almost went bankrupt at the end of the 1953-54 season because audience’s demand was higher than the small theatre could support. They closed the doors in May of 1955 and spent the following year looking for a new space.

In the following November, a space was found that could sustain a seat count double what the Hippodrome could. Hospitality Hall of the Old Heurich Brewery was remodeled as a temporary home. It was called the Old Vat because of “the brewery’s huge kettles and playfully referencing Britain’s famed Old Vic theater” (“History”). The first season there, Arena Stage saw a $36,000 increase in profit. The success was fleeting as their temporary home was scheduled for demolition in 1959. The demolition was put off for two more years, giving Fichandler and her staff time to find a new theatre. Around the same time, the Board of Directors made the move to dissolve Arena Enterprises, Inc. and become a non-profit business. This decision allowed the company to use donations to finance their new building.

The Fichandler Stage was the “first playhouse to be built in the nation’s capital since 1895” (“History”). Harry Weese, an accredited architect, designed it with input from Fichandler. The building was created for the needs and desires of an established theatre company allowing it to be unique and extremely operational. The new building opened on Halloween of 1961 and was acknowledged by the New York Times as “a new cultural landmark” (“History”). It was no longer a small theatre—now holding over eight hundred seats—but remained a theatre-in-the-round to keep the audience engaged. During a tour of the current facilities, it was mentioned that the Fichandler Stage was important during
Arena’s audience integration period because the seat formation required audience members to look at who was present and not ignore the significance of integration in our society.

Over the next decade, Arena Stage flourished. The regional theatre movement was taking the country by storm and “while other theaters were groping for identity, Arena was trying to achieve permanence” (Maslon 25). The growing numbers of regional theatres demanded new programs that could establish a connection between the theatres. In April of 1966, Arena Stage along with twenty-five other theatres joined together to create the League of Regional Theatres—Tom Fichandler was selected as the vice president and later president. In 1967, Arena Stage was the recipient of the first official federal support from the National Endowment for the Arts. The company ended the decade by breaking ground for an additional stage, achieving the permanence they were searching for.

Harry Weese was brought back to design the new theatre using input from both Fichandlers and the resident scenic designer. The new theatre was a hybrid between a thrust and proscenium stage with a ‘fan-shaped’ house. This allowed artists the flexibility to produce plays in a venue that would work for any production. David Lloyd Kreeger was a Washington philanthropist who generously gave $250,000 to the construction of the new building. In his honor, it was named the Kreeger Theater and it opened on January 15, 1971 with a house of 514 seats. With this addition, it was clear that Arena Stage was successful in Washington, DC, and the nation took notice.

For the next several years, Arena Stage’s goal was to continue this established success. Arena was honored in 1976 with the first-ever Tony Award presented to a regional theatre for their outstanding work and contribution to the theatre. In 1983, Arena launched The Arena Stage Campaign with the goal to create an endowment—a first for a non-profit
resident theatre in the United States. In a single decade, Arena Stage more than doubled its operating budget making it one of the largest non-profit theatre budgets in the country.

The company went through several staff changes in the same decade. In 1985, Tom Fichandler retired from being the managing director. At the end of the 1990-91 season, Zelda Fichandler stepped down from her position but remained connected to the theatre by directing productions and being an artistic associate. With the Fichandlers gone, the company reorganized their entire administrative team. The current executive staff includes the artistic director, Molly Smith, who began in 1998 and executive director Edgar Dobie, appointed in 2009.

At the turn of the century it was time to reimagine a larger space that could grow with their audience. They selected Bing Thom Architects in 2000 to design their new home and began to fundraise in 2002. In 2008, Arena Stage broke ground for their new theatre named Arena Stage at the Mead Center for American Theater. It was named in honor of Dr. Jaylee and Gilbert Mead who gifted thirty-five million dollars to the building—the largest donation from a single household to a non-profit regional theatre ever.

The center opened on October 25, 2010, making it the second largest performing arts complex in DC after the Kennedy Center. Arena Stage now proudly stands between several residential buildings. There are a few restaurants, grocery stores, and shops sprinkled throughout the ground level of the surrounding buildings. These attractions overlook the District Wharf on the Washington Canal. The Mead Center itself is a large glass building in a triangular shape that fits around the street intersections. Inside the building, the open lobby is split into three stair-step levels. The first houses the box office and information desk. Walk up the first flight of stairs, past the Regional Theatre Tony Award in glass casing, and arrive
on a landing that has entrances to all three stages. To the left, their first stage built on the
grounds in 1961, the Fichandler Stage. Straight ahead is the Kreeger Theater built in 1971
and to the right is the newest space, Kogod Cradle, built in 2010 along with the rest of the
Mead Center. The top floor houses the restaurant, education wing and outside patio. The
administrative offices are tucked away on the first floor in an area with low public foot
traffic. The artistic shops are also located primarily on the first floor on the opposite side of
the theatre with easy access to all three stages.

When Arena Stage began the conversations regarding their new space it was not in
the plans to keep the Fichandler and Kreeger stages but to demolish them and build from the
ground up. Bing Thom Architects “urged them not to run away from Arena’s history” but
instead let them build around the original structures (Thom 20). The architects summarized
the expansion as follows:

The Fichandler Stage and Kreeger Theater themselves were largely untouched, but
we demolished the theatres’ connecting structures, including lobbies and offices…
We added the Kogod Cradle Theater and celebrated the three—two heritages, one
new—by wrapping them in glass, topped by a lavish roof that just happens to be on
axis with the Washington Monument. It is a salute to the new America. (Thom 20)

While walking through the building, the dedication to Arena’s history and legacy was clearly
a priority for Bing Thom. When looking closely at the Fichandler Stage, there is
discoloration of the stones marking the ones that have been in place since 1961 and those
which are fairly new. The Mead Center functions as a new space while also preserving the
history that has been important to the theatre and the world for so long.
The Guthrie Theater

The Guthrie Theater has been well-respected since its inception in 1963. One of its founders, Sir Tyrone Guthrie, was internationally recognized for his directing skills. He was born in England, lived in Ireland, and directed in several countries including Canada and the United States which gave Tyrone a household name. When he announced that he would open a theatre outside of New York, the exciting buzz was instantaneous. People around the country watched as his theatre was built from the bottom up. To this day, the Guthrie strives to “illuminate the common humanity connecting Minnesota to the peoples of the world,” as stated in their mission statement (“About”).

The plans for this theatre began in 1959 with conversations between Sir Tyrone Guthrie, Peter Zeisler and Oliver Rea. Zeisler was a stage manager and technician. He met Guthrie through the Broadway production of *Candide* which ended up being a complete flop. However, it led Guthrie and Zeisler to start a dialogue about the dissatisfactions they had with the New York theatre scene. Guthrie was then introduced to a wealthy producer, Oliver Rea, who completed the founders’ triangle. After a few initial meetings, the three men agreed that “it should be a regional—or provincial—theatre with a real company, a clear policy and…‘classical’ repertoire and ‘classical’ should accommodate modern American masterpieces liable to become ‘classics of our time’” (Forsyth 265-266). The next step was finding a home for the theatre.

Unlike the other theatres discussed in this study, the Guthrie Theater had the ability to choose its home from a list of cities as opposed to building it for the local community. Guthrie wrote a paragraph in the drama section of *The New York Times* explaining his desire to open a new theatre and asking for interested host cities. The founding three were presented
with seven options: Waltham, MA, Cleveland, OH, Detroit, MI, Chicago, IL, Milwaukee, WI, Minneapolis/St. Paul, MN, and San Francisco, CA. After visiting each of these cities, they narrowed it down to Minneapolis, Detroit and Milwaukee. In the end, Minneapolis’ citizens showed the trio that they were serious about bringing the Guthrie Theater to their city. A steering committee was formed, and a local foundation promised to donate a piece of land and a monetary contribution if the trio chose their city. Furthermore, the committee raised an additional nine hundred thousand dollars from the community. The community’s initiative combined with Minneapolis’ ideal location drew Guthrie, Rea and Zeisler to the future home of their theatre.

The steering committee was renamed the Tyrone Guthrie Theater Foundation and continued to fundraise statewide to cover the construction. By completion, they raised over 2.2 million dollars. The building housed a 1,437-seat auditorium—one of the largest theatres in the country to date. Most theatres would be concerned about filling these seats, but not the Guthrie. When they opened, they had 22,000 ticket holders wanting to see all four shows in their first season. The Guthrie Theater opened to the public in May 1963 with a production of *Hamlet*.

During the beginning years of the Guthrie, Tyrone served as artistic director while Oliver Rea and Peter Zeisler shared administrative responsibilities. Tyrone stayed on for three seasons as the artistic director and an additional three as a production director. He passed away in 1971 at his home in Ireland. His successor was announced but left after only one season. Oliver Rea decided to move on to other prospects in 1966, leaving Peter Zeisler the sole leader of the Guthrie for three years until he was succeeded by Donald Schoenbaum.
The number of leadership changes during formative years made finding their identity a difficult task.

During the years 1968 to 1971, the Guthrie Theater was operating three different stages—their main stage, the Crawford-Livingston Theater which sat five hundred, and The Other Place, which offered an experimentation of new plays and productions to an audience of two hundred. Between the three spaces and numerous productions, the Guthrie was trying to perform to an audience of over two thousand. The Guthrie also decided to partner with the adjacent Walker Art Center to build a joint entrance, rehearsal space and administrative offices. These construction projects were accomplished because of the Ford Foundation which gave a grant that balanced any deficit that occurred during the first six years of existence.

The Ford Foundation’s grant was a blessing and a curse for the Guthrie Theater. While the theatre did not have a deficit, it also meant that it had poor financial planning during the first decade. In a summary of their history, the Guthrie Theater reflects,

In retrospect, the Guthrie had not taken the opportunity of its first six years to build for the future. The fund provided by the Ford Foundation would not last forever, yet no substitute had been developed. The community was not educated to the ongoing responsibility it would need to assume in the years to come. (“A History of the Guthrie Theater”)

This was the theatre that English director Michael Langham took on when he was appointed the new artistic director in 1971. He came in with a plan to produce a season like no Minneapolis audience had seen before. The board was cautious but after the first two productions were smashing successes, Langham gained their trust and support.
Michael Langham continued to please the board by reversing the negative financial situation of the Guthrie. The two additional stages both closed in 1971 returning the Guthrie to a single mainstage. The following year, the Ford Foundation gave the Guthrie another grant that would help with some of the day-to-day responsibilities. The board tried to provide some financial security by running an endowment drive but only raised about half of their goal. Throughout the Langham years, “the theater prided itself on ending each year free of deficit”—much different than the situation a decade before (“A History of the Guthrie Theater”).

After Michael Langham stepped down, the first American artistic director was appointed in 1977 but only stayed for eighteen months. He was trailed by the former artistic director of the Bulandra Theatre in Romania, Liviu Ciulei. Ciulei’s first change was to redesign the stage making the size, shape and height adjustable to give designers and directors more freedom in the space. It was under Ciulei’s leadership that the Guthrie received the Tony Award in 1982. Ciulei became known for his “uniquely physical and daring theatrical interpretations,” but even that was not enough to keep the theatre financially afloat. There was a deficit of over six hundred thousand dollars in 1983. It became clear that the Guthrie needed to do something to fix their financial situation. An annual fundraising campaign was launched to increase individual contributions, but it was not enough. The financial frustrations proved to be too much and Ciulei resigned in 1985.

The board decided it was time to reimagine the artistic director role. They began looking for a person that would act as “the single head or C.E.O. of the organization, responsible for all of its operations” as opposed to one with a purely artistic vision (“A History of the Guthrie Theater”). In 1986, Ciulei’s former artistic associate, Garland Wright,
was hired as his replacement. He hired Edward Martenson as the executive director who had experience with the National Endowment for the Arts and as a managing director of Yale Repertory Theatre. Martenson was focused on the administrative tasks while Wright helped the Guthrie establish a resident acting company and return to high-quality productions. Wright also tried, for the fourth time, to create a second stage that would serve as a home for developing new works known as the Guthrie Laboratory. This time, it was successful.

The Campaign for Artistic Excellence was launched at the beginning of 1987 and after five years they received over 26 million dollars in (mostly individual) donations. They used 3.5 million dollars of the campaign to renovate the theatre for the first time since it opened. They redesigned the seating arrangement to ensure that every seat was within 52 feet of the stage. Wright left in 1994 and Joe Dowling was hired. Dowling would become the Guthrie’s longest artistic director. Dowling was from Ireland where he was the artistic director for Ireland’s national theatre, the Abbey Theatre, as well as its second stage, the Peacock Theatre. He was also the founder and director of Ireland’s Gaiety School of Acting. Soon after Dowling’s arrival, Martenson left as the executive director.

One of Joe Dowling’s major contributions to the Guthrie was the establishment of an actors training program. A Guthrie Experience for Actors in Training was for performers who were finishing their education and beginning to think about moving into the professional world. This led to a partnership with the University of Minnesota and the creation of a B.F.A. program that “provides a conservatory actor training experience within a liberal arts setting” (“A History of the Guthrie Theater”). Dowling wanted the Guthrie to be a place for learning and artistic growth. In 2001, he created the WorldStage Series which brings theatre companies from other countries to the Guthrie to perform for an American audience. The
growth that Dowling brought to Minneapolis was important to the future of the Guthrie Theater. For the first time since the Guthrie opened, it was outgrowing the space and needed to move.

At the turn of the century, Dowling announced the move from their current home to a space downtown off the Mississippi River. They launched another campaign, the Guthrie on the River Capital Campaign, this time trying to raise seventy-five million dollars. The building, designed by Jean Nouvel, broke ground on September 8, 2003. The final performance in the old location was the same play the Guthrie opened with, *Hamlet*, exactly forty-three years later. A month after the closing performance, the new theatre opened on June 25, 2006. The building held three stages—the Wurtele Thrust Stage, McGuire Proscenium Stage and the Dowling Studio—along with classrooms, rehearsal spaces and offices. Everything the Guthrie was working on could now take place under the same roof.

Joe Dowling left the Guthrie at the conclusion of the 2014-15 season. Joseph Haj, an actor who had premiered on Guthrie’s stage in 1989, was elected as the artistic director. Jennifer Bielstein was named the managing director in 2016. The Guthrie Theater is now “a complex organization operating year-round and employing more than 500 people per year” (“A History of the Guthrie Theater”). While there were some growing pains throughout the history, the Guthrie Theater has always been a theatre to watch. From the day the doors opened, the Guthrie has brought high quality theatre to Minnesota audiences that may have never been exposed to such quality otherwise.
Chapter Three: Financial Analysis

Cleveland Play House

Cleveland Play House’s current home sits right in the middle of downtown Cleveland in what is considered Playhouse Square. Playhouse Square is a theatre complex that is home to several companies including Cleveland Play House, Cleveland State, and Great Lakes Theater. While they are in the same complex, they are different companies with different missions, seasons, and spaces. Cleveland Play House’s main stage is at the Allen Theatre, with the Outcalt Theatre, and Helen Theatre residing in an adjoining building. It is right in the middle of the cultural hub of Cleveland half a mile from both Progressive Field and the Quicken Loans Arena—home to the Cleveland Indians and Cavaliers, respectively. The centralized location allows people from all over the greater Cleveland area an easy commute.

The city of Cleveland is home to almost 400,000 people with much diversity. Cleveland is made up of 51.5% black or African American, 34.5% white, 9.8% Hispanic or Latino, 1.6% Asian, and 2.6% identifying as another or mixed race. In 2013, the average household income for Ohio was approximately $48,000. In the same year, more than 70% of Cleveland households were under this median. If the range is expanded to include all of Cuyahoga county, 54% of households were under the same median—a less shocking statistic. According to the demographics, individuals that are geographically closer to the theatre are less likely to have the extra expenses to purchase a ticket or donate to a theatre organization. However, if the geographic range is expanded, it is more likely individual households are able to spend those additional expenses. This implies that most of the
patrons and donors commute into the city to see a production rather than living in Cleveland proper.

Regardless of whether people are commuting or walking down the street, the success of Cleveland Play House has continued for more than a century with few financial downfalls. Their decisions regarding buildings and spaces are one of the reasons they have been consistently successful. They moved into a new space only after they outgrew their original homes. More often it was also thanks to a generous donor who donated a building, money, or land for the new space meaning that CPH was rarely in debt because of new spaces. Unlike the other three theatres I am investigating, the most recent move did not involve a capital campaign but a partnership with other existing organizations. The move was completed in 2012, right before the studied years, meaning all information is from after the Power of Three merger between Cleveland Play House, Cleveland State, and Playhouse Square.

The following table is separated into the various ways Cleveland Play House receives money. The percentages are calculated using an operating budget from the theatre and the theatre’s public 990 forms. The development and box office sections will be expanded upon in later tables. The remaining four sections will be described in detail below.

<table>
<thead>
<tr>
<th>Income Source</th>
<th>Percentage of final budget (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY13</td>
</tr>
<tr>
<td>Endowment Interest</td>
<td>2.986</td>
</tr>
<tr>
<td>Case Western Reserve University MFA</td>
<td>3.894</td>
</tr>
<tr>
<td>Rentals</td>
<td>0.344</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>8.075</td>
</tr>
<tr>
<td>Development</td>
<td>42.779</td>
</tr>
<tr>
<td>Education</td>
<td>0.215</td>
</tr>
<tr>
<td>Box Office</td>
<td>41.707</td>
</tr>
</tbody>
</table>
The Cleveland Play House endowment\(^9\) interest is typically taken every three months. Most of the fund is considered permanent, or restricted, and cannot be used as a ‘rainy-day’ fund but there can be a small amount used if something unexpected arises. The endowment itself grows when it is a profitable year, such as the three in question. From FY13 to FY15 the endowment increased by a million dollars thanks to the Spotlight Campaign, explained later. The percentage shown on the table is the interest that is made off the endowment—it is not part of the endowment itself. This means that the funds taken are not restricted or permanent like most of the endowment.

The second line shows the income from the Master of Fine Arts program. Cleveland Play House partnered with Case Western Reserve University in 1996 to create an MFA program where students get a chance to work, rehearse, and perform in a professional space before they depart into the professional world. All students participating in the program receive full financial aid. Twice a year, Cleveland Play House receives money from Case Western to help finance the Play House’s side of the program. It is around 3.75% of the total income per year. In return, the Play House funds and produces shows for them every season. The partnership also brings additional ticket revenue, which is explored further in the box office section below.

Cleveland Play House helps other local universities and colleges beyond Case Western. Local theatre departments often rent costumes and props from CPH’s storage. The amount shown on the table is likely profit from these rentals. Most theatres can also rent out space, however, since Cleveland Play House shares its home with both Playhouse Square and Cleveland State, it not likely that any income comes from renting their building. While

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\(^9\) An endowment is a donation pool that helps continue the organization long after a donation is given.
the item rental line is the smallest percentage of income, it still brings in around $25,000 a year while strengthening the community connections.

Cleveland’s community connections are one of the most important assets the Play House has. Since it is a non-profit organization, it relies heavily on donations. In fact, donations and grants are the largest income source, surpassing even box office revenue. A further breakdown of what falls under their development branch is below:

Cleveland Play House’s Development Income for FY13-FY15

<table>
<thead>
<tr>
<th>Development Income Source</th>
<th>Percentage of final budget (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY13</td>
</tr>
<tr>
<td>Board Giving</td>
<td>9.726</td>
</tr>
<tr>
<td>Individual Giving</td>
<td>4.908</td>
</tr>
<tr>
<td>Corporation Giving</td>
<td>2.068</td>
</tr>
<tr>
<td>Foundation Giving</td>
<td>10.286</td>
</tr>
<tr>
<td>Fundraising Events</td>
<td>4.550</td>
</tr>
<tr>
<td>Federal Grants</td>
<td>0.294</td>
</tr>
<tr>
<td>State Grants</td>
<td>1.460</td>
</tr>
<tr>
<td>County Grants</td>
<td>5.959</td>
</tr>
<tr>
<td>Spotlight Campaign</td>
<td>3.526</td>
</tr>
<tr>
<td>Miscellaneous Development Income</td>
<td>0.003</td>
</tr>
</tbody>
</table>

There are several different areas that need to be highlighted from the table. Notice that the boards giving has been separated out from the individual giving category. Also notice that they could be read as balancing each other out. Many times, board giving fluctuates depending on how much the theatre receives from individuals. If it is low for the year, like in FY13, then the board gives money to make up for the loss. The giving from both the individual and board sections are low in FY15 but there is an increase in fundraising events. During this year, it is likely that the board’s focus was to encourage others to donate to CPH. Showing organizations and individuals they themselves have contributed can sometimes help persuade new people, or companies, into also donating.
Corporation and foundation giving can sometimes be thanks to the work of board members or can be due to grant writing. For example, Cleveland Play House received money from the Myers Foundation and Nord Foundation, through grants that specified the funds were strictly to be used for educational purposes and to help implement a new or continue an existing program. The Myers Foundation grant can account for the increase during FY13. Local companies can also donate without a grant. The Cleveland Clinic, Nordson Corporation, and the Cleveland Foundation all donate on a regular basis, although not to a specific program or initiative. National groups such as the Shubert Foundation, mentioned in an earlier chapter, are regular contributors as well.

One of the largest corporate givers to Cleveland Play House is the National Corporate Theatre Fund, now known as Theatre Forward. They provide funding and resources to theatres across the country to promote access and opportunity through “advancing strong theatre and educating through theatre” (“Who We Are”). Besides CPH, the other three theatres in this study also receive annual funding from Theatre Forward. However, the Play House’s budget relies on them more than the others. It is unclear whether it is because the Play House’s budget is one fifth of the other three theatres studied or whether Theatre Forward gives a higher amount.

Continuing down the table, the line ‘fundraising events’ are those that Cleveland Play House holds every year. One of their most profitable events is their annual gala with the Festival of Trees close behind. During the holiday season, the entryway of the theatre is lined with evergreens decorated in different themes. Sometimes they relate to the holiday season and other times it has to do with the shows in their current season. The event income
from both are under the fundraising line—however the contributions given at these events are recorded with individual giving.

Government grants are separated into three lines because Cleveland Play House receives money from the local to federal government. At a local level, Cuyahoga Arts and Culture averages about 5% of Cleveland Play House’s total income. Ohio Arts Council, located at the state level, gives about 1.4%. At the national level, the National Endowment for the Arts gives less than half a percent. Each of these grants are given once a year, either at the beginning of the fiscal or calendar year.

Below government grants are the spotlight campaign and miscellaneous revenue. The spotlight campaign, or the Spotlight on Excellence: Staging the Future of Cleveland Play House, was created during the centennial anniversary. The goal was to raise twelve million dollars to put into the endowment for years to come. Their centennial season was during FY15 which explains the slow build of donations over the three years. Finally, miscellaneous is any amount that was given to development but perhaps did not fit into any above category.

Development’s job is to raise money for the theatre. One of the best ways to do that is to fundraise for the education department. Most of the grants, corporations, and foundations want to put their money into a project that benefits the community through education. While the first table shows education income as less than 2%, much of the second table would not be possible without the work of the education department. Cleveland Play House has some unique education programs that have little to do with theatre but help the community in struggling neighborhoods. Their wrap-around strategy is active in four schools in the Cleveland area and is sponsored by the United Way.
strategy has “four site coordinators [who] work very closely with the principles of these different schools and set up programming that helps the students. That can be everything from making sure they get a coat in the winter to food pantries that happen once a month” (O’Reilly). This program does not necessarily bring theatre into schools, but Cleveland Play House sends the teaching artists out to do the work that is needed most.

Another program offered has a little bit more to do with theatre. It is called Compassionate Arts Remaking Education (CARE). CARE is “a three-year initiative funded by the Department of Education where [they] have four teaching artists who go into very tough neighborhoods in Cleveland and work with students…to integrate social and emotional learning into the curriculum” (O’Reilly). The initiative is tracked by CARE participants’ test scores in comparison to the test scores from students who are not part of the program. If this initiative is successful, it “will be shared with other theatre institutions throughout the country” (O’Reilly). It was established in October 2014 making it part of FY15 which accounts for the increased percentage in the education category.

The line below education is marked as miscellaneous and ranges from two to seventeen percent of the total budget. The extreme range is due to discrepancies between the 990 tax forms and operating budgets. I am assuming it is from inconsistent reporting on the operating budget, especially in FY15 which shows a seventeen percent difference in the budget, more than ten percent of that being in box office sales. Therefore, the difference is filed under miscellaneous to keep the reported percentages accurate to the best of my ability.

The final line of the original table is box office revenue. Similar to development, this can be broken down further as shown on the next page.
### Cleveland Play House’s Box Office Income for FY13-FY15

<table>
<thead>
<tr>
<th>Box Office Income Source</th>
<th>Percentage of final budget (%)</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriptions</td>
<td></td>
<td>15.768</td>
<td>16.707</td>
<td>13.512</td>
</tr>
<tr>
<td>Select Passes</td>
<td></td>
<td>2.094</td>
<td>20466</td>
<td>1.794</td>
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<tr>
<td>Full Price Individual Tickets</td>
<td></td>
<td>17.523</td>
<td>13.410</td>
<td>8.788</td>
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<tr>
<td>Discounted Individual Tickets</td>
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<td>3.023</td>
<td>4.649</td>
<td>2.858</td>
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<tr>
<td>Group Tickets</td>
<td></td>
<td>1.749</td>
<td>1.608</td>
<td>0.962</td>
</tr>
<tr>
<td>New Ground Festival Tickets</td>
<td></td>
<td>0.437</td>
<td>0.119</td>
<td>0.151</td>
</tr>
<tr>
<td>Case Western Shows Tickets</td>
<td></td>
<td>0.220</td>
<td>0.241</td>
<td>0.268</td>
</tr>
<tr>
<td>Student Tickets</td>
<td></td>
<td>0.421</td>
<td>0.522</td>
<td>0.355</td>
</tr>
<tr>
<td>Handling Charges</td>
<td></td>
<td>0.138</td>
<td>0.627</td>
<td>0.316</td>
</tr>
<tr>
<td>Miscellaneous Ticket Income</td>
<td></td>
<td>0.333</td>
<td>1.034</td>
<td>0.474</td>
</tr>
</tbody>
</table>

If anyone questions the relevancy of subscriptions, Cleveland Play House is a great example of their continued success. Subscriptions take up a whopping 15% of the total income. Full priced individual tickets are close behind but with little consistency. Individual tickets have decreased from 17.5% to 8.8%, but this could be caused by the choice of shows. Each season sported two world premieres with the remaining shows a combination of contemporary and older productions. In the years studied, there were not many big name classic shows produced except for Cleveland Play House’s annual *A Christmas Story*, which always increases the sale of individual tickets. New Ground Theatre Festival and Case Western Shows are also popular but only sold during certain months given the short runs of the productions.

Using all this information, one can assume that most of their subscribers and donors come from outside the Cleveland city limits. However, Cleveland Play House has made it a mission of theirs to give back to the community even if the community cannot always give to them. Their education and community outreach programs are known throughout the city and even the country. In Cleveland Play House’s case, the demographics impacted the
income sources through lack of giving from individuals and increased giving from corporations and foundations.

**The Alley Theatre**

The Alley Theatre is in the middle of downtown Houston, within walking distance from hotels, businesses, restaurants, bars, other performing arts centers, and almost anything you can think of—except for permanent housing. Houston is known for being a city that has “benefited from the presence of large corporations, adding thousands of jobs and becoming one of the fastest-growing cities in America” (Roose). With the amount of company headquarters, there are also a large number of CEOs. This contributes to the 2013 average household income of Houston, $71,475, being almost $20,000 more than the state or national average.

The population of the city of Houston is ethnically diverse. More than 43% of the population is Hispanic or Latino (33% of that being Mexican). This is accompanied by 25.8% of the population as white, 23% black or African American, 6.2% Asian and more than 2% identifying as mixed or other. These city demographics are different from the audience at the Alley. The Director of Finance, Don Poole, comments, “we’re much older, wiser and richer” than the surrounding area to his dissatisfaction. While the ethnic demographics may not be financially pertinent, the amount of businesses in the area impact the finances of the Alley as seen below in the table outlining their sources of income. Again, these numbers are calculated using the 990 tax forms and an operating budget from the theatre.
Alley Theatre’s Sources of Income for FY13–FY15

<table>
<thead>
<tr>
<th>Income Source</th>
<th>Percentage of final budget (%)</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Campaign</td>
<td></td>
<td>55.348</td>
<td>43.872</td>
<td>41.278</td>
</tr>
<tr>
<td>Box Office</td>
<td></td>
<td>54.363</td>
<td>50.799</td>
<td>35.414</td>
</tr>
<tr>
<td>Royalties</td>
<td></td>
<td>0.380</td>
<td>0.146</td>
<td>0.032</td>
</tr>
<tr>
<td>Concessions</td>
<td></td>
<td>1.053</td>
<td>0.958</td>
<td>0.757</td>
</tr>
<tr>
<td>Education/Community Outreach</td>
<td></td>
<td>0.740</td>
<td>1.031</td>
<td>2.129</td>
</tr>
<tr>
<td>Gains/Interests</td>
<td></td>
<td>5.620</td>
<td>5.191</td>
<td>17.603</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>0.726</td>
<td>0.875</td>
<td>0.300</td>
</tr>
<tr>
<td>Development</td>
<td></td>
<td>37.118</td>
<td>40.999</td>
<td>43.764</td>
</tr>
</tbody>
</table>

First, the percentages for the Alley are different from the other three theatres because during the studied years, they raised money for a forty-five-million-dollar renovation. The first line of the table above is the capital campaign percentage based off the total income of that year. However, the remaining lines (and all lines thereafter) express a percentage that is calculated without the capital campaign included in the total. This was done with the intent of representing the percentages of a typical year.

Even with the attempt at correcting the percentages, a normal year is not achievable. There is an increase in grants in FY14 and ticket sales were down during FY15, both due to the renovation. The following table gives a further break down of the box office income.

Alley Theatre’s Sources of Box Office Income

<table>
<thead>
<tr>
<th>Income Source</th>
<th>Percentage of final budget (%)</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriptions</td>
<td></td>
<td>20.431</td>
<td>20.085</td>
<td>15.996</td>
</tr>
<tr>
<td>Single and Group Tickets</td>
<td></td>
<td>28.949</td>
<td>26.519</td>
<td>16.742</td>
</tr>
<tr>
<td>Holiday Shows</td>
<td></td>
<td>10.957</td>
<td>10.813</td>
<td>7.050</td>
</tr>
<tr>
<td>Summer Chills</td>
<td></td>
<td>5.266</td>
<td>5.123</td>
<td>0.103</td>
</tr>
<tr>
<td>Education/Community Outreach</td>
<td></td>
<td>0.046</td>
<td>0.219</td>
<td>0.490</td>
</tr>
<tr>
<td>Fees</td>
<td></td>
<td>4.983</td>
<td>4.195</td>
<td>2.676</td>
</tr>
</tbody>
</table>

Overall, FY13 and FY14 are similar in their percentages while also sporting similar seasons. Between the two years, the Alley only produced one new work—Fool by Theresa Rebeck in the spring of 2014. The other shows were a mix of classic and modern
productions. The seasons included big names such as Arthur Miller, George S. Kaufman, David Ives, and David Mamet. They also present Charles Dickens’ *A Christmas Carol* and *The SantaLand Diaries* by David Sedaris each holiday season.

During the FY15, while their building was being renovated, they moved all performances to the University of Houston’s Wortham Theatre. The move caused them to downsize the number of productions by four; two mainstages, one holiday and their Summer Chill show. A Summer Chill production is an adaptation of a different Agatha Christie story performed before the season officially kicks off. This was put on hiatus for 2014 and 2015. To try to combat the loss of productions, the 2014-15 season included some heavy hitters by Arthur Miller, William Shakespeare, and George Gershwin.

The education and community outreach listed in the box office table is not the same as the line in the first table. The row in the box office income table includes tickets sold to performances through various education programs. It also includes tickets sold to education and community outreach events. These were not affected by the renovation because most of the events can be held in any location and do not rely on building availability. This concludes the box office table breakdown.

Returning to the original table, royalties were difficult to decipher. They are not shown on the original Alley Theatre 990 form. However, they are reported separately on Alley Theatre Productions’ 990 form (Poole). Despite this, it is unclear what shows were bringing in royalty profit. I can assume that FY13 royalties were thanks to *Ether Dome* by Elizabeth Egloff, a co-production between Alley, La Jolla Playhouse, Hartford Stage, and Huntington Theatre Company since it was their only premiere in the previous season, but it is inconclusive.
Below royalties, gains and interests take a huge leap in FY15. The Alley raised more during their capital campaign than the renovation cost. This line shows the asset gained by this fundraiser. As Don Poole put it, “we put [the money] into the building so we just churn that cash, or receivable, into an asset which hasn’t been fully depreciated yet.” This asset can then be used for the next forty years which will help with unforeseen costs. During this study the Alley was hit by Hurricane Harvey and had extensive damage to their lower level, which housed the Neuhaus Theatre and prop storage, among other areas. The remaining funds from the capital campaign could be used to help in relief efforts, provided it has remained unrestricted.

In an attempt to help after the hurricane, the education page of the website assured the community, “our Teaching Artists are waiting in the wings, eager and ready to work with meaningful and normalizing activities” (Sutton). The Alley is committed to helping students and community members alike process the tragedy through performing arts. They have community engagement programs for anyone interested in learning more about theatre while their education department focuses almost exclusively on students, grades K-12. The education department currently serves more than 260 schools in the greater Houston area. One of their most popular initiatives is called Staging STEM which was implemented in 2013. The program combines art skills and STEM curriculum to help students understand concepts that may be difficult otherwise. After the pilot year, it took off. By FY15, they had more than 39 different residencies in schools. This accounts for the increase in education income for the final studied year.

The last line of the table will, again, need to be broken down into a more detailed table seen on the next page.
Alley Theatre’s Sources of Development Income

<table>
<thead>
<tr>
<th>Income Source</th>
<th>Percentage of final budget (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY13</td>
</tr>
<tr>
<td>Board Giving</td>
<td>6.578</td>
</tr>
<tr>
<td>Individual Giving</td>
<td>7.418</td>
</tr>
<tr>
<td>Corporations</td>
<td>6.587</td>
</tr>
<tr>
<td>Foundations</td>
<td>7.567</td>
</tr>
<tr>
<td>Special Events</td>
<td>5.344</td>
</tr>
</tbody>
</table>

Board and individual giving follow a similar trend to Cleveland Play House. The board’s giving has a slight increase every year, despite the decrease of percentage in FY14. This percentage decrease could mean that another part of the budget was a higher percentage than estimated from the previous year. The opposite will be seen throughout FY15 in development because of the significant decrease in box office sale percentages. Even considering the increased percentages, FY14 individual contributions experienced a spike—possibly due to the capital campaign’s marketing for donations.

The capital campaign also affected corporate giving; it was down by almost half in FY15. Some of their major annual contributors were, and still are, Exxon Mobil Corporation, Vinson & Elkins LLP, Houston First Corporation, and ConocoPhillips. Of these top four contributors, three are part of the oil or energy businesses. The fourth, Houston First Corporation, is helping revitalize downtown through building ownership. None of these corporations are known for their support of education with the arts which infers that they are sponsors because of their commitment to the community and making Houston a great city.

The decrease in FY15 was partially due to corporations giving to the capital campaign and decreasing or eliminating their annual contribution as a result.

While corporate gifts were unstable, foundations remained consistent during the campaign. Like every other theatre in the study, the Shubert Foundation is one of the highest
donors. However, Alley has foundation supporters that are unlike any other theatre such as the Houston Livestock Show and Rodeo, which gives to the education department exclusively. The same foundation that donated land for the Alley building continues to be a huge supporter. The Houston Endowment is one of the largest private grants given to the Alley for operation and programming costs.

Local agencies are also responsible for most of the government giving. The city implemented a bed tax, or hotel occupancy tax. The Alley receives around $5,000 every year from this tax. The Houston Arts Alliance and the City of Houston and Theater District Improvement, Inc. are also essential to the success of the Alley. Texas Commission on the Arts and the National Endowment for the Arts contribute annually. Together they make up anywhere between three and four percent of the final income.

Finally, the Alley hosts special events for fundraising. The percentage given in the table is “a calculation of the people that attended and a quid pro quo amount” (Poole). Typically, the reported event income covers the event expenses. The remainder of the ticket price would be counted as a donation. The Alley has three annual fundraisers that bring in a substantial amount. They have the Sporting Clays Shoot, the Alley Theatre Ball, and every holiday season, their lobby is covered in holiday trees during their Deck the Trees event. The Alley finds ways to stick to the traditional fundraising events, like the Ball, while also supplying their local community with more diverse events they would be interested in.

The Alley is part of a larger community that embraces it for what it is and vice versa. With the amount of companies located in such a small area, it is difficult to offer programs that are specific to the business world. That is why the Alley focuses on classic productions and works that are new to the area. Their mission is to bring good theatre to the people of
Houston and they do just that. Don Poole summed it up best by saying, “When I think of the Alley Theatre, I think of what we have on stage… [it is] Alley at its absolute best.”

**Arena Stage**

Arena Stage is in a residential area of Southwest Washington, DC across the street from District Warf, a project aimed to revitalize the waterfront community. During a visit in May of 2017, there was construction around every corner: condos were going up, buildings were being renovated, and sidewalks were being moved. There were stores, a few restaurants, office buildings, apartments, condos, etc. In the middle of this neighborhood sits a giant glass building; the Mead Center for American Theater, home to Arena Stage. Sitting in a nearby park for an hour, one will observe people in business attire walk by homeless individuals waiting for the bus or metro. With the new plans for District Wharf, the Southwest Waterfront neighborhood is expected to take off in the next few years and transform into a center for arts, culture, food, shopping, and more.

The revitalization project has helped the Southwest Waterfront area attract residents that may not have otherwise lived there. The property value is increasing but that does not seem to be a problem for some of Washington, DC’s citizens. DC’s average household income in 2013 was about $67,000, fifteen thousand over the national average. While that number is high, it is important to take into consideration the nature of the city. 12% of households make above $200,000 annually while 10% make less than $10,000. The highest percentage of households (14.7%) make between $100,000 and $149,999 a year. Since the income percentages spread across the board, turning to Arena Stage’s economic demographics can help identify the typical theatre attendee. According to their research, more than three-fourths of their audience makes more than $75,000 a year (Arena). It was
also stated that only one-third of their audience comes from DC while another third travels from Maryland and the remainder is from Virginia (Mitchell).

Considering the number of households that make above the national average, it could be assumed that Arena Stage will have a high percentage of contributed income. The following table breaks down their revenue sources according to the 990 tax form and their operating budget.

### Arena Stage’s Sources of Income for FY13-FY15

<table>
<thead>
<tr>
<th>Income Source</th>
<th>Percentage of final budget (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY13</td>
</tr>
<tr>
<td>Endowment Interest</td>
<td>2.172</td>
</tr>
<tr>
<td>Education</td>
<td>6.739</td>
</tr>
<tr>
<td>Royalties</td>
<td>0.041</td>
</tr>
<tr>
<td>Rentals</td>
<td>5.383</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>18.164</td>
</tr>
<tr>
<td>Box Office</td>
<td>47.760</td>
</tr>
<tr>
<td>Development</td>
<td>19.741</td>
</tr>
</tbody>
</table>

This first section, endowment interest, is like the one from Cleveland Play House. The percentage is slightly lower than Cleveland’s, however it works the same way with restricted and unrestricted funds. The difference is Arena Stage does not have a given amount of the endowment that they use every year. It is a fluid number that can change on an annual basis, although their board does set an upper limit that cannot be surpassed. The percentage shown is a combination of the interest from the endowment and some unrestricted funds. This helps the company stay afloat in the long run and ensures its success.

The next line is income from education programs. Arena Stage’s education department is focused on educating the community at large, not just children. They have workshops, residencies, internships, community partners, and other programs that are made to incorporate audiences of all ages. Their annual summer camp, Camp Arena, brings in approximately 1.6% of the total income.
They also have an after-school program called Voices of Now that teaches students how to devise autobiographical works. If the host school can pay, there is a fee. If they are not able to cover it, Arena Stage will pay the expenses or apply for a grant. They have expanded this initiative outside of DC to countries like Croatia, Peru and India. In 2013, Arena Stage was approached by the State Department to fund a trip to India so facilitators could help railway children tell their stories through the performing arts. Croatia and Peru followed the inaugural visit with more international trips on the horizon.

The third line reflects royalty income. Royalties do not count for much of the total income, but it increases when the theatre produces a successful show. Royalties “are assessed as part of an agreement with commercial producers when a show goes from a regional theater to a Broadway stage” (Mitchell). There is an increase of royalties in FY14, although it is all but impossible to distinguish which one of Arena’s many new works it was.

The fourth section includes rental income. Unlike Cleveland Play House, a majority of Arena Stage’s income comes from renting their facilities. They have three to five rented events per week ranging from renting the entire building to a single stage. The Kogod Theater is a popular venue for wedding ceremonies and the lobby is a great space for a reception. It was made clear to the community during the renovation that this was a public building and can be used for a wide variety of events.

Before breaking down the final two sections, the miscellaneous section needs an explanation. According to the table, it is between 18% and 26% of the total revenue. This section was named as such because of the discrepancy between the 990 tax form and the operating budget. Further analysis leads to the assumption that the entire amount of the endowment was claimed on the 990 forms whereas it is not included in the internal operating
budget. Therefore, the miscellaneous section includes the endowment amount as well as any other income that does not fit under the other categories. Due to the nature of the forms, it is not possible to separate these numbers out.

The final two sections require a further breakdown that is not given above. First, the box office revenue can be seen below. This information has been taken from the operating budget supplied by the theatre.

**Arena Stage’s Box Office Income for FY13-FY15**

<table>
<thead>
<tr>
<th>Box Office Income Source</th>
<th>Percentage of final budget (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY13</td>
</tr>
<tr>
<td>Single Ticket Sales</td>
<td>16.990</td>
</tr>
<tr>
<td>Subscriptions</td>
<td>14.551</td>
</tr>
<tr>
<td>Service Fee</td>
<td>0.946</td>
</tr>
<tr>
<td>Co-Production Revenue</td>
<td>0.419</td>
</tr>
<tr>
<td>Miscellaneous Ticket Income</td>
<td>14.854</td>
</tr>
</tbody>
</table>

Single ticket sales look like they are on a steady increase during the three years. There was an increase between FY13 and FY14, but there was a decrease in FY15. The percentage shows the overall part of the final budget, so it can be deduced that the revenue for FY15 was lower than the previous two years. The increase in FY14 is attributed to a return of Randy Johnson’s *One Night with Janis Joplin* before premiering on Broadway. Later that season, Arena Stage produced Lawrence Wright’s *Camp David* which also seemed to be Broadway bound. Both shows would have received excellent press and pulled in additional ticket buyers that would not have attended otherwise.

The Fichandler stage is the largest theatre Arena Stage has and it houses numerous productions every season. Arena Stage has several different production tendencies, incorporating straight plays, musicals, and devised performances to spotlight American voices. They produce classic American shows such as *Fiddler on the Roof*, *My Fair Lady*,

...
and *Guess Who’s Coming to Dinner* every season. However, Arena Stage is more well known for doing new works than any other theatre in the study. Often a new work is a world premiere but other times it comes to Arena Stage from a workshop or smaller theatre with hopes of going to Broadway.

Like the single ticket sales percentages, subscribers did not increase dramatically from FY14 to FY15. In fact, subscriber income did not fluctuate more than $80,000 between all three years. This shows a steady number of subscribers will continue to come regardless of the announced season.

There are two sections that are separated out of the above table: service fees and co-production revenue. Service fees are included in every transaction, whether it is from a single ticket buyer or a subscriber. This accounts for around 1% of the total income. The second is co-production revenue. A co-production is when two theatres work together artistically and fiscally to produce a show. The show runs at one theatre before moving to the other. The income for the show is split between the two producing theatres. Arena Stage typically does at least one co-production a year and a common collaborator is Cleveland Play House.

The final section of the box office table is similar to the miscellaneous section discussed previously. There was income that was claimed on the 990 form which did not appear in the operating budget. This could include student tickets, festival tickets, etc. It is unclear what exactly is included in the ‘box office income’ line of the tax forms.

Moving back to our original table, development is the final section. Again, this will be broken down further using budget information provided by Arena Stage.
The first lines of board and individual giving for Arena Stage are predictable. The board gives approximately the same amount every year. The individual giving is less predictable, although it stays around 5% of the total budget. The percentage increase correctly depicts the monetary increase of individual giving over all three years.

Following those rows, corporation and foundation giving range from 6% down to 3%. This is based on which foundations or corporations give on a consistent basis as opposed to others which have time restrictions on awarded grants. The Shubert Foundation gives annually and is one of the largest contributors to Arena, whereas the Mellon Foundation awarded Arena a grant to increase new work development in 2009. This one-time grant was given over multiple years and ended in FY14. It used to finance the American Voices New Play Institute.

The next line shows that government grants for Arena are unlike any other theatre in the study. Being located in Washington, DC excludes them from all state grants but offers a wider variety of federal grants. In addition to funding from the National Endowment for the Arts, they receive funds from the DC Commission on the Arts and Humanities and the US Commission of Fine Arts. For the latter, Arena Stage is a line item in their annual budget with a fixed calculation. For the three years studied, they received $80,000 each year. It is
important to note that because the grants are federally funded, they are susceptible to
dramatic changes in the federal budget. For example, in FY11 “the National Capital Arts and
Cultural Affairs program… was cut by 74% resulting in a loss of $500,000” (Mitchell). The
drastic cut was done in a single year, showing that Arena Stage cannot assume they will
receive the same amount of money from the federal government that they did in previous
years.

The subsequent row indicates fundraising events bring in around 1% of the income,
not including the donations given at such events. Arena Stage has several events that they
host a year. They offer a one-night-only show where all proceeds are donated back to the
theatre. The day after Thanksgiving they host a “catered dinner and performance of the
holiday musical all free of charge to [more than] two hundred military families, veterans, and
wounded warriors” (Mitchell). A predetermined number of tickets are sent out and given to
various families and veterans (including those that are homeless) so they can enjoy a warm
meal on Thanksgiving. Arena Stage works with the local Navy Yard, United Service
Organizations, and surrounding VA hospitals to distribute tickets and occasionally provide
speakers. The event attracts several corporate sponsors but overall it does not bring in a large
profit. Despite that, it is an event the community has deemed important and they pride
themselves on the ability to honor the military in this way.

The final two sections are donated tickets and an ‘other’ row. Tickets that cannot be
used by the patrons are returned to the theatre as a donation. This accounts for less than 0.2%
of the income. The ‘other’ row combines a donation from an estate and the end of their Next
Stage seat campaign. After their remodel, they ran a campaign that allowed patrons to
purchase a seat in honor of someone. It was completed in FY12 but some donations were entered in FY13. There was no other development income to consider in FY14 or FY15.

The assorted income sources of Arena Stage are compatible with their audience’s household income. However, while Arena Stage’s audience may not be diverse financially, it is the most ethnically diverse theatre in Washington, DC. The largest ethnicity in attendance is Caucasian, with African Americans at 19.6% and Asian and Hispanic patrons tied at 2.1% each. Despite this diversity, it is not reflective of the surrounding residents of DC—49.4% black, 35.1% white, 9.6% Hispanic, 3.5% Asian, and 2.4% mixed or other. Considering that more than three-fourths of Broadway theatre-goers are Caucasian and assuming this trend extends to DC, this discrepancy is not a surprise (League). Arena Stage works tirelessly on keeping and growing their audience diversity. In fact, the reason the Fichandler stage is in the round is to bring awareness to the diverse audience during the production.

Holding to true to their mission, Arena Stage promised in 2016 to produce twenty-five new plays over the next ten years. Power Plays, as they are called, tell stories of “the people and events which have helped shape our nation’s narrative” (“Power Plays”). These stories are told through the voices of presidents, African-Americans, insiders, women, and musicals. The initiative was developed after the success of several productions that explored these voices. The first production that fit these guidelines was Camp David by Lawrence Wright performed in 2014. For the following two years, a Power Play was presented each season. The current 2017-18 season is restaging one and producing two new additional ones. This is one of many ways Arena Stage stays true to Zelda Fichandler and the ideals the theatre was founded on.
The Guthrie Theater

Once a rundown area of Minneapolis, the bank of the Mississippi River is now full of culture with museums, parks, and the mammoth Guthrie Theatre. The city of Minneapolis is expanding and has been named one of the best places to live in the United States by numerous publicized lists. It is not radically racially diverse, being 61.3% white, 17.2% black or African American, 10% Latino or Hispanic, 5.9% Asian and 5.6% identifying as another race or multiple races. However, compared to the surrounding county where the population is 71.3% white, it looks more like a typical racial makeup of a city.

It is unclear how many of the Guthrie’s patrons commute and how many live in Minneapolis proper. However, it is clear that the Guthrie’s audience and the greater Minneapolis population supports their city and the arts fiercely. The income percentages of households are steady throughout the various tiers. The middle class is denser in the city than the surrounding county, as is the number of households making less than $10,000 per year. No matter the household income amount, the citizens of Minnesota contribute to the arts through a tax they voted to approve. The community helps the Guthrie survive and the Guthrie gives back by producing American classics and new works that Minneapolis audiences rarely see elsewhere.

The Guthrie Theater’s Sources of Income for FY13-FY15

<table>
<thead>
<tr>
<th>Income Source</th>
<th>Percentage of final budget (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY13</td>
</tr>
<tr>
<td>Performance Revenue</td>
<td>46.272</td>
</tr>
<tr>
<td>Concert Revenue</td>
<td>0.869</td>
</tr>
<tr>
<td>Royalties</td>
<td>0.011</td>
</tr>
<tr>
<td>Education/Community Programs</td>
<td>1.368</td>
</tr>
<tr>
<td>Concessions/Gift Shop</td>
<td>3.529</td>
</tr>
<tr>
<td>Development</td>
<td>38.178</td>
</tr>
<tr>
<td>Investment Income</td>
<td>7.828</td>
</tr>
<tr>
<td>Other</td>
<td>1.945</td>
</tr>
</tbody>
</table>
Above are the sources of income for the Guthrie Theater across three fiscal years. Beginning with the first line, performance income percentages remain consistent throughout the three years. The performance revenue actually increased in FY15, despite the percentage decrease shown. This likely had to do with the retirement of the beloved artistic director of twenty years, Joe Dowling. The percentage decrease is because the income for the entire year increased between Dowling leaving and an improved development department. In Dowling’s final season, he directed *Juno and the Paycock* by Sean O’Casey, Arthur Miller’s *The Crucible*, and *A Midsummer Night’s Dream*. Dowling originally directed the Broadway production of *Juno and the Paycock* and it was his final show at the Guthrie.

The latter two shows follow a similar pattern established by the Guthrie in earlier seasons. Miller is an American classic, as is Eugene O’Neill’s *Long Day’s Journey into Night* performed in 2013. The Guthrie also makes a point to do at least two Shakespeare productions every year. The first production is in association with the Acting Company who tours the United States performing classical theatre. The second is either a mainstage production or part of their WorldStage Series. The Guthrie always wrap up their season with a summer musical. This began during the 2012-13 season with *Pride and Prejudice*. It continued the next year with *My Fair Lady* and then in 2015 with *The Music Man*. Each year the popularity of these musicals grow. It is one of the Guthrie’s most profitable programs; the 2016 musical, *South Pacific* was “highest grossing show in the history of the Guthrie” (St. Germain-Gordon).

The Guthrie has not only established a summer tradition of a musical, but a holiday tradition as well. Every December, Charles Dickens’ *A Christmas Carol* is performed. As with the other three theatres in this study, this holiday production has become a custom for
families in the community while simultaneously bringing in a predicted profit for the theatre. Between *A Christmas Carol* and the other well-known shows previously mentioned, it is not a surprise that the percentage of royalties is a low contribution to the budget. While the Guthrie does produce new works, it is not their primary focus and therefore does not send a lot of shows to Broadway.

Accompanying these productions are additional programs that include conversations with the artistic director and musical concerts by various performers. The revenue from these ventures are indicated in the ‘concert revenue’ line. Over the three years studied, the programs have decreased every year. During the 2012-13 season the Guthrie brought in Olivia Newton-John as a headliner with nine other musical groups throughout the season. The following season there were only five, cutting the number concerts in half. During the 2014-15 Annual Report, there is no mention of the “Live at the Guthrie” concert series, although they continued to give informative lectures and conversations with the artistic director.

These such conversations also fall under the community and education programs. The Guthrie gives backstage tours, post-show discussions, workshops and more for community members. They have similar programs for their education department but choose to focus on bringing students into the theatre to see shows. Tickets are discounted for schools that can afford to bring students. For schools who cannot afford it, the Guthrie sets aside free tickets for them. Over the three years studied, the education department increased their number of free tickets offered to schools. In 2014-15 season, the Guthrie brought every ninth grader from three local high schools to a Shakespeare performance. Because of this switch in focus, the 2014-15 also saw the end of several educational programs. According to the 1415 Annual
Report, the Guthrie cut the number of education programs in half explaining the dip in percentage for FY15. The education program has now been revamped with a new education director and team (St. Germain-Gordon).

The Guthrie and its community have a relationship unlike any of the other theatres and corresponding cities. While researching the theatre, I heard from multiple sources that the Guthrie helped revive the river area of Minneapolis after the fire of the flour mills. In return, the Guthrie’s building is a public space that is open to the public even when shows are not happening. There are multiple restaurants and look out areas for anyone who wants to take in a beautiful view of the Mississippi river. On the first floor, there is a gift shop that is open during normal building hours. There are books, toys, art, and more that are about a variety of subjects including the Guthrie, Minneapolis, and famous playwrights. The income of this store and concessions (but not the income of the restaurants) can be seen in the same line of revenue. The percentage remains consistent throughout the three years.

The Guthrie’s relationship to the community also helps break apart their development income from the other three theatres. From the overall budget it is not much different but when you break it down, it becomes unique.

<table>
<thead>
<tr>
<th>The Guthrie Theater’s Sources of Development Income</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income Source</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Corporate Giving</td>
</tr>
<tr>
<td>Foundation Giving</td>
</tr>
<tr>
<td>Fundraising Events</td>
</tr>
<tr>
<td>Board Giving</td>
</tr>
</tbody>
</table>

The first line, government grants, is more than double monetarily what the other theatres receive. It is not the NEA favoring any one theatre but rather because “the highest
funding per capita for the arts in the entire United States is Minnesota” (St. Germain-Gordon). The Guthrie receives more than one million dollars annually from the state government. One-third of that comes from a constitutional amendment called the Legacy Amendment that Minnesotans voted to tax themselves. The Legacy Amendment happened when “the hunting/fishing/water people wanted to get a tax, the arts people wanted to get a tax levied, so they joined forces…and it passed” (St. Germain-Gordon). The remaining two-thirds comes from the state government itself. Guthrie also receives funding from Arts Midwest and the NEA, but combined those two are still smaller than the state funding.

The state of Minnesota also helps with the corporate giving line. This category is one quarter to one fifth of the contributed income each year. Minnesota is home to corporations like General Mills, Target, Best Buy, Ecolab, and Travelers Insurance. These companies are proud to call Minnesota home and like to show support for other companies in the area. Corporations give the Guthrie more than two million dollars a year for sponsorship. In comparison, the Guthrie receives about $750,000 from foundations. These foundations include the Shubert Foundation along with the Harold and Mimi Steinberg Charitable Trust and the local McKnight Foundation. The Guthrie is the only theatre in this study where corporations contribute more than foundations.

The main fundraising event shown is income from the annual gala with the proceeds going to the community and education programs. The sudden decrease in overall percentage was not due to any change in the event income but rather a change in reporting. In FY13, the gala income was presented as net income. Before the next fiscal year, a new development director was brought on and corrected it to be reported as gross income. However, looking at the increase between FY14 and FY15 shows that the gala became more successful with an
increase in either attendance or contributions. This could be contributed to the new
development director and her innovative ways of looking at the Minneapolis market.

When sitting down with the development director, Danielle St. Germain-Gordon, she explained that when she came in she did not know where the money usually comes from, being new to the area herself. To find where the potential contributions would come from, the department did “all sorts of analysis on individual membership benefits so [the Guthrie’s] individual line, non-board, increased significantly” (St. Germain-Gordon). This cannot be seen in the table because of the increase in box office sales during the final season with Joe Dowling. However, between FY14 and FY15, there was a one-million-dollar increase in individual giving. It is also important to point out that the Guthrie is the only theatre that does not follow the board-individual donations relationship. The two are nowhere near the same percentage. This may come from the wealth screening St. Germain-Gordon used to increase individual giving or because there is “obscene wealth in Minneapolis” (St. Germain-Gordon).

It is clear that the community wants to provide funding for the Guthrie in any way they know how.

 Returning to the original table, the investment income line is one to celebrate. Recall that the Guthrie had years of fighting with their endowment. They did not understand how to correctly use an endowment and spent it all several times. This is no longer the case. The endowment is now steadily at around forty-six million dollars. They draw 5% on the trailing twelve fiscal quarters which brings in a little less than 8% of their total budget. According to St. Germain-Gordon, they are hoping to lower that percentage in the coming years so not rely on the endowment as much.
The ‘other’ row was created to counteract the difference in revenue between the 990 form and the Guthrie’s annual report. The 990 includes assets as well as special gifts that are not made regularly. For example, a single donor gave a ten-million-dollar donation in the spring of 2013. This was included in the 990 tax form for the IRS but not in the annual report from the company. I did not include that gift with the percentages to preserve typical results. The remaining revenue in ‘other’ allows the percentages and total income to be accurate using the information that was given.

The Guthrie Theater has always been a theatre that forges its own path while simultaneously fitting into the regional theatre mold, and their finances are no different. The Guthrie’s income is similar to the other theatres at first glance, but it diverges from the norm the deeper you look. Their development department has a different focus than others and can be understood through the community surrounding them. The Guthrie would not be where it is today without the local and state support it has. In turn, the Guthrie tries to give back to the community where it can.
Conclusion

Regional theatres, including Cleveland Play House, the Alley Theatre, Arena Stage and the Guthrie Theater, have followed the nonprofit business model for more than fifty years. The results of this study indicate the primary financial differences between theatres are seen in the contributed sources of income while most of the earned income is from box office sales and remains consistent. This is reflected in the table below. All four theatres have an average\(^{10}\) between 41% and 47% for ticket sales. Each theatre in this study reached 45% box office income during at least one of the fiscal years. Cleveland Play House’s lower percentage is due to the 2014/15 season when only 35% of income was from ticket sales. The fluctuations are due to the success of an individual season and not the individual theatre. In other words, all four theatres have a similar percentage for box office income which proves there is no connection to the location of the theatre, other than understanding what shows will or will not sell in the region. The remaining lines of the table below are susceptible to the same annual changes but show a uniqueness to each individual theatre that is not present in the box office revenue.

Average Percentage of Revenue Income Sources\(^^{11}\)

<table>
<thead>
<tr>
<th>Income Source</th>
<th>CPH</th>
<th>Alley</th>
<th>Arena</th>
<th>Guthrie</th>
</tr>
</thead>
<tbody>
<tr>
<td>Box Office</td>
<td>37.522</td>
<td>46.859</td>
<td>45.716</td>
<td>46.596</td>
</tr>
<tr>
<td>Education/Community Outreach</td>
<td>0.758</td>
<td>1.300</td>
<td>7.018</td>
<td>1.302</td>
</tr>
<tr>
<td>Fundraising Events</td>
<td>5.768</td>
<td>6.556</td>
<td>1.298</td>
<td>1.960</td>
</tr>
<tr>
<td>Board Giving</td>
<td>7.315</td>
<td>7.030</td>
<td>4.993</td>
<td>6.371</td>
</tr>
<tr>
<td>Individual Giving</td>
<td>6.676</td>
<td>8.261</td>
<td>5.171</td>
<td>13.932</td>
</tr>
<tr>
<td>Corporation Grants</td>
<td>3.055</td>
<td>6.348</td>
<td>1.834</td>
<td>7.366</td>
</tr>
<tr>
<td>Foundation Grants</td>
<td>8.298</td>
<td>8.464</td>
<td>3.461</td>
<td>2.762</td>
</tr>
<tr>
<td>Government Grants</td>
<td>7.044</td>
<td>3.968</td>
<td>0.635</td>
<td>4.678</td>
</tr>
<tr>
<td>Other</td>
<td>23.564</td>
<td>11.214</td>
<td>29.874</td>
<td>14.930</td>
</tr>
</tbody>
</table>

\(^{10}\) The average was calculated using the ratios of all three years. It does not take into consideration outliers.

\(^{11}\) The table does not have a complete source list but includes the sources the theatres have in common. For a more complete list, refer to chapter three.
The next line is education and community outreach. As previously mentioned, this line is the income that came from schools and individuals who could afford to pay the fees. For those who cannot afford them, a large portion of each theatre’s donations are given thanks to the work they do with the education program. The high percentage of income from Arena Stage is from their summer camp program, Camp Arena, and their Voices of Now program. The other theatres focus on education to the local community while Arena Stage is the only theatre in the study that sends education programs out of the state and country. The wide reach of programs contributes to the higher percentage income.

The following line indicates revenue from fundraising events which was the hardest to report for this study. Each theatre has a different way they report their income from these events. Some count all money made, including donations. Other theatres report the gross income from events. The percentage also relies on how many events the theatre has annually. For the theatres that report events as gross, the remaining donation is reported in the individual giving category.

The individual giving and donations made by the board for CPH and Alley average around 15% of the total income. Arena Stage has a lower percentage, although no reason can be attributed to it. For these three theatres, both the board and individual giving mirror each other. The board, no matter the size, gives approximately the same amount as all other individual contributions. However, the Guthrie does not follow this model, for their individual giving is double the amount their board gives. Other than the Minneapolis wealth, there is no solid reason why the ratios are so unique.

Corporate and foundation giving was one of the biggest surprises during this study. While I knew grants were an important part of theatre budgets, I did not realize how much
they were relied on. I also did not expect it to vary as much as it did. There were some organizations that gave funding to all four theatres such as Theatre Forward and the Shubert Foundation. Most of the theatres had a higher percentage of giving from foundations than corporations—The Guthrie being the exception. Minneapolis is home to several corporation headquarters that believe it is important to donate to the arts and their local community. Houston also houses several corporations, specifically in the oil industry, that donate to local arts institutions. However, the foundation giving to the Alley still surpasses the corporations.

Applications to foundation grants may be more successful than applications made to corporate sponsors. Foundations can be local or national and usually focus on giving money to support an initiative. Typically, this initiative is part of the education or community outreach programs. Foundational support helps pay program scholarships for schools, students, community members, and more. The grants can also be awarded for new projects that the theatre would like to begin. A foundation grant can either be a one-time-only award or it could be annual. Arena Stage and the Guthrie Theater do not put the same emphasis on foundation grants that Cleveland Play House and the Alley Theatre do, as the latter two rely on foundation support more than individual giving.

Government grants are another source that depends entirely on the location. All four theatres receive funding from the National Endowment for the Arts but none of them depend on it. Each theatre representative interviewed said that if the NEA were to be cut from the United States’ budget, it would be extremely disappointing, but the life of the theatre would not be affected. However, this is not the case for state funding. Considering each theatre is in a different state, the funding changes drastically. Arena Stage, although in the nation’s capital, receives less than 1% of their total budget from all government grants. Being in DC
means it does not qualify for Maryland or Virginia funding, but there are specific city grants that it does receive. Arena Stage has only what is available in DC, while the other three theatres have state and county/city funding. Some theatres rely heavily on the local government, such as Cleveland Play House which receives three times more from Cuyahoga county than the state of Ohio. The Alley Theatre’s funding is also thanks to the local government and a city-wide hotel bed tax that gives a portion of the earnings to the Alley. On the other hand, the Guthrie’s primary government funding comes from the state, receiving more than one million dollars annually through taxes and grants.

Finally, the ‘other’ row is a combination of income that was not able to be placed in any category and income belonging to other categories that were not in this table. For example, rental income and endowment interest are not included because they could not be clearly identified in every budget. The unique sources to each theatre were also added into the final row. This ensured the percentages still added up to one hundred while showing that every theatre does not follow the 50/50 budget between contributed and earned income.

All four theatres share parts of their budget with the others, such as their box office percentages, but most sources differ. This leads to the conclusion that the location and revenue sources have a connection between them. Some areas have a direct correlation, such as the Guthrie’s corporate and government funding. The programming income of other theatres is highly influenced by location. Cleveland Play House’s dedication to help improve the education of Cleveland schools brings in support from foundations that would not be possible otherwise. Each theatre is tailored to the community. It would be a mistake to use the same development strategies in Washington, DC that were successful in Houston. Each location brings its own benefits as well as challenges.
So, what does this mean? The conclusion of the study confirms that there is a connection between location and financial resources of multi-million-dollar regional theatres with a deep history. However, there is a long road before the same assumption can be drawn for all regional theatres. The next step would expand the study to include all LORT theatres in addition to the four researched here. This would require permission from each theatre and data beyond the 990 tax forms. It could develop into a project taken on by the Theatre Communications Group. Using their access to financial information would bypass certain channels that had to be taken during this process.

Besides the theatres’ finances being different, it is also important to explore whether theatres in the same location have similar financial sources. According to Kelundra Smith’s article “Strength in Numbers”, this is already being done with the Atlanta Intown Theatre Partnership (AITP). The partnership was founded in 2011 by the producing artistic director of Horizon Theatre Company, Lisa Adler. Adler’s theatre along with Actor’s Express, 7 Stages, the Atlanta Shakespeare Company, and Theatrical Outfit form the membership of AITP. This organization began with the observation that five theatres were all trying to raise money from the same organizations and donors. AITP’s goal is simply to band together to raise funds rather than competing against one another. They were not as successful as they hoped because companies did not want to award them grants for day-to-day expenses but rather for a project. Despite this, AITP is preliminary proof that theatres in the same area do have similar struggles with financial sources. If theatres in the same area have similar finances and theatres across different cities have different income ratios, then the two conclusions can be used to prove the correlation between location and revenue sources. The AITP was also founded because of the results found in,
a study by the Oakland, Calif.- and Brooklyn-based Helicon Collaborative, called ‘Not Just Money: Equity Issues in Cultural Philanthropy,’ [showed that] multimillion dollar arts organizations receive 79 percent of all arts funding around the country, despite making up only 10 percent of the arts ecosystem. (Smith)

Considering all four of the theatres in this study fall under that statistic, it is also important to test whether the same conclusion can be drawn if the theatres were not multi-million-dollar organizations that have been in existence for more than half a century. Again, AITP infers that the same conclusion can be drawn since none of their theatres fall into that category. However, a separate study would be needed to prove this definitively.

If all these studies were taken to completion and the conclusions all pointed in the same direction, then it would be possible to create the database previously mentioned. This database would help theatres understand what is going on in their area. I picture a theatre typing in their zip code and receiving a report that gives the average ratios of income sources from other permitted theatres in their area. If there is one theatre that is particularly good at fundraising, it may be mentioned on this report. Established theatres would know they are not the only ones struggling with one part of development. Simultaneously, new theatres would understand where to place limited resources from the beginning. For example, if an area is dense in grants from foundations but lacking in individual donations, it may suggest the new theatre hire a grant writer instead of a fundraising event planner. Such a strategy would cut down the learning curve necessary while hopefully creating a collaborative team amongst other local theatres.

Questions have been raised during the study process that have the potential to be expanded on. These questions include, but are not limited to: How does geographic location
impact the choices of productions for the season? How does location change the way a theatre decides to market their shows and season? How is the financial situation impacted by the age of the audience? Or the audience’s political affiliation? How can demographics of the audience be used to estimate box office and individual contributions? How do the demographics of the surrounding city play a larger role than what was explored here? The questions raised are plentiful. The conclusion of this study opens multiple doors that lead to a better understanding of our communities and using them to our advantage. The arts are an important part of our society and knowing how to fund them can ensure that the theatre is available to everyone for years to come.
Appendix: Interview Transcriptions

Interview with Don Poole, Director of Finance at the Alley Theatre. Conducted by Rebecca Snedeker-Meier on May 23, 2017.

D: I would be interested to know how they… I haven’t really looked at those theatres for that information.

R: As of right now, Arena is almost purely box office driven. They have, I think, 20 percent of their income is contributed revenue. You guys are the opposite. But I’m looking at FY 13, 14, 15. Which is kind of a problem because that’s when your renovation campaign happened.

D: Oh, yeah. That’s going to skew it terribly.

R: Yeah, so one of the reasons I wanted to talk to you was to see, if by any chance, you had numbers that were specific to the renovation campaign or if there was something that I could use that would put it in more normal terms?

D: Those years are an anomaly so it’s truly…

R: Yeah, your individual contributions are 21 million dollars for 13.

D: Let’s look this up.

…

D: Now did I give you these numbers or did you get them from our 990?

R: I got them off the 990

D: Yeah, the problem with the 990 is that you are going to see… First, you probably don’t have our most recent one.

R: No, 15 is the most recent one I have.

D: Fiscal year 15?

R: Yes
D: Well, first, you can have this… (Hands Rebecca FY16 990)

R: Oh, wonderful.

D: And you probably saw big revenues in FY15 because we released all those…

R: No, FY15 was when you guys were at University of Houston. So, your productions were down.

D: Oh, right. And if you saw our audit for 16… So, when we talk about our operating, that is one of four funds that we report out on that are not separated on any 990. So, we have our operating fund, our capital campaign, our plant fund, and then our endowment. And the 990, for example, doesn’t report revenues, unrealized gains in our endowment, but our audit does. The 990 also… well, if were just talking about the revenue…

R: Right. I think it’s page 9 on here, is mostly what I’m looking at.

D: The difference with the 990 on revenue is temporarily restricted and unrestricted. But for earned revenue, it’s pretty much the same. The thing is, the contributions are going to be all… Like if you had a run on temporarily restricted then that may differ just a little bit. So, what I did for the finance committee is—here’s what we present to them in terms of our operating statement for 16. Then here are all the adjustments of expenses, basically. And then here, temporarily restricted and assets released from restrictions and then the capital campaign and the plant fund. Those are mostly expense driven, I guess.

R: I think the only thing it talks about when it comes to endowment, is investment income.

D: Yeah, like realized gains. So, ticket sales would be probably straight forward and education revenue.

R: Do you know what they mean by other income?
D: Other revenue. Like maybe copra (co-productions) revenue would be there.

Concessions… Where are concessions on here? I think down here in the sales of inventory, less returns and allowances and cost of goods sold, I think that’s concessions. If you’re just looking at revenue, on that level… The problem is that the contributions are going to be different. Now let’s see… what did we report?

R: I’m sure you get a lot of contributions but 60% of your income is a lot.

D: Well, I would say that 60% of our income is earned revenue not contributed revenue.

R: Right, and in the years that I’m looking at, 60% of it is contributed not earned. There’s only about 20% earned.

D: Huh. Now that would be… Hm...

R: Do you want me to show you? So, this is all other contributions, and these are all the percentages. So, for box office revenue it’s only 25% in fiscal year 13 but it’s almost 70% for all other contributions.

D: Oh, because of the capital campaign. We were raising a ton of money for the capital campaign so that makes sense. When I’m talking about operations, I’m not including money that’s geared for the capital campaign. You really can’t glean that out of the 990. Would you be interested in looking at these with the TCG data?

R: Yeah, that’s one of my follow-up sources that I’m going to look at.

D: Because that looks at only operating data. Did you run a report?

R: I have Theatre Facts…

D: I’m not sure that you have access to it.

R: I don’t think I do.
D: This is a comparison report. This is just the average of these four theatres. But that’s going to play out in the ‘15 year because we had all that artistic enhancement money that we were subsidizing the off year because we knew that our earned income would be down so much. And the 16 data is not ready on the TCG yet which you don’t have.

R: I don’t have the 990 either. I don’t have the 990 for any of the theatres for ‘16.

D: Got it. You can have that (FY16 990) but it may be superfluous.

R: Do you have any numbers of what would be the capital campaign so that maybe I could start separating it out? You don’t have to give it to me today.

D: I would. For 15?

R: Well it would be 13, 14 and 15—all three years.

D: If we were just looking at our operating, when you look at the 990 what you’re going to have is everything we raised for that year.

R: It separates out so that there’s fundraising event contributions, government grants—so those two things are separated out which is nice and very helpful. And then everything else is stuck together.

D: Well, see, even what we raised in special events is up there in contributions. The only thing that’s down there in fundraising events is sort of a contrived number—I’m not going to say it’s made up—but it’s contrived in that it’s a calculation of the people that attended and a quid pro quo amount. If you went to our ball, and paid $1,000 for your ticket, but $150 was the quid pro quo amount, or the amount that was not tax deductible, then $150 is what I would report as revenue there (in the fundraising events section) and the $850 would be listed as a contribution. So, it’s a little confusing. If you could get an operating statement from each one of your organizations that really lists it by what the organization does you’re
going to see a much clearer picture. For example, here’s our audit, if you back to our audit for 15, we had a surplus of $140,144 in just our operating fund. $2.4 million we released in capital campaign revenue but what you would have seen on the 990 is something more like this. Even though this was temporarily restricted, almost $10 million would have been included in the number. Let’s look at your numbers and let’s see if we can’t just identify what is… And you’re getting that off the note? The different fundraising events?

R: Those are on one of the pages.

D: It’s a note, yeah. Interesting. And see, when we really raised a million dollars from the ball, that’s just showing that contrived number again.

R: So, a little more than $600 thousand is considered part of the contributions even though it was raised at the ball? Oh jeez… Alright

D: I’m so sorry. That just makes it so much more challenging, doesn’t it?

R: That’s okay. The reason I did 990s were purely because…

D: You had access to them

R: Yeah, they were public, and it wouldn’t add any work for the theatres to give me…

D: Well, that’s public information so I’m not that squeamish about it. Especially if you look at the 990, we’re required to give it to you. I just want you to understand what you’re looking at. Especially if you’re comparing earned to contributed, it’s obviously going to really sway with contributed revenue. What can I do to help with that?

…

What do we have for FY15 for line 1F, the all other contributions?

R: 13,114,428

D: Oh, boy. How’s that?
R: I like that we’re matching up. This is nice.

D: Let’s do some of my Excel magic here. Of course, that has that to offset it. Because that’s looking at also the net release. Anything that’s released has an offsetting contra-account, if you will, to offset it. Of that 13 million, 9,016,105 is capital campaign.

R: That means you guys are more in line with Arena at about 4 million in contributions.

D: That makes sense. The amount that we reported on here for contributed revenue was 8.3 million, that includes 2.5 million that we were bring in from the capital campaign. Then reported 5.8 million in contributed revenue but the difference is going to be what we’re releasing from restriction. I think what is going to help you is if I give you a statement like this, and then go back and find where I have reconciled this, and then maybe even a copy of the audit and where I have reconciled it from this statement to the audit to the 990. I think it would be very helpful for you. You would have to read it pretty carefully and you might have questions and you can feel free to come back to me and ask. But that’s going to give you the whole picture from what we’re reporting to TCG. I think that would be helpful to you, too.

Did you say you had the raw data?

R: Hmmm the 990s.

D: Oh, just the 990s not the TCG raw data?

R: No, I just have the published Theatre Facts from TCG and the 990s.

D: Oh, okay. That’s not going to be as comprehensive.

R: Then I also have the GuideStar reports but that’s also not comprehensive.

D: See, this is just the raw data. This is from 14 (and TCG). Their endowment earnings are included it’s just what they draw from their operating so it’s really clean data. You’re going to do so much better with this then you are the 990. It’s going to be clearer and a much better
comparison. This has its problems too, but it’ll be much better than the 990. You just have to
glean from it… it may be difficult to read but see, the total earned income… I think you can
get through it. Then they have all of the earned income first and then go directly into
expenses and then they have the contributed revenue at the end. It’s just unrestricted. The
$2.5 million that was from the capital campaign is in here but…

R: But it’s separated out, right?

D: Well, it’s not in here. Oh, it is. It says, “how much is from capital”. So you should be able
to glean it. I’m going to give you this for each year and it’s going to have each of those
theatres in it and all the other theatres—more information than you would ever want.

R: Well if I want to continue this, then it would be helpful. Do you get that because you’re
the finance director? (D shakes head yes) Okay, so it’s not something that I could get. Good
to know.

D: Oh, I guess I’m not allowed to share this. But in the meantime, let me print these out for
you. (Pause) For example, this number here, that’s just the same information. And here it just
walks you through the differences getting over to the 990. This capital campaign revenue is
clearly marked. What is reported here as 6393 is reported as 22… you know, that’s a big
difference. I think this will help you understand those numbers much better. Here’s one for
13, 14 and 15. Here’s the operating numbers from 13. I would say that our ratios are more
along with these lines and then they jumped up. 15 is the off year. This is the opening, but
you see how it came right back down. And of course, this was unusually small…

R: Because you had less productions.

D: Yes, exactly. That’s going to give you the best information.
R: Thank you. That is wonderful. Okay, I do have a couple more questions, if you’re okay with that.

D: Sure, take your time.

R: Why, at least in FY—this is with the 990

D: Yes, I will get my head in that

R: Why do you have no royalties?

D: Because they’re all reported separately on Alley Theatre Productions. We have a separate organization that’s combined in the... So you could pull up Alley Theatre Productions and get those 990s but they’re all reported separately.

R: Good to know. What is the fundraising event 2,3 and 4?

D: Well we have a sporting clays because we’re in Texas and that’s what they do here—of course that’s what they do in Ohio, too. And at Christmas time we decorate the lobby with Christmas trees, or holiday trees, and that we use as a fundraiser. Those are the big ones. We have some events for young professionals but that doesn’t raise a ton of money.

R: So it’s just lumped in with the others?

D: Yeah.

R: You have an increase in assets, is that just because your renovation was just done and so now you had the building?

D: Because we’ve raised so much money. We raise $50 million.

R: You raised more than the renovations cost.

D: Well, we put it into building so we just churn that cash, or receivable, into an asset which hasn’t been fully depreciated yet. We can depreciate that over forty years, so it’ll be an asset for a nice long time. That’s the big increase in our assets.
R: Okay. These are a lot of the overall questions that I’m asking everybody. With what I am currently looking at and the state of our government, how much do you rely on the NEA and what happens if it goes away?

D: The NEA would be less than even a tenth of a percent of our total income.

R: It’s usually really really low.

D: It’s very low and we would hate to see the NEA money go—I mean, we hate to see any kind of contribution go—but we’re not going to stop our business because the NEA’s gone out of business. But I would hate to live in a country where we’re the only industrialized country that doesn’t support their arts. That doesn’t make any sense to me, at all.

…

R: Do you have demographics of your patronage?

D: We do. I don’t have access to it. I could have it, but I am not sure who keeps that. What are your questions?

R: Mostly how do the demographics of the theatre compare to the demographics of Houston. I can give you more specifics in the next month of what I mean by demographics because I am not sure at this point if I purely mean financial or ethnic.

D: Well, we are much older, wiser and richer.

R: Yes. That is what I am expecting. So to compare the two. These are the people who are coming to the theater and these are the people who are living in that area.

D: I don’t have that data off the top of my head, but I would be happy to get with folks to get that data.

R: That would be great. Then this is specifically about grants, other than the NEA, which I know is very tiny, what are annual grants, governmental/local grants, artistic, any of those?
D: There is a bed tax here, a hotel occupancy tax here. And that is, we get an allocation from that, between $500,000-$600,000 per year. We always apply to the Texas Commission on Arts – that is usually in the under $10,000 range. And then there is Houston Arts Alliance – again under the $10,000 range. We did get an NEA grant for next year - $125,000, which is a big grant from them. It is specific to an educational project. We are going to bring a play up from Monterey Mexico, *Misa Fronteriza* or *The Border Mass*.

R: That is going to be good.

D: I hope so. I hope so. It should be very interesting.

R: I am interested to see how your audience reacts to that.

D: I will be interested, too. We are going to take it around to some of the Latino organizations in town.

R: Ray [Inkle] was telling me how many world premieres you have for next year. Because one of my comments was that you don’t normally have a lot—at least in the three years I was looking at. You have a lot of Arthur Miller, and Shakespeare and the classics.

D: Right, and we are moving into more new work. That is exciting, but they don’t sell tickets.

R: It is exciting. Oh, yeah, I know. There is that perfect balance that every theater has to figure out between the classics and the new works.

D: Right, right... Again, it is the challenge between the subscribers and the single ticket buyers. Also, there is the challenge between production and the artistic, for example. It is very difficult for an actor that doesn’t have a lot of actor work weeks to be in a show with costumes that cost ten or fifteen thousand dollars to produce. And I can understand that. It is very difficult for them to reconcile. I can empathize with that. We have a resident company
whose livelihood depends upon how many actor work weeks they get. So, if we choose these big lavish productions with fancy costumes and then the rest are one-character plays, well that’s an exaggeration. But you get my drift. I never realized that until one point in my tenure here.

R: In doing research on the Alley, that has always been an issue. A lot of actors were volunteers in the beginning and then they started bringing in equity actors. And then there was the fight between production and artistic and who is going to get what.

D: Who is going to get what piece of the pie.

R: I was in a dramatic theory course last semester. A lot of people would ask why there are not big lavish productions anymore, and my professor would look at me and I would always say, “money”. Always going to be “money”. Smaller performances cost less money and if you sell it correctly, it will make you more money. Almost always that is what it boils down to.

D: Money, money, money.

R: Exactly. What is the most profitable event vs. what is the most rewarding?

D: What is the most profitable vs. the most rewarding?

R: It doesn’t have to be a fund-raising event, it could just be programming. Would it be Christmas Carol for you guys? Because that can be a family tradition.

D: Christmas Carol is our cash cow. And I enjoy watching it every year at Christmas time. I enjoyed it before I came to work here, and I enjoy it now. SantaLand Diaries is the same thing – it is very highly profitable because it is a one man play.

…

R: Do they run at the same time?
D: Yes. And our Summer Chills, they are usually profitable. We sell single tickets to that. We used to recycle one of our sets but no more. We put a little more money into them and make a lot more money too. When I talk about the most rewarding thing in the theatre, it has to be what we put on stage. I appreciate what the education department does, they are terrific. I appreciate what they do. But when I think of the Alley Theater, I think of what we have on stage. And personally, what you saw on Sunday, that is the Alley at its absolute best. We did not sell a lot of tickets to that show.

R: Really? Even an Arthur Miller show?

D: That particular one. Death of a Salesman, we sold over 7,000 single tickets.

R: Ah yeah, but that was Death of a Salesman.

D: This one (All My Sons) we barely sold 3,500 tickets.

R: Wow, that is surprising

D: It could be we are going through this change in marketing directors so that could be part of it. I am hoping it is that.

R: Yes, because it is Arthur Miller. Just because it is Miller.

D: Yes, but a lot of people stay away because it is a Miller play. But that is the Alley at its best. That is my answer to that.

R: I like that. On the 990 when it says investment income, is that always going to be endowment?

D: Not necessarily. The vast majority for us is endowment. There is some money in the operating but with interest rates the way they have been, we just can’t earn anything. But mostly endowment.

…
R: Thank you so much.

D: You are welcome

Interview with Danielle St. Germain-Gordon, Director of Development at the Guthrie Theater. Conducted by Rebecca Snedeker-Meier on May 26, 2017.

R: Let me tell you about what I am doing. What I am looking at right now are the theaters that I have mentioned, including Cleveland Play House, and specifically how you raise money or your revenue, and not so much your expenses. I am hoping to find a correlation between that and your location, specifically the demographics.

D: Right now, you are going to see the richest city in Minnesota. The amount of money based on the fact that we spend 11%, 11 cents for every dollar, which is industry leading and is because of the obscene wealth in Minneapolis, and that will come out.

R: And it has. I was expecting it to be Houston, but it is not, it is here.

D: Between our corporate giving which is nearly $2 million a year. I mean, Houston has historically had corporate giving because of the gas and oil industry. Here we have these legendary companies such as General Mills, Target, Best Buy, Medtronic, Ecolab, Travelers…we have so many Fortune 500 corporations here and they all have civic pride. So, it is about $2 million per year comes in from corporations. Arena Stage unfortunately has about $250,000 from corporations, on a good year. I could spend all of my time trying to get it and it doesn’t exist there.

R: So, a majority of the contributions that you get – at least $2 million of them – are specifically from corporations.

D: About ¼ to 1/5 of what we raise – of the money we raise is from corporations.
R: Wow. That is incredible.

D: It is incredible. And then we get about a million dollars from the state.

R: That was my next question. So, how does that happen?

D: Back in 2008, there are a couple of statistics. The highest funding per capita for the arts in the United States is Minnesota. And if you were to rank all of the aggregate giving from all the states, one to fifty, in terms of dollar amounts given to supporting the arts, New York is the highest, Minnesota is the next one behind, last time I took a look by $50,000. If Minnesota somehow wanted to invest $50,000 more in the arts, we would surpass New York state. When you think about it, there are about 6 million people in the state of Minnesota, and there are how many millions of people just in the city of New York.

Back in 2008, Minnesotans voted a constitutional amendment to tax themselves as the legacy amendment. The Legacy Amendment was actually a stroke of brilliance. The hunting, fishing, water people wanted to get a tax. The arts people wanted to get a tax levied. So they joined forces. So all the hunting, fishing, water people who never cared about the arts voted for it. And all the arts people who didn’t care about hunting, fishing and water voted for it. And it passed. So we get annually, about 1/3 of the million dollars a year from the state comes from the Legacy, which is based upon sales tax.

R: And the additional $82,000 to $573,000 over the years I am looking at, is that NEA?

D: Yes, and then, we have other state arts money. This year for example, we will raise $1.25 million. One thousand and fifty will come from the legacy. 125 from the state for our particular educational program. Then, all in we had 70 from the NEA – 45 from the Mother Ship in DC, and 25 from Arts Midwest. Each year we do these extra things. We raise a lot in government money.
R: Yes, you do. Which is not like other theaters. I know also for the fiscal years, you are different from the other theaters because you go from August instead of July.

D: Right now, I am glad we begin in August because otherwise I would be doomed. Historically, the fiscal year used to end in March, up until 2009-2010. It ended in March. Then, it made no sense, because the season starts in September. So, then somehow, they voted to move it to August. I think maybe the plan was if it ends on August 31 and then start a new season on September 1st. So, it actually serves us well. Our main competition in town, they have an earlier fiscal, so they have their urgency call in June or July. We roll in in August. So, it actually works. Our busiest season is the summer. So, we need all the traffic, all the people, all the ticket buyers, so that is when we ask for all the money.

R: So that is why you do that it is a little bit later so that you don’t have to stop in the middle of the summer.

D: Yeah, I have always had June as the fiscal year. August is different.

R: The tax that you were talking about, is that the Non-Profit Minnesota citizens for the arts?

D: Yeah.

R: Perfect. All the figures I have are from the 990’s. What are Federated Campaigns? Because you are the only ones who have Federated campaigns.

D: What is that from?

R: About $2000. It is not a lot.

D: What are those years?

R: 13, 14 and 15 fiscal years

D: Federated Campaign? Must be someone’s directing through [unintelligible]. I will tell you. Let me see. (typing…..) It shows on the government line, right?
R: No, it is a separate line item. It is 1A of part E.

D: Um…(typing)…It might be our board member who is a federal employee. A state senator. I think that is what it probably is. I would imagine that is him because he gives $2,000 per year. That must be him. So …. Well, we have two state senators. I will find out, because that is weird.

R: You are the only ones who have any reference to Federated. It was $1,734 in fiscal year 13 and $2,077 in 14 and $2,248 in 2015.

D: When is this paper due?

R: October.

D: Because my person is in Lake Koma until next Monday.

R: After talking with Don Poole at the Alley, I have learned that the 990 forms are not always…. D: Legit? Well, they are always legit, but it depends upon where you choose to put money.

R: Yes, for example, for 13 and 14, you have 0 in the fundraising event column contributions which I am assuming is because they are folded into all other contributions. And then, starting in 15 years, you have money in the fundraising events contributions.

D: So, here is the deal, we have always done an annual fundraiser. The Gala. In 13/14, we raised a considerable amount. I would assume that is being carried in the individual contribution column.

R: Do you know what else would be? Do you have an operating budget by chance that I could use? For 13/14 and 15 if you could.

D: Ahh... (typing)

R: It would end in August 2015.
D: I can probably find …. (typing)

R: Because the way you have it on the 990, you have $8 million in all contributions and then $1 million in miscellaneous, and …

D: You have so… the numbers here are the trickiest, because we have a lot of things. For example, we had somebody who invested in a show to enhance a show. They paid us more than $2 million and the thing is that it showed up in three or four different years, so that must be other. So actually, I don’t think it is going to show up in my offering budget.

R: Do you guys have a resident company?

D: We don’t anymore.

R: I wasn’t sure.

D: Although it is funny. The way Joe Haj characterizes it, there are basically 500 equity actors in the Twin Cities, and we are part of this large ecosystem. People who perform on our stages, many of them live here in town. Our ratio is typically about 75% local, 25% brought in. We can only have about 75% local because of the strength of the community here. There are some amazing triple threat actors here. Which is great and not always expected for a relatively small community.

I am going to pull up report 15. Because…Do you want print or email?

R: Either one.

D: It is so funny how so many lines are really granular. Some of the lines for contributions are rolled up to $11 million. (typing) Next.

R: There was a decrease in staff from 2013 -2015. Is there a reason?

D: In my development team?

R: No, in general. From 685 to 597.
D. That is generally actor numbers. We count actors as staff. But this (development) staff was shrunk back in 2008-2009. We are currently 8. We have a very modest sized staff given how much money we have to raise which is $2 million. That number is so skewed, I mean, we can look at year to year. We could look at number of tickets sold and one year we might have 57 performances of the summer musical, whereas the next year, we might have 80. It is really hard to know what you are actually looking at. Especially in a $30 million place.

R: Agreed. There was an increase in contributions in fiscal year 2014. And then the 50th anniversary, the way that it was said was 2013.

D: ‘14, I arrived. So, I was here at the end of fiscal year 2013. I got here July 15 and we had a $436,000 deficit six weeks later. The next year, that was my affect. Full disclosure, we wealth engineered the data base. We did all sorts of analysis on individual membership benefits. So, our individual non-board individual line item increased significantly my first year.

R: By a lot. That is amazing.

D: The thing is my predecessor, who did such a beautiful job. She was here for fifteen years. Under her watch, this building was built. Amazing. And then, coming from a different community, I didn’t know one person here. I knew no one. So, when people said, “Oh, you know where the money is” No, I didn’t know one street, one house, one car. I didn’t know anything. So, by wealth screening, I was able to say, “You are a $500 donor, why don’t you give us $2500?”. Because I was doing it based upon facts and analysis. And we had a significant increase that year. And it has been maintained. It is just that the budget keeps growing and we have to raise more.

R: That is incredible.
D: And then we hit up… Joe Dowling’s last year was FY 15, So, we hit up a number of people and we asked people to increase from $25 to $100. We have a lot of big donors. There is so much money here. And what you are not seeing in all of this is…well, it is showing up in our investments, but not in our funds raised, we raised an extra $10 million from one donon in Spring of 14, and that is not showing up anywhere, I don’t think. It shows up in our investments, right?

R: Yes. There is a net income of assets…

D: Should show a $10 million bump. Or a $5 million?

R: That was a $5 million.

D: But in the meanwhile, we paid down our debt on the building.

R: Is that why the asset went up?

D: Yes. Yea. Yea. That would have been it. It’s tricky.

R: Yes, it is very tricky. With the Gala, then, it went up about $200,000. Did you revamp it in 2015?

D: In years past, they presented it as net. It should always be presented as gross. That is the year we started presenting it as gross.

R: Got it.

D: It cost us 105 to do it that year.

R: There is also an increase in ticket sales in 2015.

D: That was My Fair Lady. Ah…that was FY 15?

R: I assumed it was because Joe Dowling was leaving? So that a lot of people would….

D: FY15? No, that was Music Man. So Pride and Prejudice was our first “Oh my God, we are onto something big in the summer”. That was 2013. In 14, it was My Fair Lady. “Oh my
God, we are onto something bigger”. Next year was *Music Man*. And last year was the highest grossing show in the history of the Guthrie… that was *South Pacific*. So, we are rolling on the summer musical.

R: That is fun.

D: Yes, and this year we’re doing *Sunday in the Park with George*.

R: I am really upset that I am missing it by like, two weeks. But I am seeing “Refugia” tonight. That is not one of yours

D: No, it is us. It is us. Although it is tricky. There used to be a theater company, which I am sure you are familiar with, which was called Theatre de la Jeune Lune. These guys won the regional Tony back in 2000 and something and then their company folded. They were poorly financially managed. And Dominique Serrand, he has directed all over the country. He is a thing. They were our devising company here last fall. They once started this piece at UT Austin. They came here, spent three weeks devising this, came back in April for another week. Then rehearsed it and it’s a world premiere. It is interesting, I am curious to hear your take on it. It is nine vignettes of people seeking refuge or crossing borders – either literal or figurative. We are having a lot of interesting audience conversation about it. About the representation on stage. It has kind of become a thing.

R: Interesting. All right, well I will let you know. Okay, these are some general questions that I am asking everybody. In this budget, the NEA is a drop in the ocean, but what happens when it goes away?

D: An organization like us, whenever we present to them, we say, “We couldn’t do our work without that gift”, the fact is that if anyone is prepared to absorb a $45,000 loss or a $25,000, it is a $30 million organization. We would recover. The bigger impact is when or if NEA
goes away, all of these organizations, across the state of Minnesota, will no longer have funding that was truly critical. My donors are going to be more supportive of those organizations. That could affect us. That is where it would affect us. At that point, if you are an organization that that $10,000 will make or break your budget, I would rather step back and not take ours. If $10,000 is going to allow you to exist, that is more valuable.

R: I agree. That is what I was expecting. I have a couple of people who don’t necessarily know theater who don’t know the financials, who ask “What happens if the NEA goes away? Does that mean all theaters are closing?” I say, “No”. Luckily, No. Maybe 50 years ago it was.

D: Yes, it would be awful. There are some things we would not be able to do probably. Around our Shakespeare, probably the Access.

R: Do you have demographics of the patronage?

D: We have such a hard time with that. Here’s the reason why. We think we do, but they are very flawed. We send our data base out to some service that they basically address match based on this secret sauce tell that is in our audience. A, it typically matches on a white, more moneyed audience because it is a less transient population. You are not going to get as many hits based on demographic upending. And then, for our lower income, which is oftentimes our more diverse audience, not always, but often it is, what we tend to do is… People serving People, the Homeless organization, we will give them 50 tickets. They will distribute those tickets, we don’t track them. Since Joe Haj has arrived, I know that based on all the things we found on the top floor of the studio, we have seen a 1% increase on what we can guarantee, that does not take into consideration what we give out to social service organizations. Which I think could skew it, I think we are probably 3-4-5% better than we were.
R: But you don’t know because you cannot necessarily track it.

D: What we are looking at for next year, is that we would love to do paper surveys, at least on our ninth floor, which is our 200-seat theater, paper surveys or touch tab surveys so that people could self-identify.

R: That would be great. Right now, my goal is to compare it with the demographics surrounding in the city.

D: Yes, I have something. It’s not going to be the full picture, I have something. (typing) Let me send you this one, it is for that space Ninth Floor, this is for the Melon Foundation Grant which is for $1 million over three years. This is just talking about that space. It is different from the Main stages. It is just for that space. So, we are seeing that the age has dropped by 13%. There is some really good stuff here.

R: We talked about governmental and local grants, do you get artistic grants? Annually or not annually? You said the one with the education programs.

D: Oh, from the state?

R: It doesn’t necessarily matter, if there are grants that are not government funded.

D: Like, foundations? This year we’ll end up with about $750,000. Of that $350,000 is from Mellon, so $400,000… Another big one is the Shubert Foundation in New York, we get about 150 thousand. Locally, there is so much money, so we get the McKnight Foundation. We have the Harold and Mimi Steinberg Charitable Trust. We have a lot of small $10,000 foundations. So we do. Whenever we go for something, we tend to get it. Once it is in, it tends to be renewed. It is hard to get invited to some of them. Right now, we are applying for Hearst Foundations’ multi-year education grant. It is not artistic, it is educational.

R: How is your education program?
D: It was very under resourced and very underwhelming. And now, we have a new team with Joe Haj who brought in his new artistic director who hired new education director, who is actually an educator. Until then, it was basically my staff, my office who launched the Minneapolis Public School Educational partnership because the education team had no interest. But I had access to the board, and I said, “Hey, if I only I could get money for the bussing, we are going to launch free bussing and free performances.” And they are like, “yes, done”. I said, “the board told me I had to do it”, and that’s how you get stuff done.

…

R: What is your most profitable event? What is your most rewarding one?

D: This year we will do more than 70 events. That can be a dinner for 6. An event can be 450 for the Gala with two separate dining rooms. We do 10 opening night celebrations per year for about 150 people each. I love the Gala for me. It is such hard work. I love it. I love it. Last year, for the first time ever, we did a fundraising video. I thought I was going to miss my goal by $100,000 which would have been awful. So I said “we’re going to create this video and show it”. So, I had my friends in marketing help, because we now have an on-staff videographer. So, we scripted the whole thing: It is a plan, a fund-raising video. It is what you have to do to like ask for money. It was a really lovely, gentle, very visually stunning, but like no urgency. I hate to tell you. It is so beautiful. It needs to be different. It needs to be much more direct. Much more compelling. It was like pulling teeth. They thought I was crazy. People from here are different. People from here are different from the East Coast people. They are just not as direct. And they are super lovely.

R: Very polite.
D: Polite, and then, kind of not. Two sides of the mouth Minnesota nice, it is a real thing. It was not direct. We are going to miss our budget by more than $100,000. So, we did this video and we raised $212,000.

R: Yes, you did.

D: And it was a miracle. And we exceeded our net goal by more than $55,000. We exceeded the net goal by more than $55,000. And it was a big thing and this year’s even bigger, so far.

R: Good.

D: Last year we had 340 guests for the dinners. 185 guests on the proscenium stage, 155 upstairs, 180 people on Show only ticket. 34% of the dinner guests gave a gift in support of the “Fund in Need”. That’s pretty good. It was what I was most proud of.

R: There is a line about the investment income. Is that always a foundation or endowment?

D: Yes, those are endowment. $46 million-ish, in the endowment. It kind of ebbs and flows, and we have made additions, and we have taken money out of course. We do a 5% draw on the trailing 12 quarters as a rule. The Board has voted and have accepted a plan that we are going to step that down over the next three fiscal years down to 4.5%. We want to rely less on that. We are also in the private phase of a campaign with a goal to double the endowment. But then we would take 4.5%. We draw about $2.2 to $2.5 million we draw, which is critical. That endowment was raised back in the dark ages.

R: I know. But they also had a lot of issues with the endowment. I am glad to hear that it has gotten better.

D: So interesting because … At Arena Stage, it is like the Tale of Two Theaters. It’s the exact same time. This theater opened in June 06. I opened Shakespeare Theater in October 07. And Arena opened, reopened Fall of 08, maybe Fall of 10. All at the same time. It was in
2008 when the market saw what was coming, I guess, the Guthrie Theater miraculously voted to pay down $80 million of debt on the building. They had all the money you have summarized in the endowment sitting in the market. Guthrie voted to pay down the debt by almost $80 million.

Arena Stage, the model had always been, we are going to fundraise. We are going to put it in the market. We are going to have earnings of 12% a year, and we are going to pay down the debt, and at the end we are going to lead with the endowment and we will own the building free and clear. The market tanked. Arena Stage is in debt for like $70 million for that building.

That’s the problem. I always say it is a Tale of Two Theaters. This theater should be in that boat. Timing. All timing. These buildings are the same price. This building is $125 million. Arena was like $120 million. This exact same price, same time. Shakespeare’s campaign raised $77 million. And that building was like $80 to build. It could have been so awful.

R: And Alley just did their huge renovation in 13. It is beautiful. $45 million was just their renovation. They kept their building, so they did not have to rebuild. I was talking to someone, and they are like, “Are you doing theaters that have all been renovated or rebuilt?” No, I am just doing it from the time period. But that seems to be what happens.

D: Arena is 1950. We are 63. When was Alley? Right before here, right?

R: No, it was before Arena actually. It was one of the first. It was 1950.

D: Zelda was 50.

R: I can tell you, I have it up.

D: Who was Nina Vance? Was she Dallas?
R: No, Margo Jones was Dallas. Nina Vance was Alley...Ok, so Arena was 1950. Playhouse was 1904. Their first performance was 1916. They just celebrated their 100th. The Alley, their first meeting was in 1947. Their second season was 1948. And then you guys were 1963. So, right around that decade.

D: People say, Joe Haj says Guthrie was the leader of the regional theater movement. No, it is not true. Tyrone was like 15 years late to the party.

R: And that is my main issue with him. He’s like, I started this, created this whole movement. You gave creditability to the movement. But you were late, sorry...

R: That maybe it.

D: No, there has to be more.

R: I am sure there is more, but that is all I have written. Thank you.

Interview with Allen O’Reilly, Programs Manager at Cleveland Play House. Conducted by Rebecca Snedeker-Meier on July 24, 2017.

R: I am going to start at the beginning of Cleveland Play House. There have been a couple of places I read where it included Cleveland in the Little Theatre movement. But then there are other places where it doesn’t. I wanted to know your perspective because my thought is that it wasn’t a Little Theatre because it started as a puppet theatre, Vaudeville and burlesque.

A: Yes, that’s right, that’s right. I will tell you what I know, Becca. I believe this is the fourth home of Cleveland Play House. It started with some very strong women in the arts community in 1915. That particular location is not far. All of the locations prior to this were in the 70’s and 80’s of Euclid Avenue. There was one space that was started, and it moved to
another location on 79th Street. For many years, it was on, I guess it was 89th and Euclid. And that was the home for many, many years.

Now in terms of the Little Theatre movement, it sounds to me like, you’ve done your research and you know more than I do. When you say, Little Theatre, are you talking about children’s theatre?

R: “Little Theatre” is a lot of time, synonymous with community theatre. It started trying to get community theatre involved, and kind of get away from big professional, New York vibe. Cleveland Play House is in the same years as the movement, but it seems like Pasadena and Cleveland Play House are considered part of it, but in some ways, you are not. The way that I read from the history of the Cleveland Play House, there was no mention of the Little Theatre movement. It just happened around the same time.

A: To my knowledge I am not aware of that. It is a new term to me. My understanding is that Cleveland Play House has always been a professional theatre. Certainly, with lots of ties to the community. It was started in that vein back in 1915 and certainly education here is very much tied to the community here. It is a professional theatre doing work in the community, which is different. I know that the theatre was not union – did not use equity actors until the 1950’s - so prior to that, I am sure that the type of actors they employed here were more like community theatre actors. They were certainly wonderful professionals, but that is another story. (laughter) But then after that, for many years from 1950’s until 1985, there was a professional resident company of actors in Cleveland Play House based here. They did show after show after show. The artistic director at the time, Josephine Abady disbanded that from recommendation of the board and that’s when the standard practice now is to go to New York first to hire the actors for the company for starting. It doesn’t mean that Cleveland
actors are not hired, but it is not as frequent as back in the day when there was a resident company here.

R: So the resident company disbanded in ‘85?

A: I believe that is right. I can check the exact days if you want me to. It was under the auspices of Josephine Abady. She put an end to that. A lot of people miss that, but of course many people appreciate that there are Broadway caliber actors on stage here.

R: And you are close. It’s not far to come.

A: There are a lot of people who worked in New York that have come here, and who are now professors at Case Western and Oberlin and places like that who have New York experience as actors.

R: We were speaking of your community outreach. Tell me more about it because I know you have a lot.

A: I will speak directly about the education aspect of that. This is really a landmark institution in terms of community based learning. There are a lot of different problems in terms of education. I have only been here for two years, I came from Atlanta. I was part of a company that folded. I applied for a position here with CARE (Compassionate Arts Remaking Education). This is a three-year initiative funded by the Department of Education where we have four teaching artists who go into very tough neighborhoods in Cleveland, to work with students. Now it is really from K-8th grade to integrate social and emotional learning into their curriculum. These are all drama teachers, they’re all actors. A lot of it is introducing these students to principles of social and emotional learning – introduce these students into how to work with others, how to show respect for others, not just in the classroom, but outside of the classroom. And work on their skills in that regard to build better
students. It is done through the means of drama curriculum for the most part. That is that initiative and it is balanced against four schools that do not have CARE in their curriculum to see how test results stack up against CARE curriculum vs. non-CARE curriculum. It has been very successful and there has been a lot of growth and this model will be shared with other theatre institutions throughout the country to see how some of their teaching artists can go into underserved neighborhoods and work with their students on this very type of thing. So that is one big community based learning.

Another one is a bit older – our wrap around strategy. That is four different schools. There is one school that is actually shared by CARE and wraparounds. That is where we have site coordinators. Once again these are teaching artists/theatre people. They do less practical theatre games. They may get a drama club going but really what they do is that they work very closely with the principals of these schools and set up programming that helps the students. That could be anything from getting the student a coat in the winter or food pantries that have once a month when the Greater Cleveland Food Bank brings goods from the supermarkets and farmer markets at the school. So that the students, parents and their care givers can basically get free food.

R: That is amazing.

A: And this from a theatre. I am lucky enough to go to a lot of conferences and a lot of pow wows with education directors and all they want to do is talk about Cleveland Play House and what we are doing in the community. Sometimes it has nothing to do with the theatre. We are the only [theatre] organization that is sending folks out to do this type of work. We are a very valuable resource to our partners in the community. So, there is that, the Wraparound Program is an amazing program sponsored through the United Way.
R: But you guys provide the individuals.

A: Exactly. We provide the service and United Way signs off on everyone. It is a very successful program, so much so that they want to add a few more schools. We have a 13-person education department. Where I was before, in Atlanta, I was it.

R: I interned at Chicago Children’s Theatre. There were 2 and then interns. That was the education department.

A: Wow. We also have three education apprentices that join our team. Another community based program is our Engagement program which for many years was an artistic and now it is educational because we do have so many people, partly. But we provide community based learning for our patrons that are built around our engagement programs. Before they see the show, we do videos of the artists and actors and designers, edit them, and put them on iPads throughout the lobby so the patrons can see how the show was built or cast or other things like that.

There is also a component called behind the scenes where we have actors, directors and designers do workshops with our patrons, usually before the show opens about how it all came together. These are free events and they are very popular, and they happen for every show. There is also a tech night, which is one of our programs where patrons come to tech. They get primed for it and prepped for it and then they watch like 45 minutes of the show, which can be great. The play, the director, or the stage manager do not cater to tech night. If they happen to see a transition done thirty times during that hour, then, that is what it is. It may be as minimal as that or as extensive as a couple of scenes, depending on the play. That is pretty cool.
We used to do a thing that we don’t do anymore that I enjoyed but it didn’t play out the way we would have liked. It was called Script Club and we would go to libraries throughout Northeast Ohio and have a book club experience except for plays. The people who participated would read the script beforehand and discuss scenes and themes. It is on temporary hiatus right now because the hope was that these wonderful people who came to the libraries would come to the show. And that wasn’t happening enough for the powers that be. So we have that on the back burner.

R: Would you be willing to do that at universities and colleges?
A: Absolutely.

R: That is what we do. At least in Wooster.

A: That is awesome. And you could get credit for it.

R: And we could do a partnership and bring students up to see shows.

A: We would love, love to have more students. Younger, like everyone in the country. We love our subscriber base and they are wonderful and so supportive. We would love an influx of younger folks and a lot of our programing is geared that way. Sometimes the subscriber base is challenged by that. But they still come.

R: I have a question about CARE. Do you follow the students within those three years or do you change classes?
A: That is a really good question. I think we are following the same students which is challenging because there is turnover, of course. We figure in those particular grades, there will not be a large dropout rate. We work with a research firm, Philliber, that tracks all of the data.
R: Do you happen to have demographics of your patronage? Would you mind sending it to me at some point?
A: We do.
R: One of the aspects of my research is whether the income (by percentage and ration) of the area can be compared across the four. And whether location, including the demographics of the surrounding city. So, if you have the demographics, that is great.
A: I do. The one caveat that I would say, Becca, is that it is based on our student matinees.
R: I have one that is based upon one theatre of the Guthrie, rather than all three. Whatever you have.
A: I am sure that if I did a little digging, I could get it from the Main Stage. It might take a little bit of partnership and coordination, but I think I can send it to you this afternoon.
R: The student matinees are fine. Just trying to figure out if the audience reflects the city’s demographics. My assumption is that for all four, probably not.
A: I would think your assumption is correct.
R: How much do you rely on the National Endowment for the Arts? And what do you expect to do if it goes away?
A: Not to be vague… I know that we rely on them, like everybody does. There are different programs under the umbrella of the National Endowment for the Arts that we certainly rely upon. I think the Kennedy Center plays a huge part in education for us through a program called VSA, Very Special Arts, that we get students with disabilities to come to the performances. I assuming that is directly related to the National Endowment for the Arts. On the larger picture, I couldn’t say we get XX amount of money from the National Endowment for the Arts.
R: Because it changes, since it’s program based.

A: But from the operating perspective, I know that we are getting support. If and when it goes away, I think we would have to rely a lot more on grants from other organizations. We do get a large amount of money from the Shubert organization. There are private foundations in Ohio that support Cleveland Play House. Certainly, we have some real angels in the donor base, many of whom are still alive and who have their gifts acknowledged constantly. In fact, we have Kalberer Lobby – Walther and Jean Kalberer are two of our bigger supporters and still active in almost a day to day capacity. They are sort of living legends around here. They support not just Cleveland Play House but Case Western, the Symphony, and the museum. So, we have some people who can support us. Whether that is sustainable for a long time, who knows? But I think if that were to happen, I think that through grants and private donations the Company could get by for a while.

R: You did mention some of the grants I was going to ask you about. Do you get any government grants? Like from the state? Or you mentioned the Kennedy.

A: From the state, yes.

R: Like the Ohio Arts Council?

A: Yes, the Ohio Arts Council, exactly.

R: This is just looking from the two 990’s that I had. But did you obtain any new assets between 2012 and 2015 because there was an increase of about $300,000 in income of assets.

Fiscal year 13 and fiscal year 15.

A: It seems to me, and this is just speculation. It would seem to me the timing of that is the move from uptown to downtown, to be part of the power of three: Cleveland State, where we are now, our rehearsal halls are upstairs are part of that. Then, Play House Square: our
theatres are located on the campus of Play House Square. And then, Cleveland Play House. With the move, my best speculation on that is that we gained more assets in that move, which is part of the reason why we did move.

R: That is what I thought. (pause) What about that partnership? How did it come about?

When talking to people about my research throughout this time, people always tell me about the most recent show they have seen at Play House Square. While Cleveland Play House is part of Play House Square there is definitely a separation.

A: Yes, Thank you. Absolutely. My wife works in subscriptions, and it is very confusing.

R: How did it come about? What can you tell me about the whole picture?

A: I will do my best because a lot of it is history is hearsay because it was before my time. I think it was a financially mutual arrangement that was basically a sound financial decision to make the move. There is more power in the power of three, if you will, than being a self-sustaining organization on Euclid Avenue. Although many people miss that organization and that facility. It had parking and three terrific theatres, but the capacity of the theatre itself and the potential to grow in that space was just not there. At the time, our managing director, Kevin Moore, and the powers that be at Cleveland Play House and Play House Square launched this plan, not just for the health of Cleveland Play House, but for the success and future of all three organizations. It made sense going forward that this move would be mutually beneficial, of course, and that is why it happened. I don’t know that there was any risk or fear of the former location closing but, I don’t know who approached who first. that is what I don’t know. It would seem that Cleveland Play House would have been the ones to reach out, that the Board would reach out to the other two organizations. I don’t think Cleveland State or Play House Square were hurting. As you know, Play House Square is the
largest in the country. It is still early enough, we are only in the fifth or sixth year and it is
still early in these things.

R: Especially for a company that has been around for a hundred years.

A: Exactly. [We’re learning] what that relationship is. I know what it is with Cleveland State.
We have this building, we are across the hall. We are right here. We can only use their
parking at certain times. The tradeoff is that the theatre aspect of it all is its own entity, and
we don’t have full ownership of ourselves. Any time education or anyone wants to do
anything that happens to be at Play House Square, we have to do a lot of paperwork to make
it happen. We can never assume.

R: Even the three theatres that are yours?

A: Yes, absolutely, because really, they belong to Play House Square. Good point. We have
to clear things with them. I am setting up the apprentices. Our apprentices start on the 14th of
August, so of course, we want to show off these great theatres, even our own theatres, and I
have to set up a tour request through Play House Square. Anytime we want to do an
engagement program there in the lobby, we have to clear it with Play House Square. We have
someone here very good at that, Maureen, who works in in our operations who is our liaison.

Here at the Middough, we want to have auditions or we want to do a rehearsal. Well,
I am sorry, but Cleveland State has their dance troupe in there. We are. not at the mercy, but
we have to clear everything with our partner organizations.

R: And since you are new on the scene….

A: Yes, exactly. Last year, Steel Magnolias was a co-production between Play House Square
and Cleveland Play House. That was a new thing, it had never been done before. It seems
like a natural, it happened in the summer. What was very interesting, was that we have these
patrons who are used to seeing musicals and sitting very, very far away in a 2000 seat theatre over there, coming to Cleveland Play House, seeing a non-musical in a 500-seat theatre that feels very intimate. I don’t know how successful it was overall. I like to think it was very successful. But some things were learned.

Other things are that are happening is some of our staff, some of our leadership are teaching classes with Cleveland State for credit. Even though it has been five or six years, there are some initiatives that are very new, and it is still a feeling out process if you will, between the three organizations.

R: I had a question in the middle of all of that, but I don’t remember what it was because I started listening again. This is another question. When did Cleveland State and Cleveland Play House decide to offer the MFA program together?

A: Last year was the 20th anniversary.

R: It was before the move.

A: Yes. It was before. And it is Case Western, which is very confusing to people. Why wouldn’t it be Cleveland State? But again, whoever decided there needed to be a MFA program obviously had ties to Case Western. But the administrative aspect of the MFA program is housed at Case Western. And they are essentially paid through Case Western. Our 8 MFA’s are paid through Case Western. The opportunities they get are provided by Cleveland Play House, their classes, the opportunities they get to appear on stage, all of that is the Play House.

R: Where are your shops? Are they at Play House Square or in this facility?

A: There is a production center which is amazing on the east side, 72nd St and Detour Ave, just off 790 East. Three thousand square feet which is amazing. Our props, the builds take
place there, storage, scenic. Costumes are here on the fifth floor, just by the elevators before
we get to the rehearsal hall.

R: Are there issues with it being so spread out? Or has it reached the point where it all
works?

A: It all works. They bring these big production trucks that bring all the elements over. That
is pretty smooth. Anything that might have been wonky the first couple of years has been
worked out since then. Where it does affect, frankly, is that there is sort of as you might
imagine...because so many of the production staff is over there, and this is the hub of activity
for most of the company. So there is a psychological/physical disconnect between
administration and production. I feel that especially in the apprentice program which is on
my watch. I just came out of a meeting where after 6 years of the apprenticeship, we are
really fully integrating the experience of the production apprentices and the administrative
apprentices. So much of the program has been geared to the administrative apprentices, and
we’ve got lots of feedback that the production apprentices don’t feel a part of the
apprenticeship because of the physical disconnect. That is something I am very aware of.

...  

R: What kind of fund raising events do you do?

A: We have a Gala every May, which is a huge, huge event. It has changed locations. In the
time that I have been here, it has always been in the theatre. It does very well, I want to say
they netted over $400,000. It is a big production. It is dealt with the same regard and respect
and the same detail as one of the Main Stage productions.

R: That is wonderful.
A: They are already thinking about it for next year. They get wonderful entertainment. Sometimes they will bring back an artist from the season that the audience has an association with and have them perform. There is a huge auction. Not a silent auction which is interesting but a live auction that does very well. But it is a huge deal. To my knowledge, that is the biggest one, the only one. All the energies go to that. Education does very well with that, especially the CARE program. That helps the cause for the entire theatre.

R: Education is the easiest to raise money for which is how it should be. What is your most profitable event?

A: The Gala.

R: What is your most rewarding?

A: Wow. I have to say the pantries in the school are pretty amazing, especially when the Board comes and these people are rolling their sleeves up and passing the turkeys out at Thanksgiving. It is sort of amazing. Especially coming from a theatre, that blows people away.

R: My last question is, “Do you receive any royalties? From what I saw, from both the budget and the 990’s, there wasn’t any. But I know there were a lot of world premieres”.

A: That is a really good point. I don’t know. In the years that you have, Becca, it might not have started yet. There is a wonderful organization here called the Playwrights Unit which is part of what the Cleveland Play House does, that gives writers the opportunity to experiment with having new works read. I know that in particular, the playwright, Eric Coble, who is the house playwright, he’s had two world premieres that have started here. One - two years ago - and one - a couple of months ago. That would not have been reflected in the years that you
have. If there are any type of royalties, that he controls. He may have control, they may go to him, the Play House may have just produced it.

With something like Freaky Friday, we didn’t start it. So I don’t know if we would get any royalties. We just happened to be one of the theatres that it stopped at. The only other thing I can think of is that three years ago, a play premiered here, it was a Ken Ludwig piece, Comedy of Tenors. Cleveland Play House was the first to produce it. But whether that leads to any type of royalties if any other company that wants to produce it, I don’t know. It should. Isn’t that the way those things work?

R: It should. That is the way it does at the other three that I have looked at. Last year, Hartford Stage, had the Gentleman’s Guide, and Anastasia, they all started there. Arena started Dear Evan Hanson. Then there is another one at the Alley that was bringing in a lot.

It is possible that it just gets pushed into another part.

A: It may. Cause, Comedy of Tenors would have been the Fall of 2015.

R: That just misses it. Maybe that is it.

A: Some of the years, I know what the shows were, but I don’t know if there was anything we were developing and producing that would have been a property per se. It is happening, but under the radar.

R: Or missed those three years. Well, that’s all I have so thank you.
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