TheProducersPerspective.com Presents:

BREAKIN' DOWN A BROADWAY BUDGET

The Webinar
SESSION #2

Wednesday, October 29th
7-8PM

BREAKIN' DOWN A BROADWAY BUDGET

Session #2 Agenda

- The Components of a Broadway Budget (continued)
    - Component #3: Operating Budget
    - Component #4: Recoupment Schedule(s)
    - Component #5: Price Scale
- What to do when you're over budget
- Q&A

SOMEWHERE IN TIME **Schedule 5-3**
ESTIMATED FIXED WEEKLY OPERATING EXPENSES
MID-SIZED BROADWAY THEATRE 1-Aug-13

SALARIES		
Star	$ -	
Principals	$ 30,000	
Ensemble	$ 24,923	
Swings	$ 8,030	
Stage Managers	$ 7,633	
Dance Captain Premiums	$ 542	
Principal Understudy Assignments	$ 450	
Chorus Parts	$ 320	
Chorus Understudy Assignments	$ 480	
Equity Vacation Pay	$ 2,895	
Equity Sick Leave	$ 2,262	
Child Wrangler	$ 1,100	
Production Crew	$ 1,800	
Company Crew	$ 16,100	
Wardrobe Supervisor	$ 3,900	
Dressers	$ 10,500	
Hairdressers	$ 4,950	
Musical Director	$ 3,950	
Associate Musical Director	$ 400	
Company Manager & Assistant	$ 2,300	
General Manager	$ 5,500	
Press Agent	$ 2,850	
Marketing Firm	$ 2,000	
Internet Marketing Firm	$ 2,000	
Production Manager	$ 1,200	
Orchestra Contractor	$ 892	
Piano/Vocal Arranger	$ 500	
Dance Arranger	$ 500	
Casting Director	$ 1,150	
Fight Director	$ -	
Rehearsals & Work Calls	$ 1,800	
Company Payroll Taxes	$ 21,139	
Company Union Fringe Benefits	$ 25,367	
		$ 187,433
ADVERTISING & PUBLICITY		
Print Advertising, Television & Radio Advertising, Outdoor Advertising, Direct Response, Production, Artwork & Mechanicals, Publicity, Promotion & Marketing, Website, Online Media, Broadcast Residuals, Press Agent Expenses		$ 100,000
DEPARTMENTAL EXPENSES		
Carpenter, Automation & Props	$ 1,000	
Electrics & Sound	$ 1,500	
Wardrobe, Hair & Makeup	$ 2,500	
Company & Stage Managers	$ 500	
		$ 5,500

SOMEWHERE IN TIME **Schedule 5-3**
ESTIMATED FIXED WEEKLY OPERATING EXPENSES
MID-SIZED BROADWAY THEATRE 1-Aug-13

EQUIPMENT RENTALS		
Automation	$ 4,200	
Electrics	$ 12,000	
Sound	$ 8,500	
Genie Lifts & Chain Motors	$ 500	
Musical Instruments	$ 400	
		$ 25,600
THEATRE EXPENSES		
Fixed Rent	$ 10,000	
Air Conditioning	$ 1,600	
Theatre Fixed Operating Expenses	$ 24,000	
Theatre - Itemized Charges	$ 3,250	
House Manager	$ 1,988	
Box office	$ 10,000	
Porters & Cleaners	$ 7,500	
Ushers, Ticket Takers, Doorman	$ 13,500	
Theatre Stagehands	$ 21,240	
Rehearsals & Work Calls	$ 2,766	
Holiday Pay	$ 717	
Theatre Musicians	$ 28,298	
Theatre Payroll - Union Benefits	$ 14,413	
Theatre Payroll - Tax Burden	$ 10,965	
		$ 150,237
GENERAL & ADMINISTRATIVE		
Office Fee	$ 1,500	
Executive Producer	$ 3,000	
Legal	$ 900	
Accounting	$ 1,869	
Insurance	$ 4,750	
Closing Cost Reserve	$ 4,500	
Cast Replacement Reserve	$ 500	
Photocopying, Telefax, Phones, Postage	$ 750	
Computer Payroll Service	$ 375	
Miscellaneous & Other	$ 500	
		$ 18,644
TOTAL ESTIMATED FIXED WEEKLY COMPANY OPERATING COSTS (NEW YORK)		$ 487,415

SOMEWHERE IN TIME Schedule 5-4
ESTIMATED WEEKLY BREAKEVEN & OPERATING PROFITS 01-Aug-13
MID-SIZED BROADWAY THEATRE

PRE-RECOUPMENT - WITH AMORTIZATION

	(Breakeven)					(Capacity)
Percentage of Capacity:	56.4%	60.0%	70.0%	80.0%	90.0%	100.0%
GROSS GROSS WEEKLY BOX OFFICE RECEIPTS	$ 628,093	$ 668,328	$ 779,716	$ 891,104	$ 1,002,492	$ 1,113,880
	$ (65,950)	$ (70,174)	$ (81,870)	$ (93,566)	$ (105,262)	$ (116,957)
NET GROSS WEEKLY BOX OFFICE RECEIPTS	$ 562,143	$ 598,154	$ 697,846	$ 797,538	$ 897,230	$ 996,923
LESS: WEEKLY OPERATING EXPENSES:						
Fixed Weekly Operating Expenses	$ 487,415	$ 487,415	$ 487,415	$ 487,415	$ 487,415	$ 487,415
Theatre Percentage Rent (Note #1)	$ 33,729	$ 35,889	$ 41,871	$ 47,852	$ 53,834	$ 59,815
TOTAL WEEKLY OPERATING EXPENSES	$ 521,143	$ 523,304	$ 529,285	$ 535,267	$ 541,248	$ 547,230
GROSS WEEKLY OPERATING SURPLUS	$ 41,000	$ 74,850	$ 168,560	$ 262,271	$ 355,982	$ 449,693
LESS: PROFIT POOL ROYALTIES (Notes #2 & #3)	$ 41,000	$ 41,000	$ 41,000	$ 59,839	$ 118,017	$ 176,196
NET WEEKLY OPERATING PROFIT	$ (0)	$ 33,850	$ 127,560	$ 202,433	$ 237,965	$ 273,497
Total Weeks to Recoup Production Costs (excl. bonds & reserve) $8,294,341	**N/A**	**245.0**	**65.0**	**41.0**	**34.9**	**30.3**

Notes: 1. Theatre Percentage Rent is estimated at 6% of Net Weekly Gross Box Office Receipts

2. Royalty Pool is calculated at:

	Points	NOP %	MWG
Pre-recoupment	15.3125	41.3889%	20,500.00
Post-Recoupment	18.2917	48.8449%	20,500.00

3. This schedule assumes an amortization factor of 2% of Out-Of-Pocket Production Costs totaling $ 8,294,341
There is an amortization clawback of 50% of the weekly operating profit in excess of the amortization
With this amortization, the MWG is assumed at 200% of contractual rate

SOMEWHERE IN TIME
ESTIMATED WEEKLY BREAKEVEN & OPERATING PROFITS
MID-SIZED BROADWAY THEATRE

Schedule 5-5
01-Aug-13

PRE-RECOUPMENT - NO AMORTIZATION

	(Breakeven)					(Capacity)
Percentage of Capacity:	54.2%	60.0%	70.0%	80.0%	90.0%	100.0%
GROSS GROSS WEEKLY BOX OFFICE RECEIPTS	$ 603,726	$ 668,328	$ 779,716	$ 891,104	$ 1,002,492	$ 1,113,880
	$ (63,391)	$ (70,174)	$ (81,870)	$ (93,566)	$ (105,262)	$ (116,957)
NET GROSS WEEKLY BOX OFFICE RECEIPTS	$ 540,335	$ 598,154	$ 697,846	$ 797,538	$ 897,230	$ 996,923
LESS: WEEKLY OPERATING EXPENSES:						
Fixed Weekly Operating Expenses	$ 487,415	$ 487,415	$ 487,415	$ 487,415	$ 487,415	$ 487,415
Theatre Percentage Rent (Note #1)	$ 32,420	$ 35,889	$ 41,871	$ 47,852	$ 53,834	$ 59,815
TOTAL WEEKLY OPERATING EXPENSES	$ 519,835	$ 523,304	$ 529,285	$ 535,267	$ 541,248	$ 547,230
GROSS WEEKLY OPERATING SURPLUS	$ 20,500	$ 74,850	$ 168,560	$ 262,271	$ 355,982	$ 449,693
LESS: PROFIT POOL ROYALTIES (Notes #2 & #3)	$ 20,500	$ 30,979	$ 69,765	$ 108,551	$ 147,337	$ 186,123
NET WEEKLY OPERATING PROFIT	$ 0	$ 43,870	$ 98,795	$ 153,720	$ 208,645	$ 263,570
Total Weeks to Recoup Production Costs (excl. bonds & reserve) $8,294,341	**N/A**	**189.1**	**84.0**	**54.0**	**39.8**	**31.5**

Notes: 1. Theatre Percentage Rent is estimated at 6% of Net Weekly Gross Box Office Receipts

2. Royalty Pool is calculated at:

	Points	NOP %	MWG
Pre-recoupment	15.3125	41.3889%	20,500.00
Post-Recoupment	18.2917	48.8449%	20,500.00

3. This schedule assumes no amortization factor.

SOMEWHERE IN TIME
ESTIMATED WEEKLY BREAKEVEN & OPERATING PROFITS
MID-SIZED BROADWAY THEATRE

Schedule 5-6
01-Aug-13

PRE-RECOUPMENT - GROSS ROYALTIES

	(Breakeven)					(Capacity)
Percentage of Capacity:	62.1%	70.0%	75.0%	80.0%	90.0%	100.0%
GROSS GROSS WEEKLY BOX OFFICE RECEIPTS	$ 692,102	$ 779,716	$ 835,410	$ 891,104	$ 1,002,492	$ 1,113,880
	$ (72,671)	$ (81,870)	$ (87,718)	$ (93,566)	$ (105,262)	$ (116,957)
NET GROSS WEEKLY BOX OFFICE RECEIPTS	$ 619,431	$ 697,846	$ 747,692	$ 797,538	$ 897,230	$ 996,923
LESS: WEEKLY OPERATING EXPENSES:						
Fixed Weekly Operating Expenses	$ 487,415	$ 487,415	$ 487,415	$ 487,415	$ 487,415	$ 487,415
Theatre Percentage Rent (Note #1)	$ 37,166	$ 41,871	$ 44,862	$ 47,852	$ 53,834	$ 59,815
TOTAL WEEKLY OPERATING EXPENSES	$ 524,580	$ 529,285	$ 532,276	$ 535,267	$ 541,248	$ 547,230
GROSS WEEKLY OPERATING SURPLUS	$ 94,851	$ 168,560	$ 215,416	$ 262,271	$ 355,982	$ 449,693
LESS: ROYALTIES ON GROSS (Note #2)	$ 94,850	$ 106,858	$ 114,490	$ 122,123	$ 137,388	$ 152,654
NET WEEKLY OPERATING PROFIT	$ 0	$ 61,703	$ 100,925	$ 140,148	$ 218,593	$ 297,039
Total Weeks to Recoup Production Costs (excl. bonds & reserve) $8,294,341	**N/A**	**134.4**	**82.2**	**59.2**	**37.9**	**27.9**

Notes: 1. Theatre Percentage Rent is estimated at 6% of Net Weekly Gross Box Office Receipts

2. Royalty Pool is calculated at:

	Points	NOP %	MWG
Pre-recoupment	15.3125	41.3889%	20,500.00
Post-Recoupment	18.2917	48.8449%	20,500.00

SOMEWHERE IN TIME
ESTIMATED WEEKLY BREAKEVEN & OPERATING PROFITS
MID-SIZED BROADWAY THEATRE

Schedule 5-7
01-Aug-13

POST-RECOUPMENT - WITH AMORTIZATION

	(Breakeven)					(Capacity)
Percentage of Capacity:	54.2%	65.0%	75.0%	80.0%	90.0%	100.0%
GROSS GROSS WEEKLY BOX OFFICE RECEIPTS	$ 603,726	$ 724,022	$ 835,410	$ 891,104	$ 1,002,492	$ 1,113,880
	$ (63,391)	$ (76,022)	$ (87,718)	$ (93,566)	$ (105,262)	$ (116,957)
NET GROSS WEEKLY BOX OFFICE RECEIPTS	$ 540,335	$ 648,000	$ 747,692	$ 797,538	$ 897,230	$ 996,923
LESS: WEEKLY OPERATING EXPENSES:						
Fixed Weekly Operating Expenses	$ 487,415	$ 487,415	$ 487,415	$ 487,415	$ 487,415	$ 487,415
Theatre Percentage Rent (Note #1)	$ 32,420	$ 38,880	$ 44,862	$ 47,852	$ 53,834	$ 59,815
TOTAL WEEKLY OPERATING EXPENSES	$ 519,835	$ 526,295	$ 532,276	$ 535,267	$ 541,248	$ 547,230
GROSS WEEKLY OPERATING SURPLUS	$ 20,500	$ 121,705	$ 215,416	$ 262,271	$ 355,982	$ 449,693
LESS: PROFIT POOL ROYALTIES (Note #2)	$ 20,500	$ 59,447	$ 105,220	$ 128,106	$ 173,879	$ 219,652
NET WEEKLY OPERATING PROFIT BEFORE AMORT PAYBACK	$ 0	$ 62,258	$ 110,196	$ 134,165	$ 182,103	$ 230,041
AMORTIZATION PAYBACK (Note #3)	$ 0	$ 9,339	$ 16,529	$ 20,125	$ 27,315	$ 34,506
NET WEEKLY OPERATING PROFIT	$ 0	$ 52,920	$ 93,667	$ 114,040	$ 154,787	$ 195,535

Notes: 1. Theatre Percentage Rent is estimated at 6% of Net Weekly Gross Box Office Receipts

2. Royalty Pool is calculated at:

	Points	NOP %	MWG
Pre-recoupment	15.3125	41.3889%	20,500.00
Post-Recoupment	18.2917	48.8449%	20,500.00

3. The amortization payback is assumed at 15% of Weekly Net Operating Profit

SOMEWHERE IN TIME
ESTIMATED WEEKLY BREAKEVEN & OPERATING PROFITS
MID-SIZED BROADWAY THEATRE

Schedule 5-8
01-Aug-13

POST-RECOUPMENT - NO AMORTIZATION

	(Breakeven)					(Capacity)
Percentage of Capacity:	54.2%	65.0%	75.0%	80.0%	90.0%	100.0%
GROSS GROSS WEEKLY BOX OFFICE RECEIPTS	$ 603,726	$ 724,022	$ 835,410	$ 891,104	$ 1,002,492	$ 1,113,880
	$ (63,391)	$ (76,022)	$ (87,718)	$ (93,566)	$ (105,262)	$ (116,957)
NET GROSS WEEKLY BOX OFFICE RECEIPTS	$ 540,335	$ 648,000	$ 747,692	$ 797,538	$ 897,230	$ 996,923
LESS: WEEKLY OPERATING EXPENSES:						
Fixed Weekly Operating Expenses	$ 487,415	$ 487,415	$ 487,415	$ 487,415	$ 487,415	$ 487,415
Theatre Percentage Rent (Note #1)	$ 32,420	$ 38,880	$ 44,862	$ 47,852	$ 53,834	$ 59,815
TOTAL WEEKLY OPERATING EXPENSES	$ 519,835	$ 526,295	$ 532,276	$ 535,267	$ 541,248	$ 547,230
GROSS WEEKLY OPERATING SURPLUS	$ 20,500	$ 121,705	$ 215,416	$ 262,271	$ 355,982	$ 449,693
LESS: PROFIT POOL ROYALTIES (Note #2)	$ 20,500	$ 59,447	$ 105,220	$ 128,106	$ 173,879	$ 219,652
NET WEEKLY OPERATING PROFIT	$ 0	$ 62,258	$ 110,196	$ 134,165	$ 182,103	$ 230,041

Notes: 1. Theatre Percentage Rent is estimated at 6% of Net Weekly Gross Box Office Receipts

2. Royalty Pool is calculated at:

	Points	NOP %	MWG
Pre-recoupment	15.3125	41.3889%	20,500.00
Post-Recoupment	18.2917	48.8449%	20,500.00

SOMEWHERE IN TIME
ESTIMATED WEEKLY BREAKEVEN & OPERATING PROFITS
MID-SIZED BROADWAY THEATRE

Schedule 5-9
01-Aug-13

POST-RECOUPMENT - GROSS ROYALTIES

	(Breakeven)					(Capacity)
Percentage of Capacity:	64.6%	70.0%	75.0%	80.0%	90.0%	100.0%
GROSS GROSS WEEKLY BOX OFFICE RECEIPTS	$ 719,336	$ 779,716	$ 835,410	$ 891,104	$ 1,002,492	$ 1,113,880
	$ (75,530)	$ (81,870)	$ (87,718)	$ (93,566)	$ (105,262)	$ (116,957)
NET GROSS WEEKLY BOX OFFICE RECEIPTS	$ 643,806	$ 697,846	$ 747,692	$ 797,538	$ 897,230	$ 996,923
LESS: WEEKLY OPERATING EXPENSES:						
Fixed Weekly Operating Expenses	$ 487,415	$ 487,415	$ 487,415	$ 487,415	$ 487,415	$ 487,415
Theatre Percentage Rent (Note #1)	$ 38,628	$ 41,871	$ 44,862	$ 47,852	$ 53,834	$ 59,815
TOTAL WEEKLY OPERATING EXPENSES	$ 526,043	$ 529,285	$ 532,276	$ 535,267	$ 541,248	$ 547,230
GROSS WEEKLY OPERATING SURPLUS	$ 117,763	$ 168,560	$ 215,416	$ 262,271	$ 355,982	$ 449,693
LESS: ROYALTIES ON GROSS (Note #2)	$ 117,763	$ 127,648	$ 136,765	$ 145,883	$ 164,118	$ 182,354
NET WEEKLY OPERATING PROFIT	$ 0	$ 40,913	$ 78,650	$ 116,388	$ 191,864	$ 267,339

Notes: 1. Theatre Percentage Rent is estimated at 6% of Net Weekly Gross Box Office Receipts

2. Royalty Pool is calculated at:

	Points	NOP %	MWG
Pre-recoupment	15.3125	41.3889%	20,500.00
Post-Recoupment	18.2917	48.8449%	20,500.00

SOMEWHERE IN TIME

ESTIMATED ROYALTIES & PROFIT POOL 1-Aug-13

PRE-100% RECOUPMENT

Contribution	Name	Pro-Rata Contractual Rate	Percentage Share of Total Pool	Minimum of Net Profits	Maximum Royalties at Breakeven
				41.39%	
Authors		5.250	34.29%	15.560%	$ 6,000
Underlying Rights - Matheson		1.750	11.43%	5.187%	$ 2,000
Underlying Rights - Universal		0.438	2.86%	1.729%	$ 500
Director		1.000	6.53%	3.000%	$ 2,000
Choreographer		0.500	3.27%	1.000%	$ 750
Scenic Designer		0.500	3.27%	1.000%	$ 750
Costume Designer		0.500	3.27%	1.000%	$ 750
Lighting Designer		0.500	3.27%	1.000%	$ 750
Sound Designer		0.375	2.45%	0.750%	$ 750
Orchestrator		0.500	3.27%	0.790%	$ 750
Workshop/Regional		1.000	6.53%	2.593%	$ 1,000
Producers		2.000	13.06%	5.187%	$ 3,000
Investors		1.000	6.53%	2.593%	$ 1,500
		15.313	100.00%	41.389%	$ 20,500

POST- 100% RECOUPMENT

Contribution	Name	Pro-Rata Contractual Rate	Percentage Share of Total Pool	Minimum of Net Profits	Maximum Royalties at Breakeven
				48.84%	
Authors		7.000	38.27%	17.780%	$ 6,000
Underlying Rights - Matheson		2.333	12.76%	5.927%	$ 2,000
Underlying Rights - Universal		0.583	3.19%	1.976%	$ 500
Director		1.000	5.47%	3.500%	$ 2,000
Choreographer		0.500	2.73%	1.143%	$ 750
Scenic Designer		0.500	2.73%	1.143%	$ 750
Costume Designer		0.500	2.73%	1.143%	$ 750
Lighting Designer		0.500	2.73%	1.143%	$ 750
Sound Designer		0.375	2.05%	0.857%	$ 750
Orchestrator		0.500	2.73%	0.900%	$ 750
Workshop/Regional		1.500	8.20%	4.445%	$ 1,000
Producers		2.000	10.93%	5.927%	$ 3,000
Investors		1.000	5.47%	2.963%	$ 1,500
		18.292	100.00%	48.845%	$ 20,500

SOMEWHERE IN TIME

Schedule **5-11**

ESTIMATED GROSS WEEKLY BOX OFFICE RECEIPTS AT CAPACITY

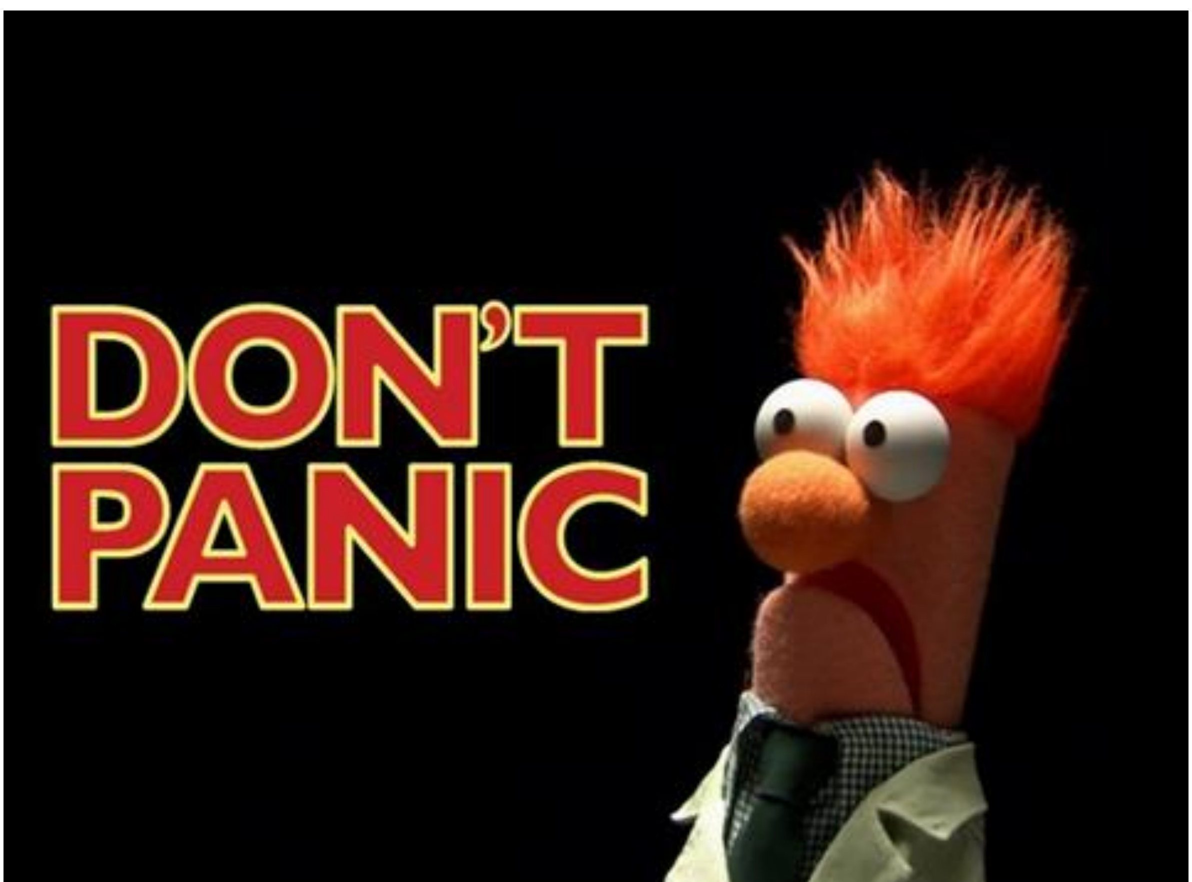
BROOKS ATKINSON - FOR BUDGET PURPOSES ONLY 1-Aug-13

Orchestra	574	seats x	$140.00 =	$80,360.00		
Front Mezz	285	seats x	$140.00 =	$39,900.00		
Rear Mezz	100	seats x	$75.00 =	$7,500.00		
	1,044			$139,235.00	x 8 perfs. =	$1,113,880.00
Deductions:						
Turkus Tax Relief			4.5%			($50,124.60)
Commissions:						
Estimated Commissions			6.0%			($66,832.80)
NET POTENTIAL GROSS BOX OFFICE RECEIPTS AT CAPACITY						$996,922.60

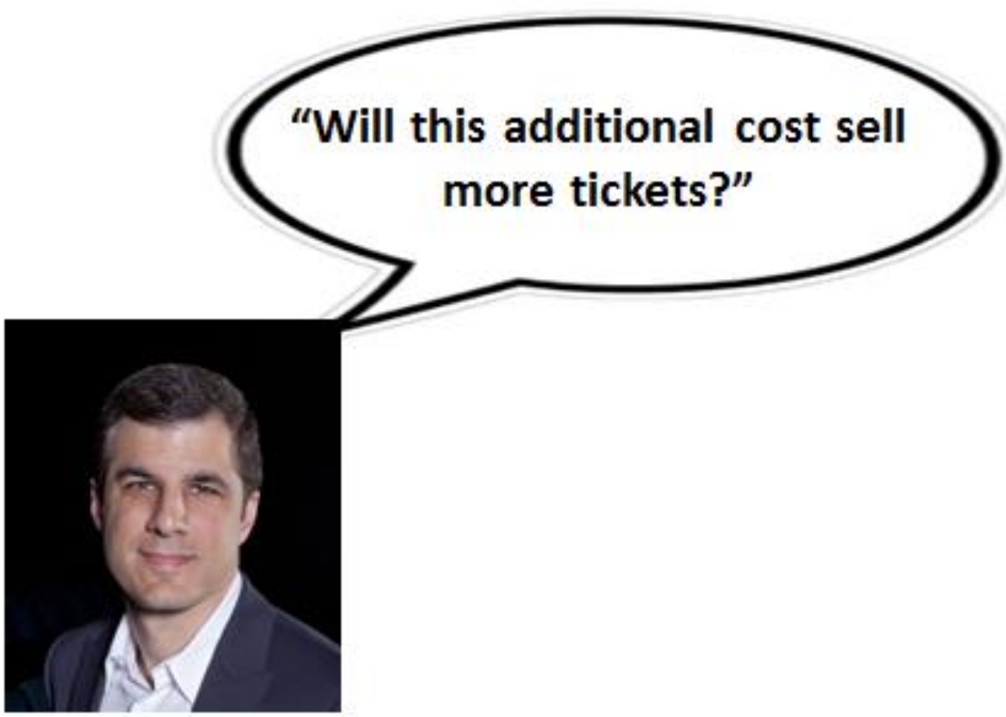
* Production kills and limited view to be determined.

* Does not include allocation for premium ticket sales


WHAT TO DO WHEN
YOU'RE OVER BUDGET


DON'T
PANIC


LEONARDO DICAPRIO
KATE WINSLET
TITANIC


"Will this additional cost sell more tickets?"


Honesty

Q&A

To ask a question press *6 and wait to be called on.

Please state your name and where you are calling from and then ask away!

GOODBYE AND THANK YOU!