

Proof of Evidence: Tom Clarke MRTPI on behalf of Theatres Trust

Appeal References: APP/X5210/W/19/3243781 & APP/X5210/Y/19/3243782 (Linked Case)

# **Appendix 1:**

**Statement from a West End theatre operator  
(anonymous for reasons of commercial sensitivity)**

*London's West End is a world-leading powerhouse of artistic talent and one which we are proud to be a part of. Pre-Covid, venues in the West End had seen rising audience numbers and a growing demand from producers, reinforcing a need for new theatre space. While the pandemic has brought challenges to the industry we strongly believe that the demand for high quality performance from both much-loved and emerging talent will return, and alongside this the requirement for additional theatre provision in our capital.*

*The Saville Theatre is believed the only remaining opportunity to revive a large scale theatre space in the West End. The site is ideally situated between existing West End theatres and provides both footprint and volume for a c.1000 seat auditorium and a stage and fly tower with capacity for large scale productions. We view the renovation and reopening of the building as a live performance venue a viable prospect if the selling price of the building is at market rate. We have made our interest in the building known and would also expect this to be a prospect that would interest other major theatre groups.*

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## **Appendix 2:**

**Letter from Cameron Mackintosh Limited / Delfont  
Mackintosh Theatres**

C A M E R O N



M A C K I N T O S H  
L I M I T E D

NUMBER ONE, BEDFORD SQUARE  
LONDON WC1B 3RB  
TELEPHONE (020) 7637 8866  
FACSIMILE (020) 7436 2683

Jon Morgan  
Director  
Theatres Trust  
22 Charing Cross Road,  
London WC2H 0QL

October 19, 2020

Dear Jon

I am writing on behalf of Cameron Mackintosh Limited as a musical theatre producer, and Delfont Mackintosh Theatres as theatre owner/operator, to urge the Theatres Trust to ensure the Saville Theatre be retained for theatrical use.

The impact of the pandemic must not allow the theatre sector to diminish at a time when it will be more crucial than ever that it be a part of London's recovery, as well as the restitution of the West End's worldwide reputation. Prior to the pandemic, spaces in central London were being developed to allow theatre to play its part in the creative sector. We therefore urge the Trust to ensure that no development outside theatrical use be considered for the next 5 years in which time it will be possible to encourage bids for the theatre's redevelopment from a number of parties, including ourselves.

In recent years theatres with around 1000 seats have been increasing in profitability as demand for both high quality drama and musical theatre has seen box office income increase. We see no reason as to why this will not return.

Indeed even during these difficult times, and speaking from our own experience, the public's appetite to return to theatre has been most emphatically demonstrated by the instant sell-out of Les Miserables – the Staged Concert which will play a limited run at the Sondheim this Christmas. All this to say that demand for theatrical entertainment has not waned, and we expect this demand to increase exponentially as society returns, as it surely must, to a semblance of normality.

All good wishes

ALAN FINCH  
Managing Director

DIRECTORS CAMERON MACKINTOSH  
NICHOLAS ALLOTT ALAN FINCH RICHARD JOHNSTON RICHARD KNIBB ROBERT NOBLE THOMAS SCHÖNBERG

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# **Appendix 3:**

## **Letter from Selladoor Worldwide**

To whom it may concern,

I write in regards to the recent planning application to convert the former Saville Theatre site in Shaftesbury Avenue into a luxury hotel and our objection to this.

As a major theatre producer, and operator of 3 UK theatre buildings – there is a distinct lack of West End Theatres to house the number of 1<sup>st</sup> class productions trying to get into the London marketplace. Having produced *9 to 5 The Musical* at the Savoy Theatre for the last 14 months, it's apparent how limited the West End is in terms of 1,000 house seaters – and many productions have been queuing up behind *9 to 5 The Musical* to bring their work to the Savoy Theatre, but given huge demand for the show there hasn't been real estate available. Equally finding a theatre that is so perfectly located in 'Theatreland' and with an important history as a large scale theatre is rare – in fact, possibly even one of the last options of its kind in London.

As a theatre operator, currently engaged in a £21M capital development project for a 600-seat theatre in Greenwich, an outer London Borough on a much smaller footprint building, I can also confirm there is huge appetite from the commercial theatre sector to invest in capital development projects to refurbish theatres so they can be run commercially – even a project that may have a 20 to 25 year ROI model. This is due to the ongoing demand for West End Theatres, and indeed the captive audiences that flock into the capital to see shows – and indeed the upwards trends of attendance in Theatre in London.

Although we currently find ourselves in an unprecedented time, which has sadly resulted in the closure of theatres across the UK, I strongly believe that demand for West End Theatre will return stronger than before once health and society has been restored. Although the timelines for reopening theatres are uncertain, as a venue operator I have been overwhelmed by the number of patrons who have shown their support for our venues and for the industry, either by donations or most importantly, rebooking their tickets. The demand for theatre is still present even in this period of uncertainty. Furthermore, during this time of isolation arts and culture have been vital contributors to engage and motivate people across the UK, proving the demand and benefits that theatre can offer people. Once we have overcome this pandemic, the bright lights of the West End will help revive normality.

The site of the Odeon Cinema/former Saville Theatre is perfectly located in London along a street with a historic theatrical value, and indeed as an island site – giving it good access for the load-in and physical requirements of an operating theatre. Our business models similarly echoes the models of current venues within the same location, scale and type of usage, which strengthens our belief that a 1,000-1,200 seat venue is viable and commercially sustainable.

**SELLADOOR**

WORLDWIDE

If the Saville Theatre site should be available for offers of interest to invest in capital development, and enter into either a purchase or long lease on the building – Selladoor Worldwide, as a theatre operator and major production company would definitely be interested. There is a lack of West End Theatres which is stunting the growth of a continually evolving theatre market in London which is so vital to the economies of many other businesses in London.

Best wishes,

**David Hutchinson**

*CEO*

**Selladoor Worldwide**

**London Office** | 1 Creek Road, London, SE8 3BT, UK

**New York Office** | 161 W 61st Street, Commercial Space North, New York, NY 10023, USA

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# **Appendix 4:**

## **Letter from Shaftesbury Theatre**





Jon Morgan,  
Director,  
Theatres Trust,  
22 Charing Cross Road,  
London  
WC2H 0QL

Wednesday 22<sup>nd</sup> April 2020

Dear Jon

**Odeon/Saville Theatre, Shaftesbury Avenue, London**

As you know the Shaftesbury Theatre is situated close to the current Odeon Cinema in Shaftesbury Avenue and recently we have become aware that this building is subject to a planning application for conversion to a hotel. We therefore write to the Theatres Trust, as the advisory body for theatres, to express our opinions on this matter.

We have been able to access the following reports on the Camden Planning Portal and read with interest amongst others, the Iceni Statement of Case; Appendix 11, Charcoalblue Theatre report; and the Gardiner and Theobald 1000-seat Theatre Feasibility Report. It is our belief that the proposed development should be refused on the ground that currently the West End requires additional theatres and that to re-establish the Saville Theatre is a viable option and something that the Theatre of Comedy Company would be interested helping to realise.

**The Theatre of Comedy Company**

The Company is part of the DLT Entertainment Group, an American Television Company that from 1968 until 1992 partnered with Thames Television to distribute British developed television programmes throughout the United States and beyond. It now makes television productions for the UK market, most notably AS TIME GOES BY and MY FAMILY.

In 1986, the Company became a major shareholder in The Theatre of Comedy Company, with Don Taffner Senior becoming its Chairman in 1992. It is now wholly owned by DLT and run by our founder's son, Don Taffner Junior. DLT is still involved in television distribution, it actively produces TV content in the UK and owns a diverse range of artists agents and promoters serving the UK and international market. The Company's ownership of the Shaftesbury Theatre is the longest in the West End.

**The Shaftesbury Theatre**

One of the most sought after theatres in the West End with capacity between 1,250 and 1,400 that over the past 15 years has built a reputation for diversity of programming, responsible management, caring for audiences, producers and its own staff in equal measure and financial probity and success. Its EBITDA during the past three years has been £2.3m/£2.3m/£1.3m respectively; an average of

£2m per annum. Please note that during the year with the lowest earnings the Theatre was dark for 16 weeks to allow for the first phase of its Front of House redevelopment detailed below.

The Shaftesbury is constantly being approached by those wishing to acquire its freehold and operation. There were three approaches during 2019, all turned down as the asset is hugely valuable to the Company and DLT Entertainment. If placed on the open market it is likely that it would be sold for a figure matching the £40m recently paid for the Theatre Royal, Haymarket; 893 seats.

Currently, the Theatre is midway through a redevelopment programme. This commenced in 2010 with the £1m overhaul and refurbishment of the building's exterior. Between 2013 and 2016 £5m was spent on building a new flytower over the stage to better assist in the setting up and running of productions whilst also providing two floors of office space, relieving pressure on dressing room accommodation.

In November 2018, the Dramatic Transformation of our public spaces commenced. This has already created new areas in the Theatre and will continue to do so as we excavate around the Theatre building new bar and hospitality areas. To date £13.5m has been committed to this work. The Theatre's desire to serve its central purpose and the broader public and community is paramount to its ambition and commercial success. In all its work it has engaged with officers and councillors from Camden, both supporting the community and ensuring the long term viability of a significant architectural and creative asset.

### **The Saville Theatre**

Sharing the architect, Bertie Crewe, means that there is a natural affinity between the Shaftesbury and Saville Theatres. To its advantage the Saville sits on its own island site, a rarity in central London. Situated in a formerly slightly neglected part of the West End, we now inhabit an area of considerable development and change. This will continue with the opening of the Elizabeth Line melding the area at the north end of Shaftesbury Avenue into the successful districts of Covent Garden, Bloomsbury and Holborn.

Along with the Shaftesbury, the Saville will have a vital role in changing Shaftesbury Avenue. It will join a cluster of 4 theatres and compliment the new Nimax theatre in Soho Place and the Outernet music venue. All stand to benefit from the investment both Camden and developers have put into creating new public spaces in the area.

The Theatre of Comedy Company has owned the Shaftesbury Theatre for over 34 years. With the original investment fully recouped, it has invested in the façade renovation and flytower construction, all of which has also been recouped. The current programme of work improving our front of house areas is financed by borrowing.

As can be seen from the Shaftesbury, theatre ownership does not work in the same manner as commercial property development. Building investment is considered over a longer term, generally 25 years, and there is a less aggressive focus on high profit. Ours is a business that balances cultural achievement, community purpose and profit in equal measure.

As a Theatre operator, and a near neighbour of the Saville/Odeon, we find it strange that we have not been approached for an opinion on its viability nor asked if we would be interested in its

purchase. Our Company would have gladly assisted in this discussion, seriously considered purchase and certainly expressed a desire to operate/manage the Theatre.

In assessing viability we would consider the Shaftesbury's average EBITDA as a logical benchmark. Thus, in our opinion the Saville Theatre would generate an average EBITDA of £1.48m at 1,000 seats rising to £1.63m at 1,100 seats. These figures are based on a stand-alone operator; they would be higher if the Theatre was operated as part of a group, due to economies of scale.

The estimated EBITDA would fit within current business models in the West End and would be utilised to assist with the debt of purchase and renovation. However, as stated, theatre ownership is not a standard commercial transaction. There are both acquisitive companies and individuals prepared to purchase buildings basing profit on a mix of operating profit and the growth in asset value. Thus, it is fairly straight forward to establish viability.

The overall cost of purchase and renovation of the building, on this basis, would not be as costly as is suggested. First, the borrowing costs are likely to be less than assumed. Second, we consider the scope of the Charcoalblue proposal to be somewhat overblown. The fitting out need not be as expensive as is being suggested. Third, depending on the attitude of the planning authority, additional space could be found that may assist in enhancing the seating capacity and ancillary areas of the Theatre, making it more profitable.

A refurbished Saville Theatre would join a vibrant theatre community and would attract considerable interest from producers of drama, musicals and, occasionally, dance. With a capacity in excess of 1,000 it would be able to charge a reasonable market rent and recover costs through its contra charges to producers. In addition, income would also flow from its retail activities and sundry hires.

There is a shortage of theatres in the West End and one the size of the Saville would be considered a welcome addition. It would benefit from a supply of productions similar to those being offered to the Shaftesbury, which currently has eight shows expressing a serious desire to secure residency when/if the current production closes. They are produced by UK, American and Australian companies with six musicals and two large scale drama productions. In our opinion, only one of these would not be suitable/viable for the Saville.

### **The Covid-19 Context**

The current crisis will doubtless change the general business environment, possibly making judgements in the short term difficult. It has proved very challenging for the theatre industry with our buildings being shut ahead of the more general shutdown. Post the crisis, theatres will reopen, probably in a gradual manner due to the availability of product as some productions will resume whilst others will be replaced. This will be mirrored across most of the live entertainment, hospitality and tourism industries.

What history teaches us is that there will be a thirst for live entertainment as we return to normal. The theatre industry and the West End in particular, have experienced audience growth in recent years; there is every reason to believe that this will continue. During the 2008 financial crisis, audience levels were maintained across the sector despite the straightened circumstances of many. A more stark contrast would be how theatres maintained performances and audience numbers during the two world wars. Theatre offers escape, emotional engagement and intellectual challenge in equal measure, something that people seek in times of difficulty.

## Conclusion

I summarise as follows:

- There is currently a shortage of theatres in London's West End.
- Audience demand in the West End is strong and growing
- There is an abundance of productions waiting to be presented in the West End.
- The Saville would be commercially viable; counter to the current suggestion.
- There are companies and individuals considering considerable investments in West End theatres, all working on a 20 year plus investment model.
- The Theatre of Comedy Company would be interested in exploring its involvement in the purchase and renovation of the Saville Theatre.
- The Company would bid to operate the Theatre should any new owner put its management out to tender.

We draw these conclusions based on our long-term stewardship of the Shaftesbury Theatre, highly experienced senior management, and a depth of understanding of both the market for product and the desire of audiences for high quality West End entertainment.

Should you require any further information or wish us to develop a proposal please do not hesitate to get in touch.

With best wishes



James Williams  
CHIEF EXECUTIVE

### Biography – James Williams

Trained at the Royal Central School of Speech and Drama as a Stage Manager, James worked extensively in regional and touring theatre as a Stage and Production Manager. In 1988 he was appointed Executive Director of Cambridge Theatre Company (re-named Method & Madness in 1995) a national touring company. In 1998 James became Executive Director of Hampstead Theatre where he was instrumental in the design, funding and building of the new Hampstead Theatre whilst also undertaking day to day management.

In 2004 he became Chief Executive of the Theatre of Comedy Company, taking charge of the Shaftesbury Theatre. Notable successes have included HAIRSPRAY, ROCK OF AGES, MEMPHIS, THE ILLUSIONISTS, MOTOWN THE MUSICAL and the currently world premiere of & JULIET. James has transformed the business and used profits to significantly improve the Theatre structure and facilities, spending in the region of £20 million on improvement and redevelopment.

As an active member of the Society of London Theatre, he is a member of its Employment Strategy Committee, overseeing negotiations with the entertainment unions. He has also served as a Council member of UK Theatre. In 1998 he founded the audio description company, Vocaleyes, and was its Director and subsequently Chairman. Locally, he was a director of Inmidtown, the Business Improvement District for Holborn, St Giles and Bloomsbury, and a member of the Camden Business Board. Currently, he is a director of Stage Once, a charity that supports theatre Producers and Productions.

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## **Appendix 5:**

**Letter from Trafalgar Entertainment (4 March 2020)**



Jon Morgan  
Director  
Theatres Trust  
22 Charing Cross Road  
London WC2H 0QL

By email ([jon.morgan@theatretrust.org.uk](mailto:jon.morgan@theatretrust.org.uk)) and post

4 March 2020

Dear Jon

### **The Saville Theatre – Odeon Shaftesbury Avenue**

We recently approached you to discuss the current status of the former Saville Theatre, for which we understand a planning appeal has been lodged with The London Borough of Camden (**Camden**) in relation to Camden's refusal of a planning application for a redevelopment scheme comprising a new 94 bed hotel, a restaurant and bar at ground floor level and a four screen cinema and spa in the basement.

In writing this letter, we have considered:

- The Statement of Case produced by Icen Projects Limited, in support of the planning appeal; and
- The test fit report prepared by Charcoalblue LLP dated October 2019 in relation to the possibility of inserting a theatre into the existing building envelope.

While we express no opinion on the specific merits of the appellant's planning appeal, you have asked us to consider the current state of the West End theatre market in the context of the assessment of the viability of the re-conversion of the site for theatrical use.

## **TRAFALGAR ENTERTAINMENT**

8th Floor 55 The Strand  
London WC2N 5LR  
Telephone +44 (0)20 7451 1700  
[trafalgarentertainment.com](http://trafalgarentertainment.com)

Registered Office: Ashcombe Court,  
Woolsack Way, Godalming, Surrey GU7 1LQ  
Registered in England and Wales  
Company Number: 10409029

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Before doing so, I set out below a brief summary of Trafalgar Entertainment and our credentials in that market.

### **About Trafalgar Entertainment (TE)**

TE is a venture led by myself and Dame Rosemary Squire. We each have over 30 years' in the arts and entertainment sector and specifically in theatre.

Prior to creating TE in 2016, we founded The Ambassador Theatre Group Limited (**ATG**) in the 1990s - and during our tenure as Joint CEOs, from ATG's formation until 2016, we grew ATG into the largest global theatre company operating across five continents, with flagship venues in London's West End and in New York, including (in London) the Lyceum Theatre, the Apollo Victoria Theatre, the Duke of York's Theatre and (in Camden) the Phoenix Theatre.

TE's majority shareholder is Barings Asset Management, which operates as a subsidiary of MassMutual Holding, LLC, with assets under management of c.\$700 billion. This provides TE with a significant covenant to underpin lease and other contractual obligations, and access to long dated capital. We are therefore able to commit capital towards development projects, as we are currently doing with new theatre and cinema developments both in London and internationally.

TE's other shareholders include Sir Richard Branson and Greg Dyke.

Two years after it commenced trading, TE currently:

- owns and operate two West End venues in London at Trafalgar Studios,
- operates a prolific theatre production business, Trafalgar Theatre Productions Limited, which (among other recent accolades) recently produced the record breaking production of *The King and I* at The London Palladium and (as part of a continuing partnership with the National Theatre) has co-produced *War Horse* in Australia and Asia Pacific, *Nine Night* and *A Taste of Honey* at our venue in the West End, and the upcoming UK and international tour of *A Curious Incident of the Dog in the Night Time*,

(cont.)

- owns Jonathan Church Theatre Productions, whose productions include Jennifer Saunders in *Blithe Spirit*, *The Lion*, *the Witch and the Wardrobe* at the Bridge Theatre and *Singin' in the Rain* at Sadlers Wells,
- is currently developing a five screen premium cinema complex in Chiswick, West London - the first of a cluster of boutique, membership driven cinemas,
- owns the market leading UK event cinema business, Trafalgar Releasing Limited, streaming high quality theatre and artistic content to screen, including The RSC, The Royal Opera House, The Met Opera, Glyndebourne, and Judi Dench's *Winters Tale*,
- owns the UK's largest performing arts education business, Stagecoach Performing Arts, which teaches singing, dancing and acting to around 50,000 young people worldwide every week, and
- holds the majority stake in one of the UK's premier theatre ticket agencies, as well as a leading London Theatre marketing business

It will be apparent that we therefore have significant experience, from a lifetime working in the creative industries, in developing, operating and programming theatre venues. We are also currently exploring a number of projects, both in the UK and internationally, which involve the construction of new theatre venues, and our team at Trafalgar has considerable expertise in evaluating and executing such projects.

### **The former Saville Theatre site**

As you know, the Saville Theatre opened in 1931 and traded as a theatre until 1970 when it was purchased by Associated British Cinemas, and then traded as an ABC and subsequently an Odeon cinema complex.

The site as long been of interest to us, as it appears the "volume" of the previous theatrical space has been broadly retained, with space to accommodate the old fly tower. We understand that Charcoalblue has indicated that the site has capacity to accommodate 1000+ seats, but it is



(cont.)

possible that the capacity might be capable of being increased further with some additional reconfiguration. We do not consider that there is any comparable site in the West End which is likely to be made available with the volume and footprint to accommodate theatre use at equivalent capacity.

The site is in a strong position – located on Shaftesbury Avenue, the prime West End theatre location, and serving as a valuable extension between The Palace Theatre at the top end of Shaftesbury Avenue and The Shaftesbury Theatre.

Current market conditions for theatre in the West End are robust. Audiences are increasing year on year, and there is insufficient theatre provision – or more simply, that there are not enough venues in the West End to accommodate the shows which producers would like to present in London. One of the continuing challenges which we face as a producer is to find West End theatres (other than our own) which are able to accommodate those productions.

On a broader level, West End ticketing revenue has grown at a CAGR (Compound Annual Growth Rate) of 5.6% since 2000, and has shown itself to be remarkably resilient during wider economic slowdowns and periods of political uncertainty. West End theatre advances are at the highest level ever recorded.

It is against this market backdrop that capital values for theatres in the West End have increased materially following the most recently reported transactions, as highlighted in the Icen Projects report.

We understand that the appellant has commissioned Gardiner & Theobald to undertake an analysis of the projected costs to re-convert the building to theatre use. We have not yet seen that report. In the event that the appellant determined that it would be willing to engage with us in relation to a re-conversion of the site to theatre use, it would be necessary for us to commission our own team to inspect the site and produce a design, layout and projected costings in order to assess the opportunity in greater depth, and to inform the commercial terms on which any transaction could be struck.

(cont.)

However, I do confirm that – supported by our significant shareholder backing – we are keen to explore terms for the leasing and/or purchase of the site, including both capital investment and (in relation to a leasing arrangement) an appropriate rental mechanic. We would not be reliant on public funding for any such transaction. Our equity backing (which is drawn from US pension fund investment) takes a longer term view of any investment compared to a traditional private equity model, and would be willing to commit appropriate capital to projects which will generate the certainty of regular income as well as a capital asset which historically (and by reference to comparable evidence) has appreciated significantly.

I should add that we did seek, through one of our retained agents, to contact Mr Danous (who we understand is one of the appellant's directors and its principal shareholder) in relation to the site in October 2019, following the refusal of the initial planning application. We did not receive a response, and had assumed at the time that the appellant had determined that it wished to pursue an appeal in relation to the refusal of consent for its current scheme, which turned out subsequently to be the case. We would, however, be keen to commence such discussions, in the event that the appellant's position changes.

With best wishes,

Yours sincerely,

A handwritten signature in black ink, appearing to read 'H. Panter'. The signature is written in a cursive style with a horizontal line under the name.

**Sir Howard Panter**  
Joint CEO and Creative Director

Proof of Evidence: Tom Clarke MRTPI on behalf of Theatres Trust

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## **Appendix 6:**

**Letter from Trafalgar Entertainment (16 October 2020)**



Jon Morgan  
Director  
Theatres Trust  
22 Charing Cross Road  
London WC2H 0QL

By email ([jon.morgan@theatrust.org.uk](mailto:jon.morgan@theatrust.org.uk)) and post

16 October 2020

Dear Jon

**The Saville Theatre – Odeon Shaftesbury Avenue**

I hope all is well. I am writing to you as an update to my earlier letter of 4<sup>th</sup> March 2020.

Of course, the impact of the COVID-19 pandemic on our industry has been significant, and the current trading landscape has altered materially since my earlier letter to you. Specifically, in the West End of London, theatres have remained closed since mid-March 2020, with no timetable for their re-opening on a full capacity basis.

Notwithstanding this impact, our (and our shareholders') appetite to grow our business, and in particular our venue footprint, remains undimmed. Although the timing of a return to normalised trading conditions in our sector remains uncertain, we consider that there is a good deal of pent-up demand from consumers to return to theatre at that point, evidenced by the very strong advances generated for shows which have already been put on sale for next year. When it comes, we expect the recovery in our sector to be strong.

**TRAFALGAR  
ENTERTAINMENT**

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Registered in England and Wales  
Company Number: 10409029

(cont.)

Following my earlier letter to you, Trafalgar successfully won the competitive tender run by The New South Wales Government for the long term lease of The Theatre Royal in the centre of Sydney – we are currently tendering for a works package to upgrade the venue in advance of its planned re-opening in September 2021. We are also on site at Trafalgar Theatre in the West End to create a new, single c.620 seat auditorium from the current “two studio” model, which will return the building to its original configuration in a manner sympathetic to its art deco heritage, and allow us to attract longer running shows of greater scale than before.

We are, therefore, continuing to invest significant capital in development projects in our sector in order to enhance and develop our venue footprint.

In relation to the former Saville Theatre, we therefore remain willing to engage with the owner of the site, as indicated in my earlier letter, in the event that the owner wishes to explore an alternative theatre use for the site.

Since my letter in March, we have also received a copy of the feasibility report prepared by Gardiner & Theobald (G&T) in relation to the conversion of the site into a 1000 seat theatre. As I indicated in my earlier letter, if the owner of the site were to make a commitment to explore that conversion, we would like to engage our own team to inspect the site and produce a design, layout and projected costings in order to enable us to evaluate the opportunity.

While we agree that the specific constraints of the site (for example, in relation to access and the need to retain the listed façade) would be likely to have an impact on the projected costs, we note that the projected pricing at £8,526/ m<sup>2</sup> (GIA) is at the upper end of comparable projects – and indeed at a higher level than the projected rate for another theatre project in London on which we are currently working, and on which G&T are providing cost consultancy services to the developer. The headline costings provided would therefore, in our view, benefit from some more detailed analysis.

(cont.)

As before, while we express no opinion on the specific merits of the owner's planning appeal, we remain open and willing to engage with the owner to explore alternative use as a theatre, in the event that it wishes to do so.

With best wishes,

Yours sincerely,

A handwritten signature in black ink that reads "H. Panter". The signature is written in a cursive style with a large, stylized 'P'.

**Sir Howard Panter**  
Joint CEO and Creative Director

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## **Appendix 7:**

**Correspondence from one of Britain's leading theatre operators (anonymous for reasons of commercial sensitivity)**

**1. Lack of space in the West End for productions and the audience demand for an additional venue(s)**

As the numbers published by SOLT show, West End audiences have been growing year on year. For many years, the number of high quality productions looking for a home in the West End has exceeded the number of venues available, so another venue of this size would be welcomed by both productions and audiences. [REDACTED], [REDACTED] and [REDACTED] are all similar in terms of size to the Saville, and all of them have been booked up with excellent and long running shows.

**2. The Saville / ex-Odeon as a valuable extension of the West End along Shaftesbury Ave to the Shaftesbury Theatre;**

Historically, this venue was a highly successful theatre, but was turned into a cinema at a time when there was considerably less demand than there is today for live entertainment. The fact that so much of the original interior of the theatre has been lost actually gives a great opportunity to construct a new and modern interior inside a historical shell in a wonderful location. This is truly unique. Several newly opened venues that have opened in recent years (such as the Troubadour in White City) have found trading difficult due to their location, but this is unlikely to be the case for this new venue in the very heart of the West End.

**3. Any potential interest by your organisation to enter into future negotiations for the purchase / long term lease of the building;**

[REDACTED] have made it clear that we are interested in either acquiring this venue, or operating the venue under a long term lease arrangement with the current owner.

**4. The financial viability of a theatre of approx. 1000-seats (again with reference to Pre-Covid and any future anticipation); willingness to invest in capital works without a need to rely on public funding;**

As a commercial theatre business, [REDACTED] would not have so actively pursued the opportunity here if we did not believe that it was financially viable. We are well aware from our own significant engagement with audiences that there would be demand for a new venue in the heart of the West End, particularly one of this scale. All capital invested in this opportunity would be sourced from the private sector (with the vast majority expected to be provided for by [REDACTED]), as we would not expect to rely on any public funding for this development. At anything less than 1000 seats, it does not become commercially viable, there is a good supply of sub-1000 seat venues in the West End.

**5. The timescale for a return on the investment for a theatre building being c. 20 years plus – ie a longer timescale than expected by a commercial developer.**

Through our internal diligence, we were aware that the return on our capital investment for the Saville Theatre would be longer than would be extended by a commercial developer (likely more than 20 years). Regardless, the opportunity to own/operate a new venue that would breathe new life into the West End is a fantastic opportunity, and we would greatly like to be involved.



**6. A note on the current situation and anticipations for the future, drawing on your own experience of audience reactions / support to the industry, current and anticipated demand etc.**

We absolutely anticipate that when theatre does return, the demand from audiences will be high. Even at the moment, there is strong evidence showing that people are hugely keen to get back into venues and experience live entertainment once again (the socially distanced run of *Les Miserables* at the Sondheim Theatre saw such overwhelming demand for their six week engagement starting in December 2020 that the producer immediately added an extra 2 weeks onto the run). We know that following many crises, theatre audiences have bounced back strongly and we expect this to happen again.

**7. Commentary on proposed redevelopment costs**

Whilst it is made clear that allowances have been made for various unknown risks, the suggested theatre development cost of £42m outlined in the G+T report dated 9.9.19 appears high. From [REDACTED]'s explorations of other potential acquisitions and partnerships which involve significant restoration or redevelopment, we would expect the costs to bring the Saville Theatre back to life to be less than this. The listed external shell appears to be in reasonable condition, and the lack of existing historic fabric within the external envelope will allow a fresh, unhindered approach to development, without the associated costs of forming a stereotypical proscenium theatre. This presents exciting opportunities for a modern internal theatre fitout that can be carefully designed to a controlled budget.

Bradford Odeon is a similar example of where a large historic theatre had been previously altered for use as an Odeon cinema, however it is believed many more internal historic elements had been retained than is the case at the Saville Theatre. When proposing a redevelopment back to use as a theatre, initial cost estimates for Bradford Odeon were £15m (although we expect that costs are likely to have risen). [REDACTED] carefully considered partnering and co-investing in this opportunity, however we ultimately had doubts over the strength of the market in the region. We have no doubts over the demand in London's West End.

Proof of Evidence: Tom Clarke MRTPI on behalf of Theatres Trust

Appeal References: APP/X5210/W/19/3243781 & APP/X5210/Y/19/3243782 (Linked Case)

# **Appendix 8:**

## **E-Mail from Empire Street Productions**

**From:** James Bierman [redacted]  
**Sent:** 03 March 2020 19:37  
**To:** Jon Morgan <[redacted]>  
**Subject:** West End Theatres

Jon

I am aware that the Theatres Trust has been asked to comment on a Planning appeal with regard to the former Saville Theatre. As we have spoken about before I am keen to add my voice to any plan that can help increase to the viable West End Theatre spaces that are available.

As a Theatre producer for the past 15 years in both the subsidised and commercial sectors I have first hand experience of the constant demand for theatre space in the West End. Be it shows that can transfer from short runs in the not for profit sector to new shows looking for a home there is a constant lack of supply to satisfy this demand. The industry provides a key part of London's cultural economy, adding millions of pounds to the sector and drawing in footfall and subsequent activity from its audiences. In the past 12 months alone I have had three theatre productions with actors of a high profile attached that have failed to materialise because there were no theatres free. I am one of many producers in such a predicament and so any plan that can bring back some of London's former theatrical glories to its streets would be a welcome thing. It would be a positive thing all round as it would offer another thriving cultural hub to West End streets and open up a new proven generator of economic growth across all linked sectors.

The Saville would be a wonderful addition to one of the greatest theatrical cities of the world.

Best Wishes

James

James Bierman  
Empire Street Productions  
Fourth Floor  
37 Berwick Street  
London  
W1F 8RS

tel: [redacted]  
mob: [redacted]

[www.empirestreetproductions.com](http://www.empirestreetproductions.com)

Proof of Evidence: Tom Clarke MRTPI on behalf of Theatres Trust

Appeal References: APP/X5210/W/19/3243781 & APP/X5210/Y/19/3243782 (Linked Case)

# **Appendix 9:**

## **E-Mail from National Theatre**

**From:** Lisa Burger <[REDACTED]>  
**Sent:** 06 February 2020 21:44  
**To:** Claire Appleby  
**Subject:** Shortage of West End Theatres

Dear Claire

I understand the Theatres Trust has been asked to comment on a Planning Appeal relating to the former Saville Theatre; and that as part of this you are reviewing whether it is viable to retain it in theatre use.

The National Theatre has a strong and successful record of transferring shows to the West End. In the last 12 months the NT opened 4 productions including *Curious Incident of the Dog in the Night Time* and *Lehman Trilogy*. Indeed, some of the best-known shows of the past two decades have been transfers from the NT and other similar theatres and this theatre ecology has enriched the West End, broadened its appeal to audiences and delivered a significant economic benefit to London.

Currently, the demand for theatre space is such that it is extremely hard to find theatres available for transfers. At the NT we currently have 3 productions for which we cannot find West End Theatres and other not-for profit and commercial producers are in the same position. In our view, the West End would benefit from at least one more large theatre to satisfy the strong demand from theatre producers. Increasing the stock of large theatres in the West End would be a valuable investment in its future, helping to maintain the rich mix of different shows which make it such a unique hub for the UK and international theatre scene. Clearly, there are few sites available for creation of such a theatre. We very much hope that the Saville will not be lost as an opportunity. We would have strong interest in discussing transfers with any West End theatre owner who could offer the Saville as a new large theatre.

With best wishes

Lisa

**Lisa Burger**  
**Executive Director**  
**& Joint Chief Exec**

[REDACTED]

Proof of Evidence: Tom Clarke MRTPI on behalf of Theatres Trust

Appeal References: APP/X5210/W/19/3243781 & APP/X5210/Y/19/3243782 (Linked Case)

# **Appendix 10:**

## **E-Mail from Jamie Wilson Productions**

**From:** Callum Pope [redacted]  
**Sent:** 04 March 2020 16:51  
**To:** Jon Morgan <[redacted]>  
**Cc:** jamie wilson <[redacted]>  
**Subject:** Re: Request for support re former Saville Theatre, Shaftesbury Avenue

Dear Jon,

West End theatre is having a huge coup at the moment, bringing large amounts of tourists to London - but, there is a noticeable lack of high occupancy theatres in the West End. This has led to a long list of some of the best musicals, plays, events and concerts queuing for space in theatres, including some of Hollywood's biggest franchises, looking to play long term engagements - *Harry Potter*, *Mary Poppins* and *The Lion King*, to name a few.

Unlike other forms of entertainment and nightlife in London, history tells us that theatre has never gone out of fashion - it continually evolves and re-identifies itself, offering new ways of appealing to diverse audiences, areas where arguably other forms of nightlife like restaurants and multiplex cinemas fail. Theatre keeps going, and keeps getting stronger.

If there was another theatre in Shaftesbury Avenue, that could offer a flexible marketplace in terms of shops, restaurants etc. in addition to a large occupancy house, I can foresee it as a very useful and successful business. I am currently working with Broadway's leading producers to bring shows to London like *Mrs. Doubtfire* and *The Devil Wears Prada*, all of which need a home, in addition to creating leading homegrown shows of our own. If there were a 1000 seater new theatre on Shaftesbury Avenue, we would be looking to make a very quick deal in filling it with a highly anticipated show. Recently, we had to put one of the fastest selling West End musicals of all time, *Sister Act*, starring Whoopi Goldberg, out of the West End in the Eventim Apollo, because The London Palladium and other venues in central London did not have the space or availability.

Should the business need funding or guidance, I for one know a number of investors who would and could make it a success. I would also be interested in investing my own money, to ensure the project were a success. I very much hope that the Saville will not be lost as an opportunity.

Best wishes,

Jamie

## Biography

Jamie, born and raised in London, set up Jamie Wilson Productions in 2008, aged 19. Since then, Jamie has produced over 50 productions both in the UK and internationally.

In 2020, Jamie is launching a brand new version of *Sister Act* in London starring Whoopi Goldberg and Jennifer Saunders. Since the production went on sale in October 2019, it has broken all box office records for the Eventim Apollo and UK musical theatre.

Jamie is thrilled to be a co producer, working with Tony award winning producer Kevin McCollum, on the world premiere of *Mrs Doubtfire The Musical*, launching on Broadway in spring 2020. Also in 2020, Jamie will be launching international productions of *An Officer and a Gentleman* in North America and *On Your Feet! The Story of Emilio and Gloria Estefan*, whilst also touring the latter around the UK.

In January 2020, The Stage newspaper listed Jamie among the top 100 most influential people and partnerships in the theatre industry, for the third year running.



Proof of Evidence: Tom Clarke MRTPI on behalf of Theatres Trust

Appeal References: APP/X5210/W/19/3243781 & APP/X5210/Y/19/3243782 (Linked Case)

# **Appendix 11:**

## **2019 Box Office Figures – Society of London Theatre**

# 2019 Box Office figures released by Society of London Theatre

The Society of London Theatre (SOLT) has released 2019 ticket sales data for its member venues, which include all of the commercial West End and London's major subsidized theatres.

The figures reveal an annual London theatre audience of over 15.3 million – nearly 1 million higher than Broadway – filling a record 80.7% of available seats and generating £799m in box office revenue.

## Highlights from the data:

- Attendances of 15,315,773 (down 1.4% from 2018)
- Gross revenue of £798,994,920 (up 4.3% from 2018)
- Average ticket price paid £52.17 (up 5.8% from 2018)
- VAT generated for the Treasury of £133,165,820
- 80.7% of available seats filled (up from 77.5% in 2018)
- 18,364 performances (down 1.8% from 2018)

Plays saw a nearly 3% rise in audience numbers, while musicals dipped by just under 2%. This reflects the fact that some of London's largest musical houses – including the Dominion Theatre, the Theatre Royal Drury Lane and the newly renamed Sondheim Theatre – were dark for a significant proportion of the year, in some cases to carry out significant renovation projects. A total of 371 dark weeks in 2019, compared to 207 the previous year, explains the small drop in overall attendances.

Kenny Wax, President of SOLT, said:

‘These figures demonstrate the buoyancy of London's theatre industry and the city's status as the world's leading theatre destination. Our major theatre owners and producers continue to present world class work, while investing in their historic venues to give audiences the best possible experience.

Audiences remain hungry for a quality live experience, evidenced by the unprecedented percentage of seats filled in 2019. The theatre industry is committed to offering a wide range of affordable tickets, alongside discount schemes, school outreach projects and SOLT audience development initiatives like Kids Week and New Year Sale. It is fantastic to see that over 5 million\* tickets were available in the commercial West End at £40 and under last year, with only 1.1% at £150 and above.’

**SOLT 2019 attendances and revenue by genre (with percentage comparisons to 2018):**

<b>Genre</b>	<b>Attendance</b>	<b>Revenue</b>
Musicals	9,292,940 (-1.77%)	£522,692,585 (+3.72%)
Plays	4,291,734 (+2.73%)	£179,762,530 (+7.47%)
Other (opera, dance, performance, entertainment)	1,731,099 (-8.43%)	£96,539,805 (+2.08%)

Date Published: 25 February 2020

Proof of Evidence: Tom Clarke MRTPI on behalf of Theatres Trust

Appeal References: APP/X5210/W/19/3243781 & APP/X5210/Y/19/3243782 (Linked Case)

## **Appendix 12:**

**‘A Theatre Producer’s Glossary’ –  
Society of London Theatres/Stage One/Theatrical  
Management Association**

## A THEATRE PRODUCER'S GLOSSARY

**Note:** This glossary gives what are considered to be the usual meanings of the words and expressions concerned which are most commonly intended. It does not mean that they may not be differently defined for contractual purposes.

### ADVANCE

An advance against payment for future services or future use of copyright material. Frequently (but not necessarily) expressed as "nonreturnable" and as "recoupable" in whole or in part from royalties or a portion of royalties. Advances are often paid to authors/composers for an "option" on their work and to directors and designers for their services to a production. The word "advance" may also be used to describe advance ticket-sales.

### ANGELS

Investors in a theatrical production. Usually referable to private individuals but can be used to include corporate investors as well.

### BOX OFFICE

In its narrow sense refers just to the kiosk in the theatre-lobby where members of the public can buy tickets, but in a wider sense can be used to refer to the whole ticket retailing system which is usually controlled by the theatre management. Can also be used to refer to advance ticket sales, as in "How big is the box office?" meaning "How much have you made in advance ticket sales?"

### BREAK EVEN

The point at which weekly box office receipts (net of commissions and VAT) exactly equal running expenses so that there is neither a running surplus nor a running deficit.

### BREAK FIGURE

The level of weekly Box Office Receipts below which notice of termination of a theatre hire agreement may be given by one party and/or the other. Sometimes also referred to as the "Notice Figure" or "Take Off Figure". Not to be confused with "break even" (see above).

### BROADWAY

Loosely means, in a theatrical context, the Broadway district of Manhattan in New York City and not just the street known as "Broadway". Sometimes, contractually, it is defined by reference to theatres of a particular size in a particular area bounded by specified streets in downtown Manhattan.

## BUS AND TRUCK PERFORMANCES

An American expression which can also apply elsewhere relating to touring productions which transport the entire stage company and physical assets from place to place, presenting a small number of performances at each venue before moving on. In America (and sometimes elsewhere) they are often presented for a fixed fee (which forms the basis for calculation of royalties instead of box office receipts).

## CAPITALISATION

The estimated (as distinct from actual) cost of preparing a production up to the time of first paid public performance, as per producer's budget, including deposits and a reasonable contingency reserve.

## CAST ALBUM

A sound recording of the songs in a musical show featuring the cast or principal members of the cast of a particular production or productions. Commercial Usage Same as merchandising but related to services, rather than merchandise, but the expression may be used instead of merchandising to include both goods and services. May also be applied to sponsorship arrangements and use of show logo for commercial advertising or promotion.

## COPYRIGHT

The exclusive legal property right to copy, perform, broadcast and/or adapt an original literary, dramatic, musical and/or artistic work, and/or a sound recording, film, programme or typographical arrangement. Governed by The Copyright, Designs and Patents Act 1988 (which amended and consolidated prior legislation) and regulations made thereunder.

Copyright under English law is divisible both territorially and between media, and (unless otherwise agreed) may be licensed, sub-licensed and/or assigned.

## CREATIVE TEAM

The director, choreographer, stage-sets designer, costume and wigs designer, lighting designer, sound designer and orchestrator of a stage musical (i.e. the creative personnel who are usually remunerated with a copyright royalty). In the case of a non-musical play includes only the director and the designers of sets and props, costumes and wigs, lighting and sound.

## DESIGN RIGHT

The exclusive legal property right (accorded by The Copyright, Designs and Patents Act 1988) to reproduce for commercial purposes the original design of the shape or configuration of the whole or part of a three-dimensional object (not mere surface decoration).

## DEVELOPMENT CHARGE/DEVELOPMENT ROYALTY

An additional charge which is sometimes made to the production costs of a major production in order to recoup losses from a previous "try-out" or a "workshop" production, in order to reflect the contribution of the "try-out" or "workshop" production to the development of the major production and the reputation of the work. Sometimes, instead of a carry forward of try-out losses, a small "development" royalty may be payable to the theatre management where the "try-out" or "workshop" was presented in recognition of some special financial contribution or indulgence by that theatre management.

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## DGA AGREEMENT (APC AGREEMENT)

Sometimes also referred to as the "APC Agreement" (Approved Production Contract) or "Dramatists' Guild Agreement". Refers to the standard form of production contract for plays (or the separate one for musical plays) of the Dramatists Guild Inc of America. It is a very detailed printed document running to over 45 pages promulgated by the Dramatists Guild Inc of America as a form of agreement which it has recommended to its members as being fair and reasonable to both authors and producers. It is frequently adopted (often with supplements and amendments) by authors/producers in the United States, US territories and Canada, but rarely if ever doubtless because of its complexity and unfamiliarity) in relation to productions outside those territories. It is a useful reference work as to the custom and practice on the North American continent.

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## ELECTRONIC RIGHTS

The right to reproduce a work on multimedia/CD ROM/internet or other means of computer transmission. Also referred to as "multimedia rights".

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## FIRST CLASS STAGE RIGHTS

The right to present first class live stage performances of a work. There is no standard definition of "first class" but it is usually determined by reference to the size, location and reputation of the theatre, the use of professional performers and an experienced professional creative team, possibly the size of the budget and/or the standard of stage scenery and costumes, the length of anticipated production run and other such factors.

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## FIXER

A colloquial expression for the orchestral manager, who is responsible for engaging and fixing remuneration of the theatre orchestra on behalf of the producer (see Section 2.6.3).

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## GET-IN, FIT-UP AND GET-OUT

As these expressions themselves indicate, they apply to the process of getting the stage scenery, props, costumes, sound and lighting equipment etc into the theatre; the assembly, positioning and fitting up of same in the theatre; and, after eventual closure, the process of removing all these items from the theatre, cleaning up and getting out of the theatre so as to leave it as it was before get-in.

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## GRAND RIGHTS

The performing rights in a dramatic-musical work.

## HOLD-BACKS

Arrangements whereby authors and other copyright owners agree to "hold-back" on releasing certain reserved rights for a specified period whilst the grantee of other rights is exploiting those other rights. An example would be for an author to agree not to release amateur performance rights or motion picture rights without the producer's consent whilst the producer has the right to present professional performances, or not to release music publishing rights before the producer has put out a cast album.

## HOUSE SEATS

An allocation of seats for each performance at the theatre which, by arrangement between producer and theatre manager, are specially reserved for disposal by the producer to persons connected with the show, and friends and associates. House seats are usually released to the box office for sale, if not disposed of by or under permission of the producer at least 48 hours before each performance. The producer may put one or two pairs of house seats for each performance at the disposal of favored individuals, such as author, composer, and possibly certain privileged members of the creative team. It is usual to require all house seats to be paid for at regular box office prices even if used by the producer himself, so that royalty holders and investors are not disadvantaged.

## LIBRARY AGENT

An appointed agent for the sale of theatre tickets who is allocated a block of tickets for a specified booking period, sometimes on credit terms or on sale or return, and who is not required like other retailers to purchase tickets for cash over the counter or otherwise on an ad hoc basis.

## MERCHANDISING

The marketing of merchandise, featuring the title and/or logo and/or artwork and/or characters of a show in order to enhance the sale of such merchandise e.g. on tee shirts, coffee mugs, ashtrays, stationery etc.

## MORAL RIGHTS

These comprise:

- I. the right of an author not to have his/her work subjected to
- II. derogatory treatment which may damage his/her reputation;
- III. the right of an author to accreditation (if asserted);
- IV. the right not to be falsely accredited as author of someone else's work and (iv) the right to privacy in respect of certain photographs and films made for private and domestic purposes.

Only the author has moral rights which cannot be assigned but may be waived. Moral rights were introduced into English law in 1988, but have been established on the continent in one form or another for many years. Moral rights differ from and do not pass with copyright.



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## MOTION PICTURE

An all-embracing expression covering audio-visual exploitation of a work by any or all of cinematograph exhibition, television, including cable and satellite), and/or videogram. May also be used to include electronic rights i.e. multi media/CD ROM/internet.

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## MUSIC PUBLISHING RIGHTS

In a theatrical context music publishing rights are usually reserved to author/composer when granting the right to a producer to present a stage musical. In this context, "music publishing" can be contractually defined according to taste but is usually confined to:

- I. sound recordings of individual songs from the show in a non-dramatic context;
- II. synchronization of musical compositions from the show with the sound track of a motion picture;
- III. publication of printed sheet music and
- IV. non-dramatic "small performing rights" in individual songs of the kind administered by collection societies such as the PRS. (See "small rights").

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## OPENING NIGHT

Sometimes called "press night". The first paid public performance after the end of "previews", being the performance to which the press is invited, which will form the basis of theatre critics' first night press reviews. Tickets are usually by invitation only and many are complimentary.

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## OVERCALL

A contractual obligation on investors in a production to top up their original investment by a specified percentage or specified amount, in the event that the producer's budget on which s/he has based the capitalization of the show turns out to be an underestimate so that additional capital is required. Some investment contracts contain provision for an overcall and some do not. It is obviously desirable to avoid an overcall requirement wherever practicable since it is a discouragement to investors if they are under an obligation to top up their original subscription.

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## PER DIEMS

Fixed amounts payable to certain individuals, such as authors, composers and production personnel to cover their daily subsistence expenses such as meals, transport etc whilst working away from the place where they live.

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## PREVIEWS

Public performances, sometimes purchased by charities, prior to the official opening (press night), during which performances are still being tested against audience reaction with a view to making any last minute changes which may be considered to be desirable.

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## PRODUCTION COSTS

The actual capital cost of preparing a production up to the time of first paid public performance (including a reasonable "contingency reserve"). Note that the word "costs" is interchangeable with "expenses".

## PRODUCTION SCHEDULE

A timetable for preparing a production ready for opening, including dates for matters such as casting auditions, completion of designs, completion of costumes, stage sets and properties, advertising launch, box office opening, commencement of rehearsals, dress rehearsal, "get - in" to theatre, first preview and opening night.

## QUALIFYING PERIOD

A specified number of consecutive performances (usually 21) within a specified option period, as a criterion for a producer to "qualify" for continuing stage rights and/or for subsidiary exploitation rights in other media to which s/he may become entitled. Sometimes also used as the yardstick for "merger" of rights, namely the merger of different strands of copyright material into a composite whole in order to preclude separate copyright exploitation of the component parts.

## RECOUPMENT

The point at which all "production costs" (i.e. the capital cost of mounting a production up to opening) have been "recouped" out of the surplus of box office revenue over running expenses. It follows that "double" or "125%" or "150%" recoupment is the point at which double or 125% or 150% (as the case may be) of "production costs" have been "recouped" out of the surplus of box office revenue over running expenses.

## REPERTORY PERFORMANCES

Performances by a so-called "resident or semi-resident" stage company under the same management as part of a repertoire of a number of works pre-programmed for a fixed season at a fixed venue or venues.

## REPRODUCTION

A mirror-image recreation (as nearly as circumstances permit) of another production of a particular work including the recreation of the stage directions, designs and other production elements of the original production.

## ROYALTY

Strictly means remuneration for the use of copyright material. Usually expressed as a percentage of box office receipts or other revenue but may be a "fixed" royalty e.g. a fixed sum per performance.

## ROYALTY CAP

A limit on the amount of weekly box office receipts on which royalties are calculated (usually prior to Recoupment only), the excess being sometimes referred to as "exempt" box office receipts and sometimes merely being deferred so as to cut back in at a later stage of profitability. See comments under definition of "Royalty Pool", the purpose and effect of which is very much the same.

## ROYALTY POOL

Applies where an aggregate royalty is fixed for all or a specified class of royalty participants, to be shared between them in specified proportions (usually pro rata to their full royalties) instead of full royalties. As in the case of a royalty cap or deferral the purpose is to accelerate recoupment, or to delay closure of a production where it would not otherwise be financially viable to continue, or to enable a production to be presented where it would not otherwise be viable to present it. Sometimes the amount surrendered by a royalty pool is merely deferred and made to cut back in if and when the production reaches a specified level of profitability. The effect of the pool is to spread the risk more evenly between the producer, investors and royalty participants.

## RUNNING EXPENSES

The weekly running expenses from the time of the first paid public performance (including producer's royalty and office management fees). Again, the word "costs" is interchangeable with the word "expenses". Sometimes also called "operating costs" or "operating expenses".

## SECOND CLASS [STAGE] RIGHTS

The right to present amateur, stock, repertory, condensed, tabloid and/or concert version performances of a work, and includes anything else not regarded as "first class".

## SMALL RIGHTS

The right to present short live performances of individual musical compositions from a dramatic-musical work, in a non-dramatic fashion (i.e. without dramatic staging, costume or mime) usually in accordance with rules of collection societies such as the PRS (Performing Right Society) which limit such non-dramatic performances to not more than 25 minutes and not more than 25% of the whole work.

## SPONSORSHIP DEAL

An arrangement whereunder a non-returnable sum of money is contributed to the revenue of a production in return for advertising or publicity or promotional services or special privileges relating to the production.

## STOCK PERFORMANCES

Broadly speaking the American equivalent of repertory performances. Technically means performances governed by US Equity's standard form of contract for employment of actors in productions classified as stock, resident theatre or dinner-theatre type performances.

# STAGE ONE

THEATRICAL  
MANAGEMENT  
ASSOCIATION

# TMA



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## SUBSIDIARY RIGHTS

Sometimes called "secondary" or "ancillary" or "residual" rights. The right to exploit a work in other media or in other ways, apart from [first class] live stage performances. Thus subsidiary rights may include any or all of (i) motion picture rights (ii) electronic rights (iii) merchandising and commercial usage (iv) cast album and also, possibly (v) second class stage rights if not within the principal rights granted.

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## WEEKLY BOX OFFICE RECEIPTS

Amounts received each week from the sale of tickets for performances after deducting VAT, credit card and agency commissions and certain other specified standard deductions of a similar nature in accordance with local theatrical practice in the territory concerned. Royalties will often be expressed as a percentage of the box office receipts. WBOR usually form the basis for calculation of royalties and are the principal source of production revenue.

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## WEST END

In a theatrical context reference to a production being presented in "the West End of London" is usually intended to mean presentation at a theatre which is a member of SOLT (Society of London Theatre) comprising major theatres in and around the West End of London (see Section 2.1).

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## WITHHOLDING TAX

A tax which is required by law to be withheld from payment of royalties or fees to overseas investors or service providers, unless special exemption is obtained from the Inland Revenue. A producer who fails to withhold tax on payments to overseas residents in circumstances where required to do so will be responsible for paying that tax to the Inland Revenue or other local tax authority, whether s/he gets it back from the payee or not.