



Sally Soprano I

Confidential Instructions for the Lyric Opera's Business Manager

You have been with Lyric Opera for three months. So far, things have been going well, but your negotiation with Sally Soprano's agent will be your most important assignment to date. You want to make sure that your boss, the artistic director, is pleased with the outcome.

You met with your boss yesterday, and gathered the following information:

The Lyric Opera is an established institution in a major metropolitan area. Like most opera companies, it is a not-for-profit entity and is financed by a combination of ticket sales, foundation and corporate grants, and income from a modest endowment. It usually breaks even over the course of the year, with fairly good attendance in its 2,000-seat hall. Ticket prices range from \$18 to \$55, with \$28 a reasonable average for rule-of-thumb accounting.

A production of Bellini's *Norma* is scheduled to open in three weeks. The production is scheduled to run for six weeks, with three performances per week. There are three sopranos in *Norma*. Norma is the high priestess of the Temple of Esus and is secretly married to the Roman Consul, with whom she has two children. The other two soprano roles are those of Adalgisa, the virgin of the temple, and Clotilde, the attendant to Norma. The challenging title role is generally acknowledged to be a prize for a young soprano, although the age of the character is not specified. The age of the children is also unspecified, but Norma attempts to kill them in a rage over her husband's infidelity.

When the Lyric announced this season's schedule more than a year ago, Renata Risingstar was listed in the title role for *Norma*. Ms. Risingstar is generally regarded as a first-rate performer, although she has not yet attained the popularity Sally enjoyed at the peak of her career. Three weeks ago, however, the Lyric suddenly dropped Ms. Risingstar from its advertising for *Norma*. Although it is not widely known (the opera wanted to hold off making a public announcement until the diagnosis was confirmed), the reason for the omission is that Ms. Risingstar has developed a benign throat tumor

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that will require surgery prior to the performance date. The Lyric has been unable to find any other good soprano who is available for the dates of the performance. The soprano engaged for the secondary role (at a salary of \$14,000) knows the *Norma* role. She has a good voice but is a relative newcomer to professional opera and clearly lacks the experience necessary to perform the title role well. The Lyric is therefore in a tight spot. Cancellation of the opera would result in a loss of hundreds of thousands of dollars.

Fortunately, Sally Soprano, a distinguished though somewhat aging soprano, heard rumors that the opera was in trouble and called the artistic director to inquire whether there was any possibility that she might sing the lead. Up to now, the artistic director has held her off, hoping to find a younger lead. Unfortunately, that now appears impossible, and the artistic director is suddenly quite desperate to sign Sally. You have scheduled an early appointment with her agent.

Sally Soprano has sung many times for the Lyric Opera over the years, but the last time she sang was more than a year ago in the secondary role of Adalgisa, also in *Norma*, for which she received \$12,500. Four years ago, at the pinnacle of her singing career, the Lyric paid Ms. Soprano \$22,000 for performing the title role in *Norma*. That was regarded as extremely high at the time, justified only by the fact that Sally was at the apex of her career and had a significant following, which has probably fallen off somewhat since then. On the other hand, over the last four years, inflation and the increased popularity of opera have in general brought about a near doubling of the average salaries of the top opera stars.

As a matter of policy, the Lyric does not generally disclose the compensation of its performers. However, for negotiating purposes, you have been given access to the salary figures paid by the Lyric in recent years for the title and secondary roles in Bellini's *Norma*:

	Title Role (Norma)	Secondary Soprano (Adalgisa)
Five years ago	\$14,000	\$ 7,000
Four years ago	\$22,000	\$ 8,000
Three years ago	\$17,500	\$ 9,000
Two years ago	\$21,000	\$12,500
Last year	\$25,000	\$12,000
This year	?	\$14,000

Although cases vary widely, as a general rule the Lyric tends to follow the industry practice of paying performers in lead opera roles of this type about twice the amount

received by singers in secondary roles. Also, following the industry practice, the Lyric has always paid its performers a flat rate salary.

In general, the nonprofit Lyric needs to keep the costs of performances as low as possible. The Lyric's average house over the year is generally 85 percent. This is also the break-even point. Of course, there have also been many sold-out performances, but the average is 85 percent, give or take five percent. Anything less than 80 percent attendance would cause the Lyric to lose \$50,000 or more, and a house of 50 percent or 60 percent, while unlikely, would be a disaster. (These kinds of figures probably explain why Ms. Soprano has had so few offers for lead roles recently. While her voice remains fine, most operas are anxious to avoid even the smallest chance of an off day.)

This year, Ms. Risingstar was to have been paid \$30,000. In view of the emergency situation and the great desire of the artistic director to obtain Sally Soprano, the Lyric trustees have authorized you to offer her up to \$45,000 should that be necessary. If she holds out for more than that, the Lyric will just have to use the neophyte secondary soprano in the title role and hope that she miraculously rises to the occasion. (You would probably pay her something less than double her secondary salary of \$14,000 for that, certainly no more than \$28,000.) You should also bear in mind the potential adverse impact on future negotiations with other performers should an unusually high salary for Sally become public knowledge.

The artistic director wants Sally, despite thinking that she is too old for the role. The director believes that with proper makeup and a little luck Sally could work out extremely well. In any event, there is little alternative. As it is, the late announcement of the title role may adversely affect box office sales. The artistic director is hoping, however, for a favorable public response to the announcement of Sally in the title role.

Prepare for your meeting with Sally Soprano's agent.