Overture To Profits
Warner/Chappell Eyes New Opportunities For Theater Biz

BY MITCHELL PETERS

The market is a profitable use for music publishers. Composers typically retain grand rights (rights to stage a theatrical production) for their own work, giving them a cut of box office receipts. Even though publishers usually don't receive a share of that revenue, they reap income from licensing compositions for cast albums, sheet music, concert performances, cover recordings and synchonization uses.

A growing line of businesses has been licensing songs not originally written for the theater to musical productions that find their way to Broadway. Warner/Chappell administers the rights to the Green Day catalog and licensed songs from the band's 2004 album, "American Idiot," for use in the hit musical of the same name. The company also licensed such hits as "Quarterflash's" "Harder My Heart," and David Lee Roth's "Just Like Paradise" to "Rock of Ages" and Donna Summer's "Hot Stuff" in "Mamma Mia!" and Mose's "I'm Gonna Love Me Again" to "Priscilla Queen of the Desert," which is scheduled to debut on Broadway in March.

"In some cases I was looking for people who had established reputations and a history of production on Broadway," says Sean Patrick Plachy, VP of theatrics, standards and print at Warner/Chappell. "And in other cases, people who were much earlier in their careers and had some potential for writing in other genres as well."

While musical theater productions can be a high-risk business for investors, the overall...