

# Selling Night Life for a Billion a Year

## Cabarets in Big Time Money

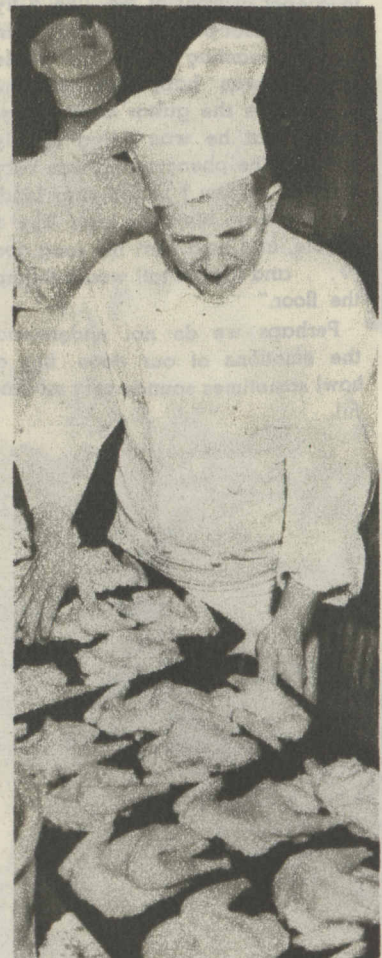
By CHARLES COLLINS

IN THE dark years of the depression era, learned writers on economics often remarked that the tide of business affairs would turn toward recovery when a new industry of national scope was organized. Their prayers were answered in a strange way; suddenly, like a djinn in an Arabian Nights tale, conjured up out of a bottle, a new and far-flung business was added to the American scene. It was the night club business—a pygmy before the repeal of prohibition, a giant now.

It has grown so rapidly that the economists have not been able to record its statistics. They have done nothing about it thus far except to rub their eyes with amazement at the phenomenon and to mutter, "This isn't what we meant." The subject is beneath the dignity of an economist, perhaps, but in the meanwhile the night clubs go merrily on, spreading over the land like a new weed, opening on this street corner with music and laughter, and closing on the other corner with the melancholy sob of a punctured balloon; and the money which flows into and out of their coffers probably amounts to much more than a billion dollars a year. If you question this estimate, which is, of course, merely a guess, please note that one well known night club in Chicago—the Chez Paree, to be precise—apparently grosses about a million per annum.

Therefore, a study of night club finances is in order. It is not an unworthy theme; Balzac, the great French novelist, would have seized it avidly for a section of his "Comedie Humaine." It is rich with human values, and woven into its background are all the fantastic tales that men and women on transitory pleasure bent are capable of creating.

At the start a few definitions are necessary in order to clear the ground. The term "night club" is used in this article to cover the entire field of floor show entertainment, with public dancing at intervals, in cafes. The phrase carries this meaning in colloquial American speech. The vocabulary of the business itself makes a distinction between the "hotel room" (Empire of the Palmer House, Continental of the Stevens, Gold Coast of the Drake, Walnut of the Bismarck, etc.) and the "night club" which has its own quarters, disassociated from hotel service, such as the Chez Paree, Royale Frolics, Colosimo's. The hotel dinner-and-supper dancing rooms, aiming at dignity and immaculate reputation, are in fact a class apart. The night clubs range from large establishments which rival the hotel



Girls may be important in night clubs, but so is the chef. Here is Alfred Gattl, king of the kitchen at Chez Paree, ready to broil chickens.



A typical night club scene: Customers at a floor-side table, a waiter serving a round of drinks, and the ballet, technically called "the line," going through its paces in a number which can hardly be called costumed.

rooms in seating capacity, to the numerous intimate places with small floors which, often enough, take their names from the street numbers of the old houses they occupy. They grade downward imperceptibly from the de luxe class to the middle class, and then into the "joint" category, and in the course of this descent they replace floor shows with strolling entertainers. In the Chicago telephone directory the night clubs seem to be reluctant to label themselves as such; there are only 13, most of them obscure, classified under this heading. The others may be found, perhaps, among the taverns (about 4,000) and the restaurants (about 4,200).

The operator of a night club finds himself entangled in a number of tricky businesses; he must be a restaurateur, a barkeeper, a dance hall director, a floor show manager, and a jazz band expert. (Occasionally he also runs a gambling hall as a side line, but this extra-legal aspect of the subject will not enter into the present survey.) The public to which he caters is capricious; the performers whom he employs are temperamental. Night club earnings may sound like easy money, but amateurs should beware of taking a flyer into this form of speculation. The successful conduct of a night club over a term of years requires professional skill in restaurant management and the intrepidity of a hard boiled soldier of fortune.

The matter of customer finances should be discussed at the start. How much does a sitting in one of these places of entertainment cost the patron? What can he figure on as a minimum for a pleasant little party of two? Well, there are no rules in the night club game, but the general practice is a minimum charge per person, which may be used for food or drink. If food is chosen, the night club will serve an excellent table d'hote dinner at a reasonable price. (Good food, prepared with ingenuity by an excellent chef, is a sine qua non in night club management; the tradition has been inherited from the upper class speak-easies of the prohibition era.)

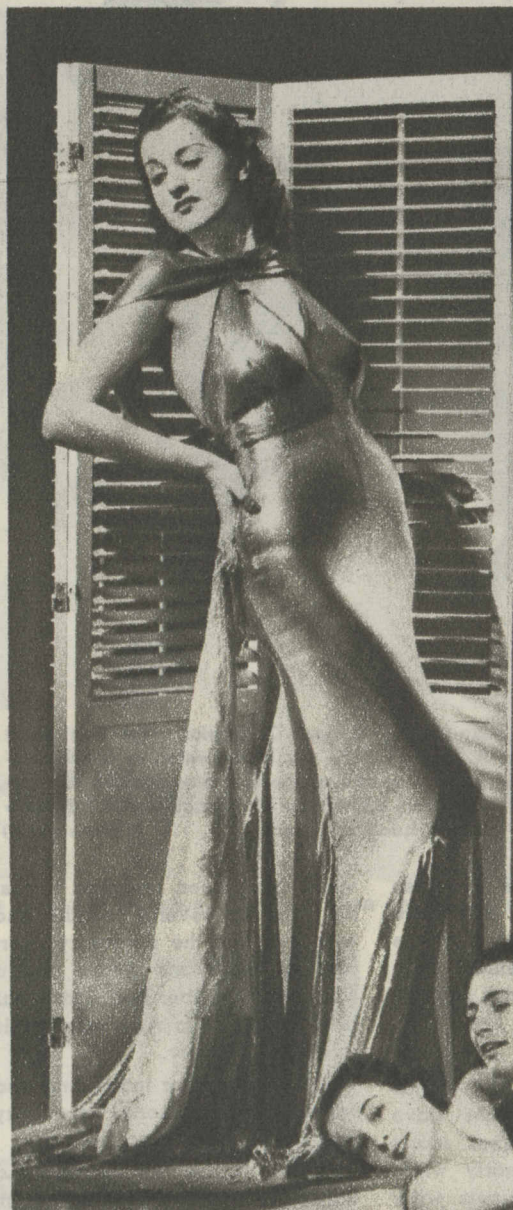
For this theoretical party of two, male and female cheerfully paired for the evening, \$10 should be regarded as sufficient for a sitting of two or three hours, including dinner, dancing, the show, cocktails (one round), another alcoholic beverage (one round), and a decent tip for the waiter. This may be taken as the same, and therefore the exceptional, course of conduct. The night clubs provide for it by their fixed minimum charges, which in many cases are advertised in the newspapers. Here are some of these announcements, culled at random: Blackhawk restaurant, \$1.50, Sunday tea dance, \$1; Drake hotel, \$1.75; Casino Parisien, \$2, Saturdays, \$3; Royale Frolics, \$2; Chez Paree, \$2.50 and

\$3. Three floor shows a night are customary, but the more elaborate productions, such as that at the Casino Parisien, are given only twice.

But does this mythical pair of customers, stepping out for an evening, usually remain within this budget of \$10? As in the Gilbertian operetta, "H. M. S. Pinafore," the answer to this question is, "Hard-

ly ever." Dancing is thirsty work, and the prices of night club potables are high. The girl friend or the wife is likely to become giddy in the night club air. There is a contagion of drinking and spending in the environment. The man with a highball or two purring through his veins becomes prankish himself. The "sophistication" complex begins to addle his brain.

Before he is aware that his workaday mind has gone haywire, he finds himself handing dollar tips to strolling players and cigaret vending blondes. Then farewell to discretion and the safe and some night club budget for customers. The drinks flow faster; the dancing grows wilder; the night becomes dionysian. When the excited customer calls for his check, about 2



(Seymour photo.) Here is the tall and stately type of night club girl whose chief duty is to walk around the floor in the mannish glide; Elisabeth Mann of the Casino Parisien.



Wini Shaw, a night club star and also a well known personality of the stage and the films, singing for the customers without neglecting the microphone.

a. m., he discovers that night club life is the most expensive form of amusement ever invented.

Let us turn now to the ledgers of a dozen first class places of cabaret entertainment in Chicago to see what our mythical customers are pouring into the cash drawers. Here are figures for weekly receipts late in October, 1936, when the period of economic recovery was off to a flying start. They are approximate estimates, but they may be accepted as close guesses by an inside observer (Variety weekly):

Walnut room, Bismarck hotel	\$ 3,000-\$ 5,000
Blackhawk restaurant	13,000-15,000
Chez Paree	19,000-22,000
Casino, Congress hotel	14,000-17,000
Gold Coast room, Drake hotel	10,000-13,000
Edgewater Beach hotel	9,000-11,000
Terrace room, Morrison hotel (now Casino Parisien)	10,000-13,000
Empire room, Palmer house	10,000-13,000
Royale Frolics	5,000-7,000
College Inn, Hotel Sherman	18,000-20,000
Continental room, Stevens hotel	6,000-8,000
Yacht club	4,000-5,000



A night club chorus girl puts on her makeup in preparation for a lively night in the floor show.

There will be striking fluctuations in such weekly estimates, of course, according to the novelty and popularity of the entertainments offered. In the foregoing list the Empire room has dropped far below its receipts for the long periods of the Veloz and Yolanda engagements, which averaged about \$24,000 weekly.

The costs of the entertainments offered at these same places (floor shows and bands only) during the same period were estimated as follows:

Walnut room, Bismarck hotel	\$1,500
Blackhawk restaurant	2,250
Chez Paree	7,500
Casino, Congress hotel	4,250
Gold Coast room, Drake hotel	2,750
Edgewater Beach hotel	3,500
Terrace room, Morrison hotel (now Casino Parisien)	3,500
Empire room, Palmer house	4,250
Royale Frolics	2,250
College Inn, Hotel Sherman	5,000
Continental room, Stevens hotel	2,700
Yacht club	1,750

A night club's budget for entertainment is heavily weighted, of course, by the fees for popular dance bands and orchestras and the salaries of star performers in the floor shows. The "name bands" begin at \$1,750 and range upward alarmingly. For Guy Lombardo, a top-notch maestro, the cabaret manager will pay \$3,750. Henry King's orchestra, now in the Empire room, costs \$2,250.

Here are some recent weekly salaries for night club stars, according to pay rolls at the Chez Paree:

Harry Richman	\$3,500
Morton Downey	\$2,500
Benny Fields	\$2,500
Milton Berle	\$2,500
Sophie Tucker	\$2,500
Yacht Club Boys	\$2,500
Helen Morgan	\$2,000
Libby Holman	\$2,000
Belle Baker	\$2,000
Borrah Minnevitich	\$2,000
Al Trahan	\$1,750
De Marcos	\$1,500
Gertrude Niesen	\$1,500
Rich brothers	\$1,500
Veloz and Yolanda	\$1,500
Ray Bolger	\$1,500
Frances Williams	\$1,500
George Jessel	\$1,500
Jimmy Savo	\$1,500
Lillian Roth	\$1,250
Wini Shaw	\$1,100
Everett Marshall	\$1,000
Paul Draper	\$1,000
Sims and Bailey	\$1,000
Edgar Bergen	\$800
Sheila Barrett	\$800
the Hartmans	\$750
Ella Logan	\$750
Neila Goodelle	\$750
Gus Van	\$750
Frances Faye	\$300
Martha Raye	\$200
Frances Langford	\$200

The entire cost of the entertainment at Chez Paree, which may be taken as illustrating the class A group of floor show places in Chicago, averages about \$7,500 week-

ly. Of this amount \$5,000 goes into the show and \$2,500 into the music. The costumes for each production, which runs six or seven weeks, will cost about \$3,000. Expenses for producers, music arrangers, and scenery will run to about \$2,000.

The salaries of chorus and ballet girls range from \$25 to \$35 a week. The number employed varies; at Chez Paree there are sixteen, at the Royale Frolics twenty-five, at Colosimo's twelve, at the Yacht club seven.

Now to examine the expenses of the operating staff:

Culinary department: Waiters are paid on a union scale of \$2 a night in the first-class places and \$1 a night in the others. In the former a waiter figures on about \$40 a month from the boss. His income

from tips may double, treble, or quadruple that, according to his luck. In some places the waiters pool their tips and divide the sum into equal shares. A busboy gets \$1 a night, and a share of tips received by his waiter. Good chefs and assistant cooks earn from \$75 to \$100 a week; if a night club makes a specialty of appealing to the taste of gourmets it will pay its kitchen staff handsomely.

Bartenders are paid from \$35 a week up, according to their skill and their popularity among fussy drinkers. It is estimated that the average customer spends \$1 an hour for drinks. A "good customer" will spend \$3 an hour. A bartender calls it a busy night when he has prepared \$150 worth of drinks. This means serving about 300 drinks every eight hours, or a drink every minute and a half—snappy work on the part of the man behind the counter. Bartending technique calls for one mixer for every fifteen seats if the customers are in lively action.

Now to round up the small fry among night club workers—the check room girls, cigaret girls, flower girls, washroom maids and porters, car parkers, etc. The operator can hire them himself, at small wages plus tips, or he can farm out this work to a "checking service" firm, which supplies the entire crew, pays them living wages, and keeps their tips. Checking service appears to be a profitable business; for these firms often pay the operator for the concession as much as his entire rental expenses. They will even lend money, if they have faith in the operator, to pay for the equipment of a new club.

"Strip-tease" dancers: These exhibitionists, a contemporary feature of most night club shows, are paid \$35 a week in the "joints." The leaders of the specialty, such as June St. Clair, Ada Leonard, and Faith Bacon, are paid from \$250 to \$300 a week.

"Strolling entertainers," who amble from table to table between performances of the floor show or in the small hours of the morning when the cabaret program has ended, are paid the regular union scale as musicians. Their earnings from tips are fairly handsome, for in many cases they are members of the dance band and it would be beneath the dignity of an inebriated customer to offer such an artist less than \$1 as a reward for his casual crooning.