In the 1930ies prague had about a million citizens. Approximately 45 000 of them were native German speakers. Around a half of these were clerks and industrialists. Both scenes of the Prague German Theater had all together a capacity of 2100 spectators. This disproportion together with inadequate state funding led to the fact that the price of a regular ticket to the prague German Theater was four times higher than to other state and city theaters. Withal especially German theaters were exceptionally financially dependent on their spectators. Despite relatively high tickets costs the management of the theater usually regularly ended up with a deficit budget.

The status of the Prague German Theater (apart from its operation) was incomparable with the status of the National Theater. National Theater was considered the most important stage in the republic, and was abundantly visited by nonPrague audiences as well. German citizens were converged especially near the Czech-German border where they had their own theaters, and where they were much closer to big German or Austrian towns than to Prague.

In 1932 Dr. Paul Eger became the managing director of the prague German Theater. He had previously worked in prague between the years (1908 - 1911) when in charge of the theater was Angelo Neumann, and after his death unsuccessfully applied for the position of the managing director. A year before his start he shortly was employed as a consultant with the German Theater Group, and therefore had enough time to prepare for his new position.

He took over the theater during a crucial financial situation, and introduced economical provisions.