

# Senza Sordino

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## Why Be an AFM Convention Delegate?

by Laura Ross, ICSOM Secretary

At the ICSOM Conference this summer, there were a number of conversations about and references to the benefits of sending orchestra members to the AFM Convention as local delegates. I have attended AFM Conventions since 1995, first as a non-voting ROPA representative, and then as a voting delegate for the Nashville Association of Musicians, Local 257. I have also attended the Southern Conference each year since I was elected as one of my local's voting delegates.

As someone who is currently going through the process of re-election to my local's executive board and for another three-year stint as AFM Convention delegate, I thought it would be important to share some information with you. As for what is expected of a Convention delegate, I attend the Southern Conference each year (two days, Saturday and Sunday, in June) as well as the triennial AFM Convention. (This was changed from a two-year to a three-year cycle at the last Convention. The AFM Convention and the Southern Conference are scheduled consecutively, so every three years we're talking Saturday through Wednesday.) The next Convention will be held in Las Vegas during June or July of 2010.

ICSOM orchestras currently have a few orchestra members serving as local officers. In some locals, this is a necessity if orchestra members want to be Convention delegates because the number of local delegates is dependent upon how many members a local has, and most local bylaws dictate that officers, by virtue of their positions, are automatic Convention delegates. If a local has 200 or fewer members, then it is entitled to only one voting delegate at the Convention; between 201 and 400 members, the local gets two delegates; 401–1,500 members garners three delegates; 1,501–3,000 members permits four delegates; 3,001–5,000 gives five delegates; 5,001–8,500 earns six delegates; and more than 8,501 members allows seven delegates (which no local sent in 2007). [Editor's Note: Article 17, Section 4(a), of the AFM bylaws omits the number of delegates allowed a local with exactly 8,501 members.]

This explains, somewhat, the inequity of the voting process when it comes to a voice vote at the Convention—there are far more small

locals. At the 2007 Convention there were 197 locals represented by the 317 delegates in attendance. Sixty-four locals had more than one delegate, but not all locals who were entitled to additional delegates chose that option. (That could be due to the cost to locals of paying expenses for delegates beyond the one delegate per local for which the AFM pays per diem and hotel expenses.) You should check with your local to see how many delegates your local is allowed to send to the next AFM Convention and how many it is planning to send.

I'd like to digress for one minute to say that I believe equal importance should be placed on attending the Locals' Conferences as well. ICSOM has made an effort in the last two years to reach out to all our AFM locals by including local officers (president and secretary-treasurer) on the *Senza Sordino* mailing list. While this publication can inform locals around the U.S. and Canada about those issues we hold most dear, the personal touch is always best. In my case, Nashville belongs to the Southern Conference, which is the largest of the 14 Locals' Conferences (some locals belong to more than one), consisting of approximately 40 locals. At the AFM Convention we all sit together at two tables because it's such a large group. The yearly Locals' Conferences are like an abbreviated version of an ICSOM Conference, with reports from various AFM officers and staff, information from the AFM-EPF (the pension fund) and the MPF (formerly known as the Music Performance Trust Fund), and explanations and demonstrations of new services the AFM provides to its members, new and old. Some conferences have discussion groups and others have workshops, plus there is almost always a dinner or a reception. In the case of the Southern Conference, many officers sit in with the band after dinner and have a jam session. Some musicians I know (this does not apply to orchestra members alone) do not feel it's as important to attend the Locals' Conference as the AFM Convention. I, on the other hand, believe that the opportunity to network and to meet fellow local officers has been invaluable—particularly once you get to the Convention. Over the years I have made a number of important connections and friendships that continue to be beneficial today.

Every AFM Convention is spent dealing with recommendations and resolutions that would change the AFM bylaws; inevitably these include at least one issue of major concern to orchestra musicians. It is hard to express how effective it is when an informed orchestra musician speaks as a voting delegate on the Convention floor. Beginning in 2005, representatives from each of the Player Conferences were given the opportunity to address the delegates from the podium. At that time, I suggested to the then-current ICSOM chairperson,

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## Chairperson's Report by Bruce Ridge



Far more frequently than ever before, I find myself turning on the television in the mid-afternoon to monitor the superimposed number that represents the current volatility of the stock market. That number, all too often a three-digit negative figure, is affecting all of our lives as our pensions, 403(b) accounts, and investments incur losses. Just as we all feel the effects of this economic crisis in our personal lives, many non-profit organizations are facing the ramifications of losses in their endowments. A few of these organizations prepared well, and the problem won't affect everyone in the same way.

I do not doubt that we will emerge from this crisis with a recovery that offers great opportunities. It is clear that the arts and our orchestras offer a sound economic investment for our communities and that we can and will play a significant role in that recovery which surely lies ahead.

But, before then, some of us will inevitably face tough decisions as our managements approach us with what they might label as "dire" news. We must be prepared to seek the answers from our managements that will allow us to verify the situation our orchestra might be facing. The news may or may not be as "dire" as it is being presented. And in all cases we should be prepared to offer our managements and boards the information they need to illustrate to our cities how vital we will be in the economic rebound that awaits.

When you are elected to serve on an orchestra committee, you take on many responsibilities for the concerns of your colleagues, as well as some liabilities in terms of the duty of fair representation. What should our orchestra committees be doing to prepare for these difficult times, and how should they be communicating with their colleagues?

### 1. Seek the information you need from Management.

Your management should be eager to keep you fully informed of their financial situation at all times, but especially during tough economic times. Key information you need can be found in the management generated financial reports, the audited statements, and in the Forms 990. You should have this information over a period of several years in order to identify trends.

### 2. Keep your colleagues informed.

In times of financial difficulty, it is easy for a sense of panic to set in among members of the orchestra. Nothing panics an orchestra more than a lack of information, which leads to inaccurate speculation that is, by its very nature, ill informed. Frequent meetings of the players' association should be held, allowing for members to ask all of their questions and express their concerns. Remember that it is natural for emotions to run high during difficult times, and some opinions will be expressed strongly. It is important to honor that, and for us all to respect the opinions of our colleagues, even if we feel that respect is not necessarily returned.

(continued on page 4—see CHAIRPERSON'S REPORT)

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A Player Conference of the American Federation of Musicians  
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[www.icsom.org](http://www.icsom.org)

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## President's Report by Brian Rood



It is difficult to ignore the current economy and its potential impact on our orchestras. During periods of such uncertainty, managements may seek to open up current agreements to ask for concessions. Chairperson Ridge's timely and well-written column contains many important points to consider during such discussions. My column is intended to provide additional perspectives.

Like many young men, I was a Boy Scout as a youngster. Their familiar motto is "Be Prepared." I can think of no greater advice for ICSOM musicians and committees during bargaining, especially when concessions are possibly at stake.

Being prepared includes:

- Understanding your orchestra's true financial picture
- Mobilizing the orchestra beyond just the negotiating committee members
- Enlisting the services of your local, SSD, ICSOM, and possible consultants
- Obtaining ICSOM musician support

Learn as much as you can about your orchestra's finances. Be sure to request and study their audited financial statements, IRS Forms 990, and management generated internal financial reports. Request the detailed versions as well as summary views from several years so that you are better equipped to understand the true financial picture. Also request endowment reports from each entity that holds funds for your orchestra's use, especially when not included in the audited financial reports. Part of managements' responsibility to bargain in good faith is to provide negotiating committees with financial materials in a timely manner.

One terrific resource the AFM provides to every ICSOM negotiating committee is to have AFM's independent financial consultant, Ron Bauers, available to conduct an independent third-party analysis of your orchestra's finances. The process is simple. Ask the local to make a written request to the AFM/SSD; Ron will use the necessary materials to complete a thorough review of the orchestra's finances. Also take advantage of the conference call with Ron, which will help explain the report to us neophytes. The AFM and local split the cost of this service with no additional cost to the musicians.

The phrase "information is power" has been an ICSOM cornerstone for decades. During negotiations, the responsibility falls to the committee to keep the full orchestra and the local regularly informed. Naturally, specific details about negotiating strategy and other confidential issues are not to be shared publicly. Holding regular orchestra meetings, though, will help keep the orchestra informed and address the many questions/concerns about this stressful time.

Maintaining a close connection to the musicians helps to build the solidarity needed to weather tough times. Of course, musicians should learn about the progress of negotiations through their committee and not management. Individual musician meetings with management and/or board members often backfire and create division within the orchestra. Whether by intent or not, management and board members all too often pull individual musicians aside either to pump them for information or to make their case away from the table. The best counterattack is to cultivate an atmosphere of open and frequent communication with the bargaining unit and, in return, for musicians to trust their elected committee leaders.

Many an orchestra sends representatives to the board of trustees, board sub-committees, or even the executive committee. Regular communication back to the elected musician committees and full orchestra about the work of these groups should be common course, particularly during negotiations. It is important to remember that any musician who serves on a board or related committee does so as a representative of the full orchestra. How many times have we heard an executive director or board chair assert that musicians must park their "musician hats" at the door when entering a board meeting? This is simply not appropriate and ultimately can be quite problematic for all of the obvious reasons.

One trend to watch closely is the increase in number of orchestras that use an outside consultant to perform institution-wide assessments and feasibility studies. While there may be some benefit to musicians—and that is debatable—issues abound. Consider having the musicians and the local included in the initial discussions of whether to engage such a consultant. If a decision to engage is mutually reached, there is merit to having both parties hire the consultant, not just the management/board. In addition, any interviews and/or working groups in which musicians participate should be meticulously planned. All musician representatives should, of course, be selected by the full orchestra and not simply appointed by management or the board.

Reports about declining and graying audiences continue to find their way into bargaining sessions. Rather than simply accepting these reports as fact, request the specific titles and authors. Research those reports and seek out contrasting information. Question everything. For every gloom and doom report released there is an equally compelling story of success and positive change.

The positive turnaround in ticket sales and attendance for many ICSOM orchestras following the horrific events of 9/11 took creative and energetic leadership as well as concentrated focus within those institutions. In addition, the Baltimore Symphony and the Florida Orchestra recently turned their financial pictures around with the assistance of new and improved leadership that engaged all of the different constituencies: staff, board, musicians, and their communities. A key to each success was that they did not succumb to the "gloom and doom" reports from outside (and even within) our industry.

*(continued on page 9—see PRESIDENT'S REPORT)*

## Chairperson's Report

(continued from page 2)

### 3. Inform your local president and your orchestra's attorney.

Our committees should be as inclusive as possible during a time of financial concern. Decisions might have to be made quickly, and no one should be caught off guard. Your local president has a key interest in the events and must be fully apprised. Your orchestra's attorney can offer guidance and advance interpretation of any relevant contractual clauses that might come in to play. In times of severe crisis, we have seen managements miss payrolls, or even threaten bankruptcy or *force majeure*. The management might want to open the contract mid-term. All of these worst case scenarios have implications for the collective bargaining agreement, and the attorney should be apprised in advance of the potential for difficulties.

Often the management will bring a crisis to the orchestra, with the admonition that we have to act immediately for our survival. At times like this it is wise to remember the words of the late Lew Waldeck, who would advise "If you have to know right now, the answer is no."

While you might not know for certain what will happen, you can anticipate and prepare for a series of likely events. The better prepared that you, your colleagues, your attorney, and your local officers are, the more prudently you can respond.

### 4. Avail yourself of all resources.

Meet with all of the leaders within your orchestra: past, present and future. Solicit ideas openly. I have found that people can accept if their ideas aren't enacted, but they can never support actions if they feel they weren't allowed a chance to express their thoughts.

A great service available through the AFM is access to a noted CPA with a wealth of experience in analyzing the financial situation of symphony orchestras. Mr. Ron Bauers can be hired through the Symphonic Services Division to offer guidance to you in analyzing the financial

### Did You Know?

The nonprofit arts and culture industry in America generates over \$166 billion every year in economic activity and provides 5.7 million full-time equivalent jobs. (Source: Arts and Economic Prosperity III, *Americans for the Arts*, 2007.)

There is a connection between the arts and civic duty. Half the people who regularly visit art museums, plays, or concerts also do volunteer work—compared with less than 20% of non-attendees. (Source: The Arts and Civic Engagement: Involved in Arts, Involved in Life, *National Endowment for the Arts*, November 2006.)

The percentage of adults attending a classical music performance remained at between 12% and 13% of the adult population between 1982 and 2002. (Source: 2002 Survey of Public Participation in the Arts: Research Division Report #45, *National Endowment for the Arts*, March 2004.)

In 2006, download sales for classical music grew by 22%. (Source: Newsweek, *September 17, 2007*.)

Every dollar that the government invests in the arts returns seven dollars to the community. (Source: Arts and Economic Prosperity III, *Americans for the Arts*, 2007.)

65% percent of American adult travelers schedule a cultural activity while traveling, equaling 92 million cultural tourists. Cultural tourists spend approximately 40% more in their destinations compared to all U.S. travelers. (Source: *Partners in Tourism and Travel Industry Association of America*, 2002.)

The arts generate \$7.9 billion in local tax revenue, \$9.1 billion in state tax revenue, and \$12.6 billion in federal tax revenue. (Source: Arts and Economic Prosperity III, *Americans for the Arts*, 2007.)

Classical music accounts for 12% of sales on iTunes. (Source: New York Times, *May 28, 2006*.)

Ticket sale income from orchestra performances grew almost 18%, to \$608 million, between the 2004-2005 and 2005-2006 seasons. (Source: Wall Street Journal, *October 3, 2008*.)

Opera attendance is up 40% since 1990. (Source: Doug McClennan, Diacritical, [www.artsjournal.com/diacritical](http://www.artsjournal.com/diacritical), November 21, 2007.)

statements. This service is provided at no cost to the musicians, as the AFM and your local will each pay half of Mr. Bauers' relatively nominal fee.

If our managements are comfortable with their own numbers, then they should welcome the opportunity to have their findings confirmed by such an eminent person as Mr. Bauers. Of course, should they resist then that might be telling as well.

### 5. Consult with ICSOM.

As soon as possible, inform your ICSOM member-at-large, or call me directly. It is more important than ever for our orchestras to remain in contact so that we may share ideas and analyze trends. In order for ICSOM to prepare to be of assistance, we need to know quickly where our members might be facing problems within their organization.

Despite the current dire forecasts, I remain convinced that we all will successfully weather this economic downturn, and we will emerge with the prospect of an even greater future. We need to be ready to help our managements, boards, political leaders, and audiences understand just how important investment in their orchestras will be for the future economic health of their communities.

To face this difficult time, we have to prepare well and we must utilize all of our resources. We need to be inclusive, and we need to support each other in the most collegial way. At all times we must work to spread the message of hope that ICSOM has articulated and that our orchestras offer.

In times of difficulties, the citizens of the world turn to musicians and other artists for comfort and inspiration. The community service we provide is more important now than ever, and we must remain ever vigilant in promoting our positive message. Let the words of W. H. Auden take on new significance for us:

*The lights must never go out,  
The music must always play.*

## Convention Delegates

*(continued from page 1)*

Jan Gippo, that he ask all the delegates who were members of ICSOM, ROPA, or OCSM/OMOSC to stand. Almost 10% of the delegates on the floor stood. That was a great beginning, but we need more voices. I mean that literally—most votes are done by voice vote, and many decisions depend upon who shouts loudest! As major funders of the AFM (through our work dues and membership fees), our members should have a significant voice.

The other day, before Nashville's nominating meeting, one of my executive board colleagues commented that, aside from me, there wasn't much participation by orchestra members at meetings or on the board. I was happy to be able to say that a few of my colleagues did come to some membership meetings (though no one was there that evening—even though we do try to accommodate the symphony schedule). I then explained that many of our musicians served on the orchestra committee, board committees, or other committees, sometimes meeting far more frequently than the local does. While that explanation (along with the comment that being single without a family left me a bit more free time than some others) seemed to placate my fellow board member, it did make me wonder if we all don't become a bit too complacent when we depend upon one person to represent the significant contributions of a whole group.

One voice with authority is great; but when it's backed up by others, it shows that this message has a great deal of support. I've seen this in action at the AFM Convention. Resolutions and recommendations are submitted to the AFM. Once the Convention begins, the various subcommittees (Law, Finance, Measures & Benefits, Good & Welfare, and Organization & Legislation) hear testimony in favor of or against each resolution and recommendation. When the Player Conferences have an issue, fully 10 to 15 people are there to support the representatives who testify. This support sends a very strong message. There have even been times when the Players Conference representatives outnumbered the committee!

What I have not mentioned is that being a voting delegate increases your chance of being assigned to one of these subcommittees, a place where real influence may be had. When the resolutions are reported out, it is these subcommittees that make the recommendations to the Convention delegates—either favorable or unfavorable, with or without amendments—all based upon testimony and discussion within each subcommittee. I have been a member of the Measures & Benefits committee since 2001 and hope to be again (if I'm re-elected and AFM President Tom Lee reappoints me).

I urge all of our members to consider how important participation is in assuring that our views and opinions are heard. However, I also urge participation because there is a great deal you can learn at these Conventions, including about musicians who work without the benefit of tenured positions with guaranteed salaries. Our local freelance colleagues deserve consideration because they too need protection and service from the AFM, and there is no better way to understand this than to participate in your local's meetings, on your local's executive board, and at the AFM Convention. Speak up! Participate!

*Please mark your calendars!*

## 2009 ICSOM Conference

**August 19–22, 2009**

*Hosted by:*

**The Musicians of the  
Virginia Symphony**

*and*

**Norfolk Musicians' Association,  
Local 125, AFM**

*Location:*

**Norfolk Waterside Marriott**  
235 East Main Street  
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757-627-4200

*All attendees must register with Secretary Laura Ross*

*Conference packets will be mailed in Spring 2009*

## Thoughts on Concessionary Bargaining

by Leonard Leibowitz, Distinguished ICSOM Legal Counsel

The following is a reprint of an article that originally appeared in the February 2003 issue of Senza Sordino under the title "Another Opening, Another Blow." Although some of the facts may no longer be current, the advice is.



In my experience, this is the worst of times. During the last thirty years I have witnessed "troubled orchestras," and even an occasional "lost orchestra," but never to the extent and seriousness we have experienced since just before the turn of the century. Over these last few years we have suffered through fiscal crises in the orchestras of Saint Louis, Houston, Toronto, Phoenix, Milwaukee, Baltimore, Buffalo, Louisville, Colorado Springs, and others. We have heard rumblings of impending difficulties in Pittsburgh, Cleveland, and even the mighty Chicago Symphony. It appears that we may have lost the orchestras of San Jose and Tulsa.

Typically, the first sign of trouble is an inquiry I receive from the musicians' committee chair: "Our board (and/or management) has asked us to reopen the contract in order to deal with the accumulated (or projected) budget deficit. If we don't agree, they say they will be forced to file for bankruptcy. What should we do?"

Typically, my answer is: do not agree to reopen—yet. That is, you may (and should) agree to meet with them, listen to their concerns, and ask a lot of questions. "How did this happen?" "What steps have you taken to remedy the situation before coming to us?" "Will you open the books to our accountant?" "What do you want us to do?" And, perhaps most important, "If we agree to some concessions, do you have a plan to prevent this from happening again in the foreseeable future?"

### Verification

If you agree to make concessions based upon your collective analysis of the situation, you should be willing to reopen the contract in order to implement the agreed-upon changes only after you have been given satisfactory answers to the following questions:

- Is the situation truly as bad as they describe it?
- Are your own accountants satisfied that they have received all the data they need, and are they convinced that the books reveal that which management alleges?
- Have you gotten an analysis of the books which explains how and why the crisis has occurred?
- Are there steps other than (or at least in addition to) musician concessions which can be taken to rectify the problem? If so, are they willing to take those steps?

- What is the state of the endowment fund? What is the current value? How much of it is restricted? Are the restrictions donor imposed or board imposed? Who controls the fund—the board, or a separate entity created to hold and administer it? What happens to the money in the event the institution dissolves?
- If there is no agreement to reopen, and they choose to file for bankruptcy protection, will it be pursuant to Chapter 7 or Chapter 11?
- And, finally, what is the plan for the future and does it appear to you and your accountants to be viable?

### Concessions

If you have agreed, albeit reluctantly, to make concessions, you will have to decide the form that those concessions should take. Some thoughts:

*Cut weeks rather than wages.* It may be that there is not sufficient demand in your town for as many weeks of work as you would like. Or perhaps your management has been unable to fully exploit the potential demand that really does exist. Not all orchestras have a year-round contract. But whether or not you have achieved a 52-week contract, the more important consideration, in my opinion, is to maintain reasonable and proper compensation for the weeks that you *are* working.

Most of the arguments we make at the bargaining table—cost of living increases, comparisons with similarly situated orchestras, the stress and practice time involved in doing the job properly—are made to persuade our employers of the value of our services and to seek appropriate financial (and other) recognition of that value. Thus it appears to me that agreeing to work for a lower salary is the very last concession that should be made, if ever.

And, of course, cutting weeks allows musicians to find other work during those dark weeks, or to receive unemployment insurance, or perhaps just to take some much-needed rest.

Moreover, if you cut salary but not weeks, the board and the community have lost nothing as a result of the crisis for which they are responsible! That is, they get the same amount of music from you, but you get paid less for it.

*Think loans.* Before you agree to make concessions which will involve complete loss of income which you will never recover, consider proposing that any financial concessions you make are to be treated as loans from individual musicians, to be paid back at some agreed-upon date or time in the future.

In 1985, the dancers of American Ballet Theatre (ABT) were asked to make concessions due to a fiscal crisis. At the time, their

collective bargaining agreement guaranteed them 36 weeks of work. In response to the crisis, the dancers agreed to reduce the guarantee for the upcoming year to 26 weeks, as a loan to the company. That is, the amount of earnings, including pension contributions, that each dancer lost by the cut of ten weeks was carried on the books of the company as an outstanding debt to each dancer. Since dancers' careers are relatively short, each of those dancers was paid back the full amount of the loan, with interest, as they retired, quit, or otherwise left the employ of ABT. Although the time of repayment may have to be shorter for symphony musicians, the concept is still viable.

*Be creative.* There are many other possible areas of concession, including those which relate to the easing of certain work rule limitations, which might save management money without actually cutting salary or weeks.

### **Rehabilitation**

The agreement to make concessions should include a plan of rehabilitation and restoration. Indeed, depending on when restoration is made, the plan may also include increases and/or improvements toward the end of the concession period. That is, if the concessions are to occur immediately, you should insist on extending the current collective bargaining agreement by some period of time within which you are returned to the level of compensation you were enjoying before the concessions, and that level of compensation should be improved in accordance with your best estimate of the level at which you would be had there been no concessions. If you fail to provide for such rehabilitation at the time of making the concessions, you will have given up your best opportunity to achieve restoration and improvements.

Having said that, there is, of course, no guarantee that your management will fulfill the terms of the added contract period, but it's better to have a plan in writing than nothing but another negotiation in the future.

### **Equality of Sacrifice**

With the possible exception of some shamefully low-paid staff, everyone else in the organization should suffer losses at least equal to those suffered by the musicians. The reasons for insisting on this condition before making concessions appear to me to be self-evident.

### **Non-Economic Improvements**

There is no better time to achieve improvement in working conditions, job security, and other areas which have little or no economic impact to the board than when you are making the kind of sacrifices mentioned above. With the exception of job security issues, many of these items were probably proposed by the union in earlier negotiations but were dropped along the way when

economics became paramount. Review your contract and your bargaining notes from the recent past and insist that some of those items be part of the deal.

### **Bankruptcy**

If, after all of this, you and your management nevertheless reach impasse and you refuse to reopen the contract, they may file for protection under the Bankruptcy Act. In that case you may need legal assistance, but you ought to be somewhat familiar with some basics.

Under Chapter 11 the institution remains in business under the aegis of a bankruptcy judge, during which time a trustee in bankruptcy, appointed by the judge, attempts to work with the board, management, and a group of creditors ("Creditors' Committee") to agree on a plan of reorganization which will include paying off the creditors (usually in some substantially reduced amount) and continuing in business pursuant to the plan, but without the ongoing oversight of the judge or trustee.

Section 1113 of the Bankruptcy Act describes a procedure for a debtor in Chapter 11 to seek to have the judge set aside the collective bargaining agreement if he or she believes it is onerous and will prevent the debtor from ever achieving solvency. It is a very complicated procedure, but for our purposes it requires that the debtor first attempt to negotiate changes in the contract with the union which are "fair and equitable" to all before applying to the court for rejection of the contract. In the event the collective bargaining agreement *is* set aside, the union has a right to strike, appeal the decision, or both.

Under Chapter 7 the debtor is seeking to dissolve the enterprise. It calls for the gathering of all assets of the organization, liquidating them, paying off the creditors with the proceeds, and going out of business.

My fervent prayer is that for those of you who have not already faced any of this, that all of the above remains irrelevant to you.

## **Dues Reminder**

Dues for member orchestras  
should be paid by the end of the year.

*Thanks for your cooperation!*

## Michael Kaiser In Print

### A Book Review by Bruce Ridge

**Title:** *The Art of the Turnaround: Creating and Maintaining Healthy Arts Organizations*

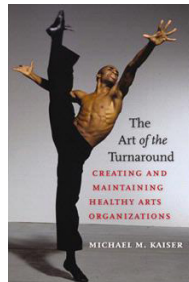
**Author:** Michael M. Kaiser

**Publisher:** Brandeis University Press

**Publication Date:** September 2008

**ISBN:** 978-1-58465-735-4

**Hardcover:** 204 pages



The overwhelmingly positive and inspiring message of Michael Kaiser's new book, *The Art of the Turnaround: Creating and Maintaining Healthy Arts Organizations*, might best be summarized in his statement from the penultimate chapter: "...when you do good art and market it well, you will have the funds to support your art..."

Currently president of the John F. Kennedy Center for the Performing Arts, Mr. Kaiser has earned the sobriquet "the turnaround king" for his success at taking troubled arts organizations from the edge of collapse to new illustrious heights. After success in the business world, he accepted his first appointment as an arts manager with the Kansas City Ballet. He has gone on to manage the Alvin Ailey American Dance Theater, the American Ballet Theater, London's Royal Opera House, and, since 2001, the Kennedy Center. As president of the Kennedy Center his innovations have led to surpluses in every year of his tenure.

I took an unusually long amount of time reading this book. On every page I lingered over some thought-provoking sentence about arts management or the need for institutional marketing. My copy of the book, less than two months old, is dog-eared, underlined, and highlighted. Probably to the annoyance of my colleagues, I found myself reading passages aloud to anyone who would listen.

For everyone who cares about the arts, and especially those of us who seek a deeper understanding of how to manage truly successful arts organizations, this book is required reading.

A meaningful review could be written simply by reciting some of the quotes I underlined:

... threatening bankruptcy is not the way to create fiscal health.

In only the rarest instance is excessive spending the true root of the problems of an arts organization.

The truth is that the usual culprit is the absence of a dynamic marketing program that conveys the excitement of a thriving artistic program.

The world is littered with companies who were sick and raised extraordinary funds to pay off the debt but did not solve the problems that created the debt and fell back into the hole.

... it is easier to raise funds for a visible organization...

Arts organizations must seriously address the lack of arts education in the public schools.

... too many arts organizations were cutting back on programming just at the time they needed to expand.

In his introduction, Mr. Kaiser lays out ten rules for a turnaround. They are all relevant to the message that symphonic musicians and ICSOM has been articulating. Some of these rules are:

- You cannot save your way to health
- Focus on Today and Tomorrow, not yesterday
- Extend your programming planning calendar
- Marketing is more than brochures and advertisements

Every manager, and especially every serious board member, should read this book.

I noticed that upon the release of this book, some press accounts focused on some negative letters Mr. Kaiser received while in London. I found that coverage to be sensationalistic. In reality, the reference is but a brief passage in this book, and not even a momentary distraction from the message.

Mr. Kaiser appeared at the 2003 ICSOM Conference and delivered a brilliant speech which can be found in the October 2003 issue of *Senza Sordino* (available online at [www.icsom.org](http://www.icsom.org)). His ICSOM speech touched upon many of the subjects that he explores in depth throughout this book. Two statements in his speech seem even more relevant today:

While the economy is challenging, many arts organizations are thriving. Those organizations are well managed. Most of the others are not.

By knee-jerk reacting to short-term fiscal problems by drastically cutting artistic programming and marketing, one virtually assures additional reduction of revenue in the future.

As we once again face a period of economic difficulties, the message of Mr. Kaiser's book is perfectly timed. At the 2003 ICSOM Conference, Mr. Kaiser implored that musicians need to better understand "arts management issues" and must "understand balance sheets and income statements and be able to pressure management and boards when they see a developing problem." He added that "[b]y the time the orchestra is in Chapter 11, it is often too late to act."

I can think of no better place for musicians to gain a deeper understanding than through this book. I encourage you all to read it, and I hope you'll be inspired enough to give copies to your manager and board chair.



## ICSOM's Partnership with Americans for the Arts

The October issue of *Senza Sordino* featured an article by Randy Cohen, Vice President of Policy and Research for Americans for the Arts, as well as information on Mr. Cohen's presentation at the 2008 ICSOM Conference. A link to Mr. Cohen's PowerPoint presentation can now be found on the ICSOM website at [www.icsom.org/conferences/2008](http://www.icsom.org/conferences/2008).

Americans for the Arts is the nation's leading nonprofit organization for advancing the arts in America. With 45 years of service, Americans for the Arts is dedicated to representing and serving local communities and creating opportunities for every American to participate in and appreciate all forms of the arts.

As part of our exciting new partnership, we are now able to offer Advocate membership in the Americans for the Arts Action Fund at no charge, as a benefit of ICSOM membership. Here's how their website describes it: "Members of the Arts Action Fund want the arts to be within the grasp of all Americans. Your membership helps to advance the arts both locally and nationally by supporting pro-arts candidates and giving the arts a voice."

At this time of economic uncertainty, it is more important than ever that the musicians of ICSOM be advocates as well as performers. The work that the Arts Action Fund is doing to communicate a positive message about the future of the arts in America is outstanding, and we are proud to join with them in this cause. You can learn more about Americans for the Arts at [www.AmericansForTheArts.org](http://www.AmericansForTheArts.org) and about the Arts Action Fund at [www.ArtsActionFund.org](http://www.ArtsActionFund.org).

Your orchestra's ICSOM delegate should have all of the information you need to join the Arts Action Fund. It is literally as easy as a clicking on a link in an e-mail. Should more information be needed, please ask your delegate to contact a member of the ICSOM Governing Board.

We hope that you all will take advantage of this free benefit offered to ICSOM musicians by joining the Arts Action Fund.

—Bruce Ridge, ICSOM Chairperson



*The Americans for the Arts Action Fund is a 501(c)(4) nonprofit membership organization created by Americans for the Arts, the nation's leading 501(c)(3) tax-exempt nonprofit organization for advancing the arts in America. Launched on October 4, 2004, the Arts Action Fund seeks to engage citizens in education and advocacy in support of the arts and arts education.*

## President's Report

*(continued from page 3)*

Just this past November 15, the *Houston Chronicle* published an article titled "Investment in Art Pays Off for the Houston Economy." It is truly refreshing to read an article that actually promotes the value of the arts in a community. The article reported that Houston's not-for-profit cultural organizations and their audiences generate over \$626 million annually and support more than 14,000 full-time-equivalent jobs. What a truly powerful message this is for civic and business leaders as well as for Houston residents. One of the authors is Robert Lynch, the president and CEO of Americans for the Arts (AFTA). AFTA is the leading nonprofit arts advocacy organization in the country. ICSOM is proud to have recently forged what promises to be an important partnership with AFTA. Every ICSOM musician is encouraged to learn more and to join their Arts Action Fund.

The strongest bargaining units regularly inform and empower their members. Consider exploring ways for musicians to become even more involved. Examples might include the creation of publicity campaigns and player association websites, meet-and-greet sessions with audience members before and after performances, musician announcements from the concert stage, receptions hosted for board members and donors, "take a board member to lunch" invitations, and cultivating relationships with music critics and other interested community leaders. There are many creative and rewarding ways to highlight the valuable contributions our musicians make to their orchestras and communities.

ICSOM remains ready to assist negotiating orchestras in need. In the past we have hosted conference calls with committees, local presidents, and attorneys of negotiating orchestras along with members of the Governing Board, ICSOM counsel, and SSD folks. During just the past four years, 18 ICSOM orchestras of all budget sizes have participated. We will make this service available again upon request. Please contact me for more information.

This holiday season is an appropriate time to reflect on the tremendous generosity and goodwill extended by ICSOM musicians to their colleagues in Jacksonville and Columbus. Your collective responses were heartening and continue to inspire the Governing Board. There is no limit to what ICSOM can do when we work together.

*Senza Sordino* is the official voice of ICSOM and reflects ICSOM policy. However, there are many topics discussed in *Senza Sordino* on which ICSOM has no official policy; the opinions thus expressed in *Senza Sordino* are those of the author(s) and not necessarily of ICSOM, its officers or members. Articles and letters expressing differing viewpoints are welcomed.

