Senza Sordino

Official Publication of the International Conference of Symphony and Opera Musicians

VOLUME 47 NO. 2 *Online Edition* **July 2009**

Managers Walk Away

by Laura Ross, ICSOM Secretary and Member of ICSOM Media Committee

It was just after noon on May 9, 2009, in Washington, D.C., and while it may have been a beautiful (or a stormy) day, the members of the AFM negotiating committee had no way of knowing. After a year and a half of tough negotiations, culminating in three long days (and nights) with the Managers' Media Committee in a cramped Washington hotel meeting room, we were on the verge of concluding a revolutionary new media deal. We had tentative agreements in place in virtually all the critical provisions that met some important union goals (described below) and also solved problems the managers had been complaining about for years. They covered nearly all forms of media, simplified media terms, provided greater and more flexible rights, and reduced many rates. Win-win, right?

Instead, at 12:15PM, the Managers' Media Committee walked away, calling a halt to the multi-employer negotiations and leaving each orchestra institution to fend for itself in the media maze.

Why did they do it? We obviously can't speak for them, but we can tell the tale of how a dedicated team of ICSOM Media Committee and ROPA Media Committee members, backed by the Federation and their local officers, spent a year and a half trying to redesign and simplify the world of media in ways we came to believe would benefit the whole field.

Our redesign was full of trade-offs made during tough but fair labor negotiations, while two opposing sides both accomplished some things they wanted. We firmly believe our particular redesign—as expressed in the terms and conditions agreed upon just after noon on May 9—met the needs of the great majority of orchestra managements and orchestras in the country. And it met significant goals we had set, as well. So, what did this newly redesigned agreement look like and how did we get there?

The story really begins with the previous two rounds of Symphony, Opera & Ballet Audio-Visual (A-V) Agreement negotiations. The A-V Agreement has covered television and non-TV A/V products for more than 25 years, since the early 1980s. In the early 2000s, managers began to complain bitterly that the Agreement needed fundamental change—but since no one really had the heart or the desire for the job at that time, those rounds of negotiations each ended quickly in extensions.

However, when the new round of A-V negotiations began in November 2007, the Managers' Media Committee made it clear that they were determined this time to overhaul the audio-visual media field—to throw out the old agreement and begin again from scratch. They complained that rates had become too high for the current era in which television sponsorship money was scarce or non-existent (and television interest in our product was equally scarce), and that the Agreement was way too complicated and confusing to use. They also pointed to inconsistencies in the Agreement—like having to pay one up-front payment for a program that comes out first as a TV broadcast and later as a DVD but having to pay twice if the DVD release comes first.

Over the course of several meetings, we agreed it *could* make sense to address some of the specific problems the managers identified, and even give them some more flexibility in A-V media. We were concerned that managers had failed to take advantage of favorable changes agreed to in previous agreements and hoped this would change in a new agreement that would be designed to deal with their issues and ours as well. We did not want to see the continuation of the trend in which managers attempt to use media as a leverage point in local negotiations; we did not want to see continued pressure on national radio rates in local negotiations; and we were not eager to continue managing and negotiating multiple national media agreements—the A-V Agreement, the Live Recording Agreement (LRA), and the Internet Agreement.

So, we made a proposition in February 2008: We would address the problems identified by managers and explore greater media flexibility for them *if* they agreed to stop dealing with media piecemeal and to negotiate in the context of an *integrated media agreement* (IMA) that included national radio broadcasts, live recording, Internet, and all forms of A-V. In particular, we made clear that radio coverage—albeit radio coverage that would allow local control when establishing radio rates—was a crucial goal for us. (This belief had been given voice by orchestra representatives around the country at a media summit the AFM held in Virginia back in

(continued on page 8—see INTEGRATED MEDIA AGREEMENT)

In This Issue

Chairperson's Report

by Bruce Ridge

The New Apocalypticism

The economic conditions that have led us to a year of crisis for orchestras in America have also spawned a new phrase for the rhetoric about our field: "The New Economic Reality."

I have to confess that I don't really have any idea what that means. I don't mean to be obtuse—clearly I know what those who use that phrase are talking about. But we are in a recession, and I'm not sure what's so new about that. While this is possibly the worst recession of our lifetimes, it has nonetheless happened before, and many times at that. Recessions have always been followed by a recovery, and this one will be as well.

In 1958 the United States found itself mired in a deep recession. Sales of automobiles that year fell 31%, and unemployment in Detroit stood at 20% (a comparable figure to 2009). There was a debate within the Eisenhower administration about the budget, with the President insisting on a balanced budget from the Congress, and with Vice President Nixon concerned that such a balanced budget could deepen the recession, leading to mid-term election losses and undermining his own campaign for the presidency in 1960. Eisenhower won out, the recession deepened, and Nixon lost the 1960 election, due in part to the economy (and also several thousand votes harvested from cemeteries on the outskirts of Chicago). I've always thought the lesson of this was that, in a recession, you don't balance your budget, but you manage your debt.

There are major differences between all of these past recessions and the one we face today. None of these differences are more profound that the omnipresence of the 24-hour news cycle. It seems that the only industry that is truly thriving now is punditry, and the more outrageous the commentary, the more the pundit profits. Remember, these are the folks that assured us that gas prices would remain at over $5 a gallon throughout this past year. There is no penalty for being wrong—or for being irresponsible. In fact, as long as it is outrageous and loud, the talking heads are rewarded. Isn't that the definition of a snake oil salesman? Someone who profits from the fear they promulgate.

In past times ideologues had to have their ideas assimilated into society, but today they have virtually uncensored, open platforms. There are cable news channels devoted to ideology, and websites galore that publish extremist views unchallenged. I've become unable to watch even those who profess to share my personal political ideology. None of these paid pundits are helping America. Instead, they merely preach a kind of apocalypticism in a culture where, if it bleeds, it leads. This pervasive negativity and bipolar debate permeates all of society, hindering recovery and casting a pall generated and spread by ratings.

Our field is no less immune than any other, and in some ways even more susceptible due to the negative perspective of the arts, and of

(continued on page 3)

A Player Conference of the American Federation of Musicians of the United States and Canada, AFL-CIO

www.icsom.org

INTERNATIONAL CONFERENCE OF SYMPHONY AND OPERA MUSICIANS

Governing Board

Bruce Ridge, Chairperson
North Carolina Symphony
505 West Aycock Street
Raleigh, NC 27608
919-833-8720 • Cell 919-971-1160
bruceridge@earthlink.net

Brian Rood, President
Kansas City Symphony
9919 Rosewood Lane
Overland Park, KS 66207
913-706-4164
brianfrood@sbcglobal.net

Laura Ross, Secretary
Nashville Symphony
1609 Tammany Drive
Nashville, TN 37206
615-227-2379 • Fax 615-259-9140
lar2vln@comcast.net

Michael Moore, Treasurer
Atlanta Symphony
953 Rosedale Road NE
Atlanta, GA 30306
404-875-TUBA (Voice/Fax)
mooretuba@bellsouth.net

Richard Levine, *Senza Sordino* Editor
San Diego Symphony
6304 Radio Drive
San Diego, CA 92114
619-263-2545 • Fax 619-263-7087
senza@richlevine.com

Matthew Comerford, Member at Large
Chicago Lyric Opera Orchestra
2014 North Pinetree Drive
Arlington Heights, IL 60004
847-392-4135
macmusic3654@yahoo.com

Paul Gunther, Member at Large
Minnesota Orchestra
5532 Rowland Road
Minneapolis, MN 55403
612-232-8689
pbgunther@gmail.com

Cathy Payne, Member at Large
San Francisco Symphony
751 23rd Avenue
San Francisco, CA 94121
415-666-3261
paycat@aol.com

Meredith Snow, Member at Large
Los Angeles Philharmonic
13610 Emelita Street
Van Nuys, CA 91401
818-786-3776
meredsnow@gmail.com

Leonard Leibowitz, ICSOM Counsel
3310 South Ocean Blvd., Apt. 930D
Highland Beach, FL 33487
561-455-4455 • 917-863-2897 • Fax 561-455-4251
LLlaborlaw@aol.com

Subscriptions: $10 per year, payable to *Senza Sordino,* c/o Michael Moore, Treasurer, 953 Rosedale Road NE, Atlanta, GA 30306. Report delivery-related problems to Richard Levine, Editor, 6304 Radio Dr., San Diego, CA 92114.

Senza Sordino, the official publication of the International Conference of Symphony and Opera Musicians, Inc., is published four to six times a year.

the future of the arts, that we have long fought against. We must resist succumbing to this negativity as we ask ourselves how to best weather this storm.

In my view, "the new economic reality" is really just "the new apocalypticism."

I heard a story recently on NPR about Elkhart, Indiana, a town known as "The RV Capital of America." Apparently, very few people are buying RVs in the recession, and Elkhart's economy is in terrible shape. A resident of Elkhart wrote to NPR, saying that he wished the media would stop covering the situation in Elkhart as a convenient story of economic disaster. He likened it to the coverage of Allentown, when the steel mills shut down in the 1980s. He said that "all Allentown got out of it was a Billy Joel song." When we hear these stories, no one is thinking that Elkhart might be a bargain location to move a business, now with lower real estate costs and a ready work force. Instead, for the benefit of a political point, the town is portrayed as dead.

In this time of concern for the future of our orchestras, we must not allow a rhetoric of failure to negatively impact our recovery and the future of our orchestras. We must not allow a cyclical economic downturn to fundamentally alter the mission of artistry and community service our orchestras provide.

Musicians ultimately are the biggest donors to their own organizations. We are seeing that again when in this time of need our musicians are demonstrating incredible flexibility and dedication. We are adjusting our contracts, we are responding to "An" economic reality, even if it isn't a "New" economic reality. That catch phrase isn't required to get musicians' attention. We know what is happening. What employees would have done more? The musicians

(continued on page 10—see CHAIRPERSON'S REPORT)

ICSOM Chairperson Bruce Ridge *(far left)* poses with Los Angeles Philharmonic members *(left to right)* James Miller, John Lofton, Meredith Snow, and Anne Marie Gabriele backstage at Walt Disney Hall during a recent visit.

Treasurer's Report
by Michael Moore

This is the last year of our five-year, phased-in dues increase. Due to unfilled vacancies and other factors, however, the increase this year is $3,000 less than anticipated.

The banking crisis and the Fed's lowering of interest rates have definitely had an effect on ICSOM's finances. We took a huge hit in interest income (down $9,500 compared to last year). Most of this slide came in the first quarter of 2009. Wachovia Securities (formerly A.G. Edwards, now Wells Fargo) abruptly began paying practically no interest on the Mendelson, the general reserve, and the Emergency Relief Fund's money market accounts. This prompted an investigation into better options at different institutions.

I'm pleased to report that the Emergency Relief Fund (ERF) is now making 3.25% on a $200,000 one-year CD. The remaining $127,000 in the ERF is now earning 2.4% in a money market. (ICSOM's policy is not to exceed the FDIC limit in any one bank, so the CD and the money market are in separate banks.) The combined Mendelson and general reserve funds are earning 3% in a money market, guaranteed for one year at that rate.

Here is snapshot of our accounts as of 6/20/09:

General Checking (Wachovia)	$ 21,378.03
Chair's Account (Wachovia)	1,460.85
Secretary's Account (Wachovia)	941.38
Senza Account (Wachovia)	1,047.61
Wachovia Money Market	2,959.89
Mendelson/Reserve MMA (Cornerstone Bank)	46,372.10
ERF CD (Cornerstone Bank)	200,006.23
ERF Money Market (Brookhaven Bank)	127,134.77
ING Direct Working Reserve Account (ING)	178,144.99
Total in All Accounts:	$ 579,445.85

The Wachovia money market is currently earning 0.68% interest, the Mendelson/Reserve MMA 3%, the ERF CD 3.25%, the ERF Money Market 2.4%, and the ING Direct Working Reserve Account 1.25%. In order to maximize our earnings, our lower-interest accounts are depleted first.

The good news is that, through our conservative investment strategy (CDs and money markets), we have not lost a penny of principal. The situation will improve on paper when the year-end interest is credited. Also, the accrued CD interest that won't be paid during this fiscal year will improve next year's numbers.

A complete accounting of how your dues money was spent for this entire fiscal year will be given to delegates at the ICSOM Conference in August.

Henry Shaw Remembered
1918–2009

Henry Shaw
Editor, *Senza Sordino,*
from 1972–1982.

Henry Shaw was arguably the greatest editor of *Senza Sordino*. He held the post longer than anyone before or since. He put out six issues a year for ten years—sixty issues (plus one supplement), on deadline, in a pre-PC age when text editing, layout, production, and publication were much more difficult and time-consuming than they are today—while simultaneously serving as assistant principal second violin of the Cincinnati Symphony Orchestra and as a member of his orchestra's committee.

And it was all quality work—stylish, literate, engaging reportage and advocacy. Henry wrote editorials protesting age discrimination, casting a wary eye at orchestra splitting, advocating government support for the arts, and more. His "Winds of Change" about the future of orchestras (Vol. 13, Nos. 3 and 4), his exploration of "Our Decibel Dilemma" (Vol. 16, No. 4), his summary of the accomplishments of "ICSOM: An Investment to Protect" (Vol. 15, No. 4), and his essay on "Job Satisfaction" (Vol. 18, No. 6) are masterly and still timely. He also wrote every entry for which he modestly provided no attribution, including lengthy summaries of ICSOM and AFM conferences and meetings. Believing that each issue had to have a lighter side, he authored many humorous pieces as well. (I especially enjoyed his observation that playing second violin parts to Strauss waltzes proves that *rigor mortis* can set in before death.) And, of course, he received from contributors numerous articles that he skillfully edited and reworked to make suitable for publication—no easy task.

May he rest in peace, and may we never forget his legacy.

—Tom Hall, Chicago Symphony (retired)

In 1960 I joined the Cincinnati Symphony Orchestra, and one of the first people to extend a friendly welcome was Henry Shaw. The symphony season was 28 weeks, with several weeks of summer opera for only part of the group. Orchestral playing was by no means a viable full-time profession and much work lay ahead to make it so, in Cincinnati and elsewhere. Henry was clearly at the forefront in this endeavor, both locally and at the national level. His fine intelligence, broad knowledge, ability to communicate, and especially his willingness to put in untold hours of work made him an invaluable leader.

Eight years later I had the great good fortune to become Henry's stand partner. We were to spend the next sixteen years together, until his retirement. I cannot imagine a better or more generous collaborator, and I learned immensely from him. His work on the Players' Committee, ICSOM, and *Senza Sordino* made constant demands on his time and energy, but he was also a superb and conscientious musician, and the music itself was always his first concern. When I think of Henry, what I remember most is experiencing so many performance highlights with a colleague of such integrity. In recent years, after we were both retired, we often spoke of how fortunate we were to share such a life.

When I visited Cincinnati in March I called Henry, hoping that he and Bobbi would be attending a CSO retirees' lunch while I was in town. He said he probably wouldn't be able to make it, but he sounded cheerful and we had a nice chat. Several days later he was gone. He was a dear friend, and he will be greatly missed.

—Rosemary Waller, Cincinnati Symphony (retired)

The core values of ICSOM are, in my opinion, communication and the sharing of information amongst constituent orchestras. Thus, the talent and hard work of the editor of *Senza Sordino* is crucial to the mission of the organization. Much of the success of ICSOM over the years is due to a series of extraordinary musicians who have served in that capacity. They include Henry, Sam Denov, Robert Levine, Tom Hall, Marsha Schweitzer, Sam Bergman, and the current editor, Richard Levine.

Henry Shaw was one of the best of that group. His perceptive articles about the symphonic field were both informative and elegantly presented. As a member of the Governing Board, Henry consistently brought clarity and foresight to the policy-making and all other discussions of the Board.

But there was much more to Henry than even those attributes. First and foremost, Henry was a gentleman. He was a real trade unionist and a wonderful musician. He was never cynical, snide, or sarcastic in his *Senza Sordino* articles or in his interaction with colleagues, managements, friends and family. Some of my fondest recollections of ICSOM Conferences involved having dinner with Henry and his lovely wife. I will miss his insights, humor and his dedication to the industry. We owe a great debt to Henry Shaw, and those of us who knew him will never forget the lessons he taught about the music business and about life.

—Leonard Leibowitz, Distinguished ICSOM Legal Counsel

A Phoenix Symphony Update

by Chuck Berginc, Orchestra Committee Chairman

As most of you already know, whether from keeping up with the turmoil in Phoenix for many years or from just reading and hearing about our recent issues, the Phoenix Symphony has once again struggled to make progress. We have seen this city grow to become the fifth largest in the nation, but our symphony is still fortieth on the ICSOM orchestra wage scale charts.

Some Background

Although this group of musicians has struggled since 1984 to make meaningful progress toward moving up the ICSOM salary ladder, we have not even maintained a cost of living standard over the past 25 years. We have opened our contract to givebacks and cuts at least five times in the last 25 years. Due to the recent cuts, our salary is going in reverse faster than many of our peers.

Our last contract attempted to address the promise made by Michael Christie, our music director, when he spoke to the press upon arriving in Phoenix. He clearly said his goal was to get the musicians to a salary of $50,000 as soon as possible. Our management stated that one of their main goals was to raise the musicians' salaries and often repeated, as part of an ongoing vision statement, that they wanted us to reach parity with Los Angeles and San Francisco in the next 25 years. During our last contract negotiations in 2005, we computed there would need to be 8.8% raises each season, beginning in 2006 and continuing for 25 years, to reach San Francisco's pay level (assuming they receive a 4% raise each year). Not surprisingly, we were not able to get an 8.8% raise for any season in that contract, but we did get a respectable commitment of growth. We went from $34,156 in 2005 to $45,567 in 2011, a reasonable 5% average raise each season. We now retreat to a base wage of $35,000 for the 2009–2010 season, which remains frozen through the 2010–2011 season—and so the cycle begins anew.

2008–2009 Season

If you have kept up with the press coming out of Phoenix recently, you know there has been an unusual amount of unrest within our organization. There have been several NLRB charges brought against the management by our union, Local 586, on behalf of the players, some NLRB charges from players individually, and lawsuits against our board and management filed by players. It is clear that there is something drastically wrong here that must be addressed in some manner.

To help guide our musicians through this difficult dilemma, we invited ICSOM Chairperson Bruce Ridge to come to Phoenix and address our musicians. When we first invited him months ago, we had no idea that Bruce would arrive within days of our getting notice that management was requesting a meeting "to address the financial challenges that face the Symphony due to the collapse of the economy." He walked into the most troubling time our musicians have ever faced, being presented with the alternatives of either a $28,000 base wage for 2009–2010 for 28 non-consecutive weeks (down from $40,900 2008–2009 for 40 weeks) or a player reduction from 76 to 50 (and an attitude of "take it or bankruptcy").

As you would expect, Bruce provided a wonderful sounding board for our musicians. He was able to impart useful information as he compared our situation to others with which he was familiar. He was also able to meet with a former president of our board, our CEO, and our music director. We asked Bruce to address the musicians in a full orchestra meeting. It was fabulous that we had the largest meeting in recent times with 86% of our members in attendance. Pointing out that the symphony business is still thriving in many places, Bruce was able to give us hope that we, too, could improve our own situation and thrive, regardless of our history or of mistakes made on all sides. In addition, Bruce attended a negotiation meeting where the musicians first presented management with a proposal for solving the temporary economic conditions that faced our organization. Unfortunately, our board and management gave us false hope of a quick resolution at that brief meeting, most likely because they did not want to appear unreasonable to an outsider. Regardless, it was quite a boost to have Bruce see and understand our situation firsthand, and we hope he can return soon.

Concessions

Maintaining a full-time orchestra here in Phoenix became a far greater struggle than seemed necessary. It began with a simple PowerPoint presentation by three board members explaining that, due to the "economic collapse," we were no longer a $12 million organization but an $8 million organization, and it was therefore mandatory that the musicians simply remove $2 million from their budget line to match the $2 million being cut from the staff/production/guest artist budget line. We were presented with new, severe restructuring models (e.g., possibly returning to the 1960s schedule of night and weekend rehearsals and concerts) in order to accomplish that reduction. It seemed to our committee that we were being brought in to bargain not as reasonable people that have a desire to solve a mutual problem, but as a group of musicians that were secondary to the life of the Phoenix Symphony Association. As it turned out after much struggle and a visit from Peter Pastreich, we accepted a 17% aggregate cut over the next three seasons and were able to continue to be a full-time orchestra. If you wish greater detail, please refer to the ICSOM bulletin submitted following negotiations.

2009-2010 and Beyond

We are optimistic about our future but have much to do at this time. We refuse to give up the quest for a healthy relationship with our management, our board, and each other. There are more and more musicians with the growing realization that we all must do more than just show up prepared to make music who are stepping up and getting involved. When will our salary grow out of the basement group of symphonies? Must the wonderful weather be the major factor for staying here? Well, at least it's a dry heat…

Reports from Chicago, Philadelphia, and Columbus

After a spirited discussion on April 22, the members of the **Chicago Symphony** overwhelmingly approved a small package of contract modifications. The package includes a temporary 2.5% reduction in base scale (for 104 consecutive weeks), temporary changes in the hiring of subs, two additional free concerts in the next two years, postponing the filling of four vacancies, and one small change to tour conditions. Significantly, it also adds a new fifth year to the contract. There will be a 4.5% increase in base scale for the added year ($90/$30 split, with a total increase of $120 per week). Every member will also get one additional paid release week.

These changes were a result of a process that started in January, when CSO management requested a pay freeze to help with budget problems caused by the general economic downturn. While the CSO has not seen a decrease in ticket sales yet and annual giving remains strong with a projected decrease of only 3%, the endowment (and hence the available draw) is severely impacted by the recession.

Members Committee Chairman Steve Lester says that, in discussing the union's response, four basic principles guided their thinking: (1) Modifications would be temporary. (2) Reductions would be targeted (no reopening of their contract). (3) There should be some form of recognition for any temporary reduction (fifth year). (4) The Chicago Symphony Association must provide complete information regarding staff salaries and hiring (which are frozen), program costs, revenue, etc. So far, the Association is complying with these requirements. While the members have never modified a contract before, given the extreme situation in Chicago, the Members Committee believes that these modifications not only help preserve the health of the orchestra but also demonstrate a commitment by the trustees to maintaining the orchestra's position in the world.

The Chicago Symphony's September 2009 tour to Europe, which is funded with dedicated sponsorship, is proceeding on schedule. With the recent release of the CSO's eighth CD on CSO Resound (Ravel's *Daphnis and Chloé* and Poulenc's *Gloria*, with Bernard Haitink, conducting), all of their media plans are also moving ahead.

—

Problems began appearing in the **Philadelphia Orchestra** during August 2008. That is when then-President James Undercofler, due to budget concerns, cancelled the August 2009 European Festivals tour and the Global Concert Series over Internet2. (This was prior to the U.S. economic meltdown in late September 2008. Both tours had been scheduled for the 2008–2009 season.) The musicians have four seats on the board of directors, and board documents throughout the fall traced the unraveling of orchestra finances. The chief reason for the current economic trouble is that approximately 90% of the endowment is donor restricted. Of the unrestricted portion, $10 million is collateral for the line of credit (which is very close to its limit). The little that remains above that amount may need to be used over the summer of 2009 to cover the substantial per diems for the Vail and Saratoga festivals in July and August, respectively.

Orchestra Committee Chairman John Koen explains further that the Association typically relies on cash from subscriptions coming in late February and March to cover operating expenses until the season begins in mid-September. This year, subscriptions are down approximately 20% compared to last year (a far greater decline than the 8-10% drop experienced by many of Philadelphia's peer orchestras). The staff was cut 20% in mid-March. This was followed by further cost-cutting measures, including asking guest artists and conductors to reduce their fees, limiting entertainment expenses, and restricting travel for conferences.

The orchestra committee kept the musicians informed, and their overwhelming response was that they wanted to do their part to help the institution survive and continue to flourish. The musicians, Local 77 President Joe Parente, and attorney Susan Martin met with the CEO and certain of the staff over the course of two months to find a solution that would not permanently damage the musicians' stature but would address the financial crisis they found ourselves in the middle of.

Instability in the leadership of the institution has also caused problems. There is a public perception that the orchestra is drifting, although, thankfully, as the *New York Times* and others have noted, not artistically. There has been an interim board chair since January 2009, and the post will not be filled permanently until the September 2009 election. There is also an interim CEO. The CEO search continues but appears to be drawing toward a conclusion. Finally, there is also an ongoing music director search, but there is a very good expectation of concluding it by January 2010. So the leadership problems should begin to resolve in the near future.

—

A six-month lockout of the musicians of the **Columbus Symphony Orchestra** began on June 1, 2008. This crisis occurred before the national economy fell into deep recession. In fact, the stock market crashed a week after contract terms were settled last September. In hindsight, there is no doubt that the whole season would have been lost had Columbus musicians not settled at that time. Even with that settlement, the orchestra did not resume full-time employment until last January. With the recession in full effect by then, the financial situation was much worse than anticipated due to the slashing of wages and benefits by 25%, without future restoration.

According to ICSOM delegate Mike Buccicone, there is little change in either management or board personnel to report at this time. Even with the huge cuts, another six-figure deficit is expected at the end of the season in August. Morale has fallen to its lowest point as musicians all struggle with these cuts. Several musicians have taken long-term leaves of absence and have either found other jobs or returned to college for retraining in other professions.

Despite all of this, concerts have been well attended and enthusiastically received by audiences. The musicians are struggling to maintain the highest quality under these conditions. As of this writing, the search for a new music director and a new executive director continues. The orchestra's future may well depend on some major change in board personnel that could result in increased support from city leaders and major donors to stave off the orchestra's decline.

2009 ICSOM Conference
Agenda Highlights

The Arts & Economic Recovery

August 19–22, 2009
Norfolk Waterside Marriott
Norfolk, Virginia

Tuesday Evening, August 18

**Negotiating Orchestras Breakout Session*

Wednesday, August 19

**New Delegate/MAL Breakfast*
Welcoming Remarks and Introduction of ICSOM Governing Board, Guests, and Attendees
Reports (Chairperson, President, Secretary, Treasurer, Editor, Nominating Committee, Strike Fund, Conductor Evaluation, Directory & Website, ICSOM Emeritus Program)
Interview with Michael Kaiser, Executive Director, Kennedy Center
Theresa Cameron, Director of Membership, Americans for the Arts
Tom Lee, President, AFM
AFM Symphonic Services Division Presentation (Chris Durham, SSD Director)
Mixer (Harbor Cruise and Dinner on *The Spirit of Norfolk*)

Thursday, August 20

Reports (Electronic Media Committee, Player Conferences)
American Federation of Musicians-Employers Pension Fund
Hearing Protection Seminar (Janet Horvath)
Injury Prevention Seminar (Janet Horvath)
Breakout Sessions

Friday, August 21

Town Meeting *(Governing Board, Delegates, and Alternate Delegates only)*
Hal Ponder, AFM Director of Government Relations
Developing an Effective Protest Campaign (Ray Hair, President, Local 72-147)
Legal Aspects of Contract Reopeners and the ABCs of CBAs (Leonard Leibowitz, DILC)

Saturday, August 22

Candidate Speeches and Election
Diversity Committee Report
Resolutions
Members at Large Meeting with Assigned Delegates
2011/2012 Conference Site Selection *(2010 in Houston, Texas)*
Good & Welfare

**Prior to Conference's opening session; not everyone attends.*

This preliminary agenda is condensed and is subject to change.

Contributed by Lee Ann Crocker, San Francisco Symphony

Follow ICSOM
on Twitter at
www.twitter.com/ICSOM
and on
Facebook

Subscribe to Orchestra-L

Visit ICSOM's website at
www.icsom.org

Integrated Media Agreement

(continued from page 1)

November 2007.) The managers were reluctant but agreed to explore this idea in "framework" discussions from April to June 2008—when they finally agreed to negotiate an integrated media agreement to begin in the fall.

A key reason managers agreed to go forward was the concept of a "media buffet"—an option in which an institution could obtain greater rights and flexibility in media in return for committing to a "buffet payment" in the form of a guaranteed payment to each musician. The buffet option idea was inspired by the Metropolitan Opera deal—despite the fact that we never really reached any common understanding with the Managers' Media Committee about what that deal was. We looked at the deal and saw that the Met had put together a business plan that included an extremely significant commitment to media, plus significant dollars guaranteed to musicians as an annual fee that increased each year for five years, in return for which the Met was given broad media flexibility. The managers saw only the new rights, and skipped over the money. We envisioned an agreement in which the bulk of the new agreement would contain traditional "à la carte" rates for projects that were done one at a time, but we agreed to explore the possibility of creating one or more buffet options that would provide more flexibility in return for a buffet payment.

With that understanding, the Managers' Media Committee pulled together a multi-employer group to start negotiations for an integrated media agreement. Negotiations began in November 2008. It is fair to say that we were dismayed at the outset. We came to the negotiations with a well-thought-through "concepts" proposal that designed three buffet option tiers (with increasing prices and rights), and, because the economy was beginning to cause concern, we even included the possibility of ramping up to the full buffet price over time. Our proposal was designed to help managements ease in to a buffet. The managers brought only a bare-bones proposal that barely distinguished between the buffet options and à la carte rates—and most media in their proposal, including television, was to be done for the most token of up-front payments or no payment (and the hope of revenue to share).

Meetings in December did not fare much better. At this point we had agreed that, for the immediate future, both groups would meet as subcommittees to allow for greater ease when scheduling meetings. (Ours included AFM counsel and staff plus five ICSOM and two ROPA representatives. The larger group included all 10 ICSOM Media Committee members and a number of local officers.) The Managers' Media Committee spent most of the time arguing about whether the availability of the buffet option should depend on musician approval—a position on which we held firm. January and February 2009 went by without a meeting. We can't know for sure, but it is quite possible that the managers' failure to schedule a meeting during that time was due to their hope that the San Francisco Symphony negotiations, which were occurring at that moment, would result in a local media agreement that covered national media issues. That failed to happen, due in no small part to the outstanding efforts of Cathy Payne and her colleagues on the San Francisco media and negotiating committees. (They were assisted by SSD Director of Symphonic Electronic Media Debbie Newmark, ICSOM Media Committee representatives Bill Foster and Peter Rofé, and Federation counsel, Trish Polach.)

Since we were so far apart regarding buffet option issues, our negotiating committee decided to focus on the à la carte rates and structure for the March 2009 negotiations. That finally led to productive dialogue, and we even came close to agreement on news and promotion provisions that allowed expanded uses in these areas.

Having finally made some progress, it seemed like the managers had a renewed interest in getting something done during our April meetings. In fact, we reached agreement on an audio-only buffet option that provided broad (but not unlimited) rights for audio-only products. In return for a payment of 3% of base annual wage (with a floor of $900), an institution electing the audio buffet option would be allowed to tape all performances and would be entitled, roughly speaking, to unlimited radio broadcasts and unlimited streaming of that captured material. They would be entitled to release 600 minutes of recorded product, with no more than 300 of those minutes in the form of CDs (the rest as download-only products). We might have preferred slightly stricter limits on CD and download releases, and we definitely would have preferred more money. But we were particularly pleased with the fact that the audio buffet put a cap on the amount of download-only product available on the buffet. All things considered, we believe that the agreed-to audio buffet option was a worthwhile option for some orchestras.

While heartening, we still had a long way to go. Unfortunately, the managers had structured their multi-employer group authorization to expire on May 10, which added additional pressure since they were unwilling to request an extension. We insisted that the managers meet with us for at least two solid days prior to expiration of their group authorization; they agreed to meet in D.C. from 9AM on May 7 until noon on May 9. So we took a cold, hard look at the situation and came to some important conclusions about how to reach an agreement that we wanted and could recommend.

We reaffirmed our commitment to obtaining radio coverage and established a goal to achieve up-front payments for recordings sold only as downloads. Under the Internet Agreement, orchestras can go straight to downloads (with no CD) for no up-front payment, as long as certain conditions are met. We saw such digital-only products as the wave of the future and concluded that it was time to require up-front payments for both download-only products and streams, even if doing so required a trade-off that included a slight drop in the live recording rate for CDs.

We also needed to put an end once and for all to the managers' push for television payments based on a percentage of weekly scale. We had insisted from the beginning that all orchestras—big and small—continue to earn the same amount for national television and not be penalized by a loss of income under this new agreement. Moreover, we had no interest in a precipitous drop in television rates, a position from which we never wavered in discussions with management. However, we agreed that, to achieve this goal, we needed an entire overhaul of television rates—one that abandoned the complicated structure of imprint payments (for each capture) and release payments, and established instead a clear and simple system that we could support and that managers could live with.

Our very clever negotiating committee devised a whole new system for television, based on per-minute rates, and we crafted a whole new A-V buffet proposal that gave greatly increased A-V (including television) rights with the per-minute rates as the foundation. To jumpstart the May meetings, we presented this proposal in advance.

And then, from our union caucus on May 6 through noon on May 9, we worked like demons. From the glacial pace of Fall 2008, we moved into comparative warp speed, with the result that by noon of May 9, we had reached substantial agreement with the managers on all the audio and audio-visual à la carte provisions as well as the audio buffet options. We had obtained our goal of national radio coverage (and protected existing local agreements for national radio syndication by grandfathering them), obtained our goal of establishing up-front payments for download-only products and streams, established our per-minute television rate structure, and reached negotiated agreements on the per-minute rates. The managers had gained a vast simplification of the media landscape, broader and more flexible rights in all categories, and price cuts in many.

So why did the managers walk away, instead of concluding a deal? Again, only they can say. But the *only* substantive issue dividing us at that point was the potential A-V buffet option and certain approval issues. Perhaps with more time we would have been able to work through the A-V buffet issues, and we offered alternative options to address the approval concerns, but the managers declared that we were too far apart and left for the airport. Frankly, we were angry. But we were also extremely puzzled. It had been clear to us for months that very few orchestras would be interested in an A-V buffet option, and from personal experience we knew that orchestra approval was not a universal concern among orchestra managers. Not every orchestra is all that interested in television or has ready television opportunities; moreover, many orchestras right now are focused on issues other than media. It simply did not seem to us that the A-V buffet option or orchestra approval should hold up a deal, or that managers across the country should be left in a lurch, deprived of all the benefits just negotiated.

So where do we go from here? Under the labor laws, the Federation remains the bargaining agent for national media issues. Each and every orchestra institution that is a signatory to the A-V Agreement, the Internet Agreement, and/or the Live Recording Agreement has an obligation to bargain with the Federation for successors to those agreements. Therefore, any musicians who receive a media proposal (or a hint of a media proposal) should call the Federation as soon as possible.

Furthermore, as a negotiating committee we are convinced—despite our disappointment with the Managers' Media Committee—that institutions across the country should not be deprived of the benefits of the IMA. So, you will be hearing more about this groundbreaking agreement as we reach out through the country speaking to orchestra committees, negotiating committees and musicians about the details.

The dedicated ICSOM subcommittee members included ICSOM Electronic Media Chair Bill Foster (National Symphony), Peter Rofé (Los Angeles Philharmonic), ICSOM Governing Board Members at Large Cathy Payne (San Francisco Symphony) and Matthew Comerford (Chicago Lyric Opera Orchestra), and ICSOM Secretary Laura Ross (Nashville Symphony). The subcommittee could not have done its work without the extremely valuable ideas, opinions, and input from the rest of the ICSOM Electronic Media Committee during full committee meetings and countless phone calls. Those committee memebers are Paul Frankenfeld (Cincinnati Symphony), Fiona Simon (New York Philharmonic), Roger Ruggeri (Milwaukee Symphony), ICSOM President Brian Rood (Kansas City Symphony), and ICSOM Chairperson Bruce Ridge (North Carolina Symphony).

ROPA was ably represented at these meetings by ROPA President Carla Lehmeier-Tatum (New Mexico Symphony) and ROPA Vice President Paul Austin (Grand Rapids Symphony). ROPA Secretary Larry Gardner (Fresno Philharmonic) and former SSD Director Laura Brownell were involved in much of the discussion that led to the IMA. SSD Director of Symphonic Electronic Media Debbie Newmark was a terrific asset during the process. Many thanks go to Patricia Polach for her assistance in preparing this article. Trish is the Federation's Associate General Counsel, and in that role she served as the negotiating committee's chief spokesperson. Finally, many thanks to the Federation and all the local officers who supported our efforts, both by committing substantial financial resources to the negotiation and by standing staunchly by our media vision. Special thanks to Federation President Tom Lee and to local officers Mary Landolfi (L. 802), Gary Matts (L. 10-208), Billy Linneman and Dave Pomeroy (L. 257), Hal Espinosa and Vince Trombetta (L. 47), Teresa Gafford (L. 171-710), and Robert Levine (L. 8), who worked with us in the discussions and negotiations during the past 1½ years.

Chairperson's Report

(continued from page 3)

of the Honolulu Symphony have not been paid in 16 weeks, yet they continue to fight for the 110 year old orchestra with inspiring commitment.

In the negativity of the media, unions often are portrayed as inflexible. The debate has come up in the auto industry, where people wistfully point to non-union auto manufacturing in the south as an example that the union workers of Detroit should follow. The comparison boggles my mind.

These factory jobs were viewed as a way for Americans to march into the middle class, and that would never have been possible without the unions. Now, in this market, the unions of that industry have shown the flexibility that musicians have, and made adjustments needed to save their company. And while times have changed, industries have changed, and economies have changed, the negative view of the unions role continues to roil. When did it become a part of America that the worker should aspire to less?

Our musicians have a unique and intimate knowledge of their field, and we must work to share that education with our boards. Every crisis is also an opportunity, and, in this time of economic crisis, we must seek out the opportunity to share our knowledge with our boards so that together we can inspire our communities to invest in the growth of our orchestras. As I have often written, no "business" or other organization ever solved a financial problem by offering an inferior product to its consumers.

Even in this difficult time, we are seeing good managers leading their organizations to new eras of growth. We cannot allow others to use this economic downturn as an opportunity to reduce our greatest artistic and cultural organizations to a size that they find more manageable. Instead, we must find managers than can inspire boards and communities. In the absence of such leaders, the musicians themselves must be the advocates for their orchestras.

This recession will end. A recovery awaits. *The Wall Street Journal* recently predicted that the recession will end in September, but we must be wary of all punditry at this point. In fact, even if the recession does end soon, the lag effect on certain economic factors, such as unemployment, will remain. Our orchestras must be prepared to participate in the impending recovery. We can only achieve that by continuing with our positive message of hope, and by rededicating ourselves to the preservation of America's greatest cultural institutions.

This is no time to retreat. This is a time that calls for leadership, within our orchestras, within our communities, and within our union.