



LEADERSHIP IN REGIONAL THEATERS

A CONVERSATION WITH BENJAMIN MOORE AT
THE YALE SCHOOL OF DRAMA

MAY 15, 2009

Benjamin Moore graduated from the Theater Administration Program at the Yale School of Drama in 1970. Subsequent to graduate school, he worked at the American Conservatory Theater for 15 years where he held the positions of production director, general manager, and managing director. For the past 24 years, he has been the Managing Director of Seattle Repertory Theatre where he led the construction of the Leo K. Theatre, Seattle Rep's second stage and 21 operating cycles with no accumulated deficit. In a talk that he gave to the Theater Management Department at Yale, he was transparent in discussing his partnerships with Artistic Directors throughout his career and how the roles of the Artistic and Managing Directors at the regional theater level have changed.

This interview was prepared by Professor (Adjunct) and Chair of Theater Management Edward A. Martenson and Managing Editor of the Theater Management Knowledge Base Jane Kyungwon Jung as the basis for class discussion rather than to illustrate either effective or ineffective handling of the situation described.

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You went almost directly to American Conservatory Theater (ACT) right out of school into a major position, production director. I would like you to try to describe those days when ACT and all of these major theater institutions were still new. What were those days like?

BENJAMIN MOORE: The opportunities that I had back in 1970 are not quite around in the same way. I have realized looking back that to have that opportunity was an amazing gift. I took a stop at the Westport Country Playhouse on the way to ACT. Mostly because of Jim McKenzie who's passed on now. Jim was one of my mentors and had brought Charles Dillingham to be the General Manager of Westport. He went from there to ACT and I followed the same path. I arrived at ACT in the wake of the palace revolution of 1969, which is how a segment in its history came to be known when Bill Ball, the Artistic Director, who was a nutcase, but a brilliant visionary nonetheless, fired all of his senior people in the organization. When I arrived in San Francisco I didn't know what I was doing and I had this wonderful opportunity to learn everything on the job, completely fresh. It took a while to find my office because nobody was there. There wasn't a shred of paper in my office to feed off of to understand what I was supposed to do. Bill was gone for the rest of the year because he had gone off the deep end and had to take a break. Ellis Rabb, one of his schoolmates from Carnegie came in to sub in for him. I had the chance to get my footing at ACT in charge of production. It was an elevated position as compared to what we see now in a lot of regional theaters with production managers. It was a bit beefier because of the way Bill had organized his leadership structure. He was the boss and the general director and then he had a production director, a general manager and

somebody who ran the school. Those were the three key people. I gradually got my legs under me in that first year and had the chance to work with Ellis Rabb and Jack O'Brien. I got acclimated with the likes of those folks. They ushered me into this world of regional theater. I was in that job for about nine years and I'd never had a better job. When I first arrived it was 40 or 45 resident company members that were employed from Labor Day to Memorial Day. It was like having a symphony orchestra. You could actually program almost anything you wanted to program. It's not that I hadn't done any technical theater here, but very little, so I didn't really know what it meant to work with an organization that was highly unionized. There was no technical director at ACT at that time so I had to be the bridge between production management and producing the work, relying upon a lot of very capable union personnel to supplant the purpose of what is now served by a technical director. That taught me a lot about how to manage a very diverse work force. I look back at the time when I got to know those remarkable men who worked in the shops and on the stage to run a rep of ten plays. We did ten plays a season and rotated up to five or six of them at one time daily, sometimes twice a day. Working out the schedule for any given season was a wonderful puzzle to resolve every year. Really having hands-on experience in producing the work was thrilling in a wonderful grand old theater, the Geary Theater, which has now been magnificently restored since the earthquake back in 1989. After nine years an opportunity opened up to be the general manager, which is what I had intended to do from the outset. I shifted into general manager for a couple of years and then things started to shift in terms of the leadership structure and a managing director position was created. I stepped into that

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position and rounded up my time at ACT as the managing director in a slightly more traditional leadership structure than what had existed previously.

I got to the point after 14 years where I was trying to work with Bill because I was now his partner more than I had been before and he was a force to contend with, no question about it. I was beginning to realize that my attempt to support Bill's structure at ACT, my attempts to moderate his behavior so as to make his ideas actually successful weren't going to work. His rather aberrant structure consisted of a board of directors of the theater, a small group of about 12, all like-minded. People like W. McNeil Lowry, sat on this board. He's looked upon as the father of not-for-profit theater because he was with the Ford Foundation at the time and helped to populate the landscape with these regional theaters. That little group met once a year in Bill's house and basically supported anything he wanted to do. It became contentious after a while. It was a difficult model to sustain. Then there was a totally separate 501(c)(3) that Bill created that looked a lot like a traditional board of trustees populated by the city's principal leaders called the California Association for ACT, which was a separate entity to raise money to support the company. They had no governance over the theater, which was by design. Bill didn't want to have a volunteer and a novice tell him what he should be doing so he protected himself against that. I thought that was a pretty interesting model and worthy of being sustained, but it was a delicate balancing act. In my relatively younger years it was possible to make that work on a long term basis but I realized at 14 years in, that it was not going to work because Bill was just not reliable. He was not somebody that I could partner and collaborate with in a way that would make a difference.

I decided to leave and I remember coming back to Westport to sit with Jim McKenzie in

his house. I was sitting in his living room talking about the fact that I had come to this conclusion and he didn't really try to convince me to do otherwise. He knew what it was like to work with Bill. He'd basically lost his relationship with Bill by this time so he knew full well what I was facing; so I decided instead of getting a job before I left, which was nearly a fateful error, that I would take six months off. I would look at anything that came my way. Tom Fichandler interviewed me for 14 months to succeed him at Arena Stage. He called me at 7:30 one morning on my thirtieth birthday, maybe thirty-five, to say that he had decided to hire Bill Stewart to replace him but he wanted me to know that I was always his second choice to succeed him. I started to lose my way after about three or four months. I looked at reviving the Shakespeare Festival in Connecticut, which was an immensely ambitious notion and just didn't play out. When I thought it was over, I got a call from Peter Donnelly.

Peter had been the long term managing director at Seattle Rep for some 21 years. Nobody ever thought he'd leave, but he did. I had watched Dan Sullivan at various TCG conferences and also seen some of his work and I thought I'd like to work with Dan. I think it's relevant to pause at this point and say that with the training and experience I've had I think I could be a psychologist. I don't have a degree in that unfortunately. When somebody asked me around the time I left ACT, "why do you do what you do?" I found that what I was really driven by was the notion of how to support an artist in an organization. I had this extraordinary experience of trying to support Bill and I'd done a pretty good job most of the time but it just didn't work out in the end. The notion of working with Dan Sullivan was a delicious opportunity so I raised my hand and went to Seattle to interview in August of 1985. I had a thrilling but humbling experience. I remember having an interview with no less than 18 trustees at lunch. I thought it was just

lunch but it turned out to be an interview and that was rigorous to say the least. I thought I did pretty well and I was hopeful. I went back to San Francisco and waited and never did get a call. I'd learned through the grapevine that they hadn't finished the search. Something had stalled it. As it turned out, the production manager at the time at Seattle Rep had dropped out and Dan Sullivan who was very production centric devoted all his attention to filling that job. Everything stopped in terms of filling Peter Donnelly's shoes, who had not yet left. I thought since they didn't call me, it's not going to happen. This is when I started to panic. Then oddly enough on a birthday, I got a call. It was October and I was invited to come back. I went back for the second round and I got the job.

I struggled a bit for the first several years because this was the first time I was actually dealing with a board of directors. I hadn't really had that responsibility at ACT for two reasons. I was spending the money as opposed to worrying about where it was coming from for the first ten years. Then I stepped into the management side and we didn't have a traditional board of directors. Bill fired the board in 1981 or 1982. He dissolved the California Association for ACT and we spent the next few years raising a lot of money without a board of trustees, which was a bit of a hellish ride. We actually succeeded in large part in doing that. When I left, things were beginning to really fall apart. I got to Seattle and I faced a board of some 55 people, many of whom had been founding members of the board. That was a chilling experience. What's interesting to reflect about at this point after 24 years is that about 60% of my time is spent working with, developing, educating and, recruiting board members. When you throw in all of the fund raising that these jobs now require, easily 70% of the work I do is about board business and raising money. It's been difficult for me to really embrace that. Now I'm working on developing a succession plan for

myself because I'm intent in doing anything I can having spent this much time with this organization which I love. I'm determined to do whatever I can to leave it in good hands even though we're in a difficult time right now. In order to do that in the course of this succession, I'm going to probably be spending 100% of my time raising money. It's an odd place to end up because the thing that I've loved the most were those nine years at ACT when I produced the work, the relationships with artists and how to be successful in running an organization with an artist partner. All of that now is a part of my past. I'm still obviously collaborating with a partner. I've been spending a lot of my time now reflecting back on these partnerships.

Can you talk more about the partnerships you have had with Artistic Directors?

Bill was sort of forced out of his position for a variety of reasons and went on to an unfortunate chapter in his life that led to his own suicide. This is one of the things that I regret the most. Obviously, a moment like that leaves a mark on your life, particularly when I left ACT and abandoned him in a way. I think that's the way he felt of it. He felt I'd walked away at a critical time. I always expected to repair that and for many years I worked with Dan Sullivan to try to bring Bill back into the world that he once had occupied as a brilliant director and have him come to Seattle and direct a play. That was elusive to say the least. I never was able to repair our relationship that really forged who I have become in a very fundamental way. Ed Hastings was there at the very end. Ed is now retired but had really been a remarkable, stabilizing force through all the years with Bill. Then there was Dan Sullivan, which is a relationship that I've treasured today and actually have been able to recover by hiring him to be a consultant to the Rep as we're going through a transition in artistic leadership. It's been delicious to experience him at a different time in my life and for him as

well. Sharon Ott succeeded Dan and David Esbjornson after Sharon. I had 12 years with Dan, eight years with Sharon and three years with David. Now I'm working with an interim artistic director by the name of Jerry Manning, who was hired by Sharon about ten years ago to be our casting director. He very capably served in that position through all those years. When we had this stumble with David and he decided to move on, we decided that we had to do something quickly because David had been there for such a short period of time. I'd concocted a plan with the board to put Jerry in the lead position and remarkably enough it has turned out to be for me the gold standard of a well-balanced, functional partnership with an artist.

I've been thinking a lot about this word that is frankly overused in our business, "collaboration." I was attracted to this art form because it was billed as a collaborative art form and it has turned out to certainly be that in most every way. This fascinating business of bringing all kinds of individuals with very different points of view and a relative harmony to create a single work of art has been, together with this notion of partnering with artists, the abiding through-line in my life. When I look back at Bill and I look back at Ed and Dan and Sharon and certainly David, I hadn't managed to achieve what I now think I understand more completely. I hadn't managed to achieve the kind of depth and breadth of collaboration that this work really requires now more so than ever. The job descriptions of a managing director and an artistic director have fundamentally changed. When I arrived at Seattle Rep in 1985, it had one full time development officer. In my time, there have been ten people in that department. The same thing happened in marketing. That's one example of this rising level of responsibility in a position like I have had over the years and how I've had to learn things that I didn't start out knowing, particularly in the in the area of marketing and

communications. With the artistic director, it used to be that when Dan was around he was a liability as a development force. He actually circumscribed himself and said "I don't think you want me to help you to raise money because I'm probably not going to be very useful." Dan was at Seattle Rep for 17 years overall. He had that longevity that gave him a certain kind of power and mystique. He was protected from the requirements of the job as they started to change. He was his elusive, dark, rabbinical, Jesuit self. He was highly admired as an artist but nobody really wanted to interact with him. He was always gracious but as a consequence he did not take on all those responsibilities that are now requisite for an artistic director, which was a very public role, that included relationship building, fundraising, dealing with the board. I've seen artists compromised for reasons of all those new responsibilities. That certainly happened to Bill. At that time I didn't understand what was going on. Bill became a kind of Machiavellian manipulative administrator and he lost his way as an artist. He abrogated his artistic soul and sold himself out in a fundamental way. Dan didn't do that. He left the Rep just in time when he realized that he couldn't fulfill the requirements of the job. He tried to quit. I told him he couldn't quit. He was in my office and I said, "Would you please get up Dan?" We looked out the window and there was a gigantic hole that we had just dug to build a new theater, which was really a theater that was identified with him. I said, "If you want this to be your legacy – that we don't actually fill this hole because you walked off the job, you can do that." So he followed my instructions and stuck around for about another 18 months. We built the theater and then he moved on. He ultimately didn't risk his artistic self by having to take on all of these responsibilities. Sharon was a more capable producer and was well schooled in board relations because of her work at Berkley for 13 years before she came to Seattle Rep. I've observed her ability as an artist to wither a bit

in the context of having to shoulder all of these responsibilities.

David arrived and I was so excited about the fact that he was interested in this job and thrilled that he decided to take it because I watched his work as an artist for years and I admired it. I still do. The desire to have that kind of artistic force in the job blinded everybody to the notion that he had very little capacity to embrace the rest of the job and didn't fundamentally understand what it meant to be an organizational leader. So he moved on. Jerry Manning, who has grown up in our business of not-for-profit theater, started out at the Arena as a development officer years ago and gradually moved into the artistic realm. He's a producer. He didn't know it. He's one of those people that sort of enjoys being on the sidelines, somewhat reticent. When I took him to dinner after we knew that David was moving on and proposed what I had in mind, I saw a panic in his eye. I thought this wasn't going to work. He's not going to be able to make this step. But I encouraged him. I sent him off on a vacation. It has turned out to be wonderful because Jerry, for eight or nine years, has been quietly building relationships throughout the town and more importantly throughout the building. I could never find Jerry when he was a casting director. He's not an office kind of guy. I realized when I was partnering with him the reason why I couldn't find him was because he was spending his time walking the floor. He was spending his time sitting at everybody's desk around the building getting to know what was going on in their lives and in their work. When Jerry stepped into the leading role as the artistic director, he was instantaneously able to galvanize the building in a way that hadn't happened. The building responded with an outpouring of excitement and enthusiasm because they were able to connect to Jerry instantly. They always had been connected to him in a way that they had not been with

David and Sharon to some degree, and even with Dan for those long termers.

The importance of leading the organization is another level of responsibility that is heaped on the position of a leading artist in these organizations. Going forward I want to help Jerry, or whoever may take the job, into the permanent position and replicate the kind of rich collaboration that has been happening since he stepped in. It's only been since last August that this has happened, but it's made me realize something about myself that is very recently daunting. I'm still trying to figure this out. I realized when I was talking to a group of students at Seattle University about what was happening at the Rep and their teacher turned to me and asked, "What is your aesthetic?" I thought I don't know what the hell it is. That started me thinking about the fact that I've always been driven by this notion of partnering with an artist. Not until now have I realized that I actually can now be a different kind of partner to an artist and a kind of partner that I've always wanted to be. One of the reasons why I haven't managed that is that I was paired with people like Bill Ball. Bill was a giant; Dan was as well. I would tend to look at these folks and say, "What do you want me to do? You tell me what you want and I will do what I can to make that happen." The difference between that and realizing that I have an aesthetic is that I have a right after all these years to express my preferences. Somehow that's allowed me to take a place beside Jerry Manning where there is this wonderful balance where I'm not going, "Jerry what do you want? I'll do that for you." It's more like, "what do we want to do together?" That's a simplified way to express it, but it's taken me nearly forty years to figure that out and it's Jerry, unbeknownst to him, that has enabled me to have that discovery in the nick of time.

Is that figuring it out or is it earning it?

It is probably more earning it. It's probably what has kept me in place for 24 years. I'm a kind of a homebody; I like having a life in an organization. I realized this about five or six years ago when I made my last attempt to come back to the East. I thought if I'm going to do this it's going to have to happen now. So I started exploring quietly, but I realized why would I want to go and find another theater to recreate what I've created here and give up this authority that has come to me because I have in part earned it? The information that I hold and the relationships that I've built have given me influence in my theater and my community. There is a difference there. It's not about having discovered it. I've arrived here because of what I've learned and because of what people looked to me for. That's allowed me to reframe my fundamental mindset about what it is I'm here to do.

I heard Zelda Fichandler once say in the eighties when nonprofit theater was still looking for respect that, "We'll never have respect in the theater world until we produce an art transforming artist." Is there a place for a genius artist in these institutions?

I think there could be. It's interesting that because of Jerry we were able to stop and not rush forward and figure out what to do next about the leadership structure of the theater. We did this intense organizational analysis last summer which brought forth four or five different ways in which we could configure the leadership of the theater in the future. We started a series of conversations that went on for better part of four or five months. It finished about a month ago with the conclusion that the board had thought the partnership model was broken. It was with David. They wanted to get away from that and one of the things they thought would be a good idea was to put somebody like me in charge. I said I'm not

interested and that's not the right idea. We got past that and then we started talking about a singular leader who is an artist being on top of the organization and I remembered Bill. We ended up with this notion that we're going to look at a partner for me and I said I'm not going to be here for much longer so we can't really model this search based on somebody who's going to work well with me. That would be a mistake. We did that with David and it did not work. That's not the guiding principle here. We're in a process on trying to figure out a way to transition from David to artistic leadership with Jerry while also engineering a succession plan for myself. If it's well handled it could be very successful. The conversations that we had about leadership structure left us wanting to look at a partner model and we might find somebody who could either grow into a model where the artist is in charge. We have the staff to support this, an extraordinary senior staff at the Rep that I take great pride in. It's the best group of people that I've ever worked with in all the years I've been in this business. Of course, relying on them to stick around is not necessarily the right idea but I can see a structure that could emerge to support somebody that could be that genius, that inspirational artistic leader because that's the impulse that everybody really wants to follow. We couldn't get the search committee to move strictly in that direction but I'm hoping in managing the search process that we might discover such a thing. I posited at one time maybe we can grow our own. Maybe it isn't something that we start out with but maybe it would be possible for somebody to grow into that position and have enough fluidity, adaptability and agility to configure the organization around that eventuality.

Do you think you have to choose between appreciating a great artist from a distance and a frustrating work environment?

I think to some degree you do. If there's anything that I've learned pretty well how to

do is to manage the temperament of a very strong artist. I think there is the possibility that a strong artist can be a good organizational leader with the right kind of support. It's important that that person be challenging, difficult, pushing back all the time. That is a necessary component. I don't know many people that could protect themselves if they are on this earth to create art and do all these other things. I used to feel I could compensate, that I could fill in all the spaces, but what I realized is that Dan hired me because he knew I would be a good cheerleader for him. He never said that to me but I thought that it was the heart of it. He trusted me. I didn't know he trusted me until I happened upon an artistic statement in a file one day. This was years after he'd written it for an NEA application. He said something about me that just took my... I was like, does he really think that? Realizing that and working with him now is such a beautiful thing. We have an ease of exchange that I wish we had before.

Is it difficult to separate the question of the partnership relationship from the evolution of the artistic director job description? Tyrone Guthrie wouldn't accept the job of artistic director as it's defined today. Bill Ball wouldn't do that job if he could get chosen.

I think it's possible for a partnership to work including one with a very powerful genius artist at the helm. When I used to teach at UW, I talked about this triangle of a couple of partners and the Board. The Board is in charge and they empower the two leaders of the organization. If you take that triangle and invert it, how do you balance this? You have these two people that need to be balanced and this Board that needs to help contribute to that balance for the organization's good health. How do you create harmony and good balance in that equation when you've got, in our case, 55 trustees who all think they are part of a governing entity? I've realized over time

that the Board is too big. If it's going to be a governing Board, we can't have a committee to do anything with meaning that is anything less than 18 people. We have this egalitarian spirit bubble up and you have to keep all these people happy and involved, feeling that they are in an organization that's transparent and that they're influencing and governing. This is, in my view, wrong. This is where I start to channel Bill because I think he had a really good idea. He spoiled it because he lost his rudder in a way. Our board needs to divide itself into a governing body that's small and that isn't so challenged by things being in motion. The problem with boards is that they change. The education process is overwhelming at times because you have to keep on educating new people. They are all well intended and want to learn, but when it gets down to things like what happened with David, they all want to be part of deciding what's going to happen with David. They can't be. You can't do that with this many people. They lose focus entirely when it comes to the other fundamental function of the board, which is to advocate.

Whenever there's trouble, governing eclipses everything else. Everybody goes into the governing mode and they'll lose track of what they also need to be doing. That happens quite readily with a 55-60 member board. Our volunteer core is about a 110 when you add in the trustee emeriti. So you've got more than a hundred people that are trying to tell you what to do. I've seen this happening and it has evolved to the point where it needs to be corrected. We did an organizational advancement study last summer and a fair measure of the findings and recommendations landed on the board, that it's too big and needs to be smaller. Committee structure needs to be changed. We need to think about organizing things less around function and more around projects that people are interested in.

When I look at Seattle Rep, I think of it as a place that has grown into what it always should have been or what it always wanted to be. But when I look at ACT, I look at it as being something fundamentally different from what it wanted to be. How do you look at it?

This is nostalgic; but that wonderful theater, the Geary Theater, doesn't have the soul that it had before. Space has a lot to do with the character of the organization. It's very polished and it's very sad that you have to go to the very top of that building in the public spaces to find a commemorative plaque that honors Bill. It couldn't be further from the center of the organization, which is a travesty as far as I'm concerned. There was this moldy set of offices across the street at 450-466 Geary. The school was there and the dynamic on that block of Geary, between Mason and Taylor, the flow of energy and talent across the street on a regular basis was fantastic. There's still a school at ACT but it's not anything really like what it was. There isn't that cross pollination between the school and company that there once was. There isn't a resident company in the true sense of the term any longer. It's not rep any longer. I don't mean that it needs to be a rep theater to be ACT, but that was a part of its character that was tied up in the mode of operation. A lot of what's happened to change the character of that organization mirrors a lot of what's happened in the landscape everywhere. Carey Perloff is extraordinary in her ability to attract resources. She's not a very capable artist or a director practitioner, but she's a very capable leader of that organization in terms of building a board that was not there when she took it over.

At the Rep what we're dealing with right now is important to touch upon and saddens me a great deal, but I recover from that point of view when I realize that so much that has happened has been totally outside of our control. Some of it was self-inflicted. Hiring

David was correct given the job that was defined when we were looking for him. We wanted a leading artist. We didn't realize what wasn't there and we lost a lot of money. He was there for three years. We lost \$1 million the first year. We recovered in the second year. We lost \$1 million the third year and then he went away. We've sucked up all of our reserves as a consequence. I think that the new normal in this country from the point of view of economics requires a different way of looking at the capital structure of these organizations and this business of endowment. We started planning the fall season and this is when I realized that I had reached a point of rich and satisfying collaboration with Jerry. Jerry was just the guy to be across the table from me in trying to work through an exercise that required us to be one-third smaller. To choose a program that responds to that requirement was a very difficult thing to do but Jerry and Dan Sullivan made it possible. Unfortunately, we had to make decisions that resulted in bringing work in as opposed to producing it ourselves. That was part of becoming smaller and when I figured out we had done as much as we could with the program, by this time we were still \$1 million out of balance in developing the budget. We started out with a \$3 million deficit. Through work on the programming, we got it down by \$1 million and then we realized that we had to do something drastic because this thing called endowment had evaporated. Our endowment is now underwater by about \$3 million. No distributions possible in the near term.

Back in the fall we looked at this concept we had hatched. I think many of us are doing this to pin things together in the season planning process. We end up passing a deficit budget that we've dressed up to look otherwise. Going into this last season the dressing up was a two year mini capital capacity building campaign to help us build and produce bigger work and to provide a little more fuel to the market and promote that work to get audiences back. We

lost a good number of our audience partly because of David. He never quite got tuned in to the community. We were looking at about a \$1.5 million deficit for the year as best we could forecast so we got busy. We cut \$600,000 out of expenses and then we went back to the foundation that holds the endowment after doing a lot of legal investigation asked the foundation to loan us another \$1 million, this time with interest. This was something that everybody was a bit nervous about because technically you cannot invade principle. The market had invaded principle. The notion of getting more out of the endowment was not even thought of. Then this idea popped up and the foundation agreed to do this. We used that \$1 million to do a \$1 million match to attract new money and to overcome this problem of a \$1.5 million shortfall at the end of the year, which we could not afford to do. We were trying to avoid any carry over deficit, which we did not have at this point in time. We were trying to keep that from happening because that would weaken our position that much more. Right around Christmas time we launched this \$1 million matching program and to date we have collected 1,200 brand new gifts, all relatively small averaging about \$130 a piece. We also went to our current donors and asked them to consider increasing the level of their giving. This program has been wildly successful, with the dark side that comes along with it. I think we're going to make the \$1 million. We're at \$866,000 since the first of the year, all new money. It's good for the future. We got a stronger base. We coaxed some subscribers that resisted giving any money to us. They just thought their way of supporting the theater was to come and see our plays which we were very grateful for but fully 60% of our subscriber base didn't contribute to us. I don't know what that number is now but it's less because of this matching program. It has been hailed in the community as a fantastic idea. The problem is that there will be fewer assets in the foundation, less to rebuild. At the end of this

year, the contribution to the endowment by virtue of that plan would be about \$2 million. So that's \$2 million that doesn't exist next year, which really slams the reality of this notion of shrinking by a third.

When we got down to a \$1 million out of balance I said we have to do something fundamental here that contracts all of the overhead. It's abhorrent to think that we're doing this kind of art with this much infrastructure. It just cannot happen. So we went to work to think about that and one way was to shed positions. There's the equivalent of about 12 full-time employees that we've shed during the course of this year. Some of it has been forced lay-offs. Most of them have been not filling positions that became vacant. That helped a good deal. In the programming area, we stripped away a lot of the seasonal employment, which was not satisfying because that's all about making art as opposed to supporting art. We're going to turn the organization into a four-day work week. We've also reduced the performance week from six to five days, which has enabled us to save money mostly on the artistic side. Whether this is all working, I don't actually know. We've done a lot to reduce work load wherever we can. It's been fabulous to look at the organization with a very acute analysis of what we cannot do any longer. I've been trying to do fewer Board meetings since I'd arrived at Seattle Rep. Now I have a real lever I can pull to say we are not going to meet every month because we can't support this. We're going to have less of everything, which I think will force the Board to become a different kind of organism and be a little bit more self-supporting. That's a very good thing. A lot of this stuff is going to be positive because we're cleaning out the pipes and shedding things we cannot sustain any longer.

Jeffrey Immelt of General Electric said that people were wrong in thinking of this downturn as a cyclic thing. That this is not a cycle. This is the economy hitting the reset button. That's full of connotations about unknowns in the future. This is one of the things that fascinates me about your story and what all the other theaters and arts organizations are going through. How did you decide that one-third smaller was going to be enough?

It wasn't hard because I've always begun a budget on the income side. I consider the resources we can conceivably get our hands on for the next cycle and then build the organization into that envelope. It was pretty easy to figure out what that was going to be because I didn't know at the time that we were going to be so successful with the \$1 million matching program. We've also learned that in building a revenue model, we've been attriting about nine per cent of subscriptions irrevocably for the last ten years. We've developed a predictive model that's strangely accurate in the last five or six years. The problem is we haven't lived by it. Now we're living by it. We've had to re-architect the entire subscription construct because we don't have nine-play packages any longer. People are buying smaller packages anyways. We've reconstructed the subscription model and we're very careful not to overshoot our reach in terms of single tickets because we've been doing that consistently for the last several years. It's been one of our systemic underlying problems. The mantra was live within our means.

How is the organization holding up to this stress psychologically?

I think remarkably well. We have the peaks and the valleys in terms of morale. This gets me back to the Jerry Manning equation. If it were not for Jerry I think the spirit of the

organization would be in the cellar to say the least. He has done a wonder in terms of building this spirit back in the organization. The people that are remaining realized when we proposed this notion of contracting time and therefore compensation, that this was really about saving the people that were remaining. Everybody felt by doing this they were contributing to continuing work with their colleagues. That common ground gave us good ballast in the face of all this hardship. The fact that we planned a season and got it done on time and finished this budget process earlier than we ever have was extraordinarily encouraging. The good news that we had a \$1 million match program that actually succeeds and that we attracted a \$1 million gift for a young audience initiative with one of our most loyal contributors has allowed the spirit to flourish. This is a great opportunity for me to shepherd the organization through these changes as best I can. There was tremendous anxiety about how the Board was going to react and organize itself around searching for new artistic leadership. Then there was this other level of anxiety that began to bubble up with respect to my succession. What comes out of this transition process needs to be the structure that is populated with the right people to carry this organization forward and that is not going to be me in the long run. This is not immediate. In a couple of years I'll begin to gravitate into a position to raise a lot of money for the 50th anniversary which is coming up in 2014. I just had a meeting with my senior staff to outline the framework and the timelines. This is designed to be relatively fluid because things may not quite work out as we're imagining them now. We're going to take time to make a choice. I'm going to take some time to mentor that person with everyone helping me do this. I think it has a good chance of working out this way. Hopefully we will go forward without doing what would ordinarily be done in our business where somebody says "I'm leaving". The Board says "Let's have a search committee and hire a

consultant. Let's try to find somebody we can plug into this organization as quickly as we possibly can." That's something we want to avoid for good reasons.