

The
Economic
Club of
New York

ESTABLISHED 1907

The Economic Club of New York

114th Year
609th Meeting

Peter Gelb
General Manager, Metropolitan Opera

Henry Timms
President and Chief Executive Officer
Lincoln Center for the Performing Arts

June 8, 2021

Webinar

Moderator: Rachel S. Moore
President and Chief Executive Officer
The Music Center (Performing Arts Center of LA County)
Treasurer, The Economic Club of New York

Introduction

Chairman John C. Williams

Well, good afternoon and welcome to the 609th meeting of The Economic Club of New York, and this is our 114th year. I'm John Williams. I'm the Chair of the Club, and I'm President and CEO of the Federal Reserve Bank of New York. So as many of you know, The Economic Club of New York is the nation's leading, nonpartisan forum for discussions on economic, social and political issues. Our mission is as important today as ever as we continue to provide, bring people together as a catalyst for conversation and innovation. A special welcome to members of the ECNY 2021 Class of Fellows – a select group of diverse, rising next-gen business thought leaders, and welcome to the graduate students from the Gabelli School of Business at Fordham University.

Now it's a pleasure for me to welcome our special guests today, Peter Gelb and Henry Timms, exceptional leaders in the arts and entertainment world. Peter's career has followed a singular arc that began with his teenage years as an usher at the Metropolitan Opera and led to his appointment as the storied company's 16th general manager.

Now entering his 15th year at the helm of the Met, Peter has overseen a number of initiatives aimed at revitalizing opera and connecting it to a wider audience. In 2020, the

Covid-19 pandemic forced the cancellation of the final three months of the 2019-2020 season and the entire 2020-2021 season. Within days of the closure, Peter organized the launch of Nightly Met Opera Streams, free encore presentations of complete performances from the company's archive, streamed online. These streams have continued uninterrupted for months, reaching hundreds of thousands of viewers around the world each day and keeping the Met connected with its audience.

Henry Timms is President and CEO of Lincoln Center for the Performing Arts – an artistic and civic cornerstone of New York City and home to eleven resident companies in Manhattan. President since 2019, Henry's focus is several-fold: supporting organizations on campus to realize their missions and fostering collaboration; increasing the accessibility and reach of Lincoln Center's work; championing inclusion; and reimagining and strengthening the performing arts.

He is the creator and co-founder of #Giving Tuesday, a global philanthropic movement that engages people in close to 100 countries and has generated over \$2.5 billion for causes in the U.S. alone. The recent special edition to support Covid-19 catalyzed over \$500 million of giving.

Now the format today will be a conversation, and we're very fortunate to have Club Treasurer and President and CEO of The Music Center of Los Angeles, Rachel Moore,

doing the honors of moderating. We're going to end promptly at 3 p.m. and, as a reminder, this conversation is on the record and we do have media on the line. So without further ado, I'm going to hand the mike to you, Rachel.

Conversation with Peter Gelb and Henry Timms

RACHEL MOORE: Great! Thank you so much. Welcome Peter and Henry. It's been way too long, and I want to thank you for taking the time to share your thoughts about your organizations with respect to Covid and this past year and, more broadly, the impact of Covid on the performing arts sector.

Traditionally, the performing arts have operated with a relatively simple business model involving filling a theater to capacity by selling tickets. In the non-profit world, ticket sales offset the expense of a stage performance and donations close the gap. This model's success depends upon consistently congregating as many people as possible in an enclosed space. With Covid, this model has been absolutely eviscerated. There were no seats to sell and nothing on the stage around which to fund-raise. The impact across the sector has been devastating.

To provide some national context, prior to Covid, the arts were roughly a \$900 billion industry. With the closure of performing arts spaces around the country, the field has

suffered tremendous losses. Unemployment was and remains very high with those directly connected to the creation, production and presentation of art. The impact was equally felt by those who were in associated jobs, like stagehands, administrators, set and costume designers, production, but also with those businesses that complement the theaters, like parking attendants, hotels, restaurants, concessions, security and housekeeping. This has been an incredibly trying time for the performing arts. We were one of the first industries to completely close down and it appears to be that we will be one of the last to reopen. However, before we start talking about Covid's impact on the arts, I think it would be valuable to better understand how the Met and Lincoln Center operated prior to the pandemic.

Peter, as you know, the Met has long held a special place in my heart. As a dancer with the American Ballet Theater, I had the honor of being on its stage. As CEO of ABT, I got to see it through the eyes of the patron. Quite simply, the Met is a magical and majestic place. It is both a place and a major producing organization. I believe that it's the largest non-profit producing arts organization in the United States. Can you take a minute and provide some context about the size of your budget, the number of employees, the number that's unionized, what percentage of your income comes from fundraising and earned, just to give us a sense of the size and the scope of the Met?

PETER GELB: Thanks, Rachel. It's good to be on a Zoom conference together with

Henry, my esteemed colleague and partner at Lincoln Center. And we miss you, Rachel, at the Met. When you were with ABT, it was a wonderful time. You know I could spend an hour or two, which I won't, describing the economics of the Met. But to put it in a nutshell, they are incredibly complex. Even before Covid, they have been complex. It has 138-year history. It is a company of 3,000 full-time and part-time workers embodying all of the performing and visual arts from musicians to artisans to singers. We have 15 different unions. Met is a union house, 2,500 of our employees are union members.

The economics, pre-Covid, an annual operating budget of approximately \$300 million a year and earned revenues that only equal about half of that, which is an essential ongoing dilemma of large performing arts, non-profit performing arts companies, the overdue reliance upon philanthropy, particularly at a time when the philanthropic sands are shifting.

But the Met, when it was formed and the great disadvantage performing arts companies, I think, have is that companies like the Met or the New York Philharmonic or other opera companies and orchestras that have a history as long as ours, were thought of us for-profit companies when they began. So they didn't have the basis for philanthropy that, say museums or universities had from the get-go. We have had to play catch-up basically throughout the history of the Met.

And the pandemic itself hit very hard, us, and all the other companies as you described. We have been in survival mode for the last 15 months. And it's been a very, very, very difficult and challenging year because of that, only to add to the economic pressures that we struggle under.

RACHEL MOORE: Right. Thanks. So, Henry, Lincoln Center wears multiple hats. One as a landlord for all the resident companies, also as a programmer of art, also as a major cultural destination serving millions each year, and also as a cultural and community anchor, having played a critical role in the development and vitality of the Upper West Side for over 60 years. Can you too, sort of provide some context about the size and scope of Lincoln Center.

HENRY TIMMS: Sure. Well, firstly, it's a great treat to be doing this with Peter and Rachel. We're all proud of you for your leadership, particularly with The Economic Club of New York, so it's great to be doing this today. The performing arts sector being heard loud and clear is a great thing.

So Lincoln Center is made up of ten different organizations. The largest, of course, is the Metropolitan Opera by far, but the organizations you all know and love – Jazz at Lincoln Center, Film at Lincoln Center, the New York Philharmonic, the Chamber Music Society, Lincoln Center Theater. You have on this one campus these ten extraordinary

organizations. And the total, in economic terms, the total value every year of revenue generated is around a billion dollars, creating around 7,000 jobs directly in New York and then another 7,000 jobs – I was pleased that you mentioned at the beginning, Rachel, the kind of indirect impact of this on the arts and the world around the arts – another 7,000 jobs of those people who are a part of the constellation of Lincoln Center. And so we, you know, we live at the heart of New York. We are proud to be a representative and iconic part of New York in particular. And we've been thinking a lot about the blend of being both a cultural organization and a civic organization. How do we think about our responsibilities that Lincoln Center has served so well for so long of excellence? And how do we blend that excellence with an increased commitment to inclusion? How do we live up to actually what is not a new idea, we'll talk a lot about this I'm sure, but if you go back to the very beginning of Lincoln Center, 60 years ago, John Rockefeller framed the idea of Lincoln Center.

When Lincoln Center launched with this wonderful press release essentially in the *New York Times*, it began with these words. It said, Lincoln Center is an idea. Not a set of buildings, Lincoln Center is an idea. And that idea was that art should be for the many, not the few. They should serve not the privileged, but the many. They should not be peripheral but actually central to life. So I think our job at Lincoln Center is to kind of re-inhabit that spirit of how the arts can serve more widely.

RACHEL MOORE: Great. So turning to Covid, navigating the closures from March 2020 has been, one day we were open, the next we were closed. You know I'd like to hear what you guys thought in March 2020. I can tell you that when we closed our four theaters, we thought, ridiculously, that we would be back in a few weeks, July at the latest, and we were incredibly wrong.

So, Peter, what were your thoughts and what measures did you take to mitigate your expenses? Did you need to furlough and lay off people? What was sort of the lost income over the past year-plus?

PETER GELB: Well, it's been a very dramatic and traumatic year for the Met. But I do remember very well the day that we closed. Henry and I and a couple of other cultural leaders, Deborah Borda at the Philharmonic and Clive Gillison at Carnegie Hall, were in constant phone contact as we made the difficult decision, even ahead of the local government, to close our theaters down because we realized that we were putting our audiences and our employees at risk.

So, you know, like you, we, I think everyone thought this was a short-haul problem that would be resolved by the summer. And, you know, our season, which had still about eight or nine weeks to run, we realized fairly quickly that that was not going to be possible to resurrect, so we canceled it. And in order to survive we were forced to

furlough a large percentage of our workforce, including the orchestra and including the chorus and including the stagehands and some members of the administrative staff as well. At the same time, we had to quickly come up with a plan to somehow keep the Met sustained and maintain the bonds that we have, the strong bond that we have with our audience, both locally and abroad.

So we had to move, sort of in multiple directions, which is not unusual for the Met, simultaneously. But it's been incredibly trying and ultimately devastating economically for the members of our company who we had to furlough and also demoralizing for the entire company to be in a situation like that. My goal from the very beginning was how do we keep the Met alive so that we can be in a position to reopen when the health crisis was over. And everything that I've done, all the business and artistic decisions that I've made with my excellent colleagues and staff and with the support of the Met's board, have been taken with those priorities in mind.

RACHEL MOORE: So, Henry, what did you do? Did you need to lay off people? How did you navigate through this, the ever-shifting sands?

HENRY TIMMS: I think the response was pretty common actually I think. We, like many organizations, had to make some quick and tough decisions in support of working on how we were going to get through a period of time, and we did that in the best way we

thought possible at the time. But I think the thing which was, the thing which I was struck by was actually how quickly our sector, and Lincoln Center organizations in particular, actually kind of started to reimagine their work.

You know, it was, one of the critiques of the performing arts sector has often been very negative, right, that actually you have these models and you're stuck on these models, nothing ever changes. But the thing that I saw across campus was very different.

Actually, within, I think, three days of us closing, colleagues across campus had already put together what was called Lincoln Center Pop-Up Classroom, which was every day for all these kids who were suddenly out of school, free arts education for people all over the country and all over the world. You saw amazing things.

Peter and the team at the Met, there were literally millions of people watching free streaming every night. In this world where everything had collapsed, all the rituals of our lives had disappeared, you know, Lincoln Center, organizations like the Met were so good, I think, at kind of giving people something to depend upon. Right? And I think we were very conscious of the idea that although we were changing our business model very quickly, we had to make a lot of tough decisions. The answer wasn't stop doing everything. The answer was how do we shift our focus and how do the arts continue to speak to people? And I think the thing, as I look back, and it's getting to a point, happily, where I think we all have a chance to reflect a bit more. I think we've all been in the

thick of things for so long, that there is a bit more reflection now.

And as you look back, I think all the things I admired so much is, I think, how swiftly the arts sector stepped up for New York and found new ways to connect. And we forget, you know, we often kind of make the arts very peripheral to our lives in New York, you know, you easily forget that one in eight of every dollar that's created in New York comes from the arts and cultural sector. So in economic terms it couldn't be more important.

But I'll add an underline to that, that we're obviously very focused on economic recovery, but also we have to be very focused on the social recovery. Like, who are we as a city? What do we stand for? Who do we stand with? How do we create the creativity, the joy, the connection that the arts does so well? That was never lost. We had to find new ways of doing it, no question. But I think that the thing which is the under-told story of last year was actually how creative arts organizations, not just at Lincoln Center, all over New York City, the arts found new ways to connect, and I think that couldn't be more important.

RACHEL MOORE: Yes, sort of building on that, you know, one of the common responses by the performing arts community really was a pivot to digital content with livestreaming and on-demand offerings. You know many organizations who really hadn't

done a lot in that space redeployed their staff, some of whom had little experience into the role of digital content producers.

So, Peter, the Met was well ahead of the game because you created this incredible high-profile international simulcast program well over a decade ago. And how did you shift? Did you just put everything on free? I mean it was, you went into movie theaters before to see. So how did it work before and then how did you do it once Covid hit?

PETER GELB: Well, we had a multi-tiered strategy. And, in fact, some of the things we've learned may stick for later on. But, you know, when I first came to the Met 15 years ago, I instituted this new program of the Met Live in cinemas that really actually addresses something that you discussed in your introduction, which is, you know, for the first time the Met was in a position to actually expand the capacity of its paying audience, which is something that had not previously been possible for a theater that had limited number of seats.

The Met has 3,800 seats but suddenly with our Live in HD transmissions beginning 15 years ago we expanded our audience by as many as 300,000 or 400,000 people for a Saturday matinee who would be paying admission to see the Met in movie theaters in time zones from locally in New York where we were broadcasting on a matinee to as far abroad as Cairo and Jerusalem and Moscow.

So it was very fortuitous, I mean not that there's anything fortuitous about the pandemic, but we had this incredible stockpile of programming. We have made, since I began working at the Met, we have made about 140 of these Live in HD opera transmissions, and we have a library of content that goes back to the 70s of standard definition PBS programming beginning with Pavarotti and Teresa Stratas singing in La Boheme. So we were able to, right within days, three or four days of shutting down, we launched, as Henry mentioned, this nightly stream, free stream of operas.

And the reception from the public was overwhelming. People were so pleased and thankful that we were offering, you know, cultural content at a time that they were locked down totally, that we, I mean I never expected it to be as successful as it was. It actually resulted in our picking up, over the course of several months, 35,000 new donors to the Met, while we weren't even performing in the house. So that was an extraordinary result and really helped us to keep going during, because even though we weren't performing and our expenses were less, our expenses still are huge to keep this monolith of an institution going.

And then added into that, we added other programming. In April, we produced what we called the At Home Gala, in which we connected opera singers and audiences via an international, what was really kind of a global Skype conference call in which we had singers singing from their own quarantines using their iPhones connected by Skype.

And it was a very big success, it was watched by something like 800,000. And then reintroduced, over the summer, a series of pay-per-view events that we produced remotely with our stars in different locations around the world of which we produced about 13 of them. And collectively all these different programming initiatives kept the Met audience connected, which is the key for any cultural institution, and gave them some, a way of lifting their spirits.

RACHEL MOORE: It's incredible. So, Henry, Lincoln Center has also developed quite an online presence. I was actually interested, you know, anchoring the digital strategy of many arts organizations is the assumption that digital work will exist only until we return back to normal, and back into the business of live performance. And given how important digital was for the performing arts during Covid, do you think that the broader arts community will remain committed to digital in the post-Covid world? Do you expect Lincoln Center to be? And how are you seeing it roll out post-Covid?

HENRY TIMMS: I think Peter put it very well, which was that the, many of these experiments will stay with us post-Covid, where I think what's happened is actually there has been a necessary rush to digital, which was not obviously apparent pre-2020, right, in our sector. And actually the Met, of course, has led the way in that work in so many ways. But I think you have seen a lot of people experimenting in new ways, which I think is incredibly important.

And I'll go a step further in that and say I think it's essential for the future of our world because one of the ways of thinking about the performing arts, if you're looking for some positives, and it can be very hard sometimes to look for some positives especially in recent months, but if you are looking for some positives, here is one. We have never had more artists in the world than we do today. We've never had more audiences. We've never had more people of different backgrounds and diverse backgrounds creating work.

Now, they have very different platforms. Right? Peter's point about the scale of the Met in HD versus the scale of the in-house performances is an interesting one. But I remember I was watching, there was a choreographer and she was doing work for her subway carriage on her way home. And so she was doing these wonderful, on her iPhone, these pieces. And she had an audience, thousands, an audience of thousands for these very beautiful pieces she was doing on the subway.

And so I think one of the big challenges for us, as organizations, is to start to recognize that there is this world of participation in the performing arts, which is, I think, a very good thing. Right? We have more film makers. We have more writers. We have more poets. We have more singers. The question is how do we engage with them in a way which is meaningful? How do we think about that role of meaning? And then how do we think about the role of institutions like ours in tying together something that's very

important for Lincoln Center, which is the sense of excellence?

We've always been an organization that's about excellence. But we haven't always been an organization that's about inclusion. Right? So I think the way we frame this thinking about the future is both the way we think about technology and indeed a way we think about audiences and diversity, which is we need to be an organization of what my colleague, Leah Johnson, calls inclusive excellence, which is to keep standards of rigor, keep focused, be great believers in the artistic ambition of what Lincoln Center has always stood for, but to be much more intentional about expanding the people we serve and the people on our staff, the people on our boards. That set of questions, I think, is fundamental to every institution, but especially so to the performing arts.

So I think we're thinking, we're thinking about digital, not as peripheral but kind of fundamental to who we are, and as opportunity to reach people who you would never imagine reaching before in a way which is meaningful to them. And that seems to me the great challenge particularly now coming out of Covid.

RACHEL MOORE: Yes, so it will also be interesting to see how other technologies play out in the performing arts centers and performing arts generally, AR/VR. How do you augment experiences as people return?

PETER GELB: The thing, sorry to interrupt you, I mean the one thing we all have to keep in mind, though, is that the economics – since this is an economic conversation – I should say that, you know, the trick, I think, going forward will be to figure out how to stabilize our economics for those institutions like the Met and the Lincoln Center constituents who rely upon an audience inside their concert hall, a paying audience, and then to look at digital as an add-on. Because certainly it would be, you know, we, for example, will no longer, once we're putting on performances at the Met again, we're not going to be competing with ourselves by offering free content the same night we're putting on a performance. We have to think of ways of enhancing the performances with information and background of human-interest platforms that can supplement our performances.

RACHEL MOORE: Right, right. So with respect to the reopening, the reopening process has differed wildly across the country. Depending on one's state, one's county, the rules that any individual organization must adopt are very, very different. Our colleagues in Texas and Florida have been running with very different rules than New York and California. You know, in parts of the country the theaters barely closed down and then in our locations we've been shuttered for months and months. In looking at reopening here in Los Angeles, we are seeing it more as being a dimmer switch that ratches up as opposed to an on and off, starting with doing things outside, moving inside, increasing capacity.

Henry, Lincoln Center has started its Restart Stages program. Can you talk about that, its goals? And how are you managing it with changing health protocols?

HENRY TIMMS: Yes, so we, I guess at the end of last year we were thinking about 2021 and what was going to happen this year and how best to plan and how best Lincoln Center could serve. And we had been having some conversations actually with the Stavros Niarchos Foundation about the civic space, Lincoln Center has 16 acres in New York, right, which is a big footprint of space. And the most iconic, most successful space is actually outdoors, the outdoor space.

So we were thinking at the end of last year what could we do to actually bridge the gap between when people are going to start congregating outside again but won't be ready to go inside. That was the thinking. And so we came up with this idea of a project called Restart Stages. And Restart Stages we launched early in the spring and we've essentially built an outdoor performing arts center at Lincoln Center. So there are ten different venues at Lincoln Center, outdoor performing arts venues, from the biggest Outdoor Reading Room in the city is now at Lincoln Center through to a stage that we have 400 people socially distanced through to a Jazz Club we've built under a driveway.

What we did with all of this was to think to ourselves how can we provide something that all the constituents at Lincoln Center could then start rehearsing and start performing

again, but really importantly how do we actually reach out to the wider New York arts community at a time when everyone wants to start rehearsing and start performing and invite them to come and perform as a part of our world.

So the Restart Stages project has been that which has been this, we've been extraordinarily busy. We've had hundreds of performances outdoors, at campus, of organizations from the New York Philharmonic and the Chamber Music Society and Jazz at Lincoln Center through to people you wouldn't typically think of as Lincoln Center performers. So we've been proud of our partnerships with the Korean Cultural Center, with Harlem Week, with all sorts of organizations who are bringing their wonderful work to make Lincoln Center more engaging.

And so that's been the story of the last, I guess, three or four months. And the centerpiece of that is actually something which Peter advised on early on, which was thinking about how we present a new Lincoln Center to the city. So you all know the campus, the main, the fountain of Lincoln Center, Josie Robertson Plaza, and we built on that, the theater designer built this wonderful art installation called The Green, which was a way of us kind of symbolizing that Lincoln Center was back but also drawing people more into our world. And I can show you if you'd like...

RACHEL MOORE: Oh, yes, please.

HENRY TIMMS: This is a video that Wendy Whelan from the ballet, she shot this the other morning on the way in. So this is the main plaza at Lincoln Center. This is first thing in the morning just as we pull back the railings overnight and these are people arriving at Lincoln Center. (Video) So you can see how beautiful that piece is and it's been a great joy. And that has been, in a way it's been a beacon to say Lincoln Center is open for business.

So today, today right now on campus there is a blood drive taking place. We've been doing a lot more blood drives here on campus. There's a blood drive taking place today if you are ready and willing to contribute to that. We have Juilliard performing this afternoon. This evening we have pop-up performances all day. We are going to have, in total 17 New York public high schools will be graduating at Lincoln Center outdoors this summer. And so it's been a way, at a time when I think organizations are called to reimagine themselves, it's been a way of us trying to work out how to reimagine Lincoln Center.

And currently we're busier now during the days than we were pre-Covid. And it's a great thing to see people from all over the city here on the campus engaging in art again. And I think what will happen, we hope, is that this project will do what we intended it would do, which was bridge the gap between early in the year and getting to September when I think we're feeling increasingly confident that the organizations here at Lincoln Center,

I think Met will lead off, will be reopening in September, and that's our great hope.

RACHEL MOORE: Right. I love The Green, and I especially love the dog.

HENRY TIMMS: It's a big hit, it's been a bigger hit with dogs. It's been interesting.

We've never had anything which has been so Instagram-friendly and that is particularly due to the dogs here at Lincoln Center, so we're very grateful for all of that.

RACHEL MOORE: So safety, of course, is paramount to all of us, and I think we appreciate there's a difference between being safe and having the patrons feeling safe. It sounds like you're hoping to reopen the theaters to, I assume 100% capacity in the fall. What are both of your thoughts around vaccination requirements for staff and for patrons? Some argue that the audiences should be required to be fully vaccinated. There are issues around that. Where are you coming down on that process?

PETER GELB: Well, I, speaking for the Met, I can say that we feel it's absolutely essential for the safety of our employees, for the safety of our audience and for the promotion of our performances that we're able to state to the public, to our employees, that we are a fully vaccinated house, which is not as simple as it may sound because being a union house, we, in spite of the recent EEOC ruling and others that say vaccinations are legal, they still have to be a part of, they have to be agreed to by the

unions.

But not so surprisingly are the unions with whom, who populate the Met have been very receptive because they want their employees to be safe. And it's the Met, you know, with 3,000 people working in such close quarters, in the pit of the orchestra, backstage, in the dressing rooms, it's really, there's no way we can feel safe unless everybody is vaccinated.

And, you know, interestingly, so that would be a requirement. And the technical way in which we deal with that, whether it requires people to use the New York State app or whether it's with ClearPass or we're still figuring out the actual, the mechanics of it in terms of the audience, but it will definitely be a requirement. I have to say, you know, I'm so impressed by The Green space that Henry has created in the plaza that was designed by Mimi Lien, who is one of our leading theatrical designers on Broadway and also who will be working at the Met in future seasons.

You know, what Lincoln Center is doing is absolutely invaluable. Unfortunately, for the Met, you know, we're sort of, we're skipping the interim stage because we're still involved in trying to come to the epiphany that needs to be reached with our unions to actually have the agreements that we need to have in place to reopen successfully in September. But certainly from a health perspective, while we're waiting to – and I spend

most of my time these days negotiating union contracts on Zoom calls or in person – but there's no question, unless there's some major setback, that we will be a fully vaccinated performing arts world coming up.

I mean, you know, just a preview of that is what's been going on in the sports world in New York right now. The New York Knicks, in spite of their losing in the playoffs, still sold out. Madison Square Garden was full. Radio City Music Hall is going to be selling at full capacity. And I went to a Yankee game the other day, which was not full, but I was in a vaccinated section, which was full. And, you know, people were very comfortable in that setting.

And I imagine the same thing will be true for, even though the audiences for opera and symphonic concerts may be slightly older – or not maybe, they are older on the average – I believe that they will be comfortable. And certainly the surveys that we've conducted directly with our audience members indicate, first of all, 98% or so of our audience has said that they have already been vaccinated and they look forward to returning sitting in a vaccinated theater.

RACHEL MOORE: So, Henry, you do a lot of this free and low-cost programming and the issue of vaccinating, requiring vaccinations, not just for the performers but for the patrons, becomes more complicated when you talk about equity issues. Clearly, the

BIPOC communities are not feeling as comfortable about the vaccination process for a host of reasons. And, you know, I think that we struggle with this notion of vaccinations and patrons whereas also being welcoming to all. What are your thoughts around that?

HENRY TIMMS: Yes, I think that's exactly right. One of the things, one of the positives about the Restart Stages project is it's given us a lot of practice. So we've got used to all sorts of different kinds of audiences coming to Lincoln Center and all sorts of recommendations around testing and all sorts of recommendations around vaccinations.

So essentially this has been a period of us thinking, I think, quite intentionally about how we can get safe so when the fall comes – the thing about Covid is things change so swiftly in terms of both the government mandates and the government guidelines, but also the common wisdom. Right? If you look at the way it feels in New York versus four weeks ago versus eight weeks ago and it's a very different city. Right? So I think it's actually, it's a lot of months between now and September in Covid times to think about what's going to be possible by September. I would say this, that I think if we continue the track that we're on, I think it sets up a very positive trajectory for us for the fall. And I underscore that too, I know this from reports from colleagues around campus that sales are very positive in terms of the pent-up demand, I think, for the performing arts is very real. So I think we'll see a real boost, and I think our job is to be as safe as we can when

we get to the fall.

But I also think your second point is just so important that it's not really just a Covid or vaccination question, which is a longer question for all of us, which is how do we ensure that we reach out to the broadest range of communities in the work that we do, and that is obviously a question of vaccination. But I do think part of the opportunity for all of us now is to come back differently. I remember, we talked about this right at the beginning of Covid, which was this must not be a pause. This must not be just a period where you press pause and you wait and then wait it out and then we return to the same things we were doing before. There must be an opportunity to use this period to kind of reimagine.

So I think we've been very intentional about the idea of how do we reimagine the kind of work that we're going to do, the kind of things we're going to prioritize, the way we're going to think about starting, the way we think about board governance, all of those questions I think are really important because the danger, I think, is that we would have all taken DEI issues very seriously in 2020 and they'll get de-prioritized in 2021, and I think it's essential that doesn't happen.

RACHEL MOORE: Yes. So building on that, so over this past year we've clearly experienced, not only a medical upheaval but societal and political as well. And to your point, Henry, the world we left when our doors closed is very different than the world

that we're going to return to. Discussions around equity, diversity and inclusion have been uplifted in many arts organizations and many are questioning how the desire to become equitable, more equitable, will impact our organizational structure, governance, philanthropy and programming.

And so, Henry, when you look at your organization, when you look at your structure, the distribution of power and decision-making, the makeup of the board, what are you thinking about and what are you trying to accomplish during this period so that when you reopen, you feel like there are more voices at the table?

HENRY TIMMS: Let me start by saying obviously that's a very complex question and we have a long way to go. But I think we have made some progress. I've been in the role for two years. We have a new, my executive team is 43% people of color, the executive team at Lincoln Center, and a majority are women. Actually a third of our senior management are people of color, the majority, significant majority are women. In the last year and a half, we've added 15 new board members, nine of whom identify as people of color. And importantly, I think one of the biggest projects for us has been David Geffen Hall.

So David Geffen Hall, for those who remember the story well, has been a challenge, I think it's fair to say, for Lincoln Center for a number of years, for decades. And we had

been working pre-Covid on how do we reimagine David Geffen Hall and how do we bring this back? And we had actually announced just before, I guess the fall before, the fall of 2019, we had announced we'd made some progress and we were going to be doing this project over the next four years. That was the goal. What the board of directors at Lincoln Center, led by Katherine Farley, did, I think, very boldly last year was decide to accelerate the project.

So at a time that we really looking at, you know, how can we play a part in the economic recovery of the city, this is a half-billion-dollar project, could we bring it forward? So rather than do this over four years, could we do it over two years? And that's the current plan so we'll be opening the brand-new David Geffen Hall in the fall of 2022. That's created 5,000 jobs for New York City. We were shovel-ready and we started demolition, and we're now starting to build.

And what was so important about that project wasn't just the economic benefit to the city, but actually how we thought about participation in that project. So right now 35% of the contracts for David Geffen Hall's reimagination are with minority and women business enterprises. Over 40% of the workforce are from diverse backgrounds, and we've created a workforce developmental scheme to work with local neighborhoods to create jobs and apprenticeships.

And I mention that because I think the way we think about DEI and we think about our approach to DEI, there are, of course, the kind of signals that you send as organizations, but I think the route we want to choose is actually thinking about the structures and how do we think about both board, staff representation, how we spend our money. And then, of course, very importantly, as a programmer, what we program and how do we program? And so it's a long list and we share all this on our website. I'm especially proud of our team because during a year when so many people were lost and not able to be memorialized, Lincoln Center was doing work to memorialize people like John Lewis and C.T. Vivian and doing some work that I think really spoke to us trying to reimagine how we show up as an organization. And that's the beginning, I hope of a piece of work that will be long-lasting.

RACHEL MOORE: Well, you know, it's interesting. I mean Peter alluded to that roughly 50% of your revenues are contributed and, you know, the challenge for philanthropy is that the people who donate to the arts are predominantly White and have considerable means and that the power that is implicit in that, you know, and how do you change that? How do we move people along to understanding that, you know, giving, obviously to the arts, also that tension between philanthropy and equity? And Peter, do you have any thoughts on that?

PETER GELB: Well, it's fascinating to hear Henry's comments, and certainly we, you

know, before Black Lives Matter, certainly the Met has been, was grappling with its own kind of identity and trying to figure out how to become a more relevant art form that represents today's society. And certainly Black Lives Matter gave us a real shot, or a kick in the rear end to really start thinking much more expansively.

So in recent months we have, we've planned, I mean I think one of the biggest problems of the arts is the opportunities for people within the arts in terms of people with specialized skills, whether they're members of the orchestra or in the chorus or learning the craft of being a stage manager or a stage director. And the talent pool – quite frankly – that exists right now isn't big enough. So one of the things, one of the areas that we are committed to is expanding the talent pool. And so we're starting, for example, a paid internship program with an emphasis on getting people with diverse backgrounds into the opera house to really learn about opera, and, you know, the people who will be the next wave of professionals, to train them.

From a programming point of view, we have certainly raised the ante in terms of the creation of new work and the scheduling of work, whether it's featuring, already we feature all the leading African American and BIPOC artists who are available, but we need to develop more of them. We need to add more artists to our Young Artist program. We need to, we've added composers to our Commissioning Program. We're opening the season with Terence Blanchard's Opera, *Fire Shut Up In My Bones*, which

is the, sadly, a sad commentary on the Met and the state of opera. It's the first African American composer to be featured in the Met season, but I can assure you, the first of many more to follow. We are creating a real pipeline of new works.

We hired recently a Chief Diversity Officer for the first time at the Met, which has long, it should have been done a long time ago, Marcia Sells, who is working now also with our unions because we feel very strongly that although we do the hiring, the unions often are their own pipelines for talents. And we want the unions to work with us to create educational programs and training programs so that the applicant pool from the unions is much more diverse. So we're working across the board. Certainly, our board also has become more diverse. Not as diverse as Henry's Lincoln Center board, but certainly it's a good example for us to follow.

RACHEL MOORE: So, you know, the pipeline is super-important. I want to reference a wonderful Nigerian writer, Chimamanda Adichie, and she said something that I'm going to paraphrase that has resonated with me and the ballet world for certain. And she says the danger of a single story is not that it is untrue, but that it is incomplete. And there will be those who say the ballet canon and the opera canon may focus on too few stories. And in this new world, do you see the acceleration of new operas being created that tell these stories of, you know, using a different curatorial lens than perhaps was the history, because I think that that's a really exciting possibility for our fields?

PETER GELB: Absolutely. I couldn't agree more. And certainly, and the way to establish that is through the choice of composers and librettists and directors so that stories are much more widely thought about and thought out and that the material, the underlying material that operas are based on, whether they're original stories or adapted from works of literature or theatrical works, that they make it to our stage.

For example, Lynn Nottage's play, *Intimate Apparel*, was part of our Commissioning Workshop program, which we set up with Lincoln Center Theater. And although it's not going to play on the stage at the Met, it was actually in previews, about to open, it's an opera adaption of her brilliant play that she, that Lynn did the libretto for, and composed by Ricky Ian Gordon, that was going to open in March of 2020 at Lincoln Center, which is a co-production with the Met, and ultimately couldn't because of the crisis, but will open next December. So, you know, we are absolutely committed to the idea of expanding the range of storytelling and the repertoire.

RACHEL MOORE: So one of the, and I like to see it as a good news story of Covid, which there aren't many when it comes to the performing arts, is in December, the federal government passed the Shuttered Venues Operators Grant bill, and pumping \$16.25 billion dollars into the performing arts, both commercial as well as non-profit. And what was striking is that that is multiples of what the National Endowment of the Arts has ever received, but it also, because of its bipartisan nature, signaled – to me at

least – that perhaps there’s an understanding of the impact as a business on the creative sector on this country.

And I was wondering if, Henry or Peter, you feel like there’s some optimism. Is there ways we can leverage this in the future, that we are an important part of the economic pie?

PETER GELB: Henry, do you want to...

HENRY TIMMS: Yes, I do think that. And actually I think that if you think about the, I think one huge opportunity for the Biden administration and I think the support that you highlight has been a terrific thing for the sector. If you think about the kind of, the three pillars of the Biden administration, one is around centered unity, right, what is it that we stand for in this country? How do we recover that in some interesting ways? Two is celebration of diversity. What are all the stories that make up America, to your point? And then three, how do we reset America’s image abroad? Right? Those are the three priorities of the Biden administration.

There is almost nothing as powerful as the arts in all three of those topics, right, in terms of how we understand ourselves as a country, in terms of how we understand the other, as part of this country, and as how we tell a story to people around the world about what

this country stands for. So as I think about the kind of, the future as we come out of Covid, I think one huge opportunity more generally is a much bolder approach to the centrality of the arts in American life, which is really speaking very clearly to one of the best ways to lead a conversation and have a conversation we need to have about what we stand for at a point at which we've seen so clearly disconnections in our world. Right? They've been visceral. For many they were visceral for a long time, but they've been visceral for a lot of people now. People can see how disconnected we are. The arts can play a really central role in bringing people back together again.

So I'm actually very hopeful that I think that as we hopefully exit the most acute moments of this crisis that actually we can reset the arts and that the administration will see the opportunity that they have to really define their term in the context of the creative strength of the arts in this country. And Rachel, you made this point at the top of this call, which was the economic value of that alone makes it worth doing, but the social value tied to that, I think makes it irresistible.

PETER GELB: I guess my, I have a perhaps somewhat less optimistic perspective in that I think what made it possible for the government support, which many of us are still waiting to see – we know it's coming – what made it possible, I think, really was the economics of it, which is a big step forward, the fact that there would be a recognition of the economic impact. I think when it comes to the social aspects of the arts is where it

ventures into politics and where it becomes more difficult for politicians to agree. And this was one of the reasons why the National Endowment for the Arts has been so poorly funded over these years. You know the budget; the entire budget of the National Endowment for the Arts may keep the Met going for about six months I think.

And, you know, we, the Metropolitan Opera, who represent the Met, I mean represent this country and the city internationally – we are the flagship cultural performing arts company in Europe, in Asia, we are seen by literally millions of people around the world – we are actually doing a lot of good for the government’s image, I think. And it would be great if that was recognized and hopefully someday it will be.

RACHEL MOORE: Yes, I think that, when I look at it, my hope is also the linking of arms between the commercial sector and the non-profit sector in the arts, which I don’t think that we have been allies in the way that we should be, that a patron doesn’t care what the economic model is behind the product. It’s whether it’s meaningful to them and I think that those conversations have been really helpful.

I don’t know if there’s any questions. I think some were possibly sent in, but perhaps not. But why don’t we just close with, oh, Henry...

HENRY TIMMS: No, I wasn’t, I thought I saw a raised hand. I was just searching...

PETER GELB: Henry's ready to answer them.

HENRY TIMMS: How did you become so successful and handsome? No, no...(Laughter)

RACHEL MOORE: Is there one major takeaway from the last 15 months that you want to sort of share with the audience, Henry?

HENRY TIMMS: I'll tell you the best bit of advice I got was last year, and it's the best bit of advice I've had in a very long time, and it actually came from my colleague, Leal Johnson, who I mentioned earlier. And we were talking after, it was after the murder of George Floyd and we were thinking about the organizational response and we were all trying to work out what we should be doing and how it should be working. And I was feeling uncomfortable about an initiative that was being proposed and one of the things, when I think about my job, I trust that it's comfort.

As a leader, a lot of people on this call, you have those moments where you feel there's something not quite right and those are the moments you listen to that radar and you act and you try and just say, okay, let's calm that down, let's deal with whatever issue that is. And I was feeling that feeling. I was feeling like this doesn't feel quite right. There's something here which is making me pause. And she said to me you have to

learn to trust your discomfort.

And it was such an important lesson, which was actually the discomfort I was feeling as the leader in that moment was a discomfort that was pushing me to conservatism, not political, small-c conservatism. It was pushing me to kind of hold back and say let's not go there. This isn't our territory. And to trust that actually there are moments, particularly if you're trying to transform an organization, your discomfort is part of that process. And so I've been trying to learn to trust that discomfort, which was something I've kept well away from in the past. I've been trying to trust that a bit more, particularly as we try and reimagine what Lincoln Center does and who it serves and how it serves. That if I don't change as the leader, the organization can't change.

RACHEL MOORE: Right. So, Peter, any final words of wisdom?

PETER GELB: Well, I don't know if they're words of wisdom but, you know, one thing I will say about Henry is that, you know, the history of Lincoln Center has been quite complicated. And Rachel, you know this yourself from having run ABT when it was performing at Lincoln Center. Lincoln Center was set up to be as, I guess Eisenhower or whoever broke ground, described as the Acropolis of America, and Henry's job has been very, very, very difficult to kind of function as a great leader in a time of crisis and he's done superbly well, I have to say. And I think what I have, I mean to support all of

us and to bolster us up, you know, what I've learned is kind of a doubling down of a lesson I learned many, many years ago, which is you have to fight really hard for what you believe in.

And, you know, in times of crisis, and this has been the most challenging crisis that I've ever faced and certainly the Metropolitan Opera has ever faced, you know, you have to be able to trust your instincts and fight for the future. And you can't be conservative, as Henry said, which he rejected, you have to be bold. And, you know, the arts can only succeed through bold actions. Sure, you know, we make mistakes. But this is a time for bold action and for people to work together to make the weaknesses that we face into strengths. And there's no other way forward.

RACHEL MOORE: I couldn't agree with you more. Love bold. So I want to thank you both for carving out time from your incredibly busy schedules to join us for this conversation. As Treasurer of the Club, but also as your colleague, it's always wonderful to hear from you and I can't wait to see you both in person at some point. I, for one, have learned a lot. So now I'm going to turn it back to The Economic Club of New York's Chair, John Williams. So, John...

CHAIR JOHN C. WILLIAMS: Terrific. Thank you so much, Rachel, Peter, Henry, for a terrific conversation about the arts, about New York and economics. I'm sure everyone

in the Club really appreciated it.

So, with that, I'm going to turn to what I always do at the end of these meetings, which is we've got a lot more great speakers lined up this summer. And as always, we encourage you to invite your guests to our events. Tomorrow, as part of the New York City Mayoral Series, we have Andrew Yang. And then on June 10th, we have Connie Evans, President and CEO of AEO, and it will include remarks by Dan Schulman of PayPal. And then on June 17th, we have Henry Kaufman from Henry Kaufman & Company. And then Henry Louis Gates, Alphonse Fletcher University Professor and Director of the Hutchins Center for African American Research at Harvard University and Emmy Award Winner for the PBS series, Finding Your Roots, will be joining the Club on June 22nd. And then on June 24th, we have Wes Moore, the former Chief Executive Officer of Robin Hood. And then on the 28th, we have Charles Tribbett, the Vice Chairman and CEO of Board Advisory Partners at Russell Reynolds Associates. And then closing out June, a very, very full schedule, on June 29, we have Betsy Cohen, Chair of FinTech Masala. And now, that's just for June. And later on in the year, we have many more speakers. And please, if you joined as a guest and would like to become a member, email the Club at the address on the screen.

Finally, I'd like to take a moment to recognize those of our 335 members of the Centennial Society joining us today as their contributions continue to be the financial

backbone of support for the Club and help enable us to offer our wonderful, diverse programming, both now and in the future. So thank you again and please stay healthy and safe.