



The Economic Club of New York

114th Year
635th Meeting

Jonelle Procope
President & CEO
Apollo Theater

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Webinar

Moderator: Charles Phillips
Managing Partner & Co-Founder,
RECOGNIZE
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Introduction

President Barbara Van Allen

Good afternoon, and welcome to the 635th meeting of the Economic Club of New York, in our 114th year. I'm Barbara Van Allen, President and CEO of the Club. 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. We feel our mission today is as important as ever, as we continue to bring people together as a catalyst for conversation and innovation.

Over the past year, through our diversity, equity and inclusion programming, we've been leveraging the Club's platform to bring together prominent thought leaders to help us explore and better understand the various dimensions of racial inequity, and highlight strategies, best practices and resources that the business community can use to be a force for change.

We're not doing this work alone. And we'd like to give special thanks to our corporate partners, BlackRock, Bloomberg, MasterCard, M&T Bank Wilmington Trust, PayPal, S&P Global, and Taconic Capital. As well as the many members, speakers and subject matter experts that are now, and will be engaged in this work as we go forward.

A special welcome to the members of the ECNY 2021 Class of Fellows. A select group of diverse, rising, next-gen business thought leaders, as well as students from the Gabelli School of Business at Fordham, Rutgers University, NYU, and the CUNY Graduate Center.

And just a note, the 2022 applications for the Fellows Program is now available online.

It's a pleasure for me to welcome our special guest today, Jonelle Procope, President and CEO of the Apollo Theater in Harlem, New York. During her tenure as President of the theater, she led a team of 50 full-time employees, and an executive team responsible for all of the operating and strategic functions of the legendary theater.

During this period, she also led a successful Apollo rising capital campaign to restore the theater. And I'm sure we'll hear more about that. Focused on the long-term stability of the organization in particular.

She's overseen the Apollo's transformation into a vibrant, not-for-profit performing arts organization by increasing its base of support, expanding its educational offerings and community programs and creating large-scale artistic initiatives.

Today's program will be a conversation and we're very fortunate to have Charles

Phillips, Club Trustee, and Co-Founder and Managing Partner of RECOGNIZE.

For this event, we're going to be very interactive and we're going to use the Chat Box. So, if you enter questions directly into the Chat Box for consideration, our interviewer will try to use them, or I can jump in at the end, if needed.

We're going to end promptly at 12:45 P.M., and as a reminder, this conversation is on the record and we do have media on the line today.

So without further ado, Charles, the mike is yours.

Conversation with Jonelle Procope

CHARLES PHILLIPS: Thank you, Barbara and for those of you who don't know me, I'm Charles Phillips, I'm the Co-Founder and Managing Partner at RECOGNIZE, which is a technology growth fund for private equity. I spent my career in technology, but most of all as a Trustee of the Economic Club of New York.

But more importantly, right now, I've also been on the Board of the Apollo Theater since 2015 and in December 2020, Jonelle convinced me to become Chairman of the Apollo, which I am now, and proudly so.

I'm honored to introduce you to Jonelle Procope, as a good friend, long-time friend as well, the President CEO of the Apollo, who I will be speaking with today.

JONELLE PROCOPE: I just want to say thank you. And I want to thank Barbara for inviting me to address the Economic Club today. It's a real honor. I'm so happy to be able to talk to you, Charles, in this forum, because we are normally sitting around the table at an Apollo Board Meeting. So, this is going to be fun.

CHARLES PHILLIPS: It certainly will be. We have a lot of people on the call who are hearing your name or meeting you for the first time. Let's start with you, first, share your trajectory, how you got here, what brought you to this work, how did you end up as President and CEO of the Apollo Theater and where did your interest come from?

JONELLE PROCOPE: Well, I'm going to go back to my formative years. I grew up in Philadelphia, and I had a much older brother and his wife who lived in New York, and I used to come up to New York and spend summers with them and worked in their office. My brother at the time was publisher of the *Amsterdam News*, the *New York Amsterdam News*, and that office was right around the corner from the Apollo. That was my first experience with the theater.

At that time, you know, there were theaters like the Apollo all across the country in

urban areas, where you could go and see music groups. I was able to go to the Apollo and just fell in love with it. But more than that, I fell in love with the culture of New York City. There was always something going on. So, I knew this is where I wanted to live.

Fast forward, I came up to New York. I'm a lawyer by training, and at the time I was working in the entertainment field, and the Apollo, this is back in 1999, the Apollo was, it's really had a very interesting history. Lots of transformation. Lots of changes. And at that time there was a new group of people coming onto the Apollo Board and it was led by Dick Parsons who was, as you know, the Chair you succeeded. Dick was the Chair of the Apollo for 20 years. And I was asked to be on the Apollo Board.

At that time, the Apollo was really languishing. If you rode down 125th Street, it looked as though the theater was dark. There was nothing happening. There was scaffolding on it. Again, it was a real turnaround situation. We just began to dig in and one of the first things that we did was to commission an engineering report and it was enough to make our hair stand up, because we saw that there was much to be done.

But one of the major things that we knew we needed to do was to begin the work of renovating the theater, because once again, if you looked at the theater, our Marquis and Blade sign were in disrepair, and it just felt like the theater was closed.

We did that, and that we thought was a signal to the community that the Apollo was open and back. The Apollo has always been a beacon for the Harlem community and 125th Street. So, I think that was an important thing.

And then, from that, that work that we did on the Board, Dick asked me, would I consider coming into the theater to run it. And that's how I ended up in this role, which is, it's been 18 years, I can't believe it.

CHARLES PHILLIPS: Can you kind of compare and contrast today versus then because it's changed so much in terms of the types of programming, the number of tourists coming and just give people a sense of the enormous transformation that you created?

JONELLE PROCOPE: Sure. Well let me just start with the fact that the Apollo has a remarkable legacy and I think that many people probably are familiar with it, but it opened its doors in 1934 and at that time it was one of the first nonsegregated theaters that permitted people of color in the audience, as well as, on the stage. It introduced a new format of programming, which was the variety show.

It became a place of opportunity, a place where artists could come and hone their skills and so it introduced just pretty much anyone who dealt with music or comedy or theater

or dance, to the public. These people became legends, like Ella Fitzgerald, Sarah Vaughan, Billie Holiday, the Big Bands. Really anyone who performed in that era.

When I think about that, the Apollo was a place of opportunity. Throughout the years, that's been a constant in the Apollo's history, if you will. When I took over the reins of the theater the only thing that we had going on was Amateur Night which is one of our signature programs and began when we opened in 1934. That launched the careers of some of the more contemporary artists because at the time they didn't have an opportunity to play in some of the major mainstream venues.

It took, I would say, it's just been in the last ten years that we've really focused on a different type of programming. There are a lot of arts programming that takes place at the Apollo today. I'm a big proponent of collaboration. We have collaborated with some interesting organizations. The one that probably is something that people wouldn't think about is the Philadelphia Opera, for example.

People, when they think of the Apollo, they say, opera, why would there be opera at the Apollo. But what we did was we introduced operas that you wouldn't see in the mainstream. For example, we did Yardbird which was the story of Charlie Parker. That has significance to the African American community and the community at large, and it's a story about a really famous musician.

It introduced another genre to the community. I thought that was important. A lot of the performers were performers that the Harlem community would never have seen. So I thought that was a wonderful thing to do.

We did another opera and this is, in a sense, this opera was our meets activism, it was called *We shall Not Be Moved*, which was an opera detailing the story of a civil rights issue in Philadelphia, with an organization called MOVE.

Let me go back to sort of the beginning of my tenure. When we first embarked on this journey to revive it, if you will, it really was languishing, and the Board needed help. We needed to bring more people on, we needed to develop it, so that it could help us to accomplish the goals that we had to turn the organization around.

In that particular time-frame, and this is again, around 2003, I would say, 2003 to 2010, you know, people came onto the Board more as a favor to Dick and to me, and I think that they came onto the Board feeling as though they were helping the organization survive.

Then, we began to internally focus on the team, the professionals, in the important positions in a not-for-profit development, fundraising, marketing, financial, help for the organization. We began to be able to attract really the best and the brightest in these

positions and that allowed us to begin to focus on the more, I guess, fun things, like the programming.

So, we began to introduce new programming and when I think about the Apollo being a place of opportunity, that's what we are today. We are focused on creating a safe space, a home for new artists who want to push the boundaries and introduce programming and work that they're passionate about, but they need a place where they can work and feel that they can have an exchange of ideas and incubate their works. I'm going to stop and let you ask more questions.

CHARLES PHILLIPS: You know, Jonelle, I'm always surprised at some of the artists, when I learn about their background, how they got their start at the Apollo, current artists. We both were at the H.E.R. concert recently. She's one of the most popular R & B artists in the world right now. They call her the female Prince. She plays every instrument, creates music, she's just amazing.

The reason she was there, midway through, she announced to us, well, I got my start when I was 9-years-old because the Apollo actually looked at my video and returned my call and I came to Amateur Night, and the rest is kind of history.

That happens more often than you think. Lauryn Hill, D'Angelo, a lot of current artists

who are still performing. So let's turn to the art forum. If you look forward, to the next couple of years, and we talk about this new American canon you want to build and all of the intersections you have been describing, what are some of the things you're excited about, different types of things you were planning going forward?

JONELLE PROCOPE: What you're referring to is the fact that we really want to...culture is our operating system. We really feel the Apollo has the power to transform and build community and to really be a testing board for African American artists and artists of the African diaspora. Again, we look for opportunities to work with artists like Ta-Nehisi Coates. Now he may seem as though...you know, he's a writer and he's a collaborator and he has amazing ideas and he was our first Artist in Residence, Master Artist in Residence. So, in 2018, we commissioned, produced, and adapted his award-winning book, *Between the World and Me*. It's one of the many productions that we've launched that illustrates the intersection of arts and activism and addresses issues that face us all, like inequality, particularly in the Black community.

Between the World and Me was on the Apollo stage back in 2018, and really, critically acclaimed. It premiered there and then it toured to the Kennedy Center in Washington and then down to Atlanta, and we had planned for a much broader tour season, and then the pandemic hit.

We think this work is an example of what we consider the 21st century canon of work that focuses on the African American narrative. And by this I mean, work that will, maybe begin at the Apollo but then travel to other cities and other venues and will be referred to in years to come. I think this is a wonderful, wonderful example of what we would like to see, and when we develop this canon.

The work, because of the pandemic, and because we could not tour it, HBO is a wonderful partner to the Apollo, and again, collaboration. They were very much interested in *Between the World and Me* and so, we were able to have it filmed and it was shown on the HBO service, and it's still there.

The other thing is, I want to just talk about the Residency. The Residency is an opportunity to have a relationship with an artist. It's an opportunity, it's a reciprocal relationship, it's a relationship where we allow the artist again to push the boundaries, but they also support the theater. We don't want to have a transactional relationship with an artist. We want to be able to work with them, be a part of the progress of a work. We want them to bring their protégées to the Apollo, and that's how we begin to develop relationships with new artists. Artists that are maybe under the radar.

What I like to tell people when we talk about these legends, back in the 30s and 40s and 50s who graced the Apollo stage, but they weren't necessarily legends at that time.

It's the fact that they had the opportunity to appear on the stage and hone their skills.

So, now, we want to introduce a new body of work from young people who maybe haven't gotten to the point where they have taken off but we are confident that they will. Another example of collaboration in the work that we're doing now is a partnership that we have with the National Black Theater, and the American Composers Orchestra to present something called the Gathering. And a collective sonic ring shot.

Ring shot is a ritual that was enjoyed by folks who actually, I shouldn't say enjoyed, but practiced by enslaved Africans in the Caribbean and the United States. This will be three works under this, and one of the ones that we're really excited about is the premier of the *Seven Last Words of the Unarmed* and it's anchored by an 80-member orchestra and a 50-person choir composed of singers and professionals and amateurs from multiple African American churches and choral ensembles.

The Seven Last Words are the last words of African Americans who were shot by police in different points across the country. Again, this is an opportunity to talk about, or address some of the topical issues affecting our community, but, you know, America.

Through art, I think storytelling is the really important way to get these conversations to begin. To be able to address some of the issues that we're currently focusing on. The

other thing, collaboration takes the form of the one that we have with Sirius XM. Sirius XM, and I happen to sit on the Sirius Board and Sirius brings some of the concerts to the Apollo and with artists that you wouldn't normally think about appearing at the Apollo.

They've brought Bruce Springsteen. They've brought Paul McCartney. They brought James Taylor. And then recently they brought Alicia Keys. And she is someone we have a relationship with, but that was an amazing performance. So, I'm really excited about that because I think that we'll be doing more concerts like that.

And that's the way we launched or re-launched beginning in August after Covid, so that we could test the waters and see how people felt about coming back to a theater.

CHARLES PHILLIPS: Jonelle you left out one important point when you were talking about HBO. You collaborated with HBO on the *Apollo Documentary* and won an Emmy for that. Which I think, if not the first, then only one of a few that won an Emmy about a documentary about themselves. I just wanted people to know that. It was a remarkable accomplishment.

Let's move on a little bit to talk about the impact the Apollo has in the Harlem community and the Black community in general as an economic and cultural driver. And

kind of how you anchor the community and impact other cultural institutions in the neighborhood.

JONELLE PROCOPE: The Apollo has, as I said earlier, the Apollo has always been a beacon for the community. It's been an economic driver, of, even back when the theater looked like it was boarded up like it was dark, the tourist buses would come up to 125th Street and they would stop in front of the theater.

So, in essence, the Apollo was the reason that tourism was taking place at that time. At that time we had very few restaurants. We had Frederick Douglas Boulevard which is 8th Avenue, there was nothing there. And over a period of 10 years, there was a lot of development activity.

One of the things that was really important and one of the things that was lacking for the Apollo back then, was where can people go and have a meal or go have a drink before a show. I really needed to have this kind of community around me to provide an opportunity for the tourists to get off the bus, see a show, and then get something to eat.

That is how it began. And now it's very vital. I think that the Apollo, even back historically, the Apollo was the reason that people came to 125th Street, went to some of the stores and the restaurants in the 30s, in the 40s, in the 50s, and certainly now in the

21st century.

We are really excited because we are taking part in the Victoria Theater Redevelopment Project, which is a project that is a couple of doors to the East of the Theater. It's a mixed-use development. It is a development that has a hotel, residential property, and it will have retail, but it has cultural space. The cultural space consists of two theaters, a 99-seat theater and a 199-seat theater, with the latest technology, advanced technology.

This will be an opportunity. Apollo was designated, it's owned by the state as is the Apollo, and I was designated as the Operator Manager of these spaces. These spaces will provide an opportunity for us to encourage and engage and allow access for some of the local arts organizations. I think that, as nonprofits and certainly cultural institutions in communities, that we have a responsibility to the community. At the Apollo we feel that we should really try to encourage some of the smaller arts organizations. I would say that after the pandemic, I mean, we're still in it, but the impact of it, really changed the landscape. A lot of cultural organizations struggled and some of them have actually closed down.

But economically we realize that they aren't going to be able to afford to rent space in the Victoria. And the space can be used for rehearsal space or space to collaborate with

other organizations in the community. To help the cultural ecosystem up there, we have gone on a real fundraising initiative to provide funding to subsidize the rental of these spaces for these smaller organizations. And also to initiate programs where they can become collaborators with the Apollo on some of the programming.

I'm really hoping, and I think it will encourage smaller arts organizations to come, utilize the space, but also to be able to showcase some of the work that is important to them.

CHARLES PHILLIPS: Jonelle we have a question in the Chat. As you talked a little bit about financials and the fundraising, the question was, can you talk about the financial constraints the theater faced through its expansion and did you receive grants or donations? To try to get a sense of how you funded and where are you. And maybe this is a good point to talk about the capital campaign and renovating the theater as well.

JONELLE PROCOPE: I have to say that I think the philanthropic community really stepped up during Covid. Let me just say, just like all cultural organizations and small businesses we had some pretty difficult decisions to make. We were forced to furlough people. We had to lay some people off because the theater wasn't operating. There was no revenue coming in, earned revenue coming in. The only thing that we really could depend on was contributed revenue, fundraising.

A number of the foundations, I would say that the Ford Foundation, the Mellon Foundation really stepped up and supported the Apollo as well as other organizations and that was extremely helpful because they infused all of us with unrestricted funds. Funds that we could use in the way that we needed them.

You could use it for your employees, you could use it to continue commissioning artists, which was very important to us because the artist were really hit by Covid. Most of them are...they have no benefits. They're not working consistently. So we really wanted to honor our commitments.

The other foundations that supported the Apollo really stepped up also. If they were supporting us, they either released the restrictions on the money or they increased the money that they had been giving us in support of programs.

Then, I have to say, the Federal Government really did work this time for the cultural community. We certainly took advantage of the PPP but also the initiative for saving the stages which the Broadway and many of the other cultural organizations utilized. So between the fundraising and the support of the philanthropic community, meaning these larger foundations, we were able to stabilize the organization and to not have to worry about how we were going to pay our bills.

Now we are at a point where I'm happy to say that we're financially stable. We've been able to bring employees back. I think that it worked. The infusion of money from the Federal Government and also the philanthropic community. We cut our budget. We were on our way to being a \$20 million organization and this year, we have a budget of roughly \$14 million. It's smaller, but we're in a growth spurt. I think that we will continue to be conservative but we will continue on with our plans for growth.

CHARLES PHILLIPS: What's the timing of the renovation of the main theater that people associate with? And then also, I'd like you to talk about corporate clients can buy out the Apollo and have certain events in different places, and a lot of people just aren't aware of that, and they do that sometimes, so talk about that as well.

JONELLE PROCOPE: I love this, Charles, because you're focused on the business of the Apollo. I'm happy to talk about that. First of all, people may not think about the idea of renting the Apollo. We have a pretty robust rental, our facilities rental program, we rent it out to corporations for their events. We can rent it out for dinners, anything. We have two spaces in the historic Apollo, that's the stage, the main stage. And then we have a black box on the third floor of the theater for smaller events or different kinds of events that don't require the kind of seating that you have in a theater.

We have been in a phased renovation project. We started back when I was referring to

it earlier where we renovated the exterior of the theater and did some infrastructural work. And then later we did things like replace the seats. So it's been over a period of probably 15 years. We are now involved in a capital campaign, a capital campaign which hasn't been announced but it's a \$65 million capital campaign. We are almost there. We are shy, we are at \$59 million and we are actually going to probably increase the goal because we feel like this is a real moment in time when we can continue to fundraise.

This will be the final renovation of the theater which will require the theater to close but we have timed it out so that it would be closed during the summer, and if everything works, we wouldn't lose that much time. The beauty of it is with the timing that the Victoria will open. It's scheduled to open in 2022, the end of '22. So, we'll have space where we can program also. That space that can also be rented. You know, there are two spaces, and they're smaller, so they can be used for different types of events. I would encourage anyone who happens to be listening to think of us in that vein.

CHARLES PHILLIPS: Obviously, the physical theaters are super important to the history that has made up the Apollo, but you did a lot on line and probably learned a lot about how to stream and how to entertain people outside of the theater. What are the lessons learned? Is that going to continue? Were you happy with what happened?

JONELLE PROCOPE: Yeah, absolutely. Necessity is the Mother of Invention. The Apollo only has 1500 seats, which is why we're not-for-profit. There's no way that we could compete in the commercial arena with such a small capacity. We had been thinking, we had done a strategic plan that focused on where we saw ourselves over the next five years and being in the digital space was one of the pillars of the Strategic Plan.

Well, when Covid hit, we had to pivot right away, as did all cultural organizations. So, we began to offer programming online. We felt it was really important to continue to be in the lives of our constituents. At the time, when we pivoted, we began to go into our archives and provide programming that actually was relevant to what was going on because we have a series called *Uptown Hall*, which are conversations and they were conversations about the police, and they were conversations that focused on the political situation. Those were online as well as entertainment, cultural offerings.

Then we began to produce programming, specifically to be put on the digital stage. We called it the Apollo Digital Stage. And because, in the summer the mayor lifted some of the restraints and allowed work to be done in the theater but no live audience with distancing and testing. So we were able to offer programming that was new, was fresh. The thing that I think that we are trying to figure out and I think it's something that many people are trying to figure out is how to monetize that programming.

That's something that we are looking into and trying to focus on what do we need to do that will create the sort of the interest in the programming so that people would be willing to pay for it.

The beauty of the digital stage is certainly the reach, the ability to go beyond your four walls. We found that we had people viewing our programming from all across the country and internationally. I think that there's definitely a paradigm shift that you're going to be seeing more of this and we will certainly continue to be on the digital stage. We're on the digital stage now as we speak.

But the other thing that we've been looking at, and you know, Charles, because we actually had a meeting with an individual that has a company that is really putting together, I guess a syndicate of movie theaters that will be in place across the country where we could think about putting our programming into these theaters so that audiences in these different regions of the country would be able to see the programming at the same time as the live programming at the Apollo.

Obviously, if it's taped, it could be seen later, but I think it's probably interesting to be able to be a part of what's going on while in real time. So, I think that we will be looking into that.

Another thing was we think about the future is, and that's why expansion is so important to be able to have the space to do some new things. We're looking at perhaps having a recording studio at the Apollo or at least the technology that would allow some recording to be done.

The other thing is, we've long thought that, well I would say that a lot of the tourists who come to the Apollo are from Asia, and specifically Japan. We actually have a deal with a broadcast company in Japan and they had to stop during the pandemic but they were putting on their version of Amateur Night in Japan. I think that there would be real interest in programming over there, being able to take our digital programming.

But also, we're looking at perhaps having a presence in another country. That's something that's on our radar. The other thing that I think is important is that it's an opportunity again to collaborate with other venues or other organizations in other cities. The logical city for us, at the moment, would be Los Angeles. And we actually have a board member from Los Angeles. And we do think of ourselves as a national organization.

Through some of the conversations that we've been having with people in the entertainment community I think that there's an opportunity to do some things out there. And to have a presence. I see Barbara.

CHARLES PHILLIPS: Yes, she's our signal. That probably brings us to a close, but Jonelle thank you so much for sharing all of that. The future for the Apollo just sounds exciting and bright and as a partial list of the things she's working on, ideas, the ways to monetize the grant and take a different way with this. Whether you're in Tokyo or Paris or London, they will know what the Apollo is. So, with a global grant, we want to take advantage of. But thanks again for sharing that with the audience. I'll turn it back over to Barbara.

BARBARA VAN ALLEN: Jonelle, you're amazing. Really. And so inspirational. Charles, thank you so much as well for taking time to join us today.

I'm pleased to say we have a few more prominent speakers lined up before the end of the year and we encourage you, of course to attend and invite your guests. Next up, we have Carla Harris, Vice Chairman, Global Wealth Management and Senior Client Advisor over at Morgan Stanley, and she is going to discuss her incredible career trajectory and learnings around how she shaped her passion for leading and mentoring. On the same day, December 7th, in the afternoon, we have Ken Bentsen, the President and CEO of SIFMA and Dr. Lindsey Piegza, the Chair of the Economic Roundtable and SIFMA Chief Economist with Stifel Financial. They will be on at 1:00 and they're going to reveal the results of SIFMA's latest U.S. economic survey. So that should be pretty exciting. We are looking forward to our first in-person hybrid event featuring Gina

Raimondo, the Secretary of Commerce on December 9th. She is going to be discussing, she has just returned from a trip abroad where she was involved in a lot of important discussion. She's going to share insights around the supply chain issues, insights around the administrations' efforts to strengthen business ties around the world as well as steps to spur U.S. economic and job growth. Cathie Wood, the CEO and Chief Investment Officer of ARK Invest is going to be in a conversation with us with Art Laffer the Founder and Chairman of Laffer Associates on December 13th. And they're going to talk about Cathie's approach to the markets and her interest in many, many cutting edge technologies. And then we're going to wrap up on the 14th of December with Dr. Mary Schmidt Campbell, the President of Spelman College. And she will discuss her perspective on leadership and passion for advancing the next generation of Black entrepreneurs in her role at one of the top historically Black colleges.

If you'd like to join us as a guest, or if you did join, and you're interested in learning more about membership in the Club, please email the Club at the address shown there on the screen. And finally, I'd like to take a moment to recognize those of our 343 members of the Centennial Society joining us today as their contributions continue to be the financial backbone of support for the Club.

And again, thank you everyone that joined us and please stay healthy and safe. We hope to see you at our next event. Thank you Jonelle, thank you Charles.