

MINUTES OF THE OCTOBER 1, 2012, STRATEGIC PLANNING AND PROGRAMS COMMITTEE MEETING

The Strategic Planning and Programs Committee (“the Committee”) of the Board of Regents of the Smithsonian Institution held a meeting on October 1, 2012, at 2:00 p.m.

Participating were Committee Chair Shirley Ann Jackson and Committee members Steve Case, Judy S. Huret, John McCarter, Paul Neely, Senator Jack Reed, Alan Spoon, and Patty Stonesifer.

Staff in attendance included Secretary G. Wayne Clough; Chief of Staff to the Secretary Patricia Bartlett; Assistant Secretary for Education and Access Claudine Brown; Under Secretary for History, Art, and Culture Richard Kurin; Chief of Staff to the Regents John K. Lapiana; Smithsonian Enterprises President Chris Liedel; Special Advisor to the Secretary Alison McNally; Under Secretary for Science Eva Pell; and Liaison for Senator Reed Moria Lenehan-Razzuri.

CALL TO ORDER

Dr. Jackson called the meeting to order.

Before turning to the approval of the minutes, Dr. Jackson congratulated Mr. McCarter on his retirement as President and CEO of the Field Museum in Chicago.

The draft minutes of the April 9, 2012, Committee meeting were approved without modification.

REPORT OF THE UNDER SECRETARIES

- **Science: Marine GEO.** Dr. Pell announced that the Smithsonian has concluded negotiations for a \$10 million gift to fund the Marine Global Earth Observatories (MarineGEO) concept. MarineGEO will complement the already-launched terrestrial observatory network, SIGEO. She described the development of MarineGEO and the strong stakeholder interest both within and outside the Smithsonian. Funding from the gift will be supplemented by existing Smithsonian resources to allow for the immediate hiring of a director to “jumpstart” the project. Dr. Pell said that the Smithsonian is ready to launch the network with three initial locations — Chesapeake Bay, Maryland; Fort Pierce, Florida; and Panama.
- **Pan-Institutional Programming and Panda Cub.** Dr. Pell also briefed the Committee on three pan-institutional Consortia-sponsored programs, “Conservation Medicine,” held in August 2012, “Life in the Cosmos,” held in September 2012, and one planned for October 2012 entitled “The Anthropocene: Planet Earth in the Age of Humans.”

Dr. Pell discussed the necropsy report on the death of the panda cub at the Smithsonian National Zoo. Dr. Pell said that Smithsonian National Zoo staff suspect the death was

caused by a malfunctioning liver, and that the final “conclusions should be drawn in the next few days.”

- ***History, Art, and Culture: Asian Pacific American Center.*** Dr. Kurin outlined steps taken to strengthen the Smithsonian’s Asian Pacific American Program. Among them is the recent name change to the Smithsonian Asian Pacific American Center. The name change, he said, will signal that the Center will “be taking on more hefty” projects and research on the role of Asian Pacific Americans in U.S. history and culture. Dr. Kurin added that a similar, albeit it smaller, effort is being mounted to improve Asian and Pacific American studies across the Smithsonian under the leadership of the Center’s director, Konrad Ng. He also reminded the Committee that the Regents recently approved the establishment of an advisory board for the Center.
- ***History, Art, and Culture: Hirshhorn Inflatable Structure.*** Dr. Kurin said that cost proposals to construct and maintain the Hirshhorn Inflatable structure were higher than anticipated and would exceed the funds currently raised for the project. The structure’s architect and fabricator have been asked to prepare less costly alternatives and the results are being shared with project’s major supporters.

Dr. Kurin noted that the Hirshhorn Board of Trustees will again consider its support for the structure at its October 5, 2012, meeting. He said Smithsonian groups are being asked to identify other possible uses for the structure beyond those planned by the Hirshhorn. Committee members encouraged Dr. Kurin to reach out to the project’s donors and expressed concern that museum’s board has not been unanimous in supporting the initiative.

- ***History, Art, and Culture: Coptic Bible Fragment.*** Dr. Kurin discussed recently publicized research on a fourth century A.D. fragment of parchment. The inscription on the fragment has been translated to indicate that Jesus was married. Although the Smithsonian was not directly involved in the fragment’s discovery and interpretation, the Smithsonian Channel produced a documentary on the subject (postponed from a September 30, 2012, airdate) and *Smithsonian* magazine published an article on the research (in its October 2012 issue).

Mr. Liedel observed that the magazine and channel’s approach has been balanced and stressed the potential authentication issues surrounding the discovery and interpretation of the fragment.

- ***History, Art, and Culture: Jefferson Bible Research.*** Dr. Kurin provided an update on potentially significant pan-institutional research related to Thomas Jefferson and the recently exhibited Jefferson Bible. [NOTE: At the Smithsonian’s request, the research is being treated as administratively confidential and will be publically announced after its completion. At that time these minutes will be updated accordingly.]

SMITHSONIAN ENTERPRISES

Dr. Jackson introduced Smithsonian Enterprises (SE) President Chris Liedel. She noted that Mr. Liedel joined the Smithsonian in April 2012 after serving as Chief Financial Officer of National Geographic. Mr. Liedel was invited to the meeting to discuss new mission-advancing initiatives between Smithsonian Enterprises and various museums and research centers. Dr. Jackson noted that Mr. Liedel will present a broad overview of Smithsonian Enterprises operations at the October 15, 2012, Regents' meeting.

Before beginning his formal presentation, Mr. Liedel provided preliminary fiscal year (FY) 2012 results for SE operations. Mr. Liedel said that SE's "six-year streak of increasing net gain growth" continued and that, for the first time in that period, gross revenues also increased.

After six months in his position, Mr. Liedel said that he was extremely pleased with the leadership team in place and that SE's "internal culture" focuses now on partnering with units and better "reflecting [how SE can support] the diffusion of knowledge outside the National Mall."

Mr. Liedel noted that SE management is steering FY 2013 budget and strategic initiatives around expanding current product lines and identifying ways to grow in the out years by expansion into new markets. The key for success, he said, will be by establishing strategic partnerships with outside entities that "strike the right balance" between investment risk and expanded mission reach, revenues, and royalties growth. [Smithsonian Channel was identified as a successful example.] SE management is looking at four areas for revenue growth — existing businesses, product-line extensions, new audiences, and new markets and channels.

A \$3 million strategic reserve has been established to fund new initiatives, Mr. Liedel said. The fund's initial size was established in consultation with the Secretary's cabinet. Mr. Case asked whether the fund may be too small for SE to take advantage of significant partnership opportunities. Mr. Liedel said that he remained confident that if an opportunity required a greater investment, funds would be made available.

Mr. Liedel observed, however, that SE lacks the operational and entrepreneurial flexibility of corporate or other nonprofit revenue-generating units. For example, before SE can partner with an outside entity, he said, Federal competition policies must be followed. Only on smaller initiatives may the Smithsonian sole-source a contract or partnership agreement. Committee members briefly discussed the potential benefits of establishing an advisory or oversight group for Smithsonian Enterprises or making structural changes to the organization that could make SE more nimble and encourage risk-taking. Dr. Jackson suggested that the Committee devote more time to these issues at a future committee meeting.

Mr. Liedel then outlined current plans to expand existing business activities, including (1) updating and improving *Smithsonian* magazine content on all platforms (print, website, apps); (2) focusing on subscriber growth for Smithsonian Channel and exploring new distribution outlets; (3) growing travel opportunities through Smithsonian Journeys; (4) concentrating on

more impactful licensing partners; and (5) improving the retail experience that meets guest expectations at all museums.

In addition, Mr. Liedel discussed a series of contemplated new initiatives with “high mission impact” that “broad[ens] mission reach.”

STRATEGIC PLAN UPDATE

Dr. Jackson noted that in September 2009, the Regents approved the Smithsonian’s six-year strategic plan. Since that time, this Committee and the full Board have been updated on progress under the plan and its four Grand Challenges. At the Regents’ October 15, 2012, meeting, Dr. Clough will lead a discussion on the plan at its mid-point and, on October 22–23, 2012, a leadership retreat will be conducted to consider plan’s future. The Committee invited Dr. Clough to preview his presentation and goals for the leadership retreat.

Dr. Clough said the retreat agenda was designed to elicit from directors their response to “how the strategic plan is working for your unit.” In addition, directors will be asked to discuss any circumstances that have changed since the plan’s launch that would warrant modifying, deleting, or adding to its goals. Finally, Dr. Clough said, the unit directors will consider the benefits of “reconciling” the strategic plan’s end date (2015) with that of the national fundraising campaign (2017).

Ms. Huret suggested that directors also be asked to identify any barriers and obstacles encountered in achieving the plan’s strategic milestones.

Dr. Jackson advised members that a proposed annual review calendar is under consideration. The calendar would allow the Committee to review, on a routine basis, progress in implementing individual components of the plan. A draft calendar will be considered at the Committee’s December 19, 2012, meeting.

INTERIM USE PLAN FOR ARTS AND INDUSTRIES BUILDING

Dr. Clough described his goal to “put the Arts and Industries Building (AIB) to use” while Congress considers the establishment of a National Museum of the American Latino that would be housed in the AIB. He said that the building can, and should, be used during this “interim period,” i.e., from now until the museum’s potential opening in 2020. With that goal in mind, Ms. McNally was appointed to lead negotiations on a potential long-term partnership with the United States Patent and Trademark Office (USPTO) that would fund programming and support building improvements in the AIB.

Ms. McNally explained that the parties are considering a collaboration to promote innovation-related programming, including a “Theater of Innovation” composed of an innovation lab, exhibits, and public programs. The Smithsonian expects future plans will include student programming designed to inspire the next generation of American innovators; seminars; conferences; workshops for inventors; and innovator recognition ceremonies. Funding for the

programming would be provided by the USPTO. At the USPTO's request, the Smithsonian is drafting a memorandum of agreement for the proposed collaboration.

EXHIBITION CALENDAR REVIEW

Dr. Kurin briefly reviewed the pan-institutional exhibition calendar and alerted the Committee to two potentially sensitive exhibitions: *Roads of Arabia—Archeology and History in the Kingdom of Saudi Arabia* at the Arthur M. Sackler Gallery and *Ai Weiwei: According to What?* at the Hirshhorn Museum and Sculpture Garden.

EXECUTIVE SESSION

Following Dr. Kurin's presentation, the Committee conducted an executive session.

ADJOURNMENT

Dr. Jackson adjourned at approximately 4:30 p.m.

Respectfully submitted,

Shirley Ann Jackson, Chair