Business Committee for the Humanities (1973-1979): Article 01

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Rise of the corporate art patrons

Reassessing a scorned painter

Art by the shovelful

Sam Gilliam: hanging loose

You can still compete with the big spenders
The growing corporate involvement in the arts
BY GEORGE GENT

If the arts in America are facing a financial crisis, they are also, like so much else in American society, troubled by success and abundance. The paradox is that as the arts assume an increasingly important place in the lives of more and more people, they are pricing themselves out of the market. In the arts, unlike most enterprises, increased production and more customers do not necessarily add up to higher profits. Indeed, greater production, capital investment and larger audiences frequently mean bigger deficits for harried arts managers. While support from individual patrons and foundations continues at a high level, new sources of revenue must be generated if the growth of the arts in America is to be anything like assured.

It was with this in mind that, in 1967, a group of concerned businessmen, headed by David Rockefeller, chairman of the Chase Manhattan Bank and a vice-chairman of the board of trustees of the Museum of Modern Art, established the Business Committee for the Arts, a private, tax-exempt national organization, to serve as a catalyst with four major objectives:

- Obtain necessary research and statistical analysis pertaining to support of the arts, and make the information available to the business community.
- Provide expert counseling for corporations interested in starting or expanding programs related to the arts.
- Develop a nationwide program of public information to keep corporations informed of opportunities for support of the arts and tell the art community what the corporations are doing in the arts.
- Help cultural organizations increase their effectiveness in obtaining support from business and industry and encourage the participation of more businessmen in groups concerned with the arts.

Ninety of the country's major corporation heads were invited to become members of the BCA and to work in their communities to spur financial support, publicity and business expertise for the arts. There are now 112 members of the committee.

So far three prominent men have served
Shown here before the Virginia Museum of Fine Arts, Richmond, is Willi Gutmann's Symbol, 1971, stainless steel, which was commissioned by Philip Morris, Inc., for a research tower designed by Ulrich Franzen.

Corporate contributions is nearly in sight and the BCA now hopes to generate the same kind of support that education got from business following World War II and which now amounts to about $325 million annually.

To accomplish this, the BCA hopes for a change in the tax laws that would permit businesses to increase their charity deductions to 10 per cent from the present five per cent. Meanwhile, the BCA plans to offer greater assistance to state and regional arts corporations.

"Six months ago," said McEllan, "we found regional programs were increasing so fast that we decided it would be wiser to channel our efforts into the states, instead of concentrating on the national level as before. We've already started statewide business-arts conferences to share information in North and South Carolina, Louisiana, Ohio, Indiana, Wisconsin and Pennsylvania. Local arts groups rarely have the skills or the money to buy skilled management, so our task will be to help them help themselves."

Patrons have rarely been loved by the artists they supported. Samuel Johnson defined a patron as "one who looks with unconcern on a man struggling for life in the water, and when he has reached ground encumbers him with help." Businessmen have usually regarded artists as impractical dreamers, if not radicals. The BCA hopes to change those attitudes. The arts, as they expand and multiply throughout the country, need the financial support and managerial skills of the business community, while business must realize its already large debt to the arts and see its involvement with them as part of an ongoing responsibility to the larger community. Together they may fashion a new Athens. That would not surprise the Business Committee for the Arts.
as chairman of the BCA. The first was C. Douglas Dillon, former Secretary of the Treasury. He was succeeded by Robert O. Anderson, chairman of the Atlantic-Richfield Corporation in Los Angeles, succeeded in turn last April by Frank Stanton, vice-chairman of the Columbia Broadcasting System. From the first, the man chosen to head the BCA as president and chief executive officer was Goldwin A. McEllan, a former public-affairs director for the Oil Corporation, who currently presides over a small staff and a $300,000 annual budget at the committee's headquarters in New York City.

How successful the BCA has been was detailed by Anderson in his final report to the membership last spring. He said that corporate philanthropic support for the arts had increased by roughly 160 per cent since 1965—from $22 million to $56 million. "We believe," he said, "that in large measure this increase results from the BCA's activities. Millions of dollars in the form of business expense have also been released for the arts as a result of the new climate for arts support created by the BCA. According to a [BCA] poll taken two years ago, the amount given in the form of business expense equals, and may even exceed, that given as corporate philanthropy. Therefore we think it reasonable to assume that both categories of giving together now total nearly $100 million annually."

The BCA's projection is that for 1972 business will have contributed $75 to $80 million in philanthropic gifts to the arts, with an almost equal amount coming in the form of written-off business expenses. Much of the latter comes in the form of free exhibition space, publicity, fund-raising drives by company executives and donated management expertise.

These important gains must be measured against the general decline in corporate giving to almost all other forms of charity in recent years—a result, most people agree, of the recession. And support for the arts continues to grow, with contributions to museums second only to support of music groups. Why this continued support?

"There are a number of reasons," said McEllan. "For one thing, there is the obvious public-relations benefit accruing to any company that supports an activity of interest to large numbers of people in its community. But the thrust today is more toward social responsibility and sound business considerations."

He noted that government is increasingly taking over the role once played by private philanthropy in the fields of health, education and welfare while, simultaneously, corporations are discovering that the arts are vital to the mental and civic health of the communities they inhabit. There is also the consideration of corporate realism.

"American corporations are only now discovering what European businessmen have always known," McEllan said. "Business is already deeply involved with the arts through product design, packaging, media advertising, public relations, plant architecture and interior design. All of these—and many more examples could be cited—require a conscious concern for art and design.

The arts are also essential to business today, he said, as a means of attracting and retaining highly skilled and educated managerial and professional personnel. He cited a Wharton School of Finance and Commerce study that disclosed that graduate students listed art, music, entertainment and the presence of intellectual stimulation high on the list of requirements for communities to which they planned to move with their families. Many companies, in their campus recruitment, now describe their involvement in the arts.

Another view was voiced by J. Irwin Miller, chairman of the board of the Cummins Engine Company, Inc., of Columbus, Ind., and a member of the BCA board:

"Support for the arts is part of our responsibility to the society which gives us our franchise," according to Miller. "It ought not to fall under the category of non-controversial public relations: business support of the arts is even in a sense shameful if it is prompted only by a desire to enhance the corporate image. Business should support the arts and work to increase support of the arts by government and citizens because such action is an appropriate response to a peculiar and intense need of these times; because business itself has been enormously enriched by the work and the free inheritance of past generations; and because the only way to discharge this honest debt is to hand over to the future a country and a society truly responsive to the deepest needs of its people."

A 1970 national survey of corporate support of the arts was done for the BCA by Touche Ross & Co. It provides a statistical profile of the new corporate patrons. It shows, for instance, that the typical arts benefactor is in an occupation other than manufacturing, with supporters coming predominantly from banking, insurance, utilities, wholesale and retail trade, communications and transportation.

It was also learned that a company with local markets is more likely to contribute than one with national markets; that the smallest businesses give at a rate of 40 times that of the largest; that the smaller the company (fewer than 1,000 employees), the larger the gift, whether the criterion be contributions per employee or the company's net income before taxes; and finally that publicly owned companies give more frequently than privately owned, and give more, whether the criterion is rate per employee or net income. Of the 38 different art forms and organizations listed in the 1970 BCA questionnaire, the two most popular recipients of corporate support were symphony orchestras and museums. The preference for these two is presumed to be, in part, the presence of significantly large numbers of business leaders on their boards of directors (a seeming guarantee of sound management) and the feeling that such organizations are usually solidly embedded in the local social structure.

But though museums rank high as recipients of corporate aid to the arts, they, like civic and cultural centers, find it increasingly difficult to raise money for actual operating expenses. Individuals and corporations will frequently make large donations for building or acquisitions, but it is difficult to get money for maintenance, extra guards or improved security measures. Yet without support for these bread-and-butter items, museums increasingly are being forced to curtail their operations, and, in some cases, to close their facilities to the public.

To foster greater corporate support of the arts, the BCA and Esquire Magazine present annual "Business in the Arts" awards for noteworthy corporate programs. The awards for 1971, which were presented last June, went to 27 companies, with 36 more being given honorable mention.

In the visual arts the recipients included, for the second time, the Ciba-Geigy Corporation of Ardsley, N.Y., for its film From the Mind of Man, which focuses on one company's continuing efforts to relate the arts to the everyday business environment. The film has been shown to an estimated 13 million people through television, theater and community showings.

The First National Bank of Chicago also

Sculptures by Robert Murray, of painted Cor-ten steel, on exhibition at New York's 2 Nanmskjold Plaza, off Second Avenue, in February, 1972. This is a unique business-sponsored exhibiting space, conceived by builder Harry Macklowe for rotating shows of outsize art. Among other artists showing there have been Alexander Liberman, Herbert Ferber, William King and this month (to Feb. 28), Charles Ginnever.
was cited for its display of an extensive collection of art ranging from the 6th century B.C. to the present. The Hanes Dye and Finishing Company of Winston-Salem, N.C., was named, for the third time, for its contributions to the arts in its community, most notably in support of the North Carolina School of the Arts.

The Houston National Bank of Texas was cited for "The Larger Canvas," in which original paintings by local artists were reproduced by hand as 14-by-48-foot outdoor billboards. These were rotated every 60 days around freeway locations previously used for the bank's advertisements and they carried no commercial copy.

Philip Morris, Inc., of New York was named for the second time, for its public-service grant to the Whitney Museum for "Two Hundred Years of North American Art." During preparation of the exhibition, company executives and other personnel worked closely with the museum to broaden its effectiveness and to assure attendance by school groups.

The Mobil Oil Corporation of New York received its third citation for its "Summer Garden" program, which enabled the Museum of Modern Art to open its sculpture garden free to the public on weekend evenings from May to October. The company also focused its international efforts on production of both a film and a book on Nigerian art.

More recently, the Alcoa Foundation of the Aluminum Company of America sponsored an exhibition at the Whitney Museum of the paintings of the 19th-century American artist Eastman Johnson. Alcoa also contributed $100,000 in 1971 to the Museum of Modern Art to help it assemble and mount its major winter exhibition, "Four Americans in Paris: The Collection of Gertrude Stein and Her Family." The show was the first at the museum to be written about by a single corporation. The Whitney will soon have a satellite museum for use by people in New York's financial district, thanks to the help of several Wall Street corporations. And the National Shawmut Bank in Boston gave free memberships to local museums, instead of radios, electric toothbrushes and such, to anyone who opened a new account of $100 or increased an old one by the same amount. The drive brought in the astounding figure of 6,000 new memberships to the museums.

The Ciba-Geigy Corporation and the Whitney Museum recently set up what is believed to be the first program designed to admit up to 2,000 employees free to museum exhibitions with only their company identification cards as passes. And 18 major corporations recently combined to sponsor the Metropolitan Museum's centennial exhibition, "Masterpieces of 50 Centuries."

As one of the most art-minded major corporations in the United States, Ciba-Geigy is committed to a policy of support of the arts. The company's position is summed up by Otto Sturzengger, its president and chief executive officer, who said:

"I am more and more convinced that industry and the communities in which it exists depend on one another so completely and in such complex ways that neither can be creative and healthy over the long run if the needs of the other are ignored. I believe enlightened self-interest dictates that a strong and profitable company should lend its support to those activities which assure the strength and vitality of the community. A sick and colorless society will eventually paralyze creativity and productive enterprise."

"The creative arts hold an important place among the community activities to which we at Ciba-Geigy lend our support. Our policy is in no small measure attributable to the similarities we see between the prerequisites for creativity in the world of art and the creativity on which we rely so heavily in our research laboratories."

Commenting on his company's film, From the Mind of Man, Sturzengger said the production represented "a transfer to the art world of the 'seed money' approach we have followed with some success in other areas of community activity."

The Ciba-Geigy involvement with the arts began as far back as 1958, when the company moved its headquarters from Manhattan to Westchester County and decided to add warmth and color to the walls of its contemporary buildings and research laboratories. Under the guidance of the late Georgine Oeri, a Swiss-born art critic, a collection of works by contemporary Swiss and American artists was assembled. By 1964, works by French, Spanish, South American, English and Japanese artists had been added and the company's officers became aware of a lack of unity in the collection.

Miss Oeri, at that time on the staff of the Guggenheim Museum, was in regular contact with painters of the New York School—such contemporary masters as Rothko, de Kooning, Newman and Gottlieb. She recommended that the company concentrate its acquisition efforts on this school, and since the mid-60s this has been done. Works reflecting different aspects of Abstract-Expressionism—together with works of the Constructivists—have formed the basis of the company's collections, which today numbers 340 paintings, drawings, watercolors and lithographs.

Since its inception the collection has been regarded as a means of enriching the company's total working environment. To achieve this goal, the works are rotated in company offices, corridors and reception areas. In addition to its main offices at Ardsley, a number of significant works are on permanent display at company facilities in Harrison, N.Y., Cranston, R.I., and Summit and Bayonne, N.J.

In Purchase, N.Y., where PepsiCo, Inc., has its international headquarters in a building designed by Edward Durell Stone, what is called "the world's largest corporate collection" of large outdoor contemporary sculpture is suitably set on the company's 112 handsomely landscaped acres. In all there are 13 major pieces, according to Joseph Tinnerello, the company's director of architecture and facility services. Included are two Giacomettis, a Calder, a Moore, a Lipchitz, a David Smith, a Lipton and a Laurens.

PepsiCo also has a number of sculptures indoors, including a Nevelson, and a small painting collection. The outdoor sculpture collection is open daily to the public.

Alcoa, besides sponsoring large exhibitions at major museums, has its own contemporary art collection in Pittsburgh. At present 35 of these are touring Europe; currently they are in the Municipal Art Gallery in Birmingham, England. The total collection, some 90 works, includes Burri, Corneille, Honegger, Jensen, Soulages. The original purchases came from the G. David Thompson Collection, according to John D. Harper, Alcoa's chief executive officer, but today the Alcoa Collection includes other works.

Asked why his company felt it important to encourage the arts and artists, Harper said: "Many of us in the 20th century seem to feel that being rugged, virile and modern somehow excludes the need for beauty in our lives. I believe quite the opposite is true—that we must value that which is beautiful and innovative or run the risk of becoming less than human."

"We need to be doing a better job to preserve the fine art we inherited from the past, and to encourage the creation of new art. We should be improving humanity through creative activities, and this is not accomplished only by providing new and better technology, although that is vital. After all, science has been defined as merely that portion of magic which has been proved. Science seeks to explain, to reassure. But art is made to disturb. It is based not on reality but on dreams and aspirations. More businessmen are coming to understand this distinction and the need for both. Our first concern, of course, must be improved products, developing resources, earning a profit and upgrading the environment and quality of life. But important as these things are, we cannot have human progress without the inspiration—in-tellectual, imaginative, disturbing—of the arts."

With this kind of impact, McLellan, the BCA head, believes that the committee's message has got through to the corporations and that it may be time to go in new directions. The original goal of $200 million in annual cor-