

# Memphis Business Journal

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## Memphis Symphony to change name, move to U of M

By MICHELLE CORBET

The Memphis Symphony Orchestra is relocating its administrative offices and changing its name in a move to combat the "cost disease" that is spreading among American symphonies.

After years of financial strain, the Memphis Symphony Orchestra (MSO) is partnering with the University of Memphis to reduce administrative costs and expand revenue-generating programming.



Gayle Rose, chairman of the MSO board, outlines the partnership.

While the symphony will remain organized and governed as a 501(c)(3), it is changing its name to the Memphis Symphony Orchestra in Residence at the University of Memphis, closing its administrative headquarters on Mendenhall Road to move to the main U of M campus beginning next fall.

The MSO plans to be a significant part of the proposed \$40 million, 40,000-square-foot music center the U of M is preparing to break ground on near the University of Memphis Holiday Inn on Central Avenue.

"Cost disease is simple," said Brett Egan, president of DeVos Institute of Arts Management, a consultancy based at the University of Maryland. "Every year, the cost of doing business in our field increases, while our productivity remains more or less the same."

The gap between earned revenues and what it costs to do business is a threat that has put several major American symphonies on the brink of bankruptcy.

"The financial strain puts pressure on philanthropists, management and the core of the symphony — musicians," Egan said.

The MSO's partnership with the U of M takes concrete steps in addressing that problem.

"Memphis, Tennessee: The city of music would not let the music die," said Gayle Rose, chairman of the MSO board. "This partnership is a pathway to sustainability for the MSO, and we are planning a future for years to come."

By moving MSO's executive offices to the new music center, MSO is able to significantly cut administrative costs, Rose said.

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A \$15 million endowment campaign also kicked off to fund the new partnership.

“Paired with the extensive, \$15 million endowment campaign, the combination of expense reduction with an increase in endowment support provides grounds for stability,” Rose said.

The partnership will create additional revenue-generating programs that will benefit both the U of M’s Rudi E. Scheidt School of Music and the MSO.

“Fundamentally, this partnership changes our business model, and we will build from there,” Rose said.

Stakeholders searched the nation for a business model the MSO could replicate but wasn’t able to find another city where a major American university is partnering with a major American symphony.



“There are a few that have thin collaborations but nothing compared to what we are presenting today,” Rose said.

The partnership will be built on three strategies: music performance, music training and community engagement.

“This isn’t just about cutting costs,” Egan said, “but adding value. We believe this is a valuable model that should be observed throughout the field of symphony orchestras across the United States.”

The symphony will offer a full calendar of music performance at the new Music Center on Central Avenue, which U of M president M. David Rudd said will break ground in the very near future.

MSO will also maintain its presence Downtown at the Cannon Center for the Performing Arts.

The vast majority of U of M’s music school students aspire to careers in professional music, Rudd said.

“This provides an opportunity for them to work directly with professional musicians at a different level of intensity that is unique, and it adds great national visibility to the U of M,” he said.