

# AETT General Manager 1999

I re-joined the Trust on March 10th 1999. Having been given the green light for our overseas music scholarship proposal, I had responsibility for collecting the money from the estate and setting up an office. The Trust's small space in Pitt Street was inadequate for what we were embarking on. There was not much money for alternative premises. At this stage the Johnson estate had not been disbursed: the money was still in shares and stocks and it would take time to be realized. The lawyers were naturally very cautious. They had another problem: if they did not make a dispersion to beneficiaries before 29th June there would be tax applied to the estate of \$1 million, thereby reducing the amount we would receive. The estate was split between the Trust and the National Gallery of Australia in Canberra, with \$6.1 million to go to each party. The Trust and solicitors being based in Sydney, it fell to us to deal with more administrative work to comply with requirements to get the money.

The sticking point was that the executors and solicitors were not disposed to allocate the funds before June in case there was a tax liability which they would have no funds to cover. Our legal advisers said there would be no tax liability if it was dispersed by 29th June. The only way we could get the money was to provide a guarantee to the estate that should there be a tax liability, we would meet it. The National Gallery was prepared to do this because it was in everyone's interest and both parties put up the guarantee. Our big problem was asking our bank, after ten years of virtual inactivity, to underwrite a guarantee of \$1 million. This took some negotiation; I was in daily contact with their relationships manager. Eventually they understood what we would receive and were convinced it would happen. Over several months, while the bank was apparently positive and prepared to help, there was very little action. On 29th June the bank gave us the guarantee. It was cliff hanging stuff. We offered the guarantee to the executors and they disbursed the estate immediately. There was no tax liability; the guarantee was never called on and we had \$6.1 million in the bank.

## **Investing the Johnson Bequest**

The Johnson bequest money was initially invested with *Permanent Trustee, Credit Suisse, Maple-Brown Abbott* and *GK Newman* in the share market with global issues impacting. I dealt with the managers of the bequest investments, handling negotiations and reports. The Trust Board made decisions on the information I gave them and, with probably one exception in 2013, all the investments were brokered and negotiated through me and a consultant, Geoffrey Newman, employed by the Trust. The one exception was the opportunity to take advantage of a flourishing new investment with *Magellan Global Fund*. Trust Director James Bell introduced the

Board to Hamish Douglass at *Magellan* and an investment of \$1 million was made with very good results. The nitty-gritty of the documentation came through the Trust under my supervision. I received monthly reports on the managers from Geoffrey Newman. Originally there were four managers. As things changed in those early days, overseas stocks were doing very well while Australian stocks were not. We had a good mix of overseas investments offsetting the low returns of the Australian, so we maintained overall a high income level. As that changed, the *Credit Suisse* investment was redeemed and the others were supervised by Geoffrey Newman, who supplied us with excellent information so we had the capacity to make investment decisions on a monthly basis.

There were a couple of changes made in the fifteen years of the investment program, the reason being the investments the Trust decided on were basically no risk blue chip investments with lower returns but greater stability. The policy was always to look at a ten year period. Unlike other investors, who were in it for quick turnover and fast, high profits, we were interested in stability and continual profits. When the Global Financial Crisis (GFC) hit in 2007-2008, it was a good policy and we were able to ride through that storm. On paper, we lost nearly half a million dollars, but as there were no liquidated assets, we were able to claw it back when things got better. Early on it was difficult to predict income from investments, but now it is a little easier. We prepare an annual budget, two or three months in advance of the next year, finalized by November. Our trading year is January to December. We do cash flow analysis on a quarterly basis to inform directors as to where the money is going, where the costs are. I prepare monthly reports to the Board with a chart of expenditure so they can check against the budget for any blowouts to be addressed. Generally our expenditure stays on budget now. There is not much high risk and the investments are designed to not have a high risk element.

My legal training and understanding of taxation law helped me greatly in briefing our solicitors and keeping the momentum going. This was the training and skill I brought back to the Trust; as well as being able to write contracts. Lloyd Waddy was a director of the **Seaborn Broughton Walford Foundation**. Dr Rodney Seaborn had bought and refurbished the Independent Theatre<sup>1</sup> in the late 1990s to bring it back to operational with renewed fire precautions. Rodney had hoped theatre activities would develop but his initial season a few years' earlier had been disastrous and he lost money because he had underwritten it. The theatre was not bringing in a return. His personal wish was to own a hospital, a hotel and a theatre (he did all three in his lifetime), but he was not prepared to lose too much money. Lloyd suggested the Trust become a tenant in the

<sup>1</sup> The Independent Theatre Dramatic Society was founded by actor/director Doris Fitton (1897-1985), in 1930. Initially it rehearsed and performed in the St James' Hall and then the Savoy cinema in Bligh St, Sydney. In 1938 the company leased the old Criterion at 269 Miller St, North Sydney, and in September 1939 the venue was renamed the Independent Theatre and became the company's permanent home, run under Fitton's direction until 1977 when ill health forced her retirement. The company produced many plays, providing experience and employment for actors, directors, designers and production workers as well as educational and training activities. Fitton's autobiography, *Not Without Heat and Dust*, was published in 1981.



Warwick Ross, William Chen, Lloyd Waddy and Dr Rodney Seaborn in front of a *Stuart & Sons* piano.

theatre<sup>2</sup>. We rented a derelict room at the front, an old shop facing Miller Street, with its own entrance. We put in a new floor, security, an access door to the theatre, and wired the electricity.

We started the first scholarship activities in 2000. There was no formal relationship with the theatre, although I thought it likely to be very good for music. Rodney had bought second-hand cloth seats which absorbed a lot of sound. The floor was carpeted, also absorbing sound. The auditorium floor was raked up to the level of the balcony balustrade, which was good, but the absorbent materials did not help the acoustics. There was no real diffusion. The walls were flat and parallel and there were potential problems with standing waves and acoustic issues. There was a large proscenium arch at the end of the seating with another four or five seats flat on the floor in front of it. The stage was nearly two metres high, creating sightline problems for those sitting closest to it. The stage was a cavity open at the top with no fly tower due to height restrictions on the building, but there was a big gabled ceiling above the stage which trapped sound. Despite these issues, I could see it was potentially a good room for music.

<sup>2</sup> Prior to this, the Trust had rented a room across the lane from the Stables Theatre in a house owned by Dr Rodney Seaborn. To save money, The Trust then moved to a vacant suite in the Bank of New South Wales "TRUST" building on the corner of King and Castlereagh Streets, before Lloyd Waddy moved The Trust's files and furniture to an even cheaper, smaller, office in Pitt Street.

### Chalwin Estate and Concert Series

The Trust had received \$200,000 from the Chalwin Estate, enough to give motivation for musical activity, so we initiated and presented the Chalwin Concert Series at the Independent in 1999. We had a concert including Schubert's *Trout* Quintet and Octet using a trestle stage erected in front of the proscenium arch. My aim was to test the room and see what worked if musicians were not playing on the stage. The players were the Sydney String Quartet led by Ronald Thomas, plus prominent wind players, Mark Walton, clarinet, Tony Buddle, French horn, and Gordon Skinner, bassoon. I played double bass and Gerard Willems, piano. We called the group the New Trust Players. There was a good result musically and acoustically. I hoped for more opportunities to develop music programs but with no idea about the way forward. Rodney Seaborn was not interested, as his focus was on theatre. I had put working as a musician behind me when going to Melbourne to finish law and take articles. However, while in Melbourne, I had played, unpaid, in a chamber orchestra, *Concertante Strings*, which gave four or five concerts a year, led by a violinist and former member of the Melbourne Symphony Orchestra. At the Independent my interest in playing revived. I played a couple of dates with the Sydney String Quartet, but had no desire to perform as a professional.

The New Trust Players performing a Chalwin concert at the Independent Theatre in 2003.

### Awarding Scholarships

The **scholarship program** began to take a lot of my time; it was decided to award a large number of scholarships in the first few years to get the program going and test the water. We did not seek to just give money to people. Overall, they received the value of the scholarship awarded but we undertook to pay fees and costs on behalf of the scholar directly to the training institution. There were some living costs we could not manage but where possible we paid accommodation costs directly to the provider. We would otherwise be giving money to young people with little management skills and experience with the ways of the world who may find themselves vulnerable to sharp movers.





Gerard Willems in front of the *Stuart & Sons* piano he played to record the 32 *Beethoven Piano Sonatas*.

If they were not skilled with budgeting, they may not plan expenditure and could run out of money. Our control over administration of funds tended to work well. We built rapport with institutions and people abroad and were able to get informal feedback on the scholars from their institutions which helped us understand how the money was helping and the likely return. The program application had a requirement the recipient demonstrate what they would return to Australia. We were looking for more than just an improved player.

**Gerard Willems** was a good example. His scholarship request was to meet Loretta Goldberg in America, a specialist in early piano music. He was already established, as Head of the Sydney Conservatorium Piano Department, and academically well advanced in early music. He wanted to hear how the exponents played it. We suggested he apply for more money and awarded him a Queen Elizabeth scholarship. He went to America, met Andreas Staier<sup>3</sup> in Europe and Trevor Pinnock<sup>4</sup> in England, spending time with great early music exponents. He looked at curricula being taught at the conservatoria and

universities these musicians were associated with, and at the original halls where this music was played. He gained a thorough understanding of the early piano music genre and on his return was in a perfect position to write an undergraduate course in Australia for early piano music. He went a step further, becoming a champion of the *Stuart & Sons* piano we had supported, and Gerard was the first Australian to record the 32 Beethoven sonatas; another benefit for Australia as these recordings are authoritative contributions to that genre.

Between 1999 and 2006, eighty scholarships were awarded. There was no age limit or closing date, applications could be made at any time. We set a timetable with successful scholars from

<sup>3</sup> Andreas Staier (b. 1955), German pianist and harpsichordist.

<sup>4</sup> Trevor Pinnock (b.1946), English harpsichordist and conductor. Founder of the English Concert.



day one, which involved communication. Rather than have an applicant filling in a form, we wanted to know the person applying would use the money properly. The best way to understand what they were going to do was to know their aspirations from the beginning. I spent time talking informally with applicants. We wanted to know the what, with whom, when and return to Australia, expressed in the applicant's own words. This encouraged people to think about it; some could not answer these questions and their application did not go any further. Successful ones were pleased to talk about what they wanted to achieve. They were asked to think why they were seeking to work with a particular teacher and how their technique would benefit. We could evaluate whether the assistance was going to be worth it or not and if the budget and project were appropriate. Before putting recommendations to the directors, I worked this through with an applicant. They were given a form to present budgetary details to ensure all aspects were covered. We spent time on this to ensure realistic daily expenses, such as public transport fares, were included. I encouraged fact finding rather than guess work so applicants understood what was involved. We looked at what could be paid directly, confirmed the fees and sent cheques directly to teachers or institutions. The pressure was off the applicant having to deal with payments. Our scholars were able to go away with enough money, so they did not have to resort to working in a bar to live. We tried to send them off with a budget they understood because they had prepared it.

These eighty scholars were managed on individual merit; everyone was different. The recommendation artistically is very simple. This was not a competition but an award; we wanted people deserving of assistance. In many cases we gave assistance to help a potential player with weak technique who could benefit from a specialist teacher. They had musical capacity, demonstrated musicianship and could be helped. Most competitions and awards are based on technical prowess, but we never compared, even with four or five pianists we considered them on their own merit and on their articulated aspirations. Knowing they were seeking improvement meant they were almost there. They had to demonstrate in a recording that they were worthy, academically and musically, of assistance. We had assessment panels which I chaired. After long discussions with applicants, I understood what they were capable of doing and whether they were consistent. Another panellist was expert in the musical genre (ie for a jazz player we had a jazz expert) and the third panellist was expert in that instrument.

With my experience in the recording industry, I knew a great player could be damaged by a bad recording and advised applicants to record in a studio. We only needed two contrasting short pieces, to show musicianship and capacity on the instrument. We were not looking for dazzling technique; if technique is perfect, our assistance was probably not needed. I advised them to consider the recording as a critical part of the application and to spend a bit of money if

necessary. If they presented a cassette tape dubbed over and re-recorded with a print-through from a previous recording not wiped properly, it said something about their musical integrity and raised a question as to whether they were prepared to do the best they could. Modern technology has made it possible to record well. Panel members, who never met or knew who else was assessing, were given copies of the recording. We do not publicize panellists' names. It is a small industry here. All I needed was someone to advise what they thought musically. People considered to be experts in their field and experienced enough to give an opinion were selected. They were not always the same people, it was whoever was available at the time but it was important we did not get into a dialogue, with people competing or negotiating against each other. They fed back to me what they thought. They were given the material and the study program. We asked, from their listening to the recording, if they considered the applicant capable of benefiting from their proposed program, in both dealing with the workload and capitalizing on the experience. If the response was positive, most got scholarships.

### **Scholarship Recipients**

This is the same process we continue to use. We have had 100% success with those scholars who went away to study. One person did not take up the grant because he decided to become a priest. The great thing about this program is that such hard work has been done in getting the application up, the applicants are fully focused when they leave and are clear as to what they want to achieve, which is half the battle when you go to study. They have already asked the question as to what they want to take away from the teacher and can work towards that. **Fiona Chatwin**, a Melbourne based singer, had been performing new, classical music in Chapel Street Theatre, South Yarra, Melbourne and her focus and interest was in that genre. She was a postgraduate, ready to do good work at a senior level and applied to do a new music course for soprano voices in San Diego, America. It was the only university in the United States offering that genre of music. It is the leading course, so those who are interested go straight there and around San Diego are many musicians involved in that kind of music, including composers. In my spirit of keeping in touch with the institution, I received feedback. She had one year's assistance from us and stayed there to do a Ph.D. She is now considered a colleague rather than student because she is creating new directions for others to learn from. Two short operas have been written for her by Americans and performed. She married a composer there and directs **Villa Musica in San Diego**, an educational project offering the community free access to lessons to sing this sort of music. She has had great take-up from the community and is considered the leader in the field. A wonderful return for Australia—she does not need to be back here. It is an example of getting a person on track, directed. We have many such success stories.

The scholarship program is not limited to one award as others are. If you can prove your worth, you can apply for another project. If there is money available, and your plans are worthy, it is possible to be funded more than once. A young Sydney violinist, Alexandra Osborne, who had just left school, and been successful in a competition in New Zealand, was advised to study further in America. The family was not able to afford such an expense. Her parents managed to find enough money for her to audition for the Juilliard School in New York and hoped we could help. We do not want to send people off to set them up for disasters. No point in sending someone needing \$60,000 a year with only \$30,000 and knowing we cannot help them with the full period of study. We were concerned about misleading her by giving money without knowing how she could sustain the study. She auditioned and was offered full fee paid scholarships to the Juilliard, the Manhattan School and the Curtis Institute of Music, which is one of the hardest institutions in the world to get in. Generally, they take one international violinist a year. If you are in that select group, it can lead to a place in the Philadelphia Orchestra. After communicating with specialist teachers in these institutions, she decided to go to Curtis and we agreed to fund her first year. Fees were covered; she needed accommodation, which was available on-campus and reasonably cost effective. She did her first year, unable to work without a Green Card as a student, but she was doing very well and achieving high outcomes. We decided then to fund her for three years and she achieved her undergraduate degree. During her time at Curtis, the Dean, pianist Gary Graffman, mentored her and started getting her concerts in Cleveland, outside Boston and in New York. She made her US debut in 2004 playing the Bruch *Violin Concerto No.1*, conducted by Tsung Yeh. In 2005 she played at the AETT Jubilee Concert at the Independent Theatre. She is now Acting Assistant Concertmaster for the National Symphony Orchestra of America. Another good return for Australia.

We also helped another young pianist, **Andrea Lam**, a number of times. She went to Yale University for a postgraduate performance course without an undergraduate degree. She excelled, was advised to do one year of academic study and was awarded an undergraduate degree to consolidate her Master's degree. We helped fund this process. She lives and works as a musician in New York. Curtis and Yale are two great musical institutions but very expensive to attend. Both musicians got in on their merit and had fee scholarships but needed assistance to stay there while studying. Their second applications were considered on their merit. We looked at the projects, they did another audition, we appraised them, assessed the outcomes and objectives.

To date over one hundred scholars have been helped but we do not disclose the amounts they receive. We do not spend the corpus of the estate which is invested, using only the investment returns for scholarships. For a number of years we did not award scholarships, having



got the momentum going earlier to understand the potential and the need. In 2008, eight years after initiating the scholarships, the global financial crisis hit. Like everyone else, our investment returns went into negative. Without income we decided not to give assistance until there was a financially healthy position again. By 2015 we were back on our feet and producing enough income to give scholarships again. We also have an exchange rate problem. If the Australian dollar is weak, people with scholarships have trouble as the money is paid in Australian dollars. If the dollar falls in value, scholars' expenses increase. We have not given many scholarships recently for these reasons, but we are looking at a healthy future although it is impossible to predict what is likely to happen.

The philosophy is to keep the corpus intact and only give what we can afford from the income. Mostly the scheme is promoted by word of mouth. Initially, I talked about the program with Deans of music institutions around Australia, following up visits with pamphlets and information. This was before computers took over administration and noticeboards still informed students and staff of scholarships and events. Now, teachers tend to know where opportunities are and seek them as well. The music world is quite small and it does not take long to find out what is on offer. Without a closing date, we assess at any time. Our only inhibition is lack of available funds. Discussions on application procedure and projects can take place at any time, and applications can be submitted when ready, not to a deadline.

### **Queen Elizabeth Scholars**

The Trust is very proud of its association with Queen Elizabeth, our Foundation Patron in 1954. When we decided to support exceptional musicians with special awards, we decided to honour both the Trust and the musicians by naming such scholarships the Queen Elizabeth Scholarships. The chairman, Lloyd Waddy, applied to the Queen for permission. Only two scholars have received the Queen Elizabeth Scholarship to date: pianist Gerard Willems and singer **Lisa Roberts-Scott**. What distinguishes them from other scholars is the sort of people they are. We do not look for a Queen Elizabeth scholar, the scholar finds us. It is someone who fulfills all the requirements of a suitable program of study, returns to Australia, and is a leader of colleagues and younger people, especially in the future. Gerard Willems is a great, genuine, encourager and supporter of young players and of many concepts of music which go beyond his performance requirements. He is a leader who influences others through his position, as does the mezzo-soprano, Lisa Roberts-Scott. She went to Osimo, Italy, to study for one year with two Americans who had a school of vocal teaching seeking a return to a natural style of singing. Over the years an operatic style has developed which is pressured, puts stress on the body and results in a wide vibrato on some occasions, particularly for tenors. This school of thought goes back to the 1920s and 1930s, the

Enrico Caruso days when singing was more natural and relaxed and there was no vocal tension and singers had full control of their bodies. Lisa would describe her approach as teaching singing as one speaks. Her aim is to turn speech into singing, since people are not so tense when they speak. Everything is more relaxed. She became interested in this approach and stayed in Italy for eight years. She returned to Australia with the reputation as a superb teacher of this style of vocal training, in a position to rectify damaged voices. Young people who had taken roles too early had, under the pressure of performance, wrecked their voices. She can undo damage with this natural style. She wants to contribute this capability to those who are interested. When she came back, we converted her scholarship to a Queen Elizabeth Scholarship to develop this teaching phase. We made her an Artist-in-Residence at the Independent Theatre for a year. She took not only operatic students, but students from across the vocal range. There were rock and roll, jazz, calypso and classical singers, all with voice problems, all wanting correction which she gave. At the end of her residency, she gave a concert with these people who sang their genre. The singing was consistent right throughout: relaxed, forceful, good sound and quality. There are not many people like her here and it is not a trendy thing to do, but it is valuable because it has saved some people from disaster. She received the Queen Elizabeth Scholarship because of her desire to help. She lives in Hobart where she runs *Revolve Arts Singing Studio*, providing a resource to anyone who seeks her help.

I respect the scholars and keep in touch wherever possible. There is a sort of alumni feeling about it. One day, three pianists were at the Independent for different reasons. They were comparing notes and discovered they had studied with the same teacher while on scholarships. There was a natural camaraderie straight away for that trio. Some offer help for others which is there if needed, although there is no formal arrangement. We require in the year of their scholarship that anything scholars do in the public domain the Trust be acknowledged as the source of funding. It is up to them what they do after that; we do not insist, but on Gerard Willem's website there is mention of his scholarship. He wants other people to know what the Trust does. That is why he is a Queen Elizabeth scholar. Scholarships will continue to be available to help, provided we have the income.

#### **Mentoring: Australian Music Foundation and Arts Global**

We are looking to improve scholarship assistance through mentoring and have been talking with two organizations internationally to aid this; one is the **Australian Music Foundation** chaired by Yvonne Kenny. The Foundation is interested in maintaining a relationship with the Trust to help musicians they also help. Like us, they give scholarship assistance, mostly in the UK but they have interests in Europe and the United States, so there is a circuit emerging. The other

is **Arts Global**, based in the UK with a president in Switzerland. They are interested in assisting solo careers. They try to find concert opportunities, to give public exposure such as Wigmore Hall or Lincoln Centre concerts, to post-studies' scholars as they move up the performance ladder. They seek local people prepared to give money to help them get going and prepare appropriate recordings so they have a calling card with potential employers. One of our scholars did this program; young clarinettist, **Som Howie**, who studied with **Andrew Marriner**, Principal Clarinet, London Symphony Orchestra, in 2015. Having finished the initial assistance he had from us, he received our help for this mentoring program. We hope this will be the future; we want to do more than just see them through their final studies. We would like to see them capitalize appropriately on any opportunities that might be there. This clarinettist is an excellent player who will have a career as an orchestral musician if he desires but he has a particular bent towards solo and chamber music playing and is working with a teacher in Europe developing this stream of his playing. He has become a soloist and made a recording which will be his calling card. He played the Mozart *Clarinet Concerto* in 2014 in England and Europe. Had he not been helped in this direction, he probably would have gone into an orchestral job, and become a great asset for that orchestra. He would have had a great career and he still may do that. At least he has explored something realistically available to him but unlikely without the help and guidance of this program. In 2014 I went to Europe to talk to music colleges about Australian students going there and the response was very positive. There may well be an opportunity to forge relationships with conservatoriums in the north of Italy, Bologna and Florence, which needs to be explored.

### **Trust Membership today**

When I came back to the Trust in 1999, my involvement beyond the Johnson Estate was mostly administrative. *Halftix* came to the end of its life with the Trust and ownership passed to another party in May 1999. Statutory reporting was a responsibility: we had to file annual financial statements with *Australian Securities and Investments Commission (ASIC)* and make sure our tax deductibility status continued, having just benefited from \$6 million. I was reporting and keeping the records current. The Trust still had members, but with a diminished involvement as it could no longer offer discounted seats and first night events which had been the big attractions in the heady 1960s and 1970s. It was not presenting productions, nor did it have formal relationships with producers.

Today, membership has dwindled to about 500 from 10,000 or more thirty or forty years ago. In 1989 Adam Salzer and Bill Cottam devised a way of increasing membership and raising funds by offering life membership to donors. Most of the current members are life members. A handful continue to give annual donations for which we are most grateful. They are consistent:

it has been mostly the same people for the past twenty years and they send the same amounts each year. They are seriously committed to supporting the Trust and continue to invest in it. They are welcome at any concerts we are involved with. We issue invitations and sometimes offer discounted access. Many are very elderly but some attend our AGMs. Lately these have included a short concert by one of our scholars.

The Trust's superannuation scheme was handed over to the *AMP* but for some time we still had the files and there were enquiries coming in from superannuation holders, especially from the orchestras, about their entitlement at the time of transfer. None of these records were computerized, so it meant searching through hard copies; the room when I arrived was full of superannuation boxes eventually given to the *AMP*.

