

The London Ballet Circle

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**Alex Beard, CBE,
Chief Executive, Royal Opera House
In conversation with Allison Potts**

22 September 2014

Introduction

Alex began by thanking the London Ballet Circle (LBC) for the invitation and said what a privilege it was to be among some of the most extraordinary supporters of the art form. Kevin O'Hare, Director of the Royal Ballet, had stressed to Alex how knowledgeable members were!

Alex had been in the role of Chief Executive of the Royal Opera House (ROH) for a year, and so LBC thought it was a good time to meet him to learn about his background and, looking at matters from a ballet perspective, learn more about the role of the Chief Executive and how it interlinked with those of Kevin and the duties of the Board of the ROH. There would also be an opportunity to find out more about the ROH's development plans.

Background

Alex had had been born in London but his family had moved around the country. He said his mother was a flautist and his father a doctor. He went to school at Manchester Grammar. His first visit to the ROH was with his mother around 1975 and that was when his love of opera had begun. He had attended Sixth Form in London and would save up so that once a term he could buy a ticket to the opera. Later he attended university in London.

Alex had reconnected with the ROH after he got a job with the Arts Council. He worked there for seven years. Every 18 months or so there was a restructuring and a promotion opportunity and he had moved up through the ranks. In 1991 he had become secretary to the Warnock Review into the Royal Opera House. It was not a terribly happy time either for the Arts Council or the ROH that was struggling to get the redevelopment done. It was through his work on the Warnock Review that Alex had come to move on to work at the Tate. He had met Denis Stephenson, the Chairman of the Tate at that time, who was one of the external members of the Warnock commission of enquiry. Denis encouraged Alex to search for a more senior role. Eventually he had been offered the job of Finance and Administration Director of Scottish Opera. However, the offer had co-incided with Alex meeting the love of his life, Kate. Her life's journey had started in rural Northumberland and taken her to west London, so the likelihood of persuading her to move to

Glasgow to become an 'opera widow' was in Alex's view, precisely zero! Before he had to make his final decision Alex got a call from the Tate. It was looking for a qualified accountant, with an MBA, from a large-scale consumer-facing business, and who was familiar with building contracts (it was about to build what we now know as Tate Modern). Alex thought he didn't fit that description but thought the Tate's headhunters would not have made the approach unless there was some chance he would be successful. So he applied and after many interviews and much psychometric evaluation, Tate gave him the job.

His first task was to work out where they might build Tate Modern. Whereas he had started out believing that project might take two or three years, after which he might go into the music world, the Turbine Hall project took five years. Then there was an opportunity to do a joint venture with the Museum of Modern Art in New York. When he returned, there was an opportunity to run the business side of the Tate. When Sandy Nairn got his role at the National Portrait Gallery, Nick Serota had asked Alex to be his deputy, an offer he couldn't refuse. So what had started off as a role he thought he might do for two or three years turned into 19 years. One of the things he had been asked at his sixth and final interview before joining the Tate had been an enquiry into his life's ambition. He had said that he'd like to run Covent Garden. Years later, when it was announced that Tony Hall was going to the BBC, Nick Serota had called into Alex's office and reminded him of what he had said at that interview years earlier and said he would understand if Alex wanted to apply for that job.

Introduction to ballet

Alex's introduction to ballet had come very late. It wasn't part of his cultural upbringing. He had come to it via two routes. Contemporary visual arts have a strong connection with contemporary dance. However, the most immediate route was via one of the Tate's sponsors, BP. BP was a big supporter of the Tate and the ROH and BP would often invite Alex to represent the Tate at functions they were holding at the ROH. If it were opera, Alex would change continents to re-organise his diary so he could attend, however, if it were ballet then he'd pass on the tickets to colleagues who knew more and cared more about the subject. Then one day neither of those colleagues could attend so he thought it really was time he tried it and he found he had started at the top by attending a performance of *Manon* with Alina Cojocaru in the title role. Alex described himself as being 'totally blown away' by that experience and it had left him wondering what he'd been missing all these years. The combination of artistry, athleticism and precision was quite unlike any other form of artistic expression. So he resolved to see more MacMillan choreography and by *Mayerling* he was sufficiently smitten to see three different casts. Although considering himself a ballet naïf, he loves the art form and exploring it. He considered himself to be very fortunate to be able to combine his 'nerdy obsession' with opera with the zealous enthusiasm of a novice convert to ballet.

Becoming chief executive

Being enormously happy at the Tate, when the ROH job had come up he had gone away for a weekend to think about whether or not to apply. Conventionally, in these circumstances, one would wait for the headhunter to call but he worried that they might not call him, so he contacted them instead. He said that although he thought he probably did not fit the specification at all, this was the job he wanted. The headhunter said that the ROH didn't want someone who was going to do either Kevin O'Hare or Kasper Holten's job, and it was going to be a very tough field of candidates but, nevertheless, they would welcome his application.

Alex had done quite a bit of research before deciding to apply. He asked himself if there was anything he felt he could contribute to the ROH. In discussion with friends and colleagues there seemed to be possibilities so he decided to apply. It involved sending in a CV and a statement of intent, which was then followed by seven interviews. The first interview was 'one-on-one' with the headhunter and the final one involved meeting the senior members of the artistic team. The ROH Board wanted to make sure that by solving one problem they weren't creating five others. One by one, in succession, they all checked him out, including Kasper, Kevin, Sally O'Neill (the interim Chief Executive) and Tony Pappano. Allison commented that Alex's appointment had been somewhat of a surprise and Alex replied that he had enjoyed being the person that no newspaper had even considered as a remote candidate for the job!

Allison observed that as Secretary to the group that had produced the Warnock Report, Alex had had a ringside seat from which to view the problems faced by the ROH during the 1990's. However, that insight clearly hadn't put him off applying. Allison reminded that in 14 years in office Tony Hall had revolutionised the ROH's finances and asked Alex what he thought had been the keys to Tony's success. Alex thought they were derived from three things.

- 1) Yes, the ROH had had financial difficulties but its institutional strength was stronger than had been apparent at the time of the Warnock Report. Alex thought that all the proceeding Directors General deserved credit for the success of the last decade. Jeremy Isaacs's determination that the redevelopment should happen was key. Without it, Tony wouldn't have had a platform to work on.
- 2) The relationship between the Royal Opera and the Royal Ballet. Bringing the Royal Ballet in from Baron's Court so it was demonstrably part of the fabric of the House, rather than admitted, had been key. If you are actually all in the same building, the relationship is stronger.
- 3) Alex thought that Michael Kaiser had done an good job in difficult circumstances over a couple of years. He had got the building to work. Although not all of his appointments had been a success, he had appointed Tony Pappano so in terms of the musical bedrock of

the ROH, enjoyed by both the Royal Opera and the Royal Ballet, the quality of musicianship achieved a remarkable consistency.

Tony Hall had also done a remarkable job. He applied himself in two regards: By instilling a sense of confidence and self worth in the place. Alex thought there were only three things that chief executives (and only chief executives) could do:

- 1) Set two or three long-term objectives
- 2) Set the tone about how the place should function
- 3) Raise the money that provides the platform for the artists to create life-changing work

Alex said that Tony, the great newsman, had worked out what the right story should be; how to instil the right sort of institutional confidence and how to project it in order to raise money in order to make that a reality. He had done an outstanding job.

Financing the Royal Opera House

Maintaining the focus on money, Allison highlighted the statistic that in the previous financial year the Royal Ballet had achieved 99% of its seat capacity and secured 91% of its financial capacity. The Royal Opera had achieved 95% of its seat capacity and secured 87% of its financial capacity. Alex said there wasn't another theatre in Western Europe that operated a 95% or higher occupancy. Allison added that the same statistic for the Metropolitan Opera in New York was just 73% in the same period. Alex said that the only problem was that such high seat occupancy wasn't something that was easy to repeat or improve upon. Allison had noted that these figures had been helped by 21 more performances during that year and Alex commented that this was depended on the touring pattern.

Allison noted that although a substantial amount of funding was received from the Arts Council of England (ACE), that sum was almost matched by private philanthropy. Alex said that in this year, for the first time in the ROH's current manifestation, the amount of money it received from donations was likely to exceed the money received from ACE, which itself had a statutory duty to fund its work. He said that, to his 27-year-old self as Secretary to the Warnock Review, if someone had suggested this would happen so quickly, he would have been dumbfounded. The ACE funding then was 50% of the ROH budget and now it was less than 25%. Allison enquired where corporate sponsorship stood now, since the recession. Alex replied that corporate sponsorship was relatively small, although still important – it was about 6% of the ROH's total income. The vast majority was from individuals who were passionate about the subject and the institution.

Returning to Alex's brief reference to touring, Allison asked whether international tours needed to be self-financing or if there was a degree of investment from the House, for audience development purposes? Alex responded that tours had to be self-financing. There could be only one or two exceptions – such as the Royal Ballet's tour to Cuba. However, that had been

the right thing for the company to do. Apart from that, each tour must at least break even but ideally make a significant contribution. He thought it very unlikely that the Royal Ballet would ever again tour for many months at a time, as it had done in the 1960's.

Allison referred to an extract from the Warnock Report. It had said '*The Royal Opera House had a tendency to decide what was right artistically first and to count the cost later*'. She then quoted a previous incumbent of Alex's role who had opined that the Chief Executive '*held all of the responsibility but none of the power*'. Allison asked Alex to describe how his relationship with Kevin O'Hare and Kasper Holten worked. Alex said he saw his job as to agree with the senior executives, including Kevin and Kasper, and with the Board:

- 1) a clarity of purpose about what principles they would hold true to and what, as an institution, it wanted to be famous for in the medium to long-term future and
- 2) to agree an allocation of money, resources and stage time they were going to have and to see that they came up with plans that enact the stated purpose, vision and long-term direction, within the available resources.

In the fine-tuning of that, Alex had discussions about the balance of the programme. He said that in Kevin and Kasper, he had two remarkably talented senior figures. His role wasn't to 'second-guess' them. His role was to challenge and support them. He quoted Michael Kaiser who said that the chief executive of the Royal Opera House should 'Aim to smile a lot, other than when people don't hit their budgets!'

Like any other charity, the Board members were non-executive directors. Their role was to:

- hire the chief executive
- challenge the strategy and not to support it until they were convinced of it, then
- hold the executives to account for it

Allison referred to a previous occasion when she had interviewed Christopher Wheeldon, at the time when he was running his own company, Metamorphosis, and the company's ballet master, Jeff Edwards, who had previously worked in Washington. Jeff had talked about the emphasis in US theatres on chasing the Dollar. In the US it was necessary for companies to stage big box office hits simply in order to keep the theatres open. Jeff was concerned about artistic values being eroded. In a similar vein, LBC members had been known to describe themselves as being '*Nutcracker*'ed out' at Christmas and were puzzled why many companies staged the same works simultaneously, rather than agreeing between themselves who might stage each of the seasonal favourites, thereby increasing the total audience, rather than draining them from each other's theatres. Alex said he was pleased to offer a 'Nut-free' Christmas programme! He added that if you just

chase the box office you would 'lose your soul'. He said it was important to look after your artistic heritage and to add to it. The ROH was determined that, on average, it would bring one new full-length commission to the main stage every year. He said he thought this was essential to renew the repertoire and to be good custodians of it.

Talent development

Allison's research into the terms of the Arts Council's funding had revealed the statement:

'We particularly value the contribution that the Royal Ballet makes to the development of ballet and to choreographers and we will expect it to work in partnership with other ballet companies to arrive at a more coherent national approach to talent development in the sector.'

Allison asked Alex to explain in practical terms what the Arts Council's statement meant for the Royal Ballet. He said the statement referred to things like extending the Draft Works programme so that it was not exclusively Royal Ballet, and to continue to develop the programme of hosting ballet in workshop form as well as finished pieces. It also referred to ensuring best practice was shared between companies. He said that a commitment to future talent, whether dancing, choreographic or any other aspect, was important. He was very proud to say that the ROH offered 16 backstage apprenticeships in both ballet and opera and that this was the most extensive apprenticeship programme to be found among arts organisations in the UK. It was central to the ROH's work. Handing over the artistic legacy, that they had all been beneficiaries of, was better for everyone's health. He said that LBC's work in supporting students to go to summer schools was also 'hugely important'.

Allison asked if Alex had a role on the Board of the Royal Ballet School? Alex said he had good relationships with individual members of the Board and a strong relationship with the Governors, while it was Kevin who was a member of the Board.

While on the subject of the closeness of relationships, Allison said that it hadn't escaped members' notice that the Royal Ballet had seen a number of high profile comings and goings among its dancers recently. Some new stars had joined but some established stars including Alina Cojocaru and Johan Kobborg, had left and, in Mr Kobborg's case, he had expressed his feelings about his departure very clearly via Facebook. In the part of Alex's job that involved marketing and the reputation development of the ROH, Allison asked if he was ever called on to intervene in disputes between artistic staff? Alex confirmed that he was albeit very rarely and not to date without immediate resolution. He reminded that Dame Ninette de Valois had said it was necessary for the Royal Ballet to 'scatter its seed', and Alex agreed with her. He thought that Tamara Rojo was doing a splendid job at English National Ballet and that this had added impetus to the Royal Ballet itself and had raised ballet's profile with the general public. Having ballet talked about in newspapers, in the right way, was all to the good. The additions the Royal

Ballet had had, such as Natalia Osipova, and seeing people like Frankie Hayward blossom in the company, suggested to him that that process of exchange between companies was a good thing, so long as the relationship between the companies was one of healthy respect and competition in a common cause.

Allison noted that when Deborah Bull had left, management of the Linbury programme had been made part of Kevin's remit. She asked Alex what the benefit of that move had been so far? Alex said it was useful for a company of the Royal Ballet's stature to be able to present some work in a smaller scale theatre, as well as on the main stage. It allowed the company to experiment, as not everything would work. He said that one of the challenges shared by both the Royal Opera and the Royal Ballet was the weight of expectation on each company.

Redevelopment plans

Referring to plans to redevelop parts of the building, Alex commented that the idea for the Linbury had been conceived late in the planning process, hence it being a studio theatre. One of the things he would like to achieve was to see it move from being a studio theatre, and become a theatre with a proper auditorium and become a full part of the Royal Opera House experience. Commending to members an article in that day's Telegraph that discussed in more detail the plans, Allison invited Alex to brief members on his further redevelopment proposals. Alex said that all institutions needed to develop and refresh themselves for the times in which they were living – and this happened roughly once a generation. For this generation of ROH patrons, he thought there were three things it would be great to deliver:

- 1) To make the Linbury Theatre more visible, comfortable and more evidently part of the ROH experience.
- 2) To improve the entrance for the 60% of the audience who came into the building from the Piazza.

He advised that it was never designed with such high numbers in mind. It had been assumed that almost everybody would go in via the historic building entrance. The entrance from the Piazza was an addition, and not seen as central to the experience of visiting the theatre. In common with many LBC members, he had got stuck in the revolving doors! Once through the revolving doors you were then into a corridor that 'wasn't gloriously welcoming'. Outside of performances, 42 million people visited Covent Garden, some of them new to opera. If some of them were to venture into the House, wouldn't it be great if they saw something that might pique their interest in the art form and suggest to them that one of the world's greatest lyric theatres was just above? This observation was not a criticism of the 1990s redevelopment. That redevelopment had fixed the back of the House that was dangerous - someone had died as a result in 1995. That redevelopment had also fixed the Floral Hall as a social space which had been a good thing.

Fifteen years of operation had given everyone a sense of what was needed for the next generation.

- 3) Another opportunity was the terraces on S+4. This outdoor space was wonderful during the summer but it faces southwest and it tends to rain a lot, rendering it unusable a lot of the time. Alex thought that the proportion of open to enclosed space should be re-considered. This would create a bit more space for the audience at Amphitheatre level and it would allow the catering to be a bigger and to offer a slightly wider range of experiences.

Allison enquired about the timescale of the redevelopment plans. Alex said he had done too many building projects to know not to be definite at this early stage. However, he wanted to make a planning application before the end of the year and ideally to start work in early 2016. However, there were so many things to get done – not least raising the money for the work. They also needed to make sure they had thought through all the consequences. They had said they would keep the main auditorium open throughout the process.

Promoting the art form outside of London

In response to a question about why there were not more live broadcasts, Alex advised that there would be 11 during the year and there was an aim of increasing the number to 14. It was something Alex thought the House should do more often and more systematically. The ROH had forged a new relationship with Arts Alliance who was enabling the ROH to do more consistent presentations. At the same time it was important not to overdo live broadcasts as they were intended as a complement to rather than a substitute for the live experience. So he felt that 14 was about the right number – seven operas and seven ballets. Alex hoped it might be possible to extend the range of ballets shown in this way. He said the conventional wisdom was that it was only the full-length ballets that worked in the cinema. But he thought it would be good to try a triple bill. *The Winter's Tale* was a difficult play and he didn't think so many people would have tried it outside of the theatre so to have just short of 100,000 people see it at the cinema was extraordinary – as was their response to it. He hoped the experience would pique an interest for people to come to see the real thing – whether at the ROH or at a theatre near them – after all, it was part of the ROH's role to promote the art form.

Continuing the theme of promoting the art form outside of London, Allison asked Alex if he envisaged a time when the Royal Ballet would dance in the UK provinces? Alex thought it was unlikely as the company needed to be respectful of English National Ballet and Birmingham Royal Ballet, as well as the regional ballet companies. He thought they should be proud of the standards those companies attained. This was where the cinema screenings added value. They allowed them to access 400 venues approximately once a month across the country. He said that to his 27-year-old self at the Arts Council, this would have been unfathomable.

LBC members had recently visited the ROH's production park at Thurrock and had been told that an increasing number of productions were co-productions

with other opera and ballet companies around the world. How did those partnerships arise? Alex responded that this was largely driven by economics. As public subsidy for European opera houses became increasingly difficult to obtain, it would be more important than ever for the houses to join forces whenever they were creating new works. ROH was fortunate in that many other opera houses wanted to contribute to its shows. He thought that this was testament to the good relationship Kasper had with European opera houses. There were about a dozen houses they worked with regularly, and another 20 across Europe they worked with occasionally – and a growing number came from outside Europe. The ROH had done two co-productions in China and it was also working with international ballet companies such as the National Ballet of Canada on *The Winter's Tale*.

The Royal Ballet's tour to Cuba had an enormous impact there but realistically it was something that might only occur once or twice in a generation, simply because of the economics. The buzz around the Royal Ballet's performances in Moscow, at the Bolshoi, and the lift it gave to the company to get a standing ovation at the home of ballet, had been wonderful. The company's visit to Copenhagen had been wonderful too. But it was really only to those centres that the economics worked. The ROH is a UK charity and is funded by the Arts Council of England and it was accountable to all the citizens of the UK. So in terms of investing, the ROH's focus needed to be on the UK.

Catering

The conversation then turned to the subject of catering at the ROH. Some members felt the prominence this was being given on the website was too great – and Alex agreed more work needed to be done to get that balance right. Members added that they felt too much space within the House was being devoted to catering and that they felt squeezed out of places to meet their friends if they weren't purchasing food. Alex agreed that some areas of the House had become congested, while there were other areas that were less well used – such as the Linbury foyer on non-performance nights. He hoped the redevelopment would ease the congestion and improve general circulation.

Future funding

Responding to a question on future funding of the ROH, Alex said that ACE had advised it to expect 3.4% cash cut (equating to 5% in real terms) and held for two years. He foresaw a second squeeze from Lottery funding. He said that economically when times were better the population gambled less and he expected fewer lottery tickets to be bought. However, he added that from the ROH's point of view, while it was determined to argue its case, it wouldn't fight its corner at the expense of the sector as a whole. The ROH worked within an ecology and it was important there was a healthy range of ballet companies of different scales across the country. In terms of how it dealt with finance, it required staff to be ever more imaginative about how they managed their affairs to ensure they got excellent value for every pound spent.

The ROH was in the process of building a costume centre at Thurrock. When completed it would allow the relocation to much better conditions its historic

costume collection as well as the working costume collection – and this might result in fewer repairs being necessary. This work would also be brought in-house which was expected to be cheaper. It would have the added benefit of enabling it to offer the country's first degree in Costume Construction, in association with the University of the Arts and South Essex College.

However, fundraising would be vitally important. Alex thought that ticket prices shouldn't be raised above inflation. There were limited opportunities for expanding revenues from catering so, ultimately, it was about imaginative use of resources and making connections to those people who share a passion for the work of the House.

In conclusion

Allison reminded that Rupert Christiansen wrote for the Telegraph that the chief executive needed to be:

“... someone with steely nerve, well-oiled diplomatic skills and an eye for a balance sheet, as well as someone who understands the complexity of the fund raising climate and the Royal Opera House's sensitive public image.”

The evening's discussion had certainly demonstrated Alex's skills in all those areas. Sir Nicholas Serota had commended Alex for his quick intelligence and his sense of enterprise. He had told the Guardian:

“To the Royal Opera House he will bring imagination, competence and an understanding of what it means to work with artistic directors. I think he will be a great chief executive. He will help the artistic directors of the Royal Opera and [Royal] Ballet shape their programmes without interfering in the detail.”

And since the subject of catering had excited so much comment, Allison closed the conversation by congratulating Alex on winning the Victoria Sponge class of the ROH Bake Off! Alex thanked LBC again for inviting him to speak and for its support of this wonderful art form. And, for the record, he added he was the only entrant in the Victoria Sponge class!

Report by Allison Potts
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