

# POSITION PAPER OF THE MUSICIANS OF THE PACIFIC SYMPHONY

OCTOBER 18, 2016

The musicians of the Pacific Symphony are among the finest musicians in the world. In addition to working with the Pacific Symphony they are in demand as freelance musicians. They work in the region's orchestras from the LA Phil to the LA Opera and in orchestras, ballet and opera companies from San Diego to San Francisco. They work in the Southern California recording studios recording many of the sound tracks for movies you watch and artist recordings you listen to.

Musicians of the Pacific Symphony have studied at, and hold advanced degrees in music performance from such renowned music institutions and conservatories as Juilliard, Curtis Institute, Indiana University, Cleveland Institute, USC, Northwestern, Eastman and Cincinnati. These musicians have spent years honing their skills and perfecting their craft and earn their living wage in the music industry.

Except for a few holidays, members of the Pacific Symphony can be called at any time for work 52 weeks per year, seven days per week and twelve hours per day; yet the musicians have no guarantee of annual employment or annual wage. The annual wage varies from year to year and from musician to musician depending on the frequency they perform in a season. The Pacific Symphony can cancel a musician after hiring them for a variety of reasons including excluding them from a rehearsal as a cost reduction measure.

This structure requires musicians to seek work with other employers. Musicians face scheduling nightmares to juggle erratic and often conflicting schedules with multiple employers, all in an effort to cobble together a living.

All of Pacific Symphony's peer orchestras pay their musicians an annual wage based upon a guaranteed weekly salary with a guaranteed number of weeks. An annual wage guarantee recognizes their talent and the structure assures that the musicians' first priority is to organization. Such a wage and time structure enables a consistent ensemble (team) to enhance the musical product and the orchestra to market a top quality product. This structure also attracts and retains top flight talent. Musicians are able to focus on the demands and goals of one organization rather than the hysteria of multiple organizations with a varying degree of demands and constraints on their schedules.

The Pacific Symphony musicians are in the midst of a protracted negotiation. The Musicians' Bargaining Committee, represented by the Orange County Musicians' Association, Local 7 of the American Federation of Musicians, has been bargaining with the Pacific Symphony since July 12, 2016. This negotiation has been frustrating. The committee believes that persistence will lead to the Symphony's Board of Directors recognizing that the changes being proposed for predictability of work and annual wages will enable the orchestra to continue the growth that it has experienced in its 38 year history.

For many years, approximately two thirds of the orchestra derived the bulk of their annual income working in the recording industry. Over the years work in the studios has declined, and so musicians have sought work in other areas of the industry. As a result, the number of musicians relying on studio work to earn a living is much smaller than ever before.

Musicians who seek employment via audition to Pacific Symphony are now usually from outside the Southern CA area and are not working regularly in the studios. The lack of an annual guarantee and annual wage gives candidates considering auditions for positions in the orchestra no way to assess their ability to afford to move and survive in Orange County. The structure under which we work is unprecedented in our industry.

Pacific Symphony's unique management structure has been discussed at length at the bargaining table. No orchestra among our peers allocates a smaller portion of its annual budget to musician compensation. Over the past fifteen years, the Pacific Symphony's budget has grown but the wages have not grown proportionately. All orchestras with annual budgets larger than Pacific and even "peer orchestras" with budgets as low as \$10 million acknowledge the wisdom and need to provide its professional musicians a guaranteed annual wage and a predictable schedule. In fact 98% of orchestras with annual budgets in excess of \$1 million assure their musicians a guarantee of at least weeks or services.

For most of our peer orchestras, 35-40% of annual spending is reserved for the musicians. Pacific Symphony spends just 25% of a \$20 million annual budget on compensation for musicians performing orchestral services. These musicians are the primary component and focus of the organization, and are responsible for assuring the organization's compliance with its very mission. Pacific Symphony treats musicians as part-time workers with no guarantee of an annual wage while hiring a full-time staff of 50. As of tax year 2013, at least 8 staff employees enjoyed salaries in excess of \$100,000, with their compensation totaling almost \$1.5 million. The earning power of these staff positions is competitive around the industry, and is due in large part to the organization's ability to place a world-class symphony orchestra on stage. Yet, the compensation offered for most of the musician positions in Pacific Symphony falls far short in comparison with other organizations.

After months of frustrating bargaining the employers' bargaining team has finally agreed to guarantee services. Unfortunately, neither the number of guaranteed services nor the structure under which they are offered reflect growth above the current amount of work being offered, or guarantee market value compensation for musicians. In other words, Pacific Symphony is unwilling to offer an annual wage sufficient for musicians to break ties with other sources of employment, even when the musicians are willing to commit to a more stringent absence policy.

The stated mission of Pacific Symphony is to "enrich the human spirit through superior performances of symphonic music and community engagement." The musicians have been carrying out this mission on and off the stage for decades. In order to continue to do so at the highest level into the future, we firmly believe that the concerns we have stated must be addressed. It is the responsibility of the Board of Directors to establish policy and administrative structure that support the musicians' ability to carry out the organization's mission. The Pacific Symphony Board has our utmost gratitude for the valuable contribution of time and resources that makes having a great symphony in our community possible. We offer our concerns sincerely with the future of our organization in mind, and ask that the Board of Directors reassess their current position and grant their bargaining team authorization to accept a proposal which includes a change of a structure and addresses our stated concerns.