

## Lessons from the Field

### Lessons from the Field Penumbra Theatre St. Paul, MN

In 1976, Lou Bellamy chose the name Penumbra—a partial shadow between regions of complete shadow and complete illumination—for the theater he founded in St. Paul, Minnesota because of its metaphorical connotations concerning the marginalization of black people. And, more lightheartedly, because the act of saying the word penumbra makes you hum.



(L to R: Dinita Nicole and Bernard Brown in *Reflections of Black Nativity*, 2004. Photo: Ann Marsden)

Acting and directing in the Twin Cities in the early 1970s left young Bellamy disappointed in the lack of depth allowed African American characters in contemporary drama. He was hungry for a forum in which African Americans could discuss their issues candidly and work with the iconology and symbols of their culture. The path to that forum became clear when he received a call to administer a large federal CETA grant in the historically African American neighborhood of Rondo, St. Paul. Bellamy launched Penumbra in Rondo's Hallie Q. Brown Community Center, where it still stands today, more than 30 years later.

From its inception, Penumbra has been unequivocally devoted to promoting respect and tolerance by creating dialogue around issues of race and racism. The theater is known for taking risks, stretching boundaries, and introducing new voices to American theater.

*I believe we've changed the contour of the theatrical community in Minnesota. Renowned playwright August Wilson professionally staged his first play here in 1981. We have done 26 world premieres, cultivated numerous black actors and playwrights, and developed a signature style of ensemble theater.*

Lou Bellamy  
Founder and Artistic Director

Weathering a fickle artistic climate for over three decades, particularly as a theater that focuses on challenging, hard-hitting drama, is an extraordinary accomplishment. Bellamy likens the theater's tenure to Caribbean post-colonial philosopher Frantz Fanon's notion that every breath is revolutionary when you are not supposed to be around and surviving. He describes Penumbra as perennially nimble and wily, always finding a way to survive even in the leanest of times. Bellamy draws no line between the theater's mission and his *raison d'être*, and during one rough patch, he even mortgaged his home to meet payroll.

For these reasons, Bellamy was devastated when Penumbra's board was forced to consider closing its doors in 2003. The theater's small debt had suddenly ballooned after it secured a \$3 million capital bond from the state, started executing plans for a new facility, only to discover that the bond had been vetoed by newly elected governor Jesse Ventura. For a 250-seat, mid-

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size theater with a then \$1.3 million budget, the resultant \$600,000 debt was significant, if not insurmountable.

As is often the case in a financial crisis, everyone started pointing fingers. The administrative staff was frustrated with both the artistic staff and the board. The board lost confidence in the theater's mission and future and Penumbra's funders began to question the organization's fiscal responsibility.

*[When I was board chair] We had to look at the brutal reality of where we were. There was no more ignoring or deflecting it, so we put every option on the table, including closing the theater. A small group of us said, 'This is worth it, this is worth the fight. We need to give it a shot. This theater is a very important voice in this community. And we don't want it to go away.*

David Abrams  
Current Vice-Chairman of the Board

While several board members left the board, many remained and four dedicated members formed a restructuring committee. Their first goal was to rebuild funders' trust by demonstrating they had the financial discipline to get out of debt. One of the keys to meeting that goal was their decision to hire Chris Widdess, an experienced and tenacious managing director.

Widdess, with Bellamy and Board leadership, led the theater through a four-year restructuring period, improving everything from the lobby's tired appearance to the shrinking pool of major donors. Within four years, Penumbra had paid off their debt, expanded their donor base, strengthened their ties to the community, and received increased recognition for the distinctive and provocative art they had consistently produced. In January 2007, they launched a \$2.9 million "New Era" campaign, and by June 2008, they had already exceeded their goal. For the first time in the theater's history, Penumbra is facing a national economic downturn in a secure financial position.

In a remarkable turnaround, Penumbra focused on three key areas of improvement: recommitting to the mission and saying "no" to distractions, building long-term relationships both internally and externally, and creating a long-term plan.

### Saying "no" to see through the clutter

During her hiring process, current managing director Widdess told the board that she follows through on projects and does not take "no" for an answer. But while Widdess was not interested in hearing "no" from potential Penumbra supporters, saying "no" internally was a key part of the restructuring initiative.



(L to R: Jay Jones and Desmond Bing in *Stage Directions*, 2005.  
Photo: Ann Marsden)

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*In retrospect, the four-year restructuring was about practicing good discipline and learning to say 'no' a lot. 'No, we can't afford to do another play. We can't give you a raise. We can't afford a new sound system.' I had to teach the organization that it can be disciplined, it can be successful, and it can have pride doing it.*

Chris Widdess  
Managing Director

The restructuring included the loss of several board members and several employees. Everyone, including Bellamy, took pay cuts, and understudies, educational programs, and the new play program were eliminated. The board cut the overall budget by a third and stripped away everything except mainstage productions.

The resulting bare-bones operation helped put the focus back on the mission; to create professional productions that are artistically excellent, thought provoking, relevant, and that illuminate the human condition through the prism of the African American experience. Former board members had questioned the mission and pushed Penumbra to consider producing less challenging work. Although the mission was ultimately reaffirmed, doubts about its viability lingered. Widdess helped the staff and board embrace the fact that Penumbra had never been a dinner theater that produced easy work, which is exactly what made it unique and essential.

*[When I was board chair] Chris told us, 'We have to quit apologizing for what we do. We have to stand up and be proud of what we do.' Her instilling that pride in the work that we do and our mission allowed us to withstand the austerity measures we had to put in place.*

David Abrams  
Current Vice-Chair of the Board

Penumbra acknowledged that its audience was not lured by popular playwrights or star-studded casts, but by its social change mission. To help breathe new life into the mission, Widdess had it painted on the lobby walls and printed on business cards. As in the theater's early days, the mission once again became a beacon, inspiring the staff and supporters to weather the tough times.



(L to R: T. Mychael Rambo, J.D. Steele, Shawn Hamilton, Dennis W. Spears, Benny S. Cannon, and Jamecia Bennett in *Get Ready*, 2007. Photo: Ann Marsden)

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### Building and maintaining long-term relationships

Practicing financial discipline and recommitting to the mission were critical, but so was repairing several broken relationships. In order to secure a future, trust among several parties had to be rebuilt. Widdess started with internal relationships. She sat down with board chair David Abrams and told him she needed him to remain as Board Chair until the end of the restructuring, regardless of the board's bylaws regulating terms. He agreed, knowing that his continuity of leadership would be critical to the success of the restructuring effort.

Widdess also sat down with Bellamy to see if they could work together honestly and directly. Knowing that the relationship between an artistic director and a managing director can be oppositional, Bellamy and Widdess agreed to maintain focus on the common goal of getting out of debt. As they worked together, Bellamy felt Widdess truly believed in his artistic vision and the future of the theater, and began to trust her in a way he had not trusted past managing directors.

Widdess also started meeting individually with funders to communicate Penumbra's rededication to demonstrating fiscal responsibility. She knew Penumbra could only survive by maintaining the support of its current funders, who she asked to commit to sustained support for the remaining three years of the restructuring. When they asked what would happen if they said "no," Widdess bluntly responded, "We will have to close the doors because there is no point in going on if I cannot count on our key funders to hang in there with us." The funders agreed to stand by the theater.

*Like most every organization, Penumbra has had its ups and downs over the years, some of them self-inflicted, others from external forces, but through it all, truly great art was being made and great artists were being developed. In philanthropy, a big part of working with organizations over time is knowing their character. We knew it was possible for Penumbra to have a great future; it was just a matter of enough learning, the right people coming together, and the collective will. I think many of us knew that the loss of Penumbra, to this community and the national theatre community, would be too great.*

Neal Cuthbert  
Vice President of Program  
The McKnight Foundation

With the media, Widdess expressed an interest in long-term partnerships, not flashy advertising. She approached the four largest Twin Cities media outlets and told them that Penumbra could not afford a one-off—that what they would learn in one year they would have to apply to the next. Periodic advertising blitzes centered on individual productions would never yield the same return as sustained media. So Penumbra began to creatively partner with the media in mutually beneficial ways. When one local paper wanted to develop e-mail blasts for their readers about entertainment, Penumbra stepped up as the guinea pig to help them develop the blasts. In return, they received highly discounted ad rates.

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Widdess also told her sole marketing employee to focus on establishing solid relationships with the theater critics at the two big Twin Cities newspapers. She wanted the papers to receive a constant stream of information about who Penumbra was and what they were doing. As a result, Penumbra started to garner almost weekly coverage. Stories appeared about Bellamy directing August Wilson plays at Kansas City Rep and Arizona Theater, and a Penumbra actor performing on Broadway.

As word traveled about the recognition Penumbra was receiving outside of Minnesota, locals began to value the theater more.



(L to R: Cedric Mays, James Craven, and Abduhl Salaam El Razzac in *Gem of the Ocean*, 2008, at the Guthrie Theater. Photo: Ann Marsden)

And finally, Widdess took a close look at the theater's donor community. Previously, Penumbra had never quite figured out how best to identify, track, solicit, acknowledge, and retain donors. Widdess wanted a better understanding of the current donors and what they were willing to do, so she started personally calling them. She discovered that Penumbra was near and dear to many, and that they wanted to help the theater survive but were unsure how to do so.

*There was a group of long-time season subscribers that had never been asked to do anything before. They were really excited to be included in the discussion. So we formed the Baobob Family. The baobob is a tree that grows in Africa that's known because it lives for thousands of years and has deep, deep roots. It never dies. This is representative of these people. We started with 40 members, and we're now over 100. And we ended up raising \$1 million in 36 months.*

Chris Widdess  
Managing Director

As more donors came on board, the theater turned its hodge-podge development database into a more comprehensive one using Microsoft software rather than expensive specialized software. The database allowed them to send personalized letters to donors, a minor adjustment that immediately boosted their response rate from 11% to 34%. Donors were excited to be personally acknowledged for how they had helped the theater achieve its mission. And all patrons noticed a difference in how it felt to attend the theater: the lobby had been given a "smoke and mirrors" makeover and the front-of-house staff had been better trained to make everyone feel welcome and respected. A new loyalty was being cultivated that would move Penumbra into a new era.

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### Reaching for the stars

Once Penumbra started to stabilize, the board began to dream of what the theater could become, and how it could increase its impact in the future. After many planning and brainstorming sessions, they came up with a detailed and focused plan: The New Era Campaign.

*[When I was board chair] We knew we couldn't cut our way to success. The fiscal austerity program would only last so long. It's not a sustainable model. Once we got our debt retired, and got the fiscal house in order, we had to figure out how to grow the theater.*

David Abrams  
Current Vice-Chair of the Board

At this time the New Era Campaign identifies three key artistic areas of focus: the succession of founder and artistic director, Lou Bellamy; producing all 10 plays of August Wilson's 20<sup>th</sup> century cycle of plays; and restructuring the new play development and educational programs.



(L to R: Austene Van and Marvette Knight in *Gem of the Ocean*, 2008. Photo: Ann Marsden)

Penumbra has already hired an educational director with deep ties to the mission and art, and experienced in pedagogy and research. Under her leadership, the department is revitalizing and expanding the educational and outreach programs. They have established relationships with local museums, partnering on exhibitions on race and genocide and developing forums for people to discuss the thoughts and feelings evoked by the exhibitions. A talented young associate artistic director has also been retained to run their grant-funded new play program.

Producing the Wilson series presents an exciting opportunity to partner with local schools. The plays cover 100 years of the American black experience; Penumbra will stage two plays a year for five years, giving students an opportunity to experience decades of history through the eyes of one cultural group.

*We don't do theater for the sake of doing art. We do it for social change. It has to be contextualized. So education for us is just as important as the artistic component. I'm beginning to see that education is a powerhouse on its own. It's capable of moving the organization forward just as powerfully as the art.*

Lou Bellamy  
Founder and Artistic Director

Bellamy says it has been liberating to have a clear roadmap for the future. Previously, he would approach his managing director about the feasibility of his next artistic endeavor and receive

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ambiguous answers. Now, he receives definitive feedback and direction. Not having to worry about the financial side of things, Bellamy can focus on what he does best.

*The New Era plan has freed me to develop a freelance career, where I can cultivate national collaborations. I've been able to increase the national footprint of the organization, which is a wonderful thing.*

Lou Bellamy  
Founder and Artistic Director

Bellamy himself has received significant accolades in the last few years. In 2006, Bellamy received the prestigious McKnight Distinguished Artist Award. In 2007, he received an Obie award for his direction of *Two Trains Running* at Signature Theater in New York in 2007.

Penumbra's remarkable artistic work will be fueled by the New Era Campaign's three business areas of focus: launching a working capital fund, developing the donor base, and expanding and improving the theater's physical space. The working capital fund will help smooth out cash flow and eliminate interest charges, as well as allow a quick response to occasional emergencies such as equipment failure. Developing the donor base involves hiring development staff to develop the Baobob family and execute planned giving, endowments, fundraising events, and sponsorship programs. Improving the physical space includes expanded workspace for new staff and adding a new patron lounge with restrooms and a coat check.



(L to R: Austene Van and Dennis W. Spears in *Ain't Misbehavin'*, 2006. Photo: Ann Marsden)

While no theater can ever rest on its laurels, Penumbra is well-positioned for a stable, successful future, having skillfully applied past lessons learned to its future plan. Its story seems worthy of the stage—rife with hope, loss, struggle, and ultimately, triumph.

*What is most exciting about the New Era plan is the obvious energy that permeates almost every aspect of the theater. I think that energy provides a palpable statement to the community that Penumbra is taking firm control of its destiny. At the same time, the New Era Campaign seems grounded in reality and hard lessons of the past.*

Nancy Fushan  
Senior Program Officer  
Bush Foundation

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### Where they are now

Today, Penumbra stands proud – as an organization excited, yet still cautious about the future. The first stage of the New Era plan has been implemented. It reinforced the strategy on which it is based and refined some details. The board and staff are working on a business plan with clear and accountable benchmarks for each goal. In essence, Penumbra is learning how to effectively manage growth and increased funds, and that is new territory.



(L to R: Elayn J. Taylor and James A. Williams in *Fences*, 2008. Photo: Ann Marsden)

*During the 4-year restructuring we learned how to operate as a lean organization, building basic systems and practices with a focus on eliminating debt. In this critical transitional stage, we must figure out how to become a sustainable organization. This requires very different skill sets. The artistic leadership, Board and management are committed to Penumbra's mission and learning together – and that will be critical to our success. In many ways, Penumbra is beating the odds. But in the current economic turmoil, your gut says "be conservative and cut expenses" yet Penumbra is in an expansion mode. We will be tested early in our journey.*

Chris Widdess  
Managing Director