Berkshire Eagle Refuses to Address Conflict of Interest

MUSEUM RELEASES DOCUMENTS

DESPITE NEWSPAPER’S REFUSAL TO PROVIDE ANSWERS

PITTSFIELD, MA (Dec. 11, 2017) – The Berkshire Museum is releasing documents previously under court seal that provide insight into the planning that led to the Museum’s proposed New Vision and the financial challenges facing the museum.

The museum is releasing the documents despite the refusal of the Berkshire Eagle to provide information requested by the museum’s lawyers concerning potential conflicts of interest in the newspaper’s involvement in a $1 million offer from anonymous donors seeking to stop the museum from deaccessioning certain works.

The documents released by the museum, sought by the Berkshire Eagle, are exhibits in the ongoing legal action surrounding the museum’s proposed sale of certain art works needed to secure the museum’s future. The museum is not challenging the Berkshire Eagle’s request for the documents.

The museum is choosing to release the documents despite the fact the newspaper’s lawyers refused, in return, to provide information that would prove there is no conflict of interest involved in the anonymous offer. To date, the newspaper has failed to answer whether a conflict exists.

“In an effort to provide the public more complete information, the Museum proposed that it release the impounded documents and the Berkshire Eagle disclose its involvement in the anonymous offer,” said William F. Lee, of WilmerHale, representing the museum. “We regret that the Berkshire Eagle has declined to do so. The Museum nevertheless is releasing its information publicly. In its response to the Museum, the Berkshire Eagle never denied the existence of a conflict of interest.”
Elizabeth McGraw, President of the Museum’s Board of Trustees, said, “These documents demonstrate just part of the exhaustive process undertaken by the Museum’s Board of Trustees in recognizing the serious challenges facing the museum and how best to overcome them and secure the museum’s long-term future.”

The documents include:

**Options Memo to the Board of Trustees:** An April 13, 2016, memo from TDC consultants who worked with the Board and museum staff through the planning process. It is important to note that this memo is based on data now more than 18-months out of date when the planning process was not even halfway through. Additional information was compiled after this document was considered.

- **Opening Bid:** This memo details the museum’s anticipated needs on a status-quo future, “if there were no significant changes in the Museum’s current business model or operations” and the Museum sought only “to stabilize its operations on multiple dimensions.” This option would not address any of the extensive input received from the community as part of the museum’s extensive outreach to define its future. It also does not address what is needed to sustain the museum into the long-term.

- **Facilities:** The memo recognizes “The Museum’s facility is aging and requires ongoing maintenance in order to continue to ensure the integrity of the collection as well as its overall operations.” Specifically, the memo notes shortfalls in the museum’s loading dock and freight elevators, security systems and the need for better insulation and weatherproofing in certain galleries. In terms of the aquarium and theater, the memo notes, “Their conditions are reaching a point that is not operationally sustainable,” but this baseline scenario calls for no major upgrades in approach.

- **Finances:** This memo also details the financial needs of the museum, including anticipated needs to repay existing debt and maintain and improve the more than 100-year-old building.

**Collections Description:** A description of the Museum’s collections and valuations of those collections provided by Sotheby’s and Christies Auction Houses.

- **Diversity of Collection:** This document describes the diversity of the museum’s collection, “a diverse array of more than 35,000 objects from every continent...” including “Fine art and sculpture...Natural science specimens...Artifacts from American History... Ancient Artifacts...Living collections.”
- **Valuation of Collection**: This document also includes valuations of the collection provided to the Board by Christie's and Sotheby's in 2015. This information was needed as the museum began its long-term planning.

- **Sotheby's Agreement** - A redacted version of the Museum's Consignment Agreement with Sotheby's.

- **Scenario Summaries**: Outlining decision-making implications of various options for the museum's future. These do not reflect any final decisions made by the Board but provided a starting point for discussions.

- **Beyond ‘Opening Bid’**: This chart outlines the implications of different options the board considered beyond the ‘status quo’ option outlined in the first document described above.

- **Community Input**: Options here also provide estimates of the cost of implementing the strategies reflecting community input to re-envisioning the museum to meet current and future community needs.

###