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Arts Center's Financial Drama Has Happy Ending

Attorney sets stage for revival by leading theater complex through bankruptcy

By JAY STAPLETON

The financial expertise of a law firm partner with 40 years of experience — and his hands-on approach as a volunteer chairman of the board — saved the Stamford Center for the Arts and its Palace Theater from ruin.

"I had a head start on a lot of people," said Michael Widland, of Stamford-based Shipman & Goodwin, referring to his breadth of experience handling legal work to deal with financial challenges. "Something had to be done, and it had to be done quickly," said Widland, who lives in Weston.

Widland stepped in as a volunteer. About three years ago, he advised the SCA through bankruptcy. Since then, the Palace Theater has been thriving. It is "the place to go" for concerts, comedy, ballet, theater and book readings.

The Rich Forum at the center is now home to The Jerry Springer Show, Maury Povich and the Steve Wilkos Show.

For the dose of "tough love" that brought the Palace back, Widland was recently honored at the SCA's Palace Gala, where he received the Arts Ovation Award.

For the past 20 years, Widland volunteered his time and legal expertise to help the SCA and Palace Theater enhance culture and the arts in the Stamford area.

"This is where I work," he said. "I think the cultural life of the community is extremely important."

The theater and its programs had been riddled with "too much debt and not enough income," he said. When financial problems peaked in 2008, programs were slashed down to nothing, as the not-for-profit company struggled to pay its light bill. A series of decisions Widland made helped resolve the money woes at the theater. Top among those was his tough advice that the SCA file for protection from creditors under Chapter 11 bankruptcy.

At a ceremony attended by Gov. Dannel P. Malloy, Liza Minnelli and other notables, Widland received the honor, humbly.

"I can never imagine that so much praise could be given to a guy who put the SCA through bankruptcy," he said in his acceptance speech last month.

The accolades came from all around.

"We would not be having this celebration but for the extraordinary gifts that Michael possesses and then applied to our community," Malloy said.

'Driving Force'

Were it not for Widland's work on behalf of SCA, the event may not have even happened, SCA's Executive Director Elissa Getto said.

"He is a driving force," she said, referring to Widland's guidance to make the center "a partner with the community."

Widland said he had been active with the SCA for many years, but had "sort of circulated off the board." When severe financial problems took hold, he was asked to come back and help, because of his expertise.

Widland was asked to step in as board chair. That's where his experience took over. "We had to make decisions. Trying to tough it out over a long period didn't make any sense," he said. "What did make sense, was to address the problem. It needed to go into a bankruptcy protection, and that's what we decided to do."

The SCA was represented in bankruptcy by Finn Dixon & Hurling. "I was helped by the fact that I'd spent over 40 years representing financial interests," Widland said.

Since emerging from bankruptcy, The Palace has been "operating in the black for three years," Getto said.

Built in 1927, the classic European-styled theater with seating for 1,575 is a center not just for shows, but for educational programs. "Since emerging from bankruptcy, we have built the educational program back up," Getto said.

Widland also hired "good people" and found replacements for people who left the board of directors during the financial crisis, Getto said. He was instrumental in changing the focus of the SCA, by studying the different programs available.



Attorney Michael C. Widland (right) received the 2012 Arts Ovation Award from Gov. Dannel P. Malloy for his work in helping to rescue the financially ailing Stamford Center for the Arts.

Now, instead of just putting on shows, the theater is "returning to being rooted in the community." "Mike has changed our emphasis, to one of community involvement," Getto said.

Once operating with a budget of over \$5 million, the SCA is still rebuilding. Officials said the budget for 2013 will exceed \$2 million.

Widland said being a not-for-profit in the arts is a difficult business. "All over the country, regional organizations are struggling because costs are going up and the economy is such that our audience may be diminishing." He added that like any household, the "secret" is to operate with the resources available.

"What's different now," he said, "is that we operate in a fiscally responsible manner. We try to operate within our means, we only do things we can afford to do. The formula there is no big secret."

Widland's community involvement has included serving as former director of the Greater Norwalk Chamber of Commerce, a trustee of the Mill River Park Collaborative. He is vice chairman of the Board of Trustees for the Maritime Aquarium of Norwalk. Widland said he is pleased to work at a law firm that is committed to community involvement.

"I was very touched, and somewhat embarrassed," he said of receiving the award. "But it was a really good feeling to know you worked hard, taken some risks, and to feel that you achieved a good result. It's probably as good as it gets for something like that."•