

Memphis Tomorrow

A behind-the-scenes group works to shape the city's future.

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Memphis Tomorrow may be the most important and powerful group in Memphis you never heard of. And, in a way, that's fine with them.

Memphis Tomorrow was created in 2001 as an elite strikeforce of executives who work, often behind the scenes, on "breakthrough solutions" to community problems.

Inspired by three civic home runs in five years -- AutoZone Park, the Memphis Grizzlies/FedExForum, and Soulsville USA -- Memphis Tomorrow has laid out an agenda for education, bioscience industry, Memphis music, crime fighting, preparation for natural disasters or terrorism, minority business, and the University of Memphis. The 24-member group, which meets five times a year, has also jumped into issues of the moment, including the relocation of International Paper's headquarters to Memphis, a city payroll-tax referendum in 2004, the recruiting of Memphis City Schools superintendent Dr. Carol Johnson, the bankruptcy of Northwest Airlines, and the response to Hurricane Katrina.

For many reasons, however, Memphis Tomorrow is a hard organization to understand and describe. For one thing, it meets in private. Individual members or small groups of members work through "partner organizations" which are less open to public scrutiny than, say, the Memphis City Council or Board of Education. They include the Memphis Biotech Foundation, the Memphis Regional Chamber of Commerce, the Memphis and Shelby County Music Commission, Partners in Public Education, the Memphis and Shelby County Crime Commission, and a few carefully selected consultants.

"I don't think they want publicity," said Pete Aviotti, special assistant to Mayor Willie Herenton. Others interviewed for this story made essentially the same comment.

The organization's secrecy can be off-putting to reporters and elected officials more accustomed to the camaraderie, scuttlebutt, open debate, and occasional mud wrestling in front of the television cameras at City Hall. Memphis Tomorrow's mission statement, published on its Web site (MemphisTomorrow.org) sometimes lapses into jargon about "programmatic" and "non-programmatic" policy.

But one thing is clear: Memphis Tomorrow intends to get big things done.

According to its guiding principles, plans are "not to be shelved." They must include "implementation strategies with clear priorities." Memphis Tomorrow will get involved where it is "uniquely capable of making a significant difference with a breakthrough effort."

Ballparks and arenas and museums change the look and landscape of Memphis. They are easy to write about and explain, at least in general terms. Other breakthroughs are harder to measure, making it difficult to say exactly what Memphis Tomorrow is doing and how well or even if its members are acting collectively or on their own as individual citizens.

When broad goals such as good schools, good jobs, fair taxes, and good government become action plans and policies, things usually get sticky. The question is who and how? Charter schools? Tax subsidies for businesses that relocate or expand in Memphis? A payroll tax? Demolition or reuse of older public and private facilities such as the Mid-South Fairgrounds?

Because almost any "breakthrough" improvement in Memphis involves some public money or public property or both, sooner or later the best-kept secrets leak out and the debate enters the public realm of the mayors' offices, the legislative bodies, and the media. In a word, it's politics.

"Their political skills on some issues leave something to be desired," said city councilman Rickey Peete, citing as an example the 2004 payroll-tax referendum.

"There was opposition from Memphis Tomorrow and the Memphis Regional Chamber of Commerce without any real alternative being put on the table," Peete said.

Memphis Tomorrow will get a chance to exercise its political skills in 2006, when Memphis and Shelby County voters face the so-called long ballot that includes scores of important and obscure offices, including five seats on the Shelby County Commission being forcibly vacated because of term limits. Memphis Tomorrow president Blair Taylor said the group will work with organizations in a voter education and candidate endorsement process patterned after one in Atlanta. The big kahuna -- the Memphis mayor's race -- isn't until 2007.

Other cities that are roughly the size of Memphis have organizations similar to Memphis Tomorrow, including Cleveland, St. Louis, Kansas City, and Indianapolis. Memphis has its own precedents, including Future Memphis until the mid-1970s, the all-inclusive Memphis Jobs Conference of 1979-1980, and the so-called Big Four of FedEx founder Fred Smith, cotton merchant Billy Dunavant, and former CEOs Mike Rose of Holiday Inns and Ron Terry of First Tennessee Bank in the 1980s.

For some Memphians, however, each of those groups had structural problems: They were too exclusive, too inclusive, or too unstructured.

"This differs from previous corporate leadership organizations," said Jeff Sanford, head of the Center City Commission and a Memphis City Council member in the 1970s. "These executives not only sit at the table but bring their money with them and that money is then put behind various projects to benefit the community."

The late Lucius Burch, noted Memphis lawyer and iconoclast for half a century, traced the leadership vacuum to the era of Boss Crump in the first half of the 20th century. Burch often lamented that Memphis had fallen behind Atlanta and Nashville because it didn't have a group of "big mules" who worked together behind the scenes to get things done. Instead, business leaders and governors who came to Memphis often as not found themselves dealing with four decision-makers -- the city and county mayors and the two legislative bodies -- split along racial or political lines. On that score, Memphis Tomorrow seems to have made at least one important convert.

"I am impressed with the fact that the top CEOs of the most successful companies in Memphis have made a formal commitment to improve the K-12 education infrastructure, higher education, and science research and economic development for the city," said Tennessee governor Phil Bredesen. "The creation of Memphis Tomorrow, in and of itself, sends a powerful message that public-private partnerships are powerful tools to solve community challenges."

Putting muscle behind those words, Bredesen has helped the Biotech Foundation get state money to demolish the old Baptist Hospital complex and is working with the University of Memphis on plans to give it greater independence and move its law school downtown.

Other fans include Dexter Muller, a former city division director and interim president of the chamber of commerce.

"Leadership is everything," he said. "It's why things get done and why they don't. The chamber would never have had all those leaders on board. We're 75 percent small business."

Carol Coletta, originator and host of *Smart City*, a syndicated radio program and Web site that exemplify the new media, has worked with the organization as a consultant.

"We so often think of ourselves as stuck, destined to be a second- or third-rate city," she said. "But it is not destiny. By our decisions, we have made the city what it is today, and by our decisions, we can remake the city. What's happened in New Orleans jolts us into considering a different possibility for any city, including our own."

The founders of Memphis Tomorrow were Dean Jernigan and Pitt Hyde. Jernigan and his wife Kristi were the driving force behind AutoZone Park and its surrounding development, including an apartment complex, elementary school, and office building. The Jernigans moved away from Memphis, but during the NBA NOW campaign, the leadership baton passed to AutoZone founder Hyde and his wife Barbara.

Taylor was originally executive director of Memphis Tomorrow and became president in September, replacing Larry Jensen, who is now an adviser to the group. The chairman is Ken Glass, CEO of First Horizon Bank. Members must be top local executives of businesses that have more than \$200 million in annual revenue, or \$100 million in assets, or professional service firms with more than \$75 million in annual revenues. Dues are \$50,000 a year. Each member serves on at least one committee; Glass keeps tabs on all of them. The reading list can be demanding because Memphis Tomorrow is big on consultants' reports, which often run a few hundred pages or more.

Clout in the public arena does not automatically equate with clout in the corporate boardroom.

"Sometimes it feels like two steps forward and three steps back," said Doug Edwards, president and CEO of Morgan Keegan and chairman of the Memphis Tomorrow committee on K-12 education. The committee was charged with putting together a primer on school funding that was supposed to cut through confusion. Instead it had to be reworked just before it was due to come out five months ago and is only now being released.

Here is an overview and an update of current Memphis Tomorrow projects:

Response to Hurricane Katrina. While disaster relief was the responsibility of FEMA, the Red Cross, the Salvation Army, and others, long-range planning would seem to be an ideal opportunity for Memphis Tomorrow in terms of encouraging and recruiting New Orleans-based businesses. Taylor said the organization "might play a leadership role," but it has so far focused on disaster preparedness in Memphis and left the recruiting of displaced businesses to the chamber of commerce.

A short-lived relief effort led by former banker Tom Garrott that would have given \$10 million in cash to storm refugees via churches was not affiliated with Memphis Tomorrow.

The bankruptcy of Northwest Airlines. If Northwest (which once employed more than 2,000 here) closes its Memphis hub, the ramifications will be big for Memphis International Airport and the local economy. Taylor said there has been "a ton of conversation" about keeping the hub, plus talk of companies purchasing more tickets on Northwest.

"I'm not sure there is much we can do at this juncture," she said.

Northwest's former CEO Richard Anderson was guest speaker at a Memphis Tomorrow meeting earlier this year. Phil Trenary, CEO of Pinnacle Airlines, a Northwest spin-off, is a member of Memphis Tomorrow. But the present mood suggests that all the king's horses and all the king's men may not be able to put the broken airline industry back together again.

Government efficiency. The guest of honor at the September meeting of Memphis Tomorrow was none other than Mayor Willie Herenton. Taylor said it was "an in-and-out meeting" and the topic of discussion

was a familiar one -- a government efficiency study like the one that Public Financial Management (PFM) has already done for Shelby County government.

In a classic clash of corporate and public-sector cultures, the City Council did not want Public Financial Management to do the study and demanded that it be put out for bids. Meanwhile, Herenton has shuffled his top financial and policy advisers around and is talking about selling parks to raise money and cut operating costs.

The elephant in the living room is Herenton himself. Taylor and Glass said Memphis Tomorrow has not made an endorsement, even though Herenton is actively raising money and seeking support for a fifth term. So far he's the only potential city mayoral candidate getting any face time with Memphis Tomorrow.

On the county side, Mayor A C Wharton said the efficiency study was worthwhile. "They get a bad name because everybody has done one and they wind up on the shelf somewhere," he said. "But we had fees and things that had not been revised in 25 or 30 years."

"You couldn't have something this basic at the whim of budget-cutting and seven votes on the County Commission," Wharton said.

In general, Wharton is a fan of Memphis Tomorrow. "They are very candid with me," he said. "They don't have time to flatter you. You go in and state your case and if they like it they say it."

Memphis music industry development. High hopes, so-so results, and one major disappointment so far. A blowout concert tying together the MTV Awards and the 50th anniversary of rock and roll at FedExForum never happened. Glass said that's all part of the learning curve for a new organization.

"The important thing was that businesses came together in Memphis willing to financially bring those major opportunities into the community," he said. "Those were huge dollars. The event never happened, so the dollars were never put on the table, but the commitment was there. Now we have a stronger infrastructure that can address those opportunities."

Taylor wouldn't comment on rumors that another big deal is in the works. Several reports, including one in the *Flyer's* on-line edition, have mentioned a Sun Records revival in tandem with Stax Records and singer Justin Timberlake. A downtown music school is another possibility.

The University of Memphis. The U of M would like to achieve home rule, which means greater independence from the Tennessee Board of Regents. Glass said Bredesen supports the idea, and added, "2007 is probably a realistic time frame, but it's not a decision one person can make."

The big picture is this: The business community likes U of M president Shirley Raines, who is on the board. With the lottery scholarships keeping more students in Tennessee and companies demanding highly skilled workers, expect to see more major gifts to the university if it shows improvement in teaching, research, and, of course, athletics.

Bioscience center. The next big thing: Pitt Hyde's pet project. After Baptist Hospital in the Medical Center is demolished in November, things should take shape in 2006. The challenge, Glass said, is that several other big cities have the same idea. A Brookings report ranked Memphis in the third tier of cities seeking bioscience centers. Memphis Tomorrow funded another study that outlined the steps that have to be taken to move Memphis up in the rankings.

Public and pre-school education. Here's where it's not always easy to see the fingerprints of Memphis Tomorrow. Charter schools are a stated priority of the group, but individual members have anonymously supported some schools as well. The group influenced the selection of Johnson as superintendent of Memphis City Schools and has helped get her and county school officials to the same table. Modest as that sounds, it's no small feat in light of the failure of a chamber of commerce-supported effort to bring

that group together four years ago.

As for school funding, the Memphis Tomorrow contribution will include a manual that purports to set out the facts, in primer fashion.

Taylor and Wharton said pre-school preparation -- the program is called Ready Set Grow -- will be the next "breakthrough."

Crime and public safety. Personnel changes have afflicted this one. The first committee chairman was Memphis Publishing Company (*The Commercial Appeal*) executive John Wilcox, who moved to California. His replacement is AutoZone CEO Bill Rhodes.

Taylor said the focus has shifted from street crime to disaster preparedness in the wake of Katrina. The return of Memphis and Shelby County Crime Commission head Michael Heidingsfield from a tour of duty in Iraq may provide a boost.

Minority business opportunities. Talk about bad timing. The FBI's Tennessee Waltz sting is the big story of the summer. And the unfortunate fact is that so far the "salesmen" and their now-indicted political suckers were, with a couple of exceptions, black.

Without reference to Tennessee Waltz, Glass said this committee is determined to separate true minority-owned companies from token or sham companies "so we have very clear criteria that say this person has to have the authority to write the checks."

Some elected officials are skeptical about this, although they would not speak on the record because they are generally appreciative of the group's efforts.

One person suggested Memphis Tomorrow is simply replacing Democratic minority contractors with Republican minority contractors. This is the sort of nitty-gritty politics that preoccupies elected officials and which Memphis Tomorrow hopes to rise above.

As it looks to the future, Memphis Tomorrow might also ponder its own future as it marks its fifth birthday next year. The organization's talent, wealth, and involvement must complement elected leaders without circumventing them or inadvertently fostering prejudice that public officials and public employees are corrupt and incompetent.

The 26 members of the City Council and County Commission are more diverse and more accountable to voters but probably not as highly regarded as the 24 members of Memphis Tomorrow. The trick will be keeping the three groups' mutual respect high enough so that they can work together.

"For those of us in government not to solicit their guidance would be short-sighted," said city councilman Jack Sammons. "For a generation, our captains of industry have been interested but never invited to the table of ideas. This group has decided they're going to sit down whether they're invited or not and help steer the direction of this community."

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