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New Chairman of the Jewish Federation: I'm 'gonna make it relevant'

By Brad A. Greenberg, Staff Writer

Stanley P. Gold wastes few words describing the status of The Jewish Federation of Greater Los Angeles.

"It is largely irrelevant," he said last week.

What makes Gold's remark so stark is that on Jan. 1, the sharp-tongued and fast-paced Gold, a 65-year-old self-described "monomaniac on a mission," will take over lay leadership at The Federation as chairman of the board.

"I'm gonna make it relevant," he quickly added. "Gonna make it relevant to the donor community. Gonna make it relevant to the Los Angeles community. And gonna make it relevant to most of the Jewish community. The alternative is a slow dissipation. I'm not going to let that happen."

"It is not so much about Stanley Gold," he said, making clear he recognizes the arrogance behind his ambition and that he's not the first to try to reform the 96-year-old institution. "It is changing the culture; it is changing the way they do business; it is changing their focus. I think once I get them off in the right direction, there are probably people better than Stanley Gold on how to run it in the future. The value I would hope to bring is midcourse change."

Gold is known for being as proactive in his volunteer work as he has been professionally. He got his name saving the Walt Disney Co. from corporate raiders in the 1980s and has held onto his reputation for success with Shamrock Holdings -- an investment company that is the Diaspora's largest private-equity player in Israel. He's chaired the board of trustees at USC since 2002 and has served throughout the Jewish community. As The Federation's chair, he will have just two years to set in place the mechanisms he believes will make it a better-run not-for-profit.

It's no secret that The Federation's role in the community has slipped, following a trend affecting the nationwide network of umbrella organizations that have long been the lifeblood of Jewish social services. Increased assimilation coupled with a move toward directed giving, a jump in the percentage of charity given by Jews to non-Jewish causes and an under-50 demographic that doesn't view the mission of local federations with the same appreciation that their parents did are chipping away at the vitality of these organizations large and small. (See related story.)

In Los Angeles, add to that litany the decimated staff and reduced visibility of The Federation's Jewish Community Relations Committee (JCRC) and the national prominence of largely independent organizations, and it's no wonder The Federation's annual campaign in 2005 was \$47.3 million, less than a million above what it was in 1990 -- and about 33 percent lower when accounting for inflation.

"They know all this stuff is true. They just don't want to talk about it; you don't find this on the agenda of most federations," said Gary A. Tobin, president of the Institute for Jewish &

Community Research. "Whether the L.A. Federation is doing slightly better or slightly worse than other federations really misses the point: The annual campaign is in trouble everywhere, both in terms of how much they raise and the fact that there is a declining donor base."

Gold's focus is threefold: He wants The Federation to become the preeminent program provider in L.A.-Israel relations; he wants to reinvest in community relations; and he wants to increase leadership development. For Gold, everything else is secondary, even unnecessary, particularly those programs in which The Federation competes with other Jewish service providers.

"If they are doing it better, we ought to support them -- and certainly not be second or third best," Gold said.

And the change will mean cuts, Gold made clear, though without specifics: "There is going to be some pain in the self-evaluation, in some of the eliminations, in some of the changes that are going to occur. It is wide open. I am sure there will be changes in personnel and programs. I'm not prepared to tell you which today, because I don't know."

News of Gold's appointment has been met with hopeful surprise.

"Stanley's success has been taking undervalued companies and making them more effective. The Federation is an undervalued business, and somebody with Stanley's passions and talents and vision could really turn around the Jewish community," said Jay Sanderson, CEO of JTN Productions, on whose board Gold's wife once served and his daughter now does.

He will not be the first bigwig to lead The Federation. Preceding him are Ed Sanders, once President Jimmy Carter's Jewish community liaison; Bruce Hochman, a respected tax attorney and the first UCLA School of Law alumnus to pass the California Bar; and Barbi Weinberg, founding president of the Washington Institute for Near East Policy and wife of Larry Weinberg, a former American Israel Public Affairs Committee (AIPAC) president. But Gold may have the most-rounded experience, from his love affair with the Jewish people to his experience running massive nonprofit organizations and for-profit enterprises.

"We are at a juncture in the life of The Federation that we are looking for somebody who has directed organizations, who can engage donors and has an experience in complex organizations -- in this case, both for-profit organizations and not-for-profits -- and is also Jewishly committed," said Federation President John Fishel, with whom Gold will work closely. "He seems to have it all."

Stanley Phillip Gold grew up in what was South Central Los Angeles, not far from USC. The son of first-generation American Jews, Gold was raised in a working-class neighborhood with equal parts Asians, blacks and whites, and he was taught to be proud of that heritage, a directive he clearly heeded.

"There is no one in the world who has a more visceral attachment to the Jewish people, the State of Israel and Jewish values than Stanley Gold," said Rabbi David Ellenson, president of Hebrew Union College-Jewish Institute of Religion (HUC-JIR). "It is inherent in his very being."

When Gold was a teenager, his parents moved to the San Fernando Valley, and there he ran track at Van Nuys High School before heading off to start his undergraduate studies at UC Berkeley.

"In college, he didn't have any money. I was rich. I had a Volkswagen Beetle," said Mike Shaub,

Gold's Sigma Alpha Mu fraternity brother. "In college, he borrowed it to go into San Francisco with [his then-girlfriend] Ilene. He couldn't even pay the toll; he had to write a check to cross the Bay Bridge.... Everything he has, he has earned. Nobody gave it to him."

From the shadows of Dorsey High to the flatlands of Beverly Hills, Stanley and Ilene Gold now reside in an 8,200-square-foot colonial brick home that is as tasteful as it is massive, the reward of 40 years of hard work, in particular the past 30 as Roy E. Disney's most trusted adviser.

Gold scheduled an interview for this article at his home on the morning before Yom Kippur, immediately after the rumors that he would chair The Federation were made official. I pulled through the gate and parked behind a pair of Porsches, a Cayman and a Cayenne; 10 more of the German sports cars, from a few 911s to the über-limited 959, were housed in a backyard garage. When I asked Gold which was his favorite, he pointed to a Porsche poster on the wall: "It's like children, you can't understand until you've had one."

We met inside for the first of two interviews, seated on couches in a study the size of a two-bedroom apartment. A bookcase covering the expanse of a side wall was filled with a fraction of Gold's art collection, but in the middle of it were some of his priceless treasures: a few dozen encased baseballs signed by some of the best who ever played the game.

"To my pal, Stanley -- Babe Ruth."

Another's from Stan Musial: "To Stan the Man, from the other Stan the Man."

Gold wore a checked blue shirt, navy tie and suit sans coat and circular steel-rim glasses. His wavy, black hair was slicked back. He chomped on and twirled an unlit cigar as a spoke, adding meaning to an office throw pillow that quoted Mark Twain: "If I cannot smoke cigars in heaven, then I shall not go."

"I have a deep -- I want to say desire but it's almost an obligation -- to help the Jewish people," Gold said, explaining why he accepted the chairmanship of The Federation. "I find myself having lived an enormously fortunate life, having grown up in this community at a time when Jews were really being accepted into all walks of life. So I got the best out of America."

His tone of gratitude appears genuine. He first assumed his obligation of repayment while a young partner at the entertainment law firm of Gang, Tyre & Brown (now Gang, Tyre, Ramer & Brown), when founding partner Martin Gang paid an unusual visit to Gold's office.

"How's everything?" Gang asked. "Wife? Kids? You making enough money?"

"Yeah. Sure," Gold responded.

"OK. Good. It's time for you to give back to the community."

Gang set Gold up with leaders at HUC-JIR, and a month later, Gold joined the board of overseers for its L.A. campus. From 1991 to 1996, he served as chairman of the Reform college's national board of governors, and in 2001, Gold gave \$500,000 to establish the Martin Gang Scholarship Fund for students at the L.A. campus.

Since that call to service, Gold has joined the board of trustees at USC, where this June he will complete his sixth and final term as chairman; he's also led The Federation's Israel and Overseas Committee and served on the board of the Israel Policy Forum, a counterbalance in ideology, though not influence, to the AIPAC. Add to that the countless speaking engagements for issues affecting one part of the Jewish world or another, such as the address he gave last month at the Beverly Hilton.

"The old adage that to make a small fortune in Israel you need a large one is simply not true anymore," Gold said, speaking alongside the director general of Israel's Finance Ministry to about 100 Southern California businesspeople.

Gold would know. Over the past two decades, he has directed more than \$1 billion in Shamrock investments to the Jewish state, and over that time, he's seen an average annual return of 31 percent.

"I came to Israel as a committed Jew," Gold said, "and returned home as a committed capitalist."

Asked years ago how such a champion of capitalism could also be a gospel-sharing socialist, Gold sounded like Ralph Waldo Emerson: "A foolish consistency is the hobgoblin of little minds."

Indeed, having a little mind is not among Gold's shortcomings. After transferring from Berkeley to UCLA to complete his undergraduate degree, Gold attended USC Law School and Cambridge University and then began his career in 1968 at Gang, Tyre. He quickly made partner, and then met Roy Disney, for whom he created Shamrock Holdings, to invest the fortune of Walt's nephew and his family. By the late '70s, Gold was transitioning from entertainment lawyer to boardroom dealmaker.

"Anybody who's called 'full of crap' in The Wall Street Journal, by no less a person than William Buckley, has arrived," Stanley's wife, Ilene, reportedly remarked after Shamrock's leveraged purchase of Starr Broadcasting Group drew an attack on Gold's credibility by the conservative author and founder of National Review magazine. Buckley was Starr's largest shareholder.

Gold's friends and business associates, while praising him in ways that might be expected, also offered more candid assessments of his strengths and weaknesses.

"He's extremely loyal and generous. Insightful. A good partner. He tolerates different viewpoints and enjoys being challenged and challenging other people," said Gene Krieger, Shamrock's vice chairman and chief operating officer. "He's intellectually curious, a quick study. Decisive. Sometimes to a fault. And a lot of confidence, a lot of self-confidence, but not to the degree he doesn't accept advice or counsel."

At some point, Gold also became a trusted counselor. Steven B. Sample, who as president of USC has dramatically raised the private university's reputation, considers his board chairman a personal "mentor." And Rabbi Steven Z. Leder of Wilshire Boulevard Temple, on whose board Stanley and Ilene Gold have served, describes him as a bit of a sage.

"When I have a serious issue to think through, when I have some kind of intellectual or moral dilemma that involves the greater community, he is one of the very few people that I will turn to that I know will be forthright and instructive," Leder said. "He is one of my go-to guys and always will be."

Just before 11 a.m. on Aug. 10, 1999, a tranquil day in the San Fernando Valley turned to tragedy, when Buford O. Furrow stormed into the North Valley Jewish Community Center and unloaded some 70 rounds from an Uzi. He had picked the JCC because Furrow, a white supremacist from the Northwest, hated Jews, and security at the community center was a lot lighter than his three initial targets -- the Museum of Tolerance, the Skirball Cultural Center and the American Jewish University (AJU), formerly known as the University of Judaism. Furrow

wounded a receptionist, a teenage counselor and three children and later that day killed a Filipino American postal carrier.

All five Jewish victims recovered, but the community's psyche was severely wounded. The Federation responded by providing counseling for victims and securing the JCC facility. Nevertheless, that a rally organized by The Federation and other Jewish organizations at Cal State Northridge days after the shooting was attended by only 1,000 people still stings almost a decade later for Michael Berenbaum.

"I would have thought that given the attack on the JCC, and how many people have kids, and how many people routinely drop kids off at the JCC, I would have thought that we would have had 50,000 people show up. I was horrified by how low a turnout it was," said Berenbaum, who'd moved to Los Angeles a year before, after creating the U.S. Holocaust Memorial Museum in Washington.

"That was 10 years ago, but they did not succeed in mobilizing the community for an event in which there had been shots fired at our kids. I was saying to myself, 'How is that possible?'" he continued. "It said something about Los Angeles, and it said something about the lack of community. I've never gotten over that."

"Jewish life in Los Angeles is flourishing," added Berenbaum, a writer and adjunct professor at AJU, "but it is flourishing with decentralized initiatives that don't feel a need to consult The Federation. That says The Federation is not central or pivotal. Clearly we have a community with wealth and a community with commitment but not a community that seems to be talking with each other and dreaming great visions of the community together."

To be sure, The Federation is not dead. But with the successes of organizations like the Simon Wiesenthal Center, with its larger-than-life leader, Rabbi Marvin Hier, and with the rise of voices like those of the Jewish World Watch, Progressive Jewish Alliance and StandWithUs, which receive some Federation support and have filled the public-advocacy gap left by the decline of the JCRC, many observers fear The Federation's leadership role is fading.

"Way back in '67, when there was the war, it was the rallying point for that and every crisis since then, even last year in the war in Lebanon," said Richard Sandler, a big-idea guy who sits on the boards of AJU and the Milken Institute and who will be joining Gold in January as The Federation's vice chair. "It's always been the focal point of the Jewish community, yet every year I think we all see the fact that more and more organizations that do fantastic work in the community do their own fundraising. The Federation doesn't seem to this generation -- now, I'm old -- to have the same anchor position in the community."

At 59, Sandler is not actually that old. But a native of Los Angeles with a history of service at The Federation that dates to his father, Raymond, Sandler remembers days when more people gave to The Federation out of enthusiasm, not obligation.

Together, he and Gold hope to return that enthusiasm by elevating The Federation's role for Los Angeles Jewry.

What exactly could happen at The Federation's headquarters? Well, to start, Gold wants to make 6505 Wilshire Boulevard the premiere Los Angeles address for Israel relationships.

In this vein, Gold can build upon a solid foundation. The Federation's 10-year-old Tel Aviv-Los Angeles Partnership, with an annual budget of \$1.5 million, has created relationships between 18 local Jewish schools and 18 in Israel; it's provided a channel for Israeli writers, producers and actors to communicate with their counterparts in Hollywood, and supported the exchange of students between Tel Aviv University and UCLA.

"I want to expand not just the partnership, but the functionality of our relationship with Israel to being superb," Gold said. "I want every organization in Los Angeles to see us as their travel agent, as their tour guide, as their introduction to social, culture, religious, political counterparts in Israel. We can do it. We have half a leg up on that."

His second focus is leadership training, regardless of whether the grooming results in more Federation volunteers, Gold said. "If they go on and become leaders of AJC or HUC or the new American Jewish University or 100 other organizations, that is fine with me. They are making a contribution at that level, and we ought to take great pride in that, and we ought to help them along."

Gold's third area of interest, community relations, will likely be the most challenging. Jewish activists have been sharply critical of the downsizing of the once-vibrant Jewish Community Relations Committee, which prior to the mid-1990s spoke out on behalf of L.A. Jews on controversial issues, ranging from Proposition 187 to the nomination of Robert Bork to the U.S. Supreme Court. But it's been mostly reduced to one program, KOREH L.A., a successful literacy program that provides volunteer tutors at public schools.

"It is going to be very difficult for The Federation to effectively re-engage community relations. The JCRC doesn't have any staff. It is basically one person," said Michael Hirschfeld, who spent 24 years with the department before Fishel fired him as executive director in 2003. He's now president of Jewish Communal Professionals of Southern California. "First thing they have to do is hire more employees. Then they have to figure out how they can be more effective in a community relations arena and not alienate major donors, and that is a tough job."

Fishel has held that times have changed, and public advocacy is no longer necessary for The Federation. Gold, too, said he is not interested in The Federation taking positions on public policy, but he wants to strengthen ties with immigrant communities, particularly Latinos.

"As Jews, we are going to live in this community as a minority. We have been very blessed -- this goes back to my good luck -- and I think that part of having a Jewish soul is repaying the contributions people have made to us to others who are lower on the socioeconomic scale," Gold said.

Just what that means for The Federation is unclear. If it is relationships that Gold seeks with other minority groups, former U.S. Rep. Mel Levine said, The Federation will not be able to remain silent on political issues, whether the topic is immigration legislation or public education.

"The big stumbling block has been that we only want to be involved with these communities when we need their support, and not when they need ours," said Levine, who spent a frustrating two years as JCRC chair. "Stanley is a sophisticated, smart, thoughtful, talented person who understands that these alliances only work when they go both ways."

Cynical or realistic, a few veterans of The Federation's inner workings were skeptical about the likelihood of Gold -- or anyone -- reshaping the organization.

"Stanley Gold is not a pushover, but how much hands-on will he have at The Federation?" asked one board member. "John Fishel tends to put people in places where they are yes-men. Is John going to be telling Stanley what they're going to do, and he is just going to be a rubber stamp?"

Fishel said that is not his plan.

"Change is never easy, but sometimes change is absolutely necessary to change your future viability," The Federation's president said. "There, Stanley is going to play a vital role because he is going to force us to ask some hard questions."

Regardless of what obstructions or challenges arise, Gold seems unwilling to be stifled. A visit to 1984 helps demonstrate why.

The Magic Kingdom was under attack. Corporate raiders were attempting a hostile takeover of the Walt Disney Co., lusting for control of the company so they could strip mine its studio and real estate holdings and hang onto the profitable theme parks. Stock prices plummeting, it was the end of innocence for Disney -- some would say an allegory for the United States -- and somehow the man who had long been known around the office as "Walt's idiot nephew" got a chance to be the hero.

At Roy Disney's behest, Gold began buying hundreds of thousands of Disney shares to add to the 1.1 million his boss already owned. Then he and the brain trust, a roundtable of Roy Disney and his advisers, began working to ward off the raiders and quell Wall Street's anxiety.

It was obvious the current CEO had to go; Disney had just made it's first profitable live-action film, "Splash," since "The Love Bug" was released in 1968 -- 16 long years before. But Disney's board of directors, which included Gold and Roy Disney, couldn't agree on who should replace him.

Gold's selection to run the company -- a combination of Paramount No. 2 Michael Eisner and former Warner Bros. chief Frank Wells -- was opposed by 10 of the board's 13 members. As autumn approached, Gold had a week to convince four directors to support his candidates. He was told it couldn't be done; even members of the brain trust were beginning to worry.

"We're going to run it my way," Gold told Mark Siegel, a partner at Gang, Tyre and member of the brain trust, according to John Taylor's book, "Storming the Magic Kingdom," the definitive account of the affair. "We're going to run it right down the middle of the street, where they're uncomfortable and where I'm comfortable. We're going to put on a political campaign right out there where everybody can see us. I'm tired of being told to be quiet because somebody's feelings are going to be hurt."

By Saturday morning, Gold's men were voted the new heads of Walt Disney Productions. He celebrated by ordering vanity license plates that said "10-3." Two decades later, Gold and Roy Disney proved just as formidable when, fed up with Eisner's management, they resigned as directors of the company and single-handedly led a shareholder revolt that resulted in Eisner's resignation.

"The most important thing to know about me," Gold said when I asked if he was worried about spinning his wheels at The Federation, "is I don't get ulcers. I give ulcers."