

April 26, 1978

Lease Expiration

Background:

During the 1978 budget meeting, held in November 1977, Giller informed Jacob, Yeaman and Hoyt that the Division's lease would be expiring in January 1979 and that some attention should be given to our space requirements. Giller was instructed to raise the issue again early in 1978.

Giller summarized a preliminary study of alternate office locations on January 26, 1978. Giller submitted to Yeaman and Hoyt a preliminary study (dated February 13, 1978) of the Division's space requirements plus a copy of Sarvis' memo dated February 14, 1978 regarding office space.

Giller, Yeaman and Hoyt met on February 16 at which time Giller was asked to discuss this matter with "Jacob and the lawyers." During this meeting Yeaman reiterated a point that he had made a number of times in the past: "Even though your organization is handled by CTR administratively, we really have nothing to do with its operation. Jacob and the lawyers have to handle this matter. The Division is really not our responsibility, but that of the lawyers." (This quotation attributed to Yeaman is almost verbatim).

A copy of the Sarvis memo of February 14 had also been forwarded to Jacob. This memo called attention to the availability of the fourth floor at 110 East 59th Street.

On February 22 Giller queried Jacob regarding the status of the lease. Jacob requested additional information on costs, which was delivered to him on February 23. Jacob told Giller that the computer committee would discuss the matter at their meeting scheduled for March 28 and that Giller should try to stall the landlord regarding our intentions to lease the fourth floor.

On March 22, at Jacob's request, Giller forwarded to Brown, Decker, Finnegan and Hoel a detailed analysis of the Division's office space, including background, space requirements, suggested plan of action, and costs. This analysis noted that our space projection was based on certain assumptions regarding the long-term operation of the Division, including the acceptance of the latest draft of the Scope, the continued use of a preliminary data bank, only minimal growth of the Editorial Services group, installation of the Division's own small computer, etc.

On March 23 Giller called Jacob, who was now hospitalized at Lenox Hill. During this conversation Jacob mentioned for the first time the possibility of an administrative "recasting" of the Division; a lengthy discussion ensued.

The computer committee met on March 28, and by this time the fourth floor at 110 East 59th Street had been leased to The Chemical Bank. Giller's March 22 analysis of the Division's requirements for office space was accepted without question; there was no discussion of any of the assumptions regarding the Division's long-term operation in relation to the space projections.

During the period between March 29 and April 4 there were a number of telephone conversations between Giller and Finnegan regarding alternative locations, strategy and other related matters, including the merits of a particular real estate broker.

By April 4 Finnegan had, more or less, taken over the job of office hunting and had asked McClendon to set up appointments to look at three office buildings with Sarvis. (Sarvis' involvement was at Giller's request, since she is responsible for office planning and layout for the Division.)

Thereafter, there were a number of telephone conversations (Giller/Brown, Giller/Finnegan, Giller/Jacob) that dealt with such matters as our approximate budget for space; our progress on obtaining space; who should be looking for space, selecting realtors and setting up appointments; location priorities; etc.

On April 10 Sarvis met McClendon and visited the three office buildings that McClendon had arranged for our inspection. Sarvis summarized her experience in a memorandum to Giller dated April 11, 1978.

On April 11 Jacob called Giller to advise him to assume the direct responsibility for finding office space.

On April 25 Giller confirmed with McClendon that we should give notification to cancel our sublease, which was accomplished through CTR.