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Preserving history

Chuhak & Tecson principal Mimi Stein quickly helps find suitable buyers to protect Johnson Publishing's archives

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On April 9, 40 cases were dropped on Miriam "Mimi" Stein's desk. It was a typical day for one of the principals with Chuhak & Tecson's banking group.

Until it wasn't.

One case stood out above the rest — the Johnson Publishing Co. Chapter 7 case. Stein helped secure and successfully auction Johnson Publishing's more than 75-year catalog of historical photographs and media archives.

In total, more than 4 million images, which were owned by the black publishing empire and had appeared in *Ebony* and *Jet* magazines along with thousand of hours of video footage of African American history was sold to a group of foundations — the Smithsonian National Museum of African American History and Culture, the Getty Research Institute and other cultural and research organizations — for \$30 million in late July.

Stein faced a host of challenges, particularly a rapidly approaching deadline, but she also received unfettered access to a special bit of U.S. history captured by a camera lens.

This interview has been edited for length and clarity.

Chicago Lawyer: How did the \$30 million sale price come together?

Mimi Stein: I did not approach this as a \$30 million case at all. It was exciting to get a corporate case, they're generally different. It brings a lot of different elements to the case and you're dealing with different attorneys. They're fun to work on and a change of pace.

I grew up in Chicago, so I knew Johnson Publishing. I had heard Linda Johnson-Rice speak on occasion and was super impressed by her with all the inroads she had made. Just an incredible person and I was excited to meet her. I had George Lucas and his wife Mellody Hobson as my secured creditors, so you know



Photos provided by Miriam "Mimi" Stein

that's a little exciting as a "Star Wars" fan. Not that I got to meet them, but it was fun.

The case came at a good time. I had the time to focus on it. It had real historical relevance for me, real importance for the city and the assets the company had. So that part in and of itself was real exciting as well as getting to work with good people

Neither myself nor my professionals were really considering that this would be a big case financially, but it was a big case in terms of importance.

CL: What were some of the first issues with the case you had to handle?

MS: I spent the better part of an hour on April 9 on the phone with the debtor's counsel where they saw the lay of the land, what we should focus on first. The case had no money in the bank and no insurance. There was a lot of moving parts and things that we had to get

our arms around right away. I'm the trustee and I was responsible for these assets. ... these priceless assets that are not insured.

I made my way to [Johnson Publishing] right away. I spoke with Johnson-Rice and her team right away. We began to triage what's priority number one, two, et cetera.

Priority number one was getting insurance on these assets.

CL: What was the insurance process?

MS: The insurance was expensive. Luckily, when we spoke with the secured creditor and they also recognized the need for insurance on this property. It was their collateral. They provided the funding for the insurance and the storage.

The archives were in two different locations in the city. We had to move and consolidate it into one location. They also provided some funds for the marketing of the assets.

I had a process. It was a tight process, but everybody was willing to step up to the plate because we recognized we needed to find a great buyer with these assets.

CL: What was the vetting process on potential buyers?

MS: We gave a lot of thought to this. Early on there was somebody interested in the assets. We spoke with them [and asked] why they were considering buying the assets. Ultimately, they stepped back in the end.

From the start, this was an unusual case because usually you're trying to get the best price possible. You're distributing the proceeds to the creditors. I'm a fiduciary for the creditors so I need to be mindful that these people are out of money so they should be paid the most I can possibly get.

But we had this additional element — these are important assets. So, I just didn't want to go on price alone. Let's say a company wanted to buy them and best-case scenario put them in a warehouse somewhere, lock them up and never see them again. Maybe they'd get a tax write-off, but they'd never see the light of day. That was a possibility which we weren't too keen on.

Another possibility was someone would use them for improper purposes. One of the ideas we thought about was that we didn't want important pictures trivialized and put on T-shirts or whatnot. That was really a concern. We didn't want anything destroyed by a buyer, either. You never know.

We knew we had to go by price, but we really need that price to go along with a good purpose for these assets. I vetted auctioneers first. I wanted to find one with national — if not global — contacts. And someone with some experience with these type of archive collections.

We were set from the start on selling them as a whole collection. That is where the value was and that was the intention of the Johnson family when they put it together. I wanted to respect that. I also thought that was the best use of the assets.

I ended up selecting Hilco Streambank [an intellectual property management firm]. They had some relevant experience and they really tapped into all the same concerns, motivations and ideas for marketing that my team had thought should happen. We were aligned in our ideology and our practicality.

CL: Did you get to see the collection of photos?

MS: I got to spend a lot of time with the archives and it's impressive. I'm going to miss it. I got to go whenever I wanted. The boxes are well-organized. It covers everything and anything of importance in the African Ameri-



can history in the United States. You also have the sports, the celebrities and others.

Everyone who came to see the archives had the box they went to first. It was funny to see what people would choose. You feel like you should go to the important boxes such as Emmett Till, Martin Luther King and the civil rights marches. But sometimes you want to grab your favorite athlete or singer.

CL: For me, it would be the Prince photos.

MS: Exactly, but what's cool about the archives is that not just necessarily Prince on stage. It's Prince in his dressing room, at home, walking on the street. I took photos of the photos like Kareem Abdul-Jabbar standing at Lake Michigan with his family. It was very surreal. There were hundreds of boxes and it was very overwhelming.

CL: I get the sense that this warehouse is like the end of 'Raiders of the Lost Ark.' Just a bunch on nondescript boxes filled with incredible history.

MS: For instance, Malcolm X. You have boxes of pictures of Malcolm X. But, then, you also have boxes of where Malcolm X took the pictures. They were pictures of young African American men who were shot or brutalized by police. Or shot by white society. Then on the back [of the photos] he writes this is what I've seen, or this is what happened. It's so powerful.

Unfortunately, these are pictures that could be taken today.

CL: Was this the most historical case you received?

MS: If you practice long enough, you'll see a lot of interesting things. This was special and rewarding. Especially, to validate what the Johnson family was able to accomplish and the vision they had. To have the vision to save everything, catalog it and keep it in some organized way for generations to come. That's some amazing foresight and responsibility they've done.

It great to come full circle for them and validate what they thought the value of these assets were. They had turned down much lower offers, so this was validating for them.

CL: What else sticks out about the case and the future of the Johnson Publishing archives?

MS: I know the foundation is working with the Smithsonian, but I know there were museums here in Chicago that wanted to keep pieces of it. Maybe it'll become a part of a traveling exhibit.

As a Chicagoan, I would love for that to happen. We kept the city apprised of what was going on. It was important to the judge and to us. I am hoping Chicago can retain some part of it because Chicago played a big part of it.

There were a lot of pictures of what was going on in Chicago over the civil rights movement and [Chicago] was certainly the Johnson Publishing base. It would be nice to see a part of that stay.