



Smithsonian Institution



The spectacular enclosed Robert and Arlene Kogod Courtyard, designed by world-renowned architect Norman Foster, opened to the public at the Donald W. Reynolds Center for American Art and Portraiture on November 18, 2007.

Semiannual Report to the Board of Regents Fiscal Year 2008

May 2008

Public Impact

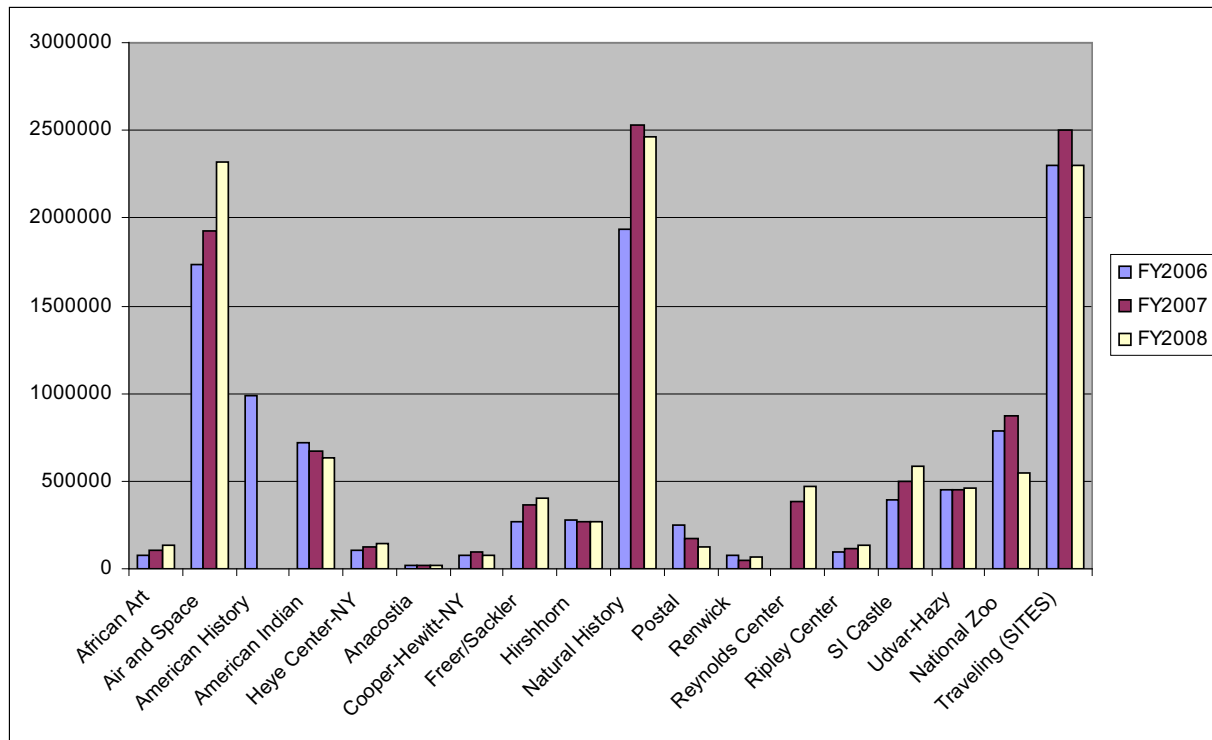
Visits to the Smithsonian

In the first six months of fiscal year 2008, the Institution counted **8.8 million** visits to its museums in Washington, D.C., and New York, plus the National Zoo and the Steven F. Udvar-Hazy Center—up **2 percent** from the comparable period in fiscal year 2007. The very modest increase comes after a strong across-the-board surge in visitation in fiscal year 2007 and may reflect the recent downturn in the general economy. The holiday month of December was particularly slow, with visitation down **17 percent** in comparison with one year earlier.

Of note was a **37 percent** decline in visitation to the National Zoo; in addition to the effects of a sluggish economy, this can be explained as a rebound from two years of steeply increasing visitation to the Zoo, driven first by the birth of the panda cub Tai Shan and later by the opening of the Asia Trail. Attendance also lagged at the National Museum of Natural History (down **3 percent**), the National Postal Museum (down **30 percent**), and the National Museum of the American Indian (down **6 percent**). Art museum attendance remained a bright spot in the picture, with combined attendance at all art museums up by **12 percent**.

The Smithsonian also counted approximately **2.3 million** visits to traveling exhibitions mounted by the Smithsonian Institution Traveling Exhibition Service, a decrease of about **8 percent** from last year.

Visits to Smithsonian Museums and Traveling Exhibitions
First Six Months of Fiscal Years 2006, 2007, and 2008



Smithsonian Online

Smithsonian websites logged **91.9 million** visits in the first half of fiscal year 2008, up **6 percent** from fiscal year 2007. Online highlights of this period included the following:

- The Smithsonian Photography Initiative launched *click! photography changes everything*, an interdisciplinary web-based forum that seeks to stimulate a dialogue about how photography shapes our lives.
- The new traveling exhibition *Beyond Baseball: The Life of Roberto Clemente* is complemented by a downloadable bilingual podcast and an interactive website with lesson plans, biographical highlights, historical photographs, game footage, and baseball trivia.
- The Smithsonian Institution Libraries, in collaboration with other Smithsonian units, has created *Smithson's Library*, a website devoted to the Institution's founder, James Smithson.
- The National Museum of African American History and Culture's new website offers an innovative feature called *Memory Book*, which allows site visitors to upload stories, images, and audio. Early contributions range from former San Francisco Mayor Willie Brown's recollections of civil rights demonstrations to Kelvin B. Fowler's tale of how his great-great-grandfather escaped slavery.
- The **Smithsonian Center for Education and Museum Studies** has partnered with the Massachusetts Institute of Technology to develop a proposal to the National Science Foundation for the creation of science-based online learning games.

Exhibition Highlights

The National Air and Space Museum's completely renovated *America by Air* civil aviation gallery reopened in November 2007. In addition to displays of seven classic airplanes and walk-in exhibits of a 747 nose and DC-7 fuselage, *America by Air* offers a wide range of artifacts, photographs, artwork, and interactive displays that tell the story of commercial aviation.

On February 15, the National Museum of Natural History premiered *Butterflies + Plants: Partners in Evolution*, a permanent exhibition that combines traditional and experiential learning. An immersive Live Butterfly Pavilion gives visitors a close personal look at the living results of this evolutionary story.

The Hirshhorn Museum and Sculpture Garden presented the first part of *The Cinema Effect* (February 14–May 11, 2008), an unprecedented two-part exhibition of contemporary film, video, and digital works that explores how moving pictures have blurred distinctions between illusion and reality. Also at the Hirshhorn, the *Directions* series, which highlights new work of emerging and established artists, marks its twentieth year. The latest offering in the series, *Amy Sillman: Third Person Singular* (March 14–July 6, 2008), presents oil paintings and ink drawings from the Brooklyn-based painter.





More than 100 beautiful works from the collection of Etsuko and Joe Price, one of the finest private collections of Japanese art, were featured in *Patterned Feathers, Piercing Eyes: Edo Masters from the Price Collection* (November 10, 2007–April 13, 2008) at the Sackler Gallery. Also at the Sackler, *Wine, Worship and Sacrifice: The Golden Graves of Ancient Vani* (December 1, 2007–February 24, 2008) presented metalworks, ceramics, jewelry, sculpture, coins, and glassware from the ancient realm of Colchis (present-day Georgia).

Discovering Rastafari! (November 2, 2007–November 7, 2008) at the National Museum of Natural History charts Rastafari culture from its origins in colonial Jamaica through its development into a movement throughout the African diaspora. Also at Natural History, *Nature's Best Photography* (October 30, 2007–April 29, 2008) displayed over 50 stunning views of wildlife and their habitats snapped by the winners of the Windland Smith Rice International Awards photography competition.

The Smithsonian American Art Museum opened two new exhibitions. *John Alexander: A Retrospective* (December 21, 2007–March 16, 2008) explored the career of an artist renowned for works that mix humor, rage, and love of the natural world. *Color as Field: American Painting, 1950–1975* (February 2–May 26, 2008) examines the Color Field movement, one of the crowning achievements of postwar American abstract art.

The National Portrait Gallery also offered two premiers. *Kate: A Centennial Celebration* (November 2, 2007–June 1, 2008) offers a glimpse of starlet Katharine Hepburn's career through photographs, posters, drawings, playbill covers, and painting. *RECOGNIZE! Hip Hop and Contemporary Portraiture* (February 8–October 26, 2008) focuses on the broad cultural impact of hip hop music. In addition to paintings and photographs, it features video, poetry, spoken word, and graffiti displays.

The inaugural exhibition of the National Museum of African American History and Culture, *Let Your Motto Be Resistance: African American Portraits*, co-sponsored by the National Portrait Gallery, was on display in the Portrait Gallery from October 19, 2007, through March 2, 2008, before moving on to the Louisiana State Museum in New Orleans.

Victory Mail opened on March 6 at the National Postal Museum. The exhibition showcases the technological innovation (better known as V-Mail) that allowed for a massive increase in overseas mail volume during World War II.

A Thousand Kisses: Love Letters from the Archives of American Art (January 25–May 30, 2008) in the Lawrence A. Fleischman Gallery at the Reynolds Center displays a selection of affectionate communiqués and rare photographs from painters, sculptors, and other art world notables.



James Luna's *Emendatio* opened at the George Gustav Heye Center on March 1 and runs until April 20, 2008. Originally presented as part of the Venice Biennale 2005, this multimedia installation challenges mainstream assumptions about Native American people.

El Anatsui: Gawu (March 12–September 7, 2008) at the National Museum of African Art features large-scale metal “tapestries” and other imposing sculptures by one of Africa’s leading contemporary artists. Also at African Art, *Art of Being Tuareg: Sahara Nomads in a Modern World* (October 10, 2007–January 27, 2008) presented the artistry of the Tuaregs of northern Africa through displays of jewelry, leatherwork, and everyday items, as well as video presentations.



Cooper-Hewitt, National Design Museum presented *Rococo: The Continuing Curve, 1730–2008* (March 7–July 6, 2008), exploring the Rococo style and its revivals. Also at Cooper-Hewitt, the guest-curated *Campana Brothers Select: Works from the Permanent Collection* (February 15–August 24, 2008) features works chosen by Brazilian designers Fernando and Humberto Campana.

Worthy of the Nation: The Planning of Washington, D.C., from L’Enfant to the National Capital Planning Commission (October 11, 2007–February 14, 2008), in the S. Dillon Ripley Center concourse, featured over 75 photographs and illustrations depicting the development of Washington, D.C., over its 200-year history, as well as portions of the National Capital Planning Commission’s three dimensional model of Washington’s monumental core.



A unique portrait of self-proclaimed national treasure **Stephen Colbert** of *Comedy Central* was on temporary display at the National Portrait Gallery—outside the Presidents gallery, between two restrooms. It has proven to be a popular backdrop for picture-taking by visitors.

Collections Highlights

At a special ceremony at the El Portal Theater in North Hollywood on January 29, **nine leading ladies of Hollywood and Broadway** donated objects from their careers to the collections of the National Museum of American History. These included Carol Channing’s diamond dress from *Lorelei*, Tippi Hedren’s script from *The Birds*; Angela Lansbury’s costume from *Mame*, and Julie Newmar’s Catwoman suit from the *Batman* television series.

On November 3, 2007, the Smithsonian American Art Museum debuted a large-scale, site-specific light sculpture by Jenny Holzer, an artist renowned for her pioneering work incorporating texts into light-based art. The sculpture, titled *For SAAM*, is on display in the Museum’s third-floor Lincoln Gallery.

The Library of Congress is returning **eight titles from the library of James Smithson** to the Smithsonian Institution Libraries. Leslie Overstreet, Curator of Natural History Rare Books, discovered the volumes were missing by matching the Smithsonian’s holdings against the original inventory that came from England with Smithson’s bequest in the 1830s.

On March 7, a **North Island brown kiwi chick** hatched at the National Zoo. These birds are one of the world’s most endangered species and are extremely rare in captivity—only four zoos outside New Zealand have successfully bred them.



The Hirshhorn Museum and Sculpture Garden acquired 39 works from the collection of Count Giuseppe Panza di Biumo—one of the world’s great collections of American contemporary art.

In the first half of fiscal year 2008, five Smithsonian museums and the Smithsonian Institution Libraries loaned 44 artifacts to eight Smithsonian Affiliates, including 17 Christmas and Hanukkah pop-up books to the Snug Harbor Cultural Center (including a vintage 1939 version of *Rudolph, the Red-Nosed Reindeer*); two paintings by George Catlin to the Booth Western Art Museum; and several Chickasaw artifacts to the Oklahoma Historical Society’s Oklahoma State Museum of History.



Events

On February 14, **President George W. Bush and First Lady Laura Bush** gave a public address at the National Museum of African Art on U.S. initiatives in Africa, prior to embarking on a trip to Benin, Tanzania, Rwanda, Ghana, and Liberia. Acting Secretary Cristián Samper joined Museum Director Sharon F. Patton in greeting the President and Mrs. Bush.

In December 2007, the Friends of the National Zoo held its biggest and brightest event ever: **ZooLights**. For 25 nights, the Zoo shone with thousands of environmentally friendly LED lights and animated exhibits featuring the Zoo’s most popular animals. ZooLights attracted 43,000 visitors.

More than 9,000 people visited Cooper-Hewitt during its second annual **National Design Week**, October 14–20. A highlight was the eighth annual National Design Awards Gala, which was attended by nearly 500 guests, including many prominent names in the design world.



The National Museum of the American Indian’s second **Classical Native** program in November 2007 spotlighted Native American contributions to classical music. Concerts were presented at the Museum, the Kennedy Center, Montgomery College, and the University of Maryland, and featured several world premieres. Overall attendance was more than 4,000.

The National Museum of the American Indian and the National Museum of American History co-sponsored a celebration of the Latin American holiday **Los Días de los Muertos** (Days of the Dead), with a two-day family event on October 27 and 28, 2007. Attendance was estimated at approximately 6,000.

In conjunction with its exhibition *Discovering Rastafari!*, the National Museum of Natural History held a well-attended one-day festival featuring films, crafts, and live reggae music.

In February, the National Museum of African Art and the Women’s Executive Council hosted a **reception honoring African-American Congresswomen and senior Hill staffers**. Attendees included U.S. Representatives Donna Christensen, Laura Richardson, and Diane Watson.

From November 30 to December 2, 2007, the Latino Center hosted the film festival *Celebrating the New Wave of Mexican Cinema*. Screenings at the National Portrait Gallery and Smithsonian American Art Museum were complemented by panel discussions with some of the top emerging talents in Mexican cinema.

On November 17, 2007, the National Air and Space Museum held a gala event to celebrate the opening of the *America by Air* gallery, featuring curator talks, pilots, and story times for young visitors.

The Udvar-Hazy Center's family **Air and Scare** Halloween event took place on October 27, 2007, with craft and activity stations, storytelling, and trick-or-treat stations; nearly 15,000 visitors attended.

On February 23 in the Freer Gallery's Meyer Auditorium, the Asian Pacific American Program offered a reading of Ken Narasaki's play *Innocent When You Dream* to mark the 66th anniversary of the executive order mandating the incarceration of Japanese Americans during World War II.

Education Highlights

In January, the Conservation and Research Center of the National Zoo, in partnership with George Mason University, launched a **semester-long pilot program in conservation biology for undergraduates**. Fifteen enrolled students lived on site in Front Royal, took classes from Smithsonian scientists, and benefitted from access to the wildlife on the Center's grounds.

The **Masters' Program in the History of Decorative Arts and Design**, a joint program of the Parsons School of Design and Cooper-Hewitt, celebrated its 25th anniversary in January.

The Smithsonian Center for Education and Museum Studies hosted its annual **Smithsonian Teachers' Night** on November 2, 2007, welcoming 2,800 educators to the National Air and Space Museum to learn about what the Institution offers. The Center and the Office of the Chief Information Officer are investigating the possibility of a complementary "virtual" event in 2008.

The Anacostia Community Museum's **All Day Program for High School Students** uses the exhibition *East of the River: Continuity and Change* as the basis for an exploration of community issues. To date, 32 classes of high school students from eight partnering schools have participated in this intensive program.

In November 2007, the National Museum of the American Indian launched a **pilot graduate-level course for teachers**, designed for future use in web- and video-conferencing formats. It addresses the fundamentals of Native American history, cultural, and governance, as well as practical strategies for classroom instruction.

Other Public Impact

The **Robert and Arlene Kogod Courtyard**, at the heart of the Donald W. Reynolds Center for American Art and Portraiture, opened to the public on November 18, 2007. The Courtyard, with its elegant glass canopy, was designed by world-renowned architects Foster + Partners. A free opening-day Friends and Family Festival attracted more than 10,000 visitors.

The Smithsonian Associates introduced *China: An Incomparable Journey*, a series of programs that will explore China's past, present, and future. Running from March to June, the series will feature more than 20 presentations, workshops, and events spotlighting Chinese arts, history, cuisine, and much more.

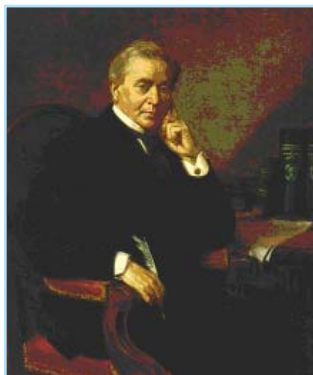


The first six **Sound Sessions** radio programs, produced by the Center for Folklife and Cultural Heritage from material in the Ralph Rinzler Archive, have been broadcast on the local National Public Radio affiliate WAMU. Over 10,000 people tuned in to the March program on Pete Seeger.

Simon Steel, a science educator at the Smithsonian Astrophysical Observatory, collaborated with two co-authors on NASA's new book, *Touch the Invisible Sky*, the first printed introduction to multi-wavelength astronomy for the sight-disabled community. It uses Braille script and tactile representations of images.

In February, the exhibition catalogue for the National Museum of African American History and Culture's *Let Your Motto Be Resistance* won the Outstanding Contribution to Publishing Citation from the American Library Association.

Two Smithsonian Folkways Recordings were nominated for Grammy Awards in the Best Traditional World Music category: *When the Soul is Settled: Music of Iraq* by Rahim Alhaj and *Singing for Life: Songs of Hope, Healing, and HIV/AIDS in Uganda*. Another Folkways release, *Un Fuego de Sangre Pura* from Colombia's Los Gaiteros de San Jacinto, won a 2007 Latin Grammy for Best Folk Album.



Two books from the **National Air and Space Museum's Space History Division** recently received awards. *After Sputnik: Fifty Years of the Space Age*, edited by Martin Collins, won second prize in the Washington Book Publishers 2007 Book Design and Effectiveness Awards. Michael Neufeld's *Von Braun: Dreamer of Space, Engineer of War* won the Richard W. Leopold Prize of the Organization of American Historians.

The Eugene S. Ferguson Award of the Society for the History of Technology has been awarded to the Smithsonian Institution Archives' Joseph Henry Papers Project for *The Papers of Joseph Henry*, which document the life of the Institution's first Secretary.

National Outreach

Smithsonian Affiliations offers museums, cultural institutions, and educational organizations across the country access to Smithsonian collections and resources. In the first half of fiscal year 2008, Affiliations signed agreements with **four new Affiliates**, bringing the total to **158 Affiliates** in 39 states, Puerto Rico, and Panama.

Forty-eight traveling exhibitions from the **Smithsonian Institution Traveling Exhibition Service (SITES)** reached approximately **2.3 million visitors** at 140 venues in 35 states, plus the District of Columbia, Guam, and Canada. SITES also put five new shows on the road:

- *The Dancer Within* opened at the Ypsilanti District Library in Michigan, showcasing dancer-photographer Rose Eichenbaum's interviews with and images of celebrated U.S. dancers and choreographers.
- *Ancestry & Innovation: African American Art from the American Folk Art Museum* opened at Reynolda House Museum of American Art in Winston-Salem, North Carolina.
- A bilingual (English/Spanish) exhibition co-sponsored by the Smithsonian Latino Center, *Beyond Baseball: The Life of Roberto Clemente*, opened at the Louisville Slugger Museum and Factory in Louisville, Kentucky.
- *Beyond: Visions of Planetary Landscapes* opened at the Monmouth Museum, Lincroft, New Jersey, featuring Michael Benson's digitally enhanced raw data from NASA's interplanetary probes.



- *Freedom's Sisters* opened at the Cincinnati Museum Center in Ohio. This interactive children's exhibition brings to life 20 African American women who have fought for equality for all Americans.

The **Smithsonian Associates (TSA)** reached into communities in nine states with a variety of programs that brought Smithsonian experts to local schools, museums, universities, libraries, and civic organizations. Over 10,000 people participated in more than 140 TSA regional programs, including the tenth annual *Smithsonian Week in Long Beach*, sponsored by the Arts Council of Long Beach.



In January, Mary Ballard, Don Williams, and Renée Anderson of the Museum Conservation Institute joined National Museum of African American History and Culture Director Lonnie Bunch to kick off the **Save Our African American Treasures** series with a day-long workshop in Chicago. Attendees brought objects such as quilts, a World War II Marine uniform, and a Pullman porter's cap (which was donated to the Museum).

The first group of Smithsonian-trained **Teacher Ambassadors** from 20 states completed a year of service, demonstrating how to use Smithsonian educational resources to other educators across the nation.

The National Portrait Gallery rolled out a series of **public service announcements** featuring celebrity actors who have portrayed fellow Americans, including Tom Selleck, Lynn Whitfield, Beau Bridges, and Gary Sinise. The announcements are being distributed by MediaLink to television stations nationwide.

International Outreach

The Smithsonian Jazz Masterworks Orchestra, under the direction of David Baker and accompanied by National Museum of American History Director Brent Glass, undertook a week-long tour of **Egypt**, performing at the Pyramids, Cairo Opera House, Alexandria Opera House, and Cairo American College.

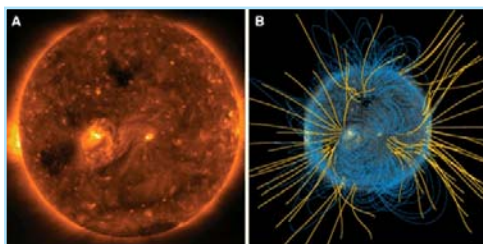
As part of a grant from the Trust for Mutual Understanding, the Office of Policy and Analysis and Museum Conservation Institute hosted three conservation professionals from the **Republic of Georgia**.

Focused, First-Class Scholarship

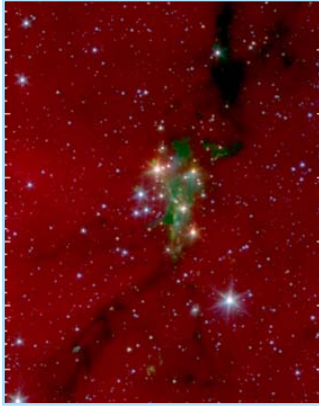
Science Units

Smithsonian Astrophysical Observatory (SAO)

During the first four months of fiscal year 2008, SAO scientists published 155 articles in peer-reviewed journals and 336 articles in non-peer-reviewed journals.



Using the SAO-built X-ray telescope on the new Hinode satellite, Smithsonian astronomers observed **active, X-ray-emitting regions on the sun** continuously over three days. They found a close correspondence between bright regions and magnetic fields that open into space—suggesting that a significant portion of the solar wind arises in boundary zones between active magnetic regions.



A team of Smithsonian astronomers using the Smithsonian's Submillimeter Array and the Spitzer Space Telescope discovered a **dense cluster of 91 new stars** in a nearby stellar nursery. Over half are probably younger than a few hundred thousand years, and the stars are surprisingly close together—about 200 times closer than our sun is from its nearest neighbor star.

In 1998, NASA set a 10-year goal of finding and measuring the parameters of 90 percent of all estimated **near-earth objects**—asteroids or comets whose orbits bring them close to the earth's orbit—larger than one kilometer. However, using a simulator they developed, SAO astronomers have concluded it will take at least until 2011 to reach this goal, and that space-based telescopes are needed to do the job well.

In the first half of fiscal year 2008, several SAO personnel have been recognized with **scholarly awards**:

- Mark Reid (the Beatrice M. Tinsley Award of the American Astronomical Society)
- Gunther Eichhorn (the Royal Astronomical Society's 2008 Award for Services to Astronomy)
- Lisa Kewley (the American Astronomical Society Pierce Prize)
- Margaret Geller (the American Philosophical Society's Magellanic Premium Medal)
- Alexey Vikhlinin and Maxim Markevitch (the American Astronomical Society Rossi Prize)

National Zoological Park (NZIP)

In the first five months of fiscal year 2008, NZIP scientists published 13 articles in peer-reviewed journals.

On October 9, 2007, NZIP Director John Berry and U.S. Representative Frank Wolf of Virginia formally opened the **Cheetah Science Facility** at the Zoo's Conservation and Research Center in Front Royal, the first new research facility to be constructed on the property in 22 years. NZIP has been a leader in cheetah conservation efforts, both in Africa and in North American zoos, for the last 30 years.



In late February, NZIP's Francisco Dallmeier co-chaired the **Climate Change and Biodiversity in the Americas Symposium** at the Smithsonian Tropical Research Center headquarters in Panama. More than 160 participants discussed climate change and its effects on biodiversity.

In October 2007, NZIP's Dave Wildt received the **Duane W. Ullrey Achievement Award** at the American Association of Zoo Veterinarians Conference for his work in the science of species conservation.

A male **scimitar-horned oryx** from NZIP's Conservation and Research Center, along with eight others from American and European zoos, was sent to Tunisia in December 2007 for eventual reintroduction into the wild, where these desert antelopes have been extinct since the late 1970s.

Smithsonian Environmental Research Center (SERC)

As of mid-March, SERC scientists had published 57 peer-reviewed papers, book chapters, and reports on the ecology of coastal ecosystems and had given 120 presentations at scientific meetings and symposia.

SERC scientists published six papers in *Reviews in Fishery Science* that summarize their research on replenishing the **blue crab population** in the Chesapeake Bay. These papers resulted from an international symposium that recognized this research as the world's most comprehensive on fishery stock enhancement.

A study by SERC's Donald Weller and Kathy Boomer (with Thomas Jordan) in the *Journal of Environmental Quality* compares **sediment measurements** in streams in the Chesapeake watershed with predictions from the most up-to-date models, finding no correlation. This surprising finding appears to result from the models' use of a mathematical equation originally developed for a different purpose.

Smithsonian Tropical Research Institute (STRI)

As of March 18, 2008, STRI had 111 new publications in fiscal year 2008, including eight in *Nature*, *Science*, and the *Proceedings of the National Academy of Sciences*.

Some governments have begun to subsidize **biofuels** as an eco-friendly alternative to fossil fuels. But in an article in *Science* that received widespread media coverage, STRI's William Laurance and Jörn Scharlemann argue that when environmental costs of production are taken into account, some biofuels may actually be worse for the environment than fossil fuels.

STRI and its partners met in Shanghai in December 2007 to launch China's contribution to the **Global Earth Observatories** program. The Chinese observation plots will be the first in a temperate zone that will be compatible with STRI databases on tropical forests. The next month, a climate change program for **India** was launched by a partnership including STRI. Funds have also been donated by HSBC to establish Global Earth Observatory plots in Brunei, to be co-managed by STRI.



The first meeting of the **Latin American Plant Initiative** took place at STRI's Panama City facilities on October 23–25, 2007. The initiative seeks to gather high-resolution scans of all botanical-type specimens (specimens used to define a species) from Latin America into a single, online database.

Forests contain nearly 40 percent of the world's carbon, but little is known about how forest carbon dynamics are affected by global climate change. At the **Climate Change and Biodiversity in the Americas Symposium**, held February 25–29 at STRI's headquarters in Panama, staff scientist Helene Muller-Landau announced a major global research effort to investigate the issue, using a global network of 25 forest study sites coordinated by STRI's Center for Tropical Forest Science.

A new book by Fernando Santos Granero and Frederica Barclay, *Guía Etnográfica de la Alta Amazonía, VI: Achuar Candoshi*, was named the best book in Peru in 2007 in the “collections” category by the Lima newspaper *El Comercio de Lima*.

National Museum of Natural History (NMNH)

Members of the **Cities Under the Waves Project** at NMNH published a book that examines what caused ancient Greek cities in the Nile delta to vanish beneath the waves. The findings are applicable to the protection of major cities on vulnerable coastal margins today, such as New Orleans and Venice.



A study published in *Geology* (January 2008) by NMNH's Jeffrey Post and six other researchers probed the mysterious phosphorescence of NMNH's famous **Hope Diamond**, which glows fiery red in ultraviolet light. The researchers discovered that almost all natural blue diamonds display phosphorescence that mixes blue and red light, but that its characteristics are unique to each diamond, thus providing a "fingerprint" that can be used to identify individual gems.

NMNH's William DiMichele's and a colleague's discovery of a **300-million-year-old fossilized rainforest** in an Illinois coal mine made national news. The forest was preserved when an earthquake dropped the area a few feet, allowing flooding from an adjacent river to bury the plant life in sediment.

NMNH's Global Volcanism Program has become a signatory to the first U.S. **National Volcanic Ash Operations Plan for Aviation**, which addresses the hazards posed to aviation by volcanic ash and gas emissions. The Plan uses NMNH data to establish the locations and histories of volcanic regions.

Museum Conservation Institute (MCI)

In the first half of fiscal year 2008, MCI worked on 63 projects with Smithsonian museums and research centers, as well as projects with the Library of Congress, the Senate and House of Representatives, and the Office of the Architect of the Capitol. MCI scientists published six works in peer-reviewed journals and one book, gave 25 professional presentations, and hosted 10 lectures, seminars, and workshops.

Light has the potential to cause cumulative damage to art works. The National Portrait Gallery and American Art Museum are working with MCI's Marion Mecklenburg and Julio del Joyo to conduct a **survey of post-renovation light levels** in the Reynolds Center over a full calendar year, to determine the proper settings for the window scrims and whether current window filtration systems are sufficient.

Center for Earth and Planetary Studies (CEPS)

Using the Mars Subsurface and Ionospheric Sounder aboard the European Mars Express Spacecraft, CEPS scientists discovered a low-density area in the equatorial region of **Mars**, indicating either volcanic ash or buried ice deposits. If confirmed, the possibility of ice may support future manned landings on Mars. These findings were published in *Science*, November 2007.

Tom Watters, Lynn Carter, and Brent Garry of CEPS were selected to be participating scientists on NASA's **Lunar Reconnaissance Orbiter** mission in January 2008.

Art Units

The Hirshhorn produced catalogues for the exhibitions *The Cinema Effect: Illusion, Reality, and the Moving Image*, including essays by several Hirshhorn curators and a chronology of cinema by artist Tony Oursler, and *Amy Sillman: Third Person Singular*, featuring an essay by curator Anne Ellegood and an interview with Amy Sillman. Ellegood also contributed to the March 2008 issue of *Artforum* with an article on the Sixth Mercosul Bienal in Porto Alegre, Brazil.



Cooper-Hewitt published two scholarly exhibition catalogues: *Piranesi as Designer*, with essays by exhibition organizers Sarah Lawrence and John Wilton-Ely, as well as other Piranesi scholars and contemporary architects; and *Provoking Magic: Lighting of Ingo Maurer*, featuring an interview with Ingo Maurer and essays about the designer's career and methods.



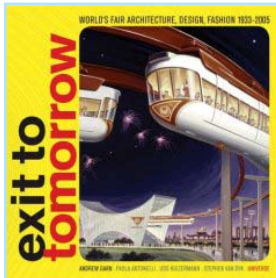
Scholarly contributions from the Freer and Sackler Galleries included the striking exhibition catalogue *Japanese Masterworks from the Price Collection*; curator Louise Cort's chapter, "Disposable but Indispensable: The Earthenware Vessel as Vehicle of Meaning in Japan," in the book *What's the Use of Art? Asian Visual and Material Culture in Context*, from the University of Hawaii Press; and film programmer Tom Vick's book *Asian Cinema: A Field Guide*, a historical overview of Asian cinema published by HarperCollins/Smithsonian Books.

The National Portrait Gallery produced several works to accompany exhibitions: the catalogues for *Legacy: Spain and the United States in the Age of Independence, 1763–1848* and *Zaida Ben-Yusuf: New York Portrait Photographer* (for an exhibition opening in April), and a booklet for *RECOGNIZE! Hip Hop and Contemporary Portraiture*.

Smithsonian American Art Museum Senior Curator **Virginia Mecklenburg** was honored by the National New Deal Preservation Association for her work with New Deal–related art.

The National Museum of African Art published *Inscribing Meaning: Writing and Graphic Systems in African Art* to accompany the exhibition of the same name; both the exhibition and catalogue have been praised for their scholarly depth.

The second book in the Archives of American Art's publishing partnership with Harper Collins was released in January 2008. *With Love: Artist's Letters and Illustrated Notes from the Archives of American Art* was co-authored by curator Liza Kirwin and Archives technician Joan Lord. The Archives also launched a re-designated and expanded version of its periodical *Journal*, featuring full-color images and greater focus on scholarship that makes use of the Archives' collections.



Stephen Van Dyk of the Cooper-Hewitt, National Design Museum Library worked with photographer and design historian Andrew Garn on the book *Exit to Tomorrow: World's Fair Architecture, Design, Fashion 1933–2005*.

History and Culture Units

National Museum of American History (NMAH)

In the first half of fiscal year 2008, NMAH scholars had 21 publications (including the books *The Kennedys: Portrait of a Family* by Shannon Thomas Perich, and *Holidays on Display* by William L. Bird) and gave 65 scholarly presentations.

The Smithsonian Networks film *Sound Revolution: The Electric Guitar*—based on the Lemelson Center's research on the history of the electric guitar—won a Gold World Medal in the Arts category at the New York Festival's television broadcasting awards.

National Museum of the American Indian (NMAI)

Members of NMAI's Research Unit delivered 12 scholarly lectures, published four articles, and provided content for media radio programming and the Smithsonian Networks' *Stories from the Vaults* series.

NMAI and the Heard Museum published *Remix: Modernities in a Post-Indian World* to accompany an exhibition of the same name. The book presents works by 15 contemporary artists of mixed Native and non-Native background, along with essays that address issues of race and identity.



The Research Unit has developed themes for a new **one-dollar American Indian coin series**, to be issued by the U.S. Mint over the next ten years. The first coin will be issued in early 2009, most likely featuring the "three sisters" of Native agriculture: corn, beans and squash.

The symposium **Past, Present and Future Challenges of the National Museum of the American Indian** was held on October 10, 2007 to examine the Museum's genesis and its still-unrealized potential. Participants included past and present Trustees of the Museum.

Management Excellence

Leadership Milestones

On March 15, the Board of Regents announced its selection of **G. Wayne Clough** as the 12th Secretary of the Smithsonian Institution. Since 1994, Clough has been President of the Georgia Institute of Technology, dramatically raising its profile as a top-tier national research university. Clough also serves on the President's Council of Advisors on Science and Technology, the National Science Board (the governing body of the National Science Foundation), and the Council on Competitiveness (as Vice Chair). Clough will take the reins on July 1 from Acting Secretary Cristián Samper, who will return to his previous post as Director of the National Museum of Natural History.



In March, **John W. McCarter, Jr.** was appointed to the Board of Regents. Since 1996, McCarter has been President and Chief Operating Officer of the Field Museum in Chicago. He previously served as Senior Vice President of Booz Allen and Hamilton and as President of the DeKalb Corporation.

Martin E. Sullivan was named Director of the National Portrait Gallery, effective April 28. Since 1999, Sullivan has served as Chief Executive Officer of the Historic St. Mary's City Commission in Maryland. Previously, he was Director of the Heard Museum in Phoenix. He has also chaired three national boards concerned with advancing museum standards, ethics, and practices.



Daniel E. Sheehy became Acting Director of the Smithsonian Latino Center. Since joining the Smithsonian in 2000, Sheehy, an accomplished musician, has served as Director of Smithsonian Folkways Recordings, Curator of the Smithsonian Folkways Collection, and Director of Smithsonian Global Sound.



Hirshhorn Deputy Director and Chief Curator **Kerry Brougher** has been named the Museum's Acting Director. Brougher joined the Hirshhorn in 2000, prior to which he served as Director of the Museum of Modern Art, Oxford, England.

Richard Kennedy was appointed Acting Director of the Center for Folklife and Cultural Heritage, after serving as Deputy Director since 1994. He previously served as Chair of South Asian Area Studies at the Foreign Service Institute, and as Assistant Director of the National Council of Traditional Arts.



Management Initiatives

The findings of the **Smithsonian Business Ventures (SBV) Task Force** were presented to the Acting Secretary in January. The Task Force concluded that SBV's financial and programmatic contributions to the Institution had fallen short of expectations because of cultural differences and gaps in communication with the museums and research units, and recommended a number of changes to improve business functions and ensure they are more closely aligned with the Institution's mission.

In December, the **Smithsonian Latino Center** signed a memorandum of understanding (MOU) with Fundación Carso—the philanthropic arm of Grupo Carso, a group of companies owned and managed by Mexican entrepreneur Carlos Slim. Under the MOU, the Smithsonian Latino Center and Fundación Carso will develop a series of exhibitions, public programs, and educational materials to highlight Latino culture, with a special focus on distance learning activities.

Smithsonian Tropical Research Institute published its Strategic Plan for 2008–2013 in December 2007. The Institute's research goals, many of which are relevant to the challenges of halting biodiversity loss and reducing environmental threats, will guide SERC's scientific activities over the next five years.

SERC's facilities master plan has been completed, providing a vision for sustainable management of the Rhode River site over the next 25 years. In the shorter run, SERC's acquisition of the Contee Farm will be completed in April 2008.

Information Technology

At the end of February, the Office of the Chief Information Officer (OCIO) released its updated enterprise architecture models and the Institution's five-year Smithsonian Information Technology Plan for fiscal years 2008–2013.

Digitization

The Getty Foundation has agreed to fund the initial development of a **Smithsonian Enterprise Digital Asset Network (EDAN)** that gives scholars, scientists, and the public the ability to locate and retrieve digital files stored across systems within the Institution, without having to access each system individually.

In December 2007, about 10 percent of Smithsonian staff responded to an OCIO survey on **digital media use**, with over 90 percent of respondents indicating their belief that the Institution's digital media (images, video, and sound) should generally be publicly accessible via the Web. The Digital Media Use Working Group, co-chaired by the Office of the General Counsel, is now developing policy on sharing these media both internally and externally.

Web Strategy

In December, Chief Information Officer Ann Speyer presented the **Initial Web Strategy Findings** report by Accenture Consulting Services to Smithsonian senior staff and webmasters. The report recommended that the Smithsonian develop a Web strategic plan that focuses on avoiding brand confusion, engaging diverse audiences, providing stronger shared IT services, and strengthening the authoritative nature of Smithsonian websites. In February, a Director of Web and New Media Strategy position was created to work on bringing these ideas to fruition.

Modernization

In January, the Smithsonian's first **secure wireless network** was rolled out by OCIO in the National Museum of Natural History. It enables staff to connect to the Smithsonian network and Internet while minimizing risk to the former. It also features isolated "visitor zones" that allow visiting colleagues to connect to their home institutions. For example, when the Mars Rover Scientific Team, comprised of 75 individuals from across the nation, met in February at the Museum, they used the new network to keep the rovers operational. Additional secure wireless access points will soon be installed at the National Museum of the American Indian, National Zoo, Smithsonian Environmental Research Center, Smithsonian Institutional Traveling Exhibition Service, and Freer Gallery of Art.

Major Construction, Renovation, and Facilities Projects

Donald W. Reynolds Center for American Art and Portraiture

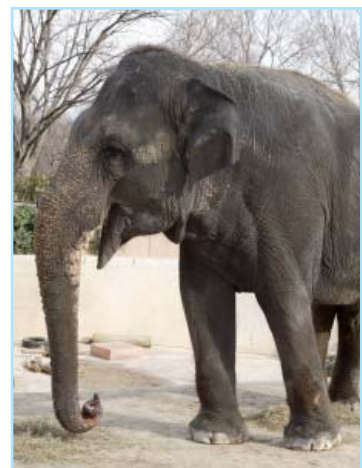
\$298 million total estimated project and program cost

The enclosed Robert and Arlene Kogod Courtyard, a centerpiece of the Reynolds Center renovation, opened to the public on November 18, 2007. The final design for the F Street stair reconstruction, exterior landscape, and perimeter security was approved by the U.S. Commission of Fine Arts and the National Capital Planning Commission in October and November 2007, respectively. The stair will be privately funded, and the current five-year capital facilities plan includes a Federal funding request for the landscape and security project in fiscal year 2014.

National Zoological Park

\$104.6 million estimated total project and program cost for Asia Trail, phases I and II

The second phase of the Asia Trail project, now called "Elephant Trails," will renovate the historic elephant house and expand the elephants' habitat. The projected cost of this phase is \$51.9 million (\$35.6 million Federal, \$26.3 million Trust), with construction funding appropriated in fiscal years 2006 (\$8 million), 2007 (\$13 million), and 2008 (\$9 million). A design-build contract was awarded in September 2006 and 100 percent design documents have been developed. The project has received final approval from both the U.S. Commission of Fine Arts and the National Capital Planning Commission. Construction will begin in March 2008 and is scheduled for completion in April 2011.



National Museum of American History, Kenneth E. Behring Center

Central core: \$85.1 million total project cost

The National Museum of American History, Kenneth E. Behring Center, is closed to the public for its largest renovation in over 40 years. Construction, estimated to be 55 percent complete, is slower than anticipated and remedial action is under review with the general contractor. Demolition, hazardous materials abatement, and installation of the new mechanical system are largely complete, a new skylight is in place, and the installation of the grand staircase structural steel is nearing completion. The Federal contribution is \$4 million for design and \$41.9 million for public space renewal. The entire Federal appropriation and Trust contribution for central core area construction have been received, as has the Trust contribution for the Star-Spangled Banner exhibit. Reopening is scheduled for fall 2008.

National Museum of African American History and Culture

Total project and program cost to be determined

The Smithsonian selected the architect/engineer firm Freelon Bond to conduct an 18-month programming study to inform the design of the Museum building. A draft Environmental Impact Statement (EIS) was received and published in December 2007. A public hearing was held in December 2007, and the public comment period closed in February 2008. The EIS/Section 106 Historic Resource Review documentation will be completed in May 2008.

National Museum of Natural History, Ocean Hall Exhibition

\$46.2 million total estimated project and program cost

Following infrastructure renovation and restoration of the space that will house it, installation of the Ocean Hall exhibition began in April 2007. The total estimated cost of the Ocean Hall is \$46.2 million: \$21.8 million in Federal funding for fiscal years 2002 through 2006, and \$24.4 million from grants provided by the National Oceanic and Atmospheric Administration and other donors. Construction of the Federally funded portion is 99 percent complete. The exhibition will open in September 2008.

Museum Support Center of the National Museum of Natural History, Pod 5

\$42.7 million total estimated project cost

Construction of a fifth storage pod at the Museum Support Center (MSC) in Suitland, Maryland, was completed in April 2007. Pod 5 will house most of the alcohol collections currently in the Natural History Building and all collections from Pod 3 at MSC. It eliminates a major safety concern by moving 365,000 gallons of alcohol from the Natural History Building and 250,000 gallons from Pod 3 into a facility with state-of-the-art fire protection systems. Congress provided \$42.7 million through fiscal year 2007. The transfer of specimens to Pod 5 is ongoing and will be completed by spring 2009. The new facility has received outstanding comments from collections specialists, curators, and scientists.

Arts and Industries Building

\$34.4 million total project cost (Federal), exclusive of tenant improvement allowance

All staff, programs, and furniture have been moved from the historic Arts and Industries building, and access is now limited to essential maintenance and security staff. A Request for Qualifications (RFQ) for a public-private partnership to restore the building, incorporating the review comments of Congress and 15 preservation, civic, and regulatory organizations, was issued on November 1, 2007. Responses were

received on January 7, 2008 and are being evaluated by a pan-Institutional panel prior to review by the Secretary and Regents.

Permanent Physical Security Barriers

\$55 million total project cost

Perimeter security improvements at the National Air and Space Museum were finished in December 2006. Construction of security barriers at the National Museum of Natural History is under way, and the first phase will be completed in spring 2008. The construction contract has been awarded for all but the south side for barriers at the National Museum of American History and completion is expected in spring 2010. Funds to design barriers for the Castle and Quadrangle have been requested for the fiscal year 2009 budget.

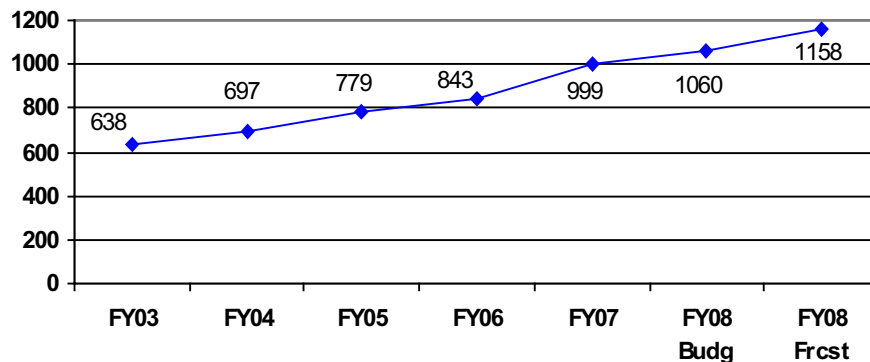
Financial Strength

The Institution's fiscal year 2008 appropriation was enacted in December 2007, but the appropriation failed to fully fund the Institution's programs and management was required to absorb a \$13.3 million Federal funding shortfall.

Nevertheless, the Institution reports a sound financial position at mid-year. Net income from Smithsonian Business Ventures (SBV) is on track to be slightly better than budget. Despite the downturn in the economy, the Institution remains on track to meet fund-raising targets largely as a consequence of a remarkable \$15 million gift from the Engen Family to the National Air and Space's Steven F. Udvar-Hazy Center.

The Institution's diversified investment portfolio has performed within expectations during the recent market declines. Through February 2008, the Endowment has outperformed its market benchmark while falling short of the Institution's policy benchmark. The forecast of \$1.158 billion endowment value reflects the transfer into the Endowment of \$70 million from the Institution's working capital as approved by the Board in September.

Smithsonian Institution Year-End Endowment Value (\$ in millions)



Financial Performance

Revenues in fiscal year 2008 are forecast to be \$8 million below budget. The budget variance is caused by a decrease in Federal revenues recognized for operations due to the across-the-board 1.56% rescission enacted by Congress; a decrease in short-term interest due to the decline in interest rates; and a decrease in funding for government grants and contracts. These decreases are partially offset by a small increase in SBV net gain compared to budget associated primarily with the performance of the museum stores and restaurants.

Expenses for fiscal year 2008 are forecast less than budget by \$11 million. The budget variance is due largely to a decrease in Federal expenses recognized for operations as a consequence of the across-the-board rescission enacted by Congress; a decrease in spending on government grants and contracts; and a decrease in the non-cash charge for depreciation associated with the delay in the reopening of the American History Museum. The decreases are partially offset by higher spending on other projects such as the Star-Spangled Banner and the Encyclopedia of Life.

Taken together with the Endowment and other activity, the Institution forecasts an increase in its net assets of \$39 million, \$6 million more than budget due largely to the Endowment.

Smithsonian Financial Performance for First Six Months of Fiscal Year 2008 (\$ in millions)

	FY2008 Budget	FY2008 Forecast	Variance to Budget
Revenues	948	940	(8)
Expenses	947	936	11
Endowment Return Reinvested	40	43	3
Other	(8)	(8)	--
Growth in Net Assets	33	39	6

Financial Summary

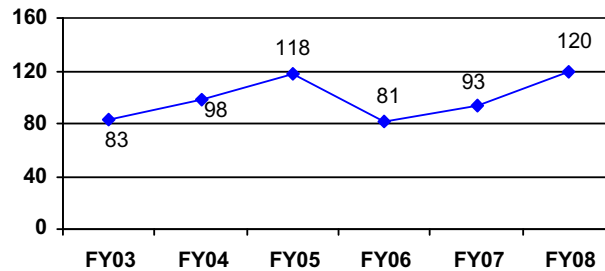
Fiscal year 2008 has been productive as the Institution continues to make progress on its stated goals. Work continues on enhancing security, information technology, and financial control infrastructure. Resource constraints remain a challenge because Federal increases have gone largely to pay mandatory operating bills such as pay raises, electricity, and rent. The Institution is continuing to fill, with rare exceptions, only one out of every two Central Trust–funded vacancies that occur.

Funding for facilities revitalization remains well-short of the amount required to care properly for the Institution's physical infrastructure. The most recent Government Accountability Office (GAO) report (September 2007) estimated the Institution's overall facilities requirement to be \$2.5 billion for the nine-year period, fiscal years 2005–2013. Where the 2001 Congressionally mandated report by NAPA previously established an average annual facilities revitalization funding requirement for the Institution of \$150 million, the GAO report added institutional maintenance and construction requirements to an updated inventory of required facilities revitalization projects to establish a more comprehensive average annual funding requirement of \$255 million.

Funding for the revitalization of the Smithsonian's physical infrastructure totals \$120 million in fiscal year 2008, short of the \$150 million annual goal. The \$120 million includes \$15 million from the Legacy Fund. Predictably, without approximately \$100 million more each year for facilities revitalization and maintenance than it is currently receiving, the Smithsonian cannot expect to get ahead of the

problem of its aged physical plant, which only will get worse as the Institution increases its inventory by adding space for new museums, such as the National Museum of African American History and Culture and scientific laboratories.

Funding for Smithsonian Facilities Revitalization (\$ in millions)



External Affairs

Through March 31, 2008, the Smithsonian generated **\$68 million** in private support from individuals, foundations, and corporations.

From October 1, 2007 through March 31, 2008, the Smithsonian received **12 leadership gifts of \$1 million or more.**

- Mr. and Mrs. D. Travis Engen gave \$15 million to phase two construction at the National Air and Space Museum’s Steven F. Udvar-Hazy Center.
- A \$2.5 million grant by the Morris and Gwendolyn Cafritz Foundation will support the revitalization of the National Museum of American History. Gifts of \$1 million from the New York Stock Exchange and from Susan and Elihu Rose will benefit the Museum’s Star-Spangled Banner Campaign.
- A \$2.5 million grant from The J. Willard and Alice S. Marriott Foundation will build momentum for the National Zoo’s Elephant Trails project.
- Other leadership gifts include support for Cooper-Hewitt’s campaign from Patricia and Phillip Frost; funding for a five-year Intercultural Relations in the Ancient World program at the Freer and Sackler Galleries from the Leon Levy Foundation; contributions to the National Museum of African American History and Culture’s nucleus fund from James A. Johnson and Robert L. Johnson; underwriting of the Smithsonian Tropical Research Institute’s climate studies by HSBC Holdings PLC; assistance from an anonymous donor for construction of the archives, a part of Phase Two construction at the National Air and Space Museum’s Steven F. Udvar-Hazy Center; and an exhibition gift from the Motorola Foundation made to the National Postal Museum.

In addition, The Andrew W. Mellon Foundation has issued a challenge grant of \$1.75 million to endow the Museum Conservation Institute’s directorship, which the Smithsonian must match with \$3.25 million over four years.

The Office of External Affairs is undertaking initial steps in planning the comprehensive **national fundraising campaign** approved by the Regents. These include recruiting a campaign consultant, developing a preliminary budget, and briefing unit directors and development directors on campaign planning.

The slowing economy and Smithsonian leadership transitions may affect membership programs. Nevertheless, the Contributing Membership has generated \$7.23 million in unrestricted funds, 49 percent of its goal of **\$14.8 million**. Member households remain stable at **85,000**. **James Smithsonian Society** membership stands at **595**, compared to 539 one year ago. Smithsonian Society membership and gift revenues are **\$717,000**, 43 percent of the goal of \$1.65 million.

The Smithsonian continues to build its online fund-raising efforts. The National Museum of African American History and Culture website includes a donation link and the National Museum of Natural History has added one, in addition to sending an e-newsletter to subscribers. The Smithsonian's online giving program has generated a total of **\$285,192** in unrestricted funds for the year to date, nearly 95 percent of the goal of \$300,000, through a combination of appeals and unsolicited online donations. Of the total, \$120,000 was raised in December. The Planned Giving program launched a redesigned website in November. One unsolicited online contact resulted in a \$250,000 gift annuity.

The Smithsonian National Board hosted 18 unit advisory board chairs or their representatives during its mid-winter meeting, January 24–26, for a roundtable discussion, as well as a discussion with Regent Patricia Stonesifer. In the first half of the fiscal year, the Board's unrestricted Board Annual Giving Campaign has raised **\$596,000**, nearly 60 percent of its \$1 million goal. Overall giving by Smithsonian National Board members is almost **\$6 million**—including gifts, pledges, and payments on pledges.

Smithsonian Business Ventures (SBV)

During the first six months of fiscal year 2008, SBV consolidated revenue increased by \$2.3 million (3 percent) over the prior year to **\$78.6 million**, but fell short of budgeted growth by \$2.3 million (-2.8 percent). These results were driven by lower-than-anticipated catalog division demand and the disruption in Catalog operations as a result of financial difficulties at its outsourced fulfillment provider.

SBV operations have contributed **\$10.8 million** in net gain to the Institution year to date, an increase of \$3.4 million (46 percent) over the comparable period in fiscal year 2007 and \$2.7 million (33 percent) above budget. The improved net gain performance is primarily attributable to cost efficiencies in corporate management expenses, shared services, the magazine division, and retail stores. SBV is budgeted to contribute \$26.4 million net gain for fiscal year 2008; however, that projection has been lowered to \$26.1 million net gain in light of the complete interruption of Catalog operations due to the outsourced fulfillment issue, as well as a deterioration in projected print advertising revenues and the delayed opening of the National Museum of American History. Management has and will continue to implement initiatives to offset the impact of these events, including extended summer operating hours at the National Air and Space Museum, retail merchandise gross margin improvements, a licensing agreement with Fox for utilizing the Smithsonian name for a second *Night at the Museum* film, and ongoing cost controls within the business units.

The financial impact of disrupted operations at the outsourced fulfillment provider for the Smithsonian Catalogue is currently estimated at -\$1.9 million and is being monitored closely from a legal and operational perspective to minimize the impact to the Institution and its loyal catalog customers.

Smithsonian Networks has signed distribution agreements with Verizon FiOS TV, RCN, and Charter Communications, the fourth-largest cable provider in the United States. These distributors join the initial launch partner DirecTV in making Smithsonian Channel HD (high definition) available on cable and satellite television to potentially 22.5 million homes. The carrier agreements also include "Smithsonian Channel On Demand," which allows viewers to watch selected programs whenever they wish. Shooting has concluded for the second season of the series *Stories from the Vaults*, the winner of the New York Film Festival's 2008 International TV Broadcasting Gold World Medal in the magazine format category.

Smithsonian Publishing websites continue to grow. Unique visitors in February grew 91 percent while page views grew 135 percent compared to the prior year. Print advertising revenue across the division was up \$0.8 million (8 percent) over last year. Total advertising revenue is on budget for this period; however, it is expected to be significantly off budget for the next reporting period as wary advertisers pull back funds in a slowing economy and shift ad dollars to digital media. Contingency plans are being enacted to offset the anticipated continuing advertising revenue shortfall.



The **Louisiana Culturefest** event held in New Orleans in October 2007—featuring seminars, performances, and excursions—was a huge success. The lieutenant governor of Louisiana participated, and the event had a large turnout of out-of-state visitors. The event is a finalist for *Folio* magazine’s 2008 FAME Award for “Best Series of Events.”

Smithsonian Books announced a change in its title acquisition strategy that is designed to improve the program’s quality, focus, and long-term viability. Its publishing list will focus on adult trade nonfiction, Smithsonian-content books, and a handful of popular reference titles.

Net gain for **Retail Operations** is ahead of both year-to-date budget and fiscal year 2007 levels. Results for museum stores have been strong, driven by increased sales at the National Museum of Natural History and National Air and Space Museum. Simulator ride concessions at the Air and Space Museum’s National Mall and Udvar-Hazy locations have provided solid returns. Each museum store in which SBV operates now has a section called **Curator’s Choice** dedicated to showcasing books authored by museum staff and recommended titles that reflect a museum’s subject-matter.