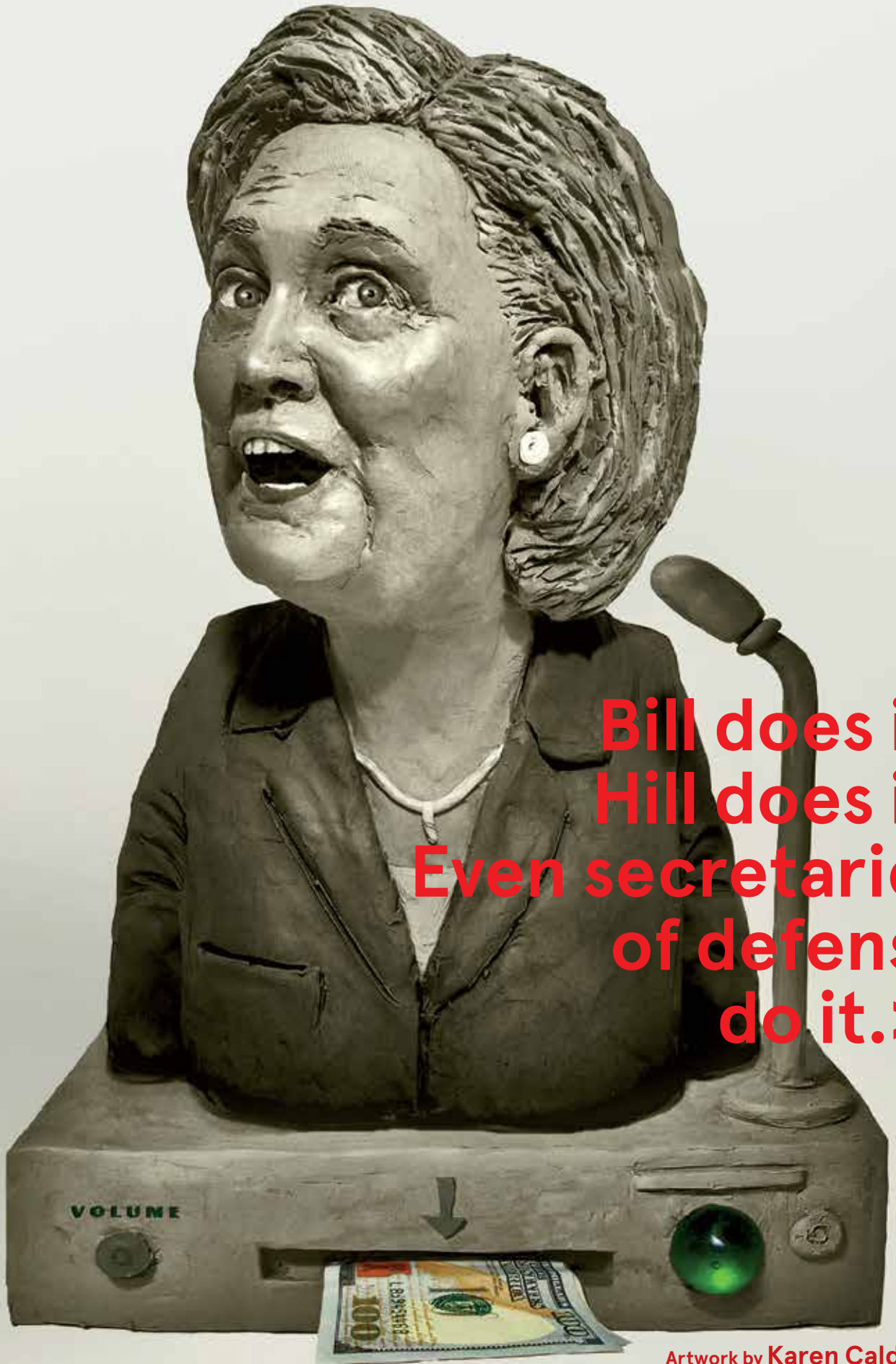


**Talk
Ain't
cheap**





**Bill does it.
Hill does it.
Even secretaries
of defense
do it.>>**

Artwork by Karen Caldicott

Paid speechmaking has become the principal source of income for former athletes, politicians and other public figures for whom the peddling of ideas, influence and the power of celebrity has become a license to print money. Anthony Effinger and Katherine Burton go inside the podium-industrial complex, where a single minute can command \$9,000—we're talking to you, Tony Blair—and where the biggest draw won't debut till 2017.

THE DAY AFTER BELGIUM DEFEATED THE U.S. IN THE World Cup in July, the losing team's 35-year-old goalie dominated the news, heralded as a hero for his record-breaking 16 saves. Carlton Sedgeley, who has represented paid public speakers for almost five decades at his New York-based Royce Carlton Inc., watched Tim Howard on TV that day and had one thought: The footballer could ride his 120 minutes of valor to lucrative speaking gigs for the next 12 months. "It's all about visibility," Sedgeley says. "The higher the visibility, the higher the fees."

In an unexpected twist in this age of digital dominance, folks are willing to pay big bucks for analog, human contact. "Everyone wants to say, 'I had lunch with Michael Lewis yesterday,'" says Don Epstein, founder of Greater Talent Network Inc., who's represented the best-selling author since *Liar's Poker* was published in 1989. "It might be you and 500 other people, but it still happened."

Some 225 million people shook hands, swilled drinks and took notes at 1.8 million conventions, corporate meetings and trade shows in 2012, according to the Convention Industry Council. Those hordes translate into hefty appearance fees for high-profile public figures looking to cash in on their prestigious, if sometimes parsimonious, former professions.

Ari Fleischer, President George W. Bush's press secretary during the 9/11 attacks, cashed in with gusto. Immediately after leaving the White House—and his \$151,000-a-year salary—in 2003, Fleischer spoke before paying audiences several times a week, commanding up to \$40,000 a pop, according to his agency, the Alexandria, Virginia-based Washington Speakers Bureau. "All of a sudden, they send cars to pick you up and you fly first-class and you stay in nice hotels, and you get paid," Fleischer says. "It was the world's best soft landing for anyone coming out of government."

Former presidents get the richest payouts. In 1977, Gerald Ford became the first ex-POTUS to speak for a fee, collecting \$25,000 per talk. In the years since, no president has done better than Bill Clinton, who received just \$200,000 a year as commander in chief but who subsequently hit the speakers' circuit and reaped \$106 million for 544 speeches from February 2001 to January 2013, an average of \$200,000 *per talk*, according to his wife's financial disclosure forms. Clinton twice raked in \$700,000 at events in Lagos, Nigeria, sponsored by Nduka Obaigbena, CEO and editor in chief of the Nigerian daily *ThisDay* who hobnobs with Beyoncé and Ice-T.

The gift of high-dollar gab runs in the family. In March, Hillary Clinton garnered \$300,000 for a single speech at the University of California at Los Angeles, one of at least 27 paid talks she's given

Money Talks Stratospherically expensive speeches



Donald Trump \$1.5 million

In 2006 and 2007, the New York-based Learning Annex paid The Donald \$1.5 million a pop to appear at its Real Estate Wealth Expo. Seventeen speeches later, he'd raked in \$25.5 million.



Bill Clinton
\$750,000
Ex-President Clinton's biggest payday came from Swedish telecommunications company Ericsson AB, which forked over \$750,000 in November 2011 for a single speech in Hong Kong.

since leaving her post as U.S. secretary of state last year, according to data compiled by Bloomberg. In all, Hillary has earned about \$6 million on the circuit, some of which she has said goes to help fund the family's New York-based Clinton Foundation. Former first daughter Chelsea, whose fees the Clintons say also benefit the foundation, gets up to \$75,000 per lecture, the *New York Times* recently reported.

All those zeros have drawn scorn from conservative quarters and beyond. When ABC's Diane Sawyer asked Hillary about the paydays, the former first lady pleaded poverty, saying she and Bill were "dead broke" after leaving the White House. "I thought making speeches for money was a much better thing than getting connected with any one group or company, as so many people who leave public life do," she told Sawyer. Speaking fees aren't campaign donations, but they can buy influence, says Craig Holman, a government affairs lobbyist for Public Citizen, a watchdog group in Washington. "If she wasn't a contender, she wouldn't be earning these fees," Holman says. "This is a means of endearing yourself to Hillary Clinton."

Central bankers do well, too, at least while they're still fresh from the closed-door meetings where they once set interest rates. Ben S. Bernanke, for example, left his \$200,000-a-year job as head of the U.S. Federal Reserve at the end of January; by March, he was making at least that per speech, according to a person who hired him. In the coming months, Bernanke is scheduled to address investment advisers gathered by Charles Schwab Corp. in Denver and hedge-fund managers at the SkyBridge Alternatives (aka SALT) Conference in Singapore. "We think he's of great relevance," says Victoria Sandvig, who helps mount about 1,000 events each year for Schwab, a quarter of which feature external speakers. "He's just come out of office."

Not everyone thinks Bernanke is worth the dough. At a dinner at Le Bernardin in Manhattan in March, David Einhorn, founder of hedge-fund firm Greenlight Capital Inc., heard the former Fed chairman speak, courtesy of New York brokerage BTIG LLC. During the roundtable discussion, Einhorn posited that there were diminishing returns to U.S. interest rates hovering just above zero. Bernanke responded with a curt "You are wrong" but couldn't coherently explain why, Einhorn says. Bernanke declined to comment on Einhorn's critique for this article.

DJ Nordquist, a spokeswoman at the Brookings Institution, where Bernanke is a distinguished fellow in residence, wouldn't comment on the former Fed chairman's fees other than to say that Bernanke donates money to education causes and delivers some speeches gratis.

For a newly minted speaker, the best customer is almost always a big bank, says Bob Bierman, general manager of Washington Post Live, the newspaper's conference business, who's been booking talkers for 20 years. If you're a public

official, your first speech out of office is likely to be your most lucrative, he says. “It’s going to be a private group, it’s going to be small, and it’s going to be expensive,” Bierman says. “Banks are always looking for a can’t-be-replicated experience to get very wealthy and demanding customers into a room.”

Despite the sometimes stratospheric sums, most of the action on the speakers’ circuit happens at sub-Clintonian levels. Thousands of speakers, repped by dozens of agencies, stuff roller bags into overhead compartments on planes bound for Las Vegas, New Orleans or St. Louis, where they eat overdone tenderloin and talk to electrical engineers, insurance underwriters and endocrinologists.

By and large, the big money goes to thought-leader types. Lewis gets \$100,000 a speech, plus two first-class plane tickets, according to those who have hired him or explored doing so. *The Tipping Point* author Malcolm Gladwell pulls in about \$80,000, according to one client, making his occasional articles for the *New Yorker* something of a loss leader for his speaking engagements.

At the moment, demand is especially strong for speakers who promise the key to unlocking hidden talents within yourself or your company, Epstein says. Lewis, because of his book *Moneyball* and the movie of the same name, has that appeal. So, too, does *Moneyball*’s protagonist, Billy Beane, the general manager of the Oakland Athletics baseball team who used hard numbers, not hunches, to create a competitive squad despite being exponentially outspent by rivals such as the New York Yankees. (Epstein may be talking his book: He represents Beane as well as Lewis.)

Epstein founded Greater Talent in 1982, after securing the likes of journalist Hunter S. Thompson, always notoriously late, for college speaking gigs in the 1970s. “I always had to lie to Hunter,” Epstein says. “If he had to be on stage at 7, I told him 5.”

Long before there was Greater Talent, however, there was Harry Walker Agency Inc., the 68-year-old New York-based behemoth that reps the Clintons, Republican political strategist Karl Rove and a who’s who of other Washington elites. It’s now run by Don Walker, son of the company’s namesake, who politely declined to talk about the business, as did all the speakers (and most of their patrons) when the subject of money came up. The last thing anyone wants you to know, it seems, is how much he or she makes on the circuit.

Every contract signed with a speaker has a confidentiality clause, says Brian Hamburger, founder of MarketCounsel, a regulatory compliance consulting firm based in Englewood, New Jersey. Hamburger should know: Since 2006, he has built and branded his business with an annual conference featuring high-profile speakers—not at lecterns but on panels, sparring.

In December, Hamburger says, he expects to host 550 people at the Four Seasons Hotel in Las Vegas. Mark Cuban, owner of the National Basketball Association’s Dallas Mavericks, is scheduled, alongside former U.S. Securities and Exchange Commission Chairman Christopher Cox. In October 2013, Cuban beat an SEC investigation begun under Cox when a Dallas jury rejected claims that he used inside information to sell his stake in a Canadian Internet company nine years earlier, thereby avoiding a loss. If all goes as Hamburger hopes, the encounter between Cuban and Cox in Nevada will get just a little ugly.

The prize for the best use of speakers as conference bait, however, goes to Hillary Scaramucci, who heads hedge fund Sky-Bridge Capital LLC. In 2008, Scaramucci saw his company bleed assets as financial markets plummeted. Then, Buggy Siegel—like, he looked to Las Vegas for redemption, staging an over-the-top conference to show the world he’s still in business. At the inaugural SALT conference, in 2009, Scaramucci turned to financier and philanthropist Michael Milken and former SEC Chairman



Hillary Clinton
\$300,000

The erstwhile secretary of state earned \$300,000, paid by a private donor, to talk to students and faculty at the University of California at Los Angeles in March.



Rudy Giuliani
\$300,000

New York–based private-equity firm Sage Capital Growth paid “America’s Mayor” \$300,000 to speak in November 2005.



Tony Blair
\$270,000

In March 2009, the former British prime minister took in \$270,000 for a half-hour speech in Manila at the behest of Philippine Long Distance Telephone Co.—or \$9,000 a minute.

Sources: *The Learning Annex*, financial disclosure documents, *UCLA*, *The Wall Street Journal*, *The Daily Mail*

Harvey Pitt to entertain his 500 attendees. The following year, he spent \$175,000 to secure Bill Clinton, and in 2011, he forked over the same amount for George W. Bush.

The most-compelling turns at the SALT lectern aren’t always by boldface names—or, indeed, by those with names at all. A major hit at last year’s conference was a Navy SEAL whose identity was obscured because he purported to be part of the team that took down Osama bin Laden.

Royce Carlton’s Sedgeley says one of his more-successful clients is former *M*A*S*H* star Alan Alda, whose speech “Things I Overheard While Talking to Myself” includes lessons from the actor’s inspiring, escape-from-near-death experience on a Chilean mountaintop.

Benjamin Zander, conductor of the Boston Philharmonic Orchestra, is another unexpected crowd pleaser. By the end of his 90-minute lecture on leadership, Schwab’s Sandvig says, Zander had the audience of 4,000 singing together, Kumbaya style.

Epstein’s dark horse at Greater Talent is Alec Ross, who until last year served as senior adviser for innovation at Hillary Clinton’s State Department. Ross has some 372,000 followers on Twitter—almost as many as White House National Security Adviser Susan Rice. People love to hear how Ross brought 21st-century technology to bear on an antiquated bureaucracy, Epstein explains.

Even the most-popular paid speakers—from former Secretary of Defense Robert Gates to big thinker Fareed Zakaria and maybe even the Clintons themselves—will likely be eclipsed by someone not eligible to hit the circuit until noon on Jan. 20, 2017: Barack Hussein Obama.

The 44th president has all the right credentials. He became a contender not with his policy proposals but by speaking at the Democratic National Convention in Boston in 2004, where he dazzled Democratic kingmakers with instant aphorisms like “the audacity of hope.” Four years later, his speech on race during his first campaign for president earned him comparisons to Robert Kennedy and Abraham Lincoln.

“He will have tremendous appeal,” says Richard Henning, founder of the California-based Celebrity Forum Speakers Series, who has hired every president since Ford, excepting Dubya, who declined to speak to an audience from Democratic stronghold Silicon Valley. “I have a dream of ending my career at 50 years with Obama. What a way to go out.”

It’s tempting to imagine Obama talking candidly about his eight years in office, unconstrained by White House handlers. His decision to send Navy SEALs after bin Laden could alone fill 90 minutes. Whatever his perceived inadequacies in office, people would pay just about anything to say they had lunch with the former president, Henning says. They might even remember what he said. ☺