

# THE ECONOMIC CLUB

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O F W A S H I N G T O N, D. C.

**Economic Club President David Rubenstein interviewed six local CEOs, all Economic Club members, on how their organizations or companies and industries are managing and implementing changes to continue doing business in the current environment of the evolving COVID-19 pandemic.**

**Hon. Sylvia Mathews Burwell, President, American University**

**Dr. David Skorton, President and CEO, Association of American  
Medical Colleges**

**Jo Ann Jenkins, CEO, AARP**

**Peter Scher, Chairman of the Mid-Atlantic Region & Head of Corporate  
Responsibility, JP Morgan Chase & Co.**

**Roger Krone, Chairman and CEO, Leidos**

**Matt Kelly, CEO, JBG SMITH**

**Interview with Member CEOs  
The Economic Club of Washington, D.C.  
Friday, March 13, 2020**

DAVID M. RUBENSTEIN: I'm David Rubenstein, the president of the Economic Club of Washington. And welcome to this broadcast.

Today we had intended to have a live, in-person interview of Joe Kaeser, who is the president of Siemens, Siemens USA and Siemens Global. And he is not coming to the United States today. And therefore, we have had a decision to do something else. And we did the same thing – we decided to do the same thing with two other programs that we have. Next week we were going to have a program with Alex Gorsky, who's the CEO of Johnson & Johnson. And on April 1 we were going to have a program with Robert Smith, who is the head of Vista, a large private equity firm based in Texas.

We decided instead to postpone those programs, and instead to do something virtual, which we're going to do today, with a number of leaders of the organizations in Washington – academic organizations, business organizations, trade associations. We thought it would be helpful to members to see what others are doing to deal with the coronavirus, and also to see what they're doing with respect to their employees, and their shareholders, or other people who are of interest to them.

And so, we're going to start with Sylvia Mathews Burwell, who is the president of American University. Subsequent to her we'll have David Skorton, who is the president and CEO of the Association of American Colleges. After her – after David, we'll have Jo Ann Jenkins, who's the CEO of the American Association for Retired Persons. Subsequent to that we'll have Peter Scher, who is the Mid-Atlantic chairman of JP Morgan Chase. After Peter we'll have Roger Krone, who is the chairman and CEO of Leidos. And after that, we'll have Matt Kelly, who's the CEO of JBG SMITH, the largest real estate company in this area.

So why don't we just start with Sylvia. And just to give you a little bit of her background, Sylvia is a native of West Virginia. Went to Harvard, Rhodes Scholar. Got her degree at Oxford. Came back. Got involved with the administration of Bill Clinton and served under Bob Rubin in the administration of Bill Clinton. And ultimately went to work at the Bill and Melinda Gates Foundation, head of – the president of global development there. And also, for about 10 years there, became the head of the Walmart Foundation. And if that wasn't enough for her career, she then came back to be the head of OMB under President Obama, and later became the head of Health and Human Services under Obama. And now she's the president of American University. And she's only 20 years old.

SYLVIA MATHEWS BURWELL: [Laughs.]

MR. RUBENSTEIN: So, Sylvia, thank you very much for doing this this morning. I know you've got a number of things to do at American University that are going to take a lot of time, so we won't take too much of your time. But is American University closed now, or not?

MS. BURWELL: Thank you, David, for having me. And right now, our university is open. We have moved to online. And I think that's an important thing in terms of continuing our mission as a university. Next Wednesday – our students are on spring break. [Audio break] – we've asked them not to come back. But we will move our courses to online. And as of Monday, we

will be encouraging all those that can do teleworking to telework in terms of the university. But we will be functioning and moving against our mission.

MR. RUBENSTEIN: Was it a difficult decision to do this? And did you meet with your board of trustees? How did it come about, this decision?

MS. BURWELL: You know, this decision, I believe, was the right decision. We made it very early this week. I did communicate with my board and the university. We communicated broadly in terms of making sure that our deans were a part of helping us understand, what would be the ramification of that. Our leadership team contributed as we made that decision.

MR. RUBENSTEIN: OK. So, students – I guess every student today – when I was in college, we didn't have computers. Everybody has a computer so everybody can do this online. There's no problem with some people saying they don't have computers, right?

MS. BURWELL: You know, there are a very limited number, but there are some students. And so, we need to take care of and account for that in terms of thinking through how we make sure that students can have that access. At American University we have programs through our library that do loaners. And what we are doing, as we make this transition, is ensuring that we have a place for our students who may have challenges – either challenges in departing, whether that's because, perhaps, you live in a level-three country that you don't want to go back to, or other challenges with regard to doing it. So, we have a means by which students can let us know what their challenges are. And in a retail way, we need to work those through.

MR. RUBENSTEIN: Well, let's suppose I'm at a level-three country. Let's suppose I'm in a country where I can't go back to it, let's say, or I can't afford to go back to it. Can I live in my dorm, or the dorms are closed as well?

MS. BURWELL: So that's why, David, I said – when you asked the question, is the university closed, the university is not closed. We think that there will be a small number of exceptions to the policy that we have put in place. And we needed to do this because as a university – and I think we're seeing it all over the country, whether it's the NBA, Walt Disney, everything getting to a place where we de-densify – you take away the density, because that does two things. That, one, reduces the chance of spread of a very transmittable virus. And the second thing it does is in terms of burden on systems when we get to the place where we have more cases. Things like, in a university setting, self-isolation.

MR. RUBENSTEIN: Do you have any individuals yet who have contracted this virus that you're aware of?

MS. BURWELL: We do not yet, in terms of that. Our health care – we've sent out information so that students know how to contact and call our system if they have questions.

MR. RUBENSTEIN: OK. So, the professionals who work at the university, they are coming to work now, or they're working from home?

MS. BURWELL: Right now, we are moving to telework on Monday, though we did announce yesterday that our high-risk populations, that we encourage them to telework as of today. Those high-risk populations being those that are immunocompromised. Those high-risk populations are generally those over 60. And those high-risk populations are those that are pregnant. So, any of the CDC categories of high risk, we've encouraged them to telework today.

MR. RUBENSTEIN: So, since you've announced these policies, has anybody said, well, you're overreacting, or you shouldn't have done this?

MS. BURWELL: You know, I think generally there is an understanding there that – why we need to do this. I think we are – we, and a number of other large companies, were at the first part of this at the beginning of the week. But things are moving so quickly. And when you have the Ohio Health Department announcing that they think there are 100,000 cases in the state of Ohio, I think people are seeing why we're making these choices and decisions.

MR. RUBENSTEIN: OK. Let me finish off about American University before I go to your HHS experience. On American University today it's your expectation this will continue through the end of this spring semester. Is that correct?

MS. BURWELL: Right now, what we have done is we have said that our students will be online until the end of the semester. A part of that is trying to consider for students and their families what it would be like to move, move back, and our faculty. So, what we want to do is execute well against mission and make sure that after a three-week period that we continue on the online. And so, our students will finish online.

MR. RUBENSTEIN: All right. As the head of the university you're the symbol of the university, obviously. So, you want to remain healthy. So, what are you doing to keep healthy and make sure you don't get this virus?

MS. BURWELL: Well, I think you probably noticed, David, when we met – we met with the others that were out there, that I did not shake hands. I am even beyond the place where I'm doing what I refer to as the Ebola elbow bump. I think we all need to do the social distancing. And social distancing, CDC has guidelines, generally recommended between four and six feet. The clear washing of the hands, making sure that anytime anyone coughs or sneezes that you really are doing one of two things, using your elbow or using a tissue to catch the droplets that are coming out. All the things, the hand washing extremely important. And that is 20 seconds and with soap.

MR. RUBENSTEIN: Now, you are a member of the Board of the Council on Foreign Relations. And at the recent board meeting we had a very interesting conversation that you were involved with, with other people who are on the board who are also former members of the Cabinet. They served as the head of the Homeland Security. You were the head of HHS. So, in your view, what can the United States be doing now that it isn't doing to deal with this crisis?

MS. BURWELL: So, I think the response – everyone needs to understand that when we get to this level, and it's a global pandemic at this point, that everyone has a role and needs to

participate in the response. At the federal government level, there are two things that the government needs to do. And that is, one, make sure that the tools are ready for a response and that that includes everything from testing to making sure that our health care system has the equipment and tools that it needs to do that, and communicating the broad guidance so that institutions – and whether those are governors, or heads of large companies, or heads of universities – have those things to act and react. But the reaction will be on the ground, as we're seeing across the country as well.

MR. RUBENSTEIN: Have you seen anything like this in your experience as a health care professional before? Anything where the United States had this kind of virus?

MS. BURWELL: So, we have had epidemics. We've had H1N1, which was the last at this level. We've had Ebola come to our shores. What is distinct about this is right now in terms of the level of transmissibility and our lack of knowledge at this point in time in terms of how many cases we actually have. And because we don't know, through the testing, we actually don't know for certain what the mortality rate is. So, there are a number of unknowns that are unique to this, but the basic things we need to think about: prevention, detection, response, containment, and mitigation still hold.

MR. RUBENSTEIN: Now, the flu it is said that the mortality rate is 0.1 percent, on average, flu. Here, it is suggested it may be ten times as high as that, or something like that? But we don't know how many cases there really are yet, is that right?

MS. BURWELL: That's correct.

MR. RUBENSTEIN: And the people who are older – you were kind enough to not say that I'm one of the people who are in potential trouble – but people who are 60 or older have a much higher fatality rate, is that right?

MS. BURWELL: Yes.

MR. RUBENSTEIN: And why is that? Is that because their immune system is so much weaker?

MS. BURWELL: I don't think we actually fully understand the science of that yet. I think one of the things about this particular – COVID-19, the novel [COVID-] 19 coronavirus is that it seems that the virus attaches to the lungs more quickly, whereas other viruses attack different parts of the respiratory system. And as we know, the lungs are one of the most important and potentially vulnerable issues. So, I don't think we know exactly the science of why we have more mortality in an upper age range.

MR. RUBENSTEIN: All right. Do we know why young people do not seem to have a high fatality rate or are not contracting it as much. Little kids don't seem to be getting it. Why is that?

MS. BURWELL: So, we have a situation where the lack of information that is related to the testing issue is quite challenging. If you go to the Washington State website, which I think has

some of the best information on testing, they tested over 3,000 in the state of Washington and 366 cases. If you look at the percentages, I added them up just to see, and 41 percent of the cases are in people under 60. So, when you – part of this is, we don't actually know. I think we do know that the most dangerous categories are those which have been articulated. That, there is certainty about the science. But other things and more information, it's hard right now.

MR. RUBENSTEIN: Now, you were the head of HHS during the Ebola crisis, is that right?

MS. BURWELL: Yes.

MR. RUBENSTEIN: So how is this different than Ebola? Ebola was fairly fatal if you got it, but not as many people got it. So how would you contrast that with this?

MS. BURWELL: So, when you think about a virus, you want to think about transmissibility and mortality are two of the most important. And there are other things that come under that that are extremely important. But the issue of mortality, when Ebola started and we started working on it, the mortality rate was 90 percent. So, there was 90 percent chance you would die if you got Ebola. That went down. And when we were treating in systems like our own, in the U.S., that went down. It didn't go down below 50 percent, but it did go down. And so that's a difference. The mortality rate is lower here. But the transmissibility is higher. If you'll remember, Ebola passed through actual bodily fluids. This is actually – can be carried in terms of when you sneeze. And so, it's the air droplets. And so, the transmissibility is much higher for this.

MR. RUBENSTEIN: Now, some people say that this disease, a virus, survives on, let's say, a hard surface for, I don't know, could be three hours, 10 hours, we don't really know. But so how can you really know that you're not going to get it, just if you go to, let's say, a Starbucks? And how do you know the counter's clean? How do you prevent this?

MS. BURWELL: So, I think everyone is starting to practice the really good deep cleaning and continued cleansing. What I would recommend for everyone is making sure that, again, you are doing that hand washing. And also, wherever you are, that you are washing. Also think very carefully about touching things that many people have touched. When you go into a restroom, if you're going to into a public restroom, use a tissue or a napkin to open the door, to turn on the faucets, any of those kinds of things where you think other people would have been touching. That's one way to try and deal with the fact that people could be touching, and it does live on surfaces.

MR. RUBENSTEIN: So, let's conclude, and let you go back to American University, one final question. So, what is your estimate of how long we are likely to be in this kind of environment? Could it be 30 days, 60 days, 90 days, or we just don't know?

MS. BURWELL: I think we don't know. But the one thing we do know is that our response at this moment, and all the steps that people are taking that feel extreme, will both do two things. They will limit that timetable you just described, David. And the second thing that they will do is they will limit how bad it gets in terms of numbers of cases. And that's why I think everyone across the country you see – whether it's the NBA, or bringing down March Madness, or what

universities are doing, or companies are doing is so important to answering that question. It will make it shorter, and it will make the peak lower.

MR. RUBENSTEIN: Sylvia, thank you very much for giving us your time. And wish you the best in leading American University through this crisis. Thank you.

MS. BURWELL: David, thank you for having me.

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MR. RUBENSTEIN: Our next guest is Dr. David Skorton. Let me give you some background about David Skorton. David grew up in Los Angeles. He got his undergraduate degree at Northwestern University and his medical degree at Northwestern University. Trained as a cardiologist. He also taught medicine at the University of Iowa, and later became the dean of the medical college there, and later became the president of the university of Iowa. Subsequent to that he became the president of Cornell University, which he was president of for, I think, eight years or nine years?

DAVID SKORTON: Nine years.

MR. RUBENSTEIN: Nine years. And then subsequent to that I had the privilege of working with him when he became the secretary, the 13th secretary, of the Smithsonian Institution. He is now in a different position. After a number of years at the Smithsonian, he's taken the position to be the president of the – and CEO – of the Association of American Medical Colleges.

David, what is the Association of American Medical Colleges?

DR. SKORTON: First of all, it's great to see you again, have a chance to work with you. And thanks for doing this. And congratulations on all the things the Economic Club is doing.

The Association of American Medical Colleges is over 140 years old. And it represents all of the accredited medical schools in the United States, 155 strong, all the accredited medical schools in Canada, 17, roughly 400 major teaching hospitals all throughout the country, 51 Veterans Administration hospitals, and about 80 academic societies. So, we serve and lead those organizations for the health of the nation.

MR. RUBENSTEIN: OK. So, you're doing that. And you're a medical doctor yourself. And you are also, I guess, a tenured professor at Georgetown as well, in the medical area?

DR. SKORTON: Not tenured. They gave me an honorific thing called the distinguished professor, which I'm very proud of.

MR. RUBENSTEIN: OK, distinguished professor, OK. All right. So, let me ask you, what went wrong? How come the medical profession, all these people, all these doctors, didn't see this coming?

DR. SKORTON: Well, this is the question of the hour. And as you know, and as President Burwell mentioned earlier, this is a challenge of a new so-called novel kind of a virus. And nature is constantly throwing us challenges in the infectious disease domain. I remember clearly when I was a medical student at Northwestern we were talking about how we would develop antimicrobial agents, and that would solve the problem. One of my infectious disease professors said: We may make a better mousetrap, but nature will make a better mouse. And so, this is a novel virus which people didn't see coming immediately. But we knew that this type of virus, the coronavirus – which we had seen before, with SARS and MERS – would be something that would most likely come up at some point.

MR. RUBENSTEIN: OK. Why is it called a coronavirus, not just a regular virus?

DR. SKORTON: When you look at the surface, an electron micrograph of the surface of the – of the virus, you see some little out-pouchings, I guess I'll call them, around that makes an appearance sort of like a crown. So, they call it a coronavirus.

MR. RUBENSTEIN: Now, it was said by many people that this came out of a food market in Wuhan. And this virus jumped from an animal to a human, which is possible to happen. Other people think it came from other source. Some people think that it came from a biological testing kind of thing in China. The Chinese are now saying it maybe came from the Americans injecting it somehow into China. Where do you think it really came from?

DR. SKORTON: Well, so many of these diseases are so-called zoonotic diseases that can jump from animals to humans. I think it's likely that that's some of the origin way back when, so to speak. How it came into full blossoming in China I really don't know.

MR. RUBENSTEIN: OK. So, when you think you might have this disease, how do you get tested? Our country doesn't seem to have enough tests. Why don't we have enough tests right now?

DR. SKORTON: Well, this is a real, real frustrating and difficult situation. We do not have enough tests. And that was brought out recently by Dr. Anthony Fauci,<sup>1</sup> I think just yesterday – in the last couple of days in testimony. It's a complicated story. In order to do the test, it's a multiple-step process. And the first step is that you take a sample of something with a swab – like, from the nose, for example. Then the second step is that you do something called RNA extraction from that sample. And you take the RNA part of the apparatus that does our hereditary basis and other things having to do with cell biology, and you want to extract the – you're going to extract a lot of RNA. Then you have to figure out the RNA that came from the virus. The reagent, the chemical used to do that RNA extraction is in short supply. So that gets – before you even get to the test kit itself, we're short on supplies of the RNA extraction reagent.

MR. RUBENSTEIN: Well, let me ask you this: In Australia, where Tom Hanks and his wife Rita Wilson came down with this, they get tested right away. Canada, it's said, has all the testing that it needs – testing kits. Why do we not have these in the United States, and how long will it take before we get these sufficient number of testing kits?

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<sup>1</sup> Dr. Anthony Fauci is the director of the National Institute of Allergy and Infectious Diseases, appointed in 1984.

DR. SKORTON: You know, I can't tell you all the reasons we don't have it, but I can tell you we don't have it. And there's an enormous amount of effort going right now to hugely amplify the number of tests that we have. Some of that effort is through the federal government. Some of it is through the organizations that belong to the AAMC, where the research universities, medical schools, and hospitals themselves are able to build their own kits.

MR. RUBENSTEIN: All right. Let's suppose I want to be tested, but I can't find somebody that has a test for me. How do I know that I might have it? What are the symptoms that I'm going to experience if I have this virus?

DR. SKORTON: Well, you might get a fever and a cough. Initially, it'll be a dry cough, that is you're not coughing anything up. Later, you will begin to cough something up. You'll feel tired, exhausted. And those are nonspecific symptoms, right? You can feel that way from the flu, from any number of things. So, it is a problem that you can't get tested. The first thing to do, as always, is to contact your physician, or a physician. And the physicians and the local public health departments and the CDC are doing their best to increase the number of tests, but we're woefully short of tests right now.

MR. RUBENSTEIN: Let's suppose I can't get tested. I think I've got a dry cough. Should I go to the emergency room of a hospital and say: Test me, or put me in, or do something with me?

DR. SKORTON: The number one – the number one thing is to ask the doctor. Failing that, failing that, it would be reasonable to go to an urgent care center or an emergency room. But I want to emphasize that we're going to quickly run out of capacity in those kinds of facilities if everyone initially goes right there. So, if you have a doctor you can go to, that would be great. It may turn out, and this could be frustrating, that since there is not enough tests available, it may turn out that you are asked to go back to your home and what's called self-isolate for a period of about 14 days, in which time it will either declare itself or not.

MR. RUBENSTEIN: All right. Well, let me make sure I understand. Self-isolate means you go, and you sit by yourself in your house, no spouse, no partners, no children, nothing? Just stay by yourself, more or less, right?

DR. SKORTON: As much as possible.

MR. RUBENSTEIN: OK. And if you still have the symptoms and you can survive – in other words, you can breathe and so forth, you don't have to go to the hospital – after 14 days what happens?

DR. SKORTON: Check with your doctor again. Tell him or her what the symptoms are. And I do want to emphasize, as has been said many times already, that most of the people who contract coronavirus are going to come through it OK. But people in certain risk groups, which you just discussed eloquently with President Burwell, people my age, for example, people who –

MR. RUBENSTEIN: My age is the same as your age.

DR. SKORTON: Well, I was trying to give you the benefit of the doubt. So, people in our age. People who have immune problems, chronic diseases that would cause immune problems, lung disease, will be at greater risk. But most people across the population will come out of this OK.

MR. RUBENSTEIN: So, are you working today? Are you going to your offices, or not?

DR. SKORTON: Well, it's a very apropos question. Today is the first day that we are doing work from home. And we're emphasizing to our employees and to these hundreds of institutions that we represent and serve that we're not closed, we're just working virtually. So, a half-hour after you and I are done, I'll be convening a meeting of the top leadership through a Webex kind of conference.

MR. RUBENSTEIN: And you're convening the meeting to talk about what they can do to mitigate the problem, or?

DR. SKORTON: Well, that's part of it, but also just running the organization. So, for example, our organization administers the medical college admission test. Next week the match will occur for people moving from medical school to residency. And we work with an organization called the National Residency Matching Program. And so, all of those things have to continue to go. One other thing that we're doing is we're trying to gather information on how our member institutions that are dealing with the most severe challenges, like University of Washington, how they're dealing with it. We're learning a lot from that, and we're trying to spread those best practices around the country.

MR. RUBENSTEIN: So, in your case, do you recommend shaking hands with anybody?

DR. SKORTON: I would recommend not shaking hands.

MR. RUBENSTEIN: OK. What about an elbow bump? Is that OK or not?

DR. SKORTON: Elbow bump, butt bump, whatever you think, but not hands.

MR. RUBENSTEIN: So that's OK?

DR. SKORTON: Yeah.

MR. RUBENSTEIN: And what about wearing masks? Is that helpful or harmful?

DR. SKORTON: It's not harmful, but the average person walking around does not need a mask. Now, health care workers and others will need a special kind of mask, custom-fitted, called a N95. But you and I don't need to walk around the street with a mask.

MR. RUBENSTEIN: Drinking a lot of fluids, helpful or doesn't make a difference?

DR. SKORTON: Always helpful. Always helpful.

MR. RUBENSTEIN: Exercise more than normal or not? Doesn't make a difference?

DR. SKORTON: I think people should try to emphasize exercise to try to reach our level of being finely tuned athletes. That would be a good thing to try.

MR. RUBENSTEIN: OK. So, do you think the worst has been hit yet in the United States? The worst is here, or you think the worst is yet to come, based on your observation of the situation?

DR. SKORTON: It's interesting. When looking at the numbers in China, as I'm sure you're aware, the numbers are starting to sort of reach an asymptote, to top out. And we hope that happens in the United States. But it hasn't happened yet. So, I believe we're going to get a lot more cases. In the District of Columbia, as you know, recently the mayor, just a couple of days ago, declared both a public health emergency and a state of emergency. And I would hope – one of my fondest hopes is that our president declares a national emergency for the United States. That would help enormously with freeing up resources and lowering barriers to moving things along.

But to answer your question directly, I think we're going to have a lot more cases before this blows over. If we can successfully do this social distancing, organizations like mine and the Economic Club going to a work from home status, we could, as Dr. Burwell was mentioning, flatten that curve, which is the same number of cases but spread over a longer period of time will not put such a strain on the health care system.

MR. RUBENSTEIN: OK. All right. Do you think it's not a good thing to do for Americans to, as I say, go to a Starbucks, go to a restaurant, just go shopping? Or they should just stay at home to mitigate the problem? Or some type of normal life is OK?

DR. SKORTON: Some type of normal life is OK. Large crowds, it's good to stay away from them. Obviously good to stay away from people who are ill, whatever they have – remember this is still influenza season. And so that's part of it. I think that we can go psychologically too far in a direction and get too isolated. And I would urge people, both in the business world and otherwise, to keep in touch with each other, to use technology, and to be in touch. I'm worried about the psychology.

And even though you didn't ask me, I want to tell you one more thing I'm concerned about. I'm concerned about vulnerable populations. Right in this city, and across the country, the homeless, those who do not have medical insurance coverage – of which there are still over 20 million in the country. And we need to help those people get the care they need, and the surveillance, both because it's the right thing to do and because if we don't do that the amount of coronavirus in the community will only go up.

MR. RUBENSTEIN: Should I get a flu shot now?

DR. SKORTON: Yes, you can get a flu shot. The most important thing for you to do is to be in touch with your doctor.

MR. RUBENSTEIN: OK. But the flu shot, as said, while it won't deal with this virus, it will reduce the number of people showing up at hospitals with potential flu symptoms, therefore reducing the strain on hospitals. I thought that was the argument for getting a flu shot now.

DR. SKORTON: It always is. It always is. And people our age should do two things: Get a flu shot every year and get a pneumonia inoculation.

MR. RUBENSTEIN: OK. David Skorton, thank you very much. I appreciate your coming. I won't shake your hand. I'll do that in a couple weeks, maybe. Maybe a month or so. But thank you for coming by.

DR. SKORTON: David, congratulations on all you're doing.

MR. RUBENSTEIN: All right. Thank you.

MR. RUBENSTEIN: We're now here with Jo Ann Jenkins, who is the CEO of the American Association of Retired Persons. You've been the head of that organization for four years?

JO ANN JENKINS: Five years.

MR. RUBENSTEIN: Five years. And for those who may not yet be retired or a member, what is the American Association of Retired Persons?

MS. JENKINS: So, AARP is a social change organization that's focused on making life better for people over the age of 50. And we have over 28 million members across the country, an organization that is over 60 years old.

MR. RUBENSTEIN: So, you're the largest membership organization in the United States, is that right?

MS. JENKINS: We are the largest social change organization, membership organization, particularly serving the interests and needs of 50-plus, yes.

MR. RUBENSTEIN: Now, when I turned 50, within a day or two of my 50th birthday, I got a thing from the American Association of Retired Persons saying, you should sign up. I said, 50? I'm not retiring at 50. So why do you send it to people who are 50, because people who are 50 aren't retiring, are they?

MS. JENKINS: No. In fact, our – hopefully your solicitation should have come six months before you turn 50, but –

MR. RUBENSTEIN: Maybe it did. My memory's not that good as I get older. [Laughter.] But maybe it was six months earlier.

MS. JENKINS: But it really has been focused on people who are 50 and older. It really is about how do we bring and engage – we know that our members are no longer retiring at 50 or 60 or

70. This increased longevity, which is allowing people to live 10-15 years longer, is increasing the lifespan. But our focus is around what we call health, wealth, and self – helping people live longer, healthier, so they are not in that period of decline for 10 or 15 years, but they're actively engaged. And many people have to stay working because they either have to, because of financial means, or because they want to, because keeping people engaged and away from isolation allows people to live six to seven years longer than normal.

MR. RUBENSTEIN: OK. Everybody knows that it is said that because of the coronavirus the people most at risk are older people, people who are 60 or older, 70 or older, 80 or older. We don't know exactly the reason for that, but you have a lot of those people in your organization. So, what are you doing to help get information to these people about what they should do?

MS. JENKINS: So, this is the moment I think AARP has been built for. We have state offices all around the country. We are constantly engaged with putting out information, getting our members to focus on that information that's coming from the Center for Disease Control, listening to their health care providers, activating telehealth and making sure that they're keeping in touch with their local doctors. On Tuesday we hosted a tele-town hall meeting with CDC and Seema over at CMS. And we had over 100,000 of our members call in or join us on Facebook just to get transparent, clear information about what they should be doing.

MR. RUBENSTEIN: OK. So, what are the biggest questions that your members have of you about this situation?

MS. JENKINS: A lot of the questions that they had is around the cost of how do they contact their doctor? Do they actually go in, or do they call them or, you know, contact them using telehealth? They're concerned about whether or not Medicare is going to cover it. So, we're glad that the Congress and the White House passed legislation adding additional funding for those sources. They're concerned about travel and should they – if they planned some kind of vacation, should they be doing that. And so, we're trying to make sure that they have the best medical and scientific advice.

MR. RUBENSTEIN: So, it is said that a good place to avoid, some people would say, is a cruise ship right now.

MS. JENKINS: Yes.

MR. RUBENSTEIN: And it's also said that many people who are, let's say members of your organization, maybe use cruise ships from time to time. Do you recommend somebody go on a cruise ship right now?

MS. JENKINS: So, our focus is on the member and making sure that they're following directions from the Centers for Disease Control. And they've said that you shouldn't be in situations that has more than 250 at the place. And so, we would caution them, particularly as it relates to their health, they have to make their own decision, but the medical professionals have said it doesn't make sense for someone to be doing that.

MR. RUBENSTEIN: So, one of the most effective lobbying forces in Washington is said to be the AARP, because you have such a large membership and you're all over the country. So, are you up on Capitol Hill lobbying for anything in particular right now relating to this virus?

MS. JENKINS: Well, we certainly played a part in trying to make sure that Congress passed this additional funding, the \$8.3 billion, because that's going to be so important for covering of Medicare and Medicaid costs, and also transportation costs related to getting health assistance. Obviously at the forefront of what we're doing is bringing down the cost of prescription drugs and trying to get Congress and the White House to really address some of those issues. And this pandemic has really escalated those kinds of things that we want the Congress to be focused on.

MR. RUBENSTEIN: Now, under the Stafford Amendment, it is said that if it is invoked \$50 billion or more can be expended without affecting budget limits and so forth. Are you in favor of the Stafford Amendment being invoked, or not?

MS. JENKINS: Well, we're working closely with both House and Senate to look at those issues to see how they're going to impact other programs, to make sure that particular legislation is not going to affect Social Security, and Medicare, and other costs.

MR. RUBENSTEIN: All right. So how many employees do you have in Washington, D.C.?

MS. JENKINS: We have about 1,800 here in Washington, about 2,400 total.

MR. RUBENSTEIN: All right, the 1,800 in Washington and 2,400 total, are they coming to the office today, or are they working from home? What are you recommending that they do?

MS. JENKINS: Today all of our employees, contractors, temps, interns are working from home as we're testing our telework systems to make sure all of that, in anticipation that it may become the norm for us to be working from home.

MR. RUBENSTEIN: And you expect this to continue for weeks, or longer?

MS. JENKINS: Well, I think for us today is the test day. And we've notified our staff that we'll be letting them know either later today or over the weekend.

MR. RUBENSTEIN: Now, as the head of the AARP, you obviously want to be healthy, and you don't want to be getting this virus yourself. So, what are you personally doing to avoid getting this if you can?

MS. JENKINS: Well, what I'm doing is following my doctor's advice about making sure that I'm not in crowds, that I'm drinking lots of water, that I'm protecting myself, and exercising, and trying to eat healthy.

MR. RUBENSTEIN: OK. So, is this the biggest crisis the AARP has ever faced in terms of a national emergency? Or is there anything similar to this before?

MS. JENKINS: Well, I think this is the biggest crisis – health crisis – the country has ever faced. And so, from that standpoint, we’re trying to make sure that we’re pushing out information, whether it’s on our website or social media, to make sure that our members have access to the best available information that we have.

MR. RUBENSTEIN: Now, my job isn’t to get members for the AARP, but I’ll just ask you: Why should I want to be a member of the AARP? I’m old enough to be a member. I don’t know if I actually am a member. I’m not sure I am. I guess I will be after this interview. But why should someone want to be a member of the AARP?

MS. JENKINS: Well, you know, as I said, AARP is a social change organization. And our job is to make live better for people as they age. So ,we do a lot of advocacy work not just here in Washington, but in all of the 50 state capitals around the country, in addition to educating people around that health security and financial security, and really living longer and healthier, and being passionate. In addition to that, we do provide discounts. But the discounts are not necessarily at the forefront of why we want you to be a member. We also run the ATM, the magazine, which is the largest magazine circulation in the world. We hit 26 million households, passed People Magazine three years ago. And so not only through our publications but through our online newsletters and content, we are probably in the majority of households around this country.

MR. RUBENSTEIN: So, your magazine is more interesting than People Magazine, or just has a higher circulation?

MS. JENKINS: Absolutely. It has that – it’s both. It has the large circulation and it’s the most interesting.

MR. RUBENSTEIN: OK. I’m just curious, before you became the head of AARP, what did you do? What was your career path?

MS. JENKINS: So, I was the chief operating officer at the Library of Congress, under Dr. Billington when he was there. Spent 15 years there at the Library. And before that, I worked in both Reagan administration and Bush 41, and then worked – then went over to the Library of Congress and joined AARP in 2010.

MR. RUBENSTEIN: So, if somebody is watching and they are a member of the AARP, and they have a question about what they should be doing, what do you recommend they do?

MS. JENKINS: I recommend that they go to [AARP.org/coronavirus](https://www.aarp.org/coronavirus).

MR. RUBENSTEIN: OK. Thank you very much for giving us your time. And I’ll look into whether I should join the AARP. I guess – I’m not sure I am a member. I know I’m old enough, but I don’t know whether I actually joined. Maybe I am.

MS. JENKINS: We’ll make it simple for you and send you that membership.

MR. RUBENSTEIN: OK, thank you very much. Appreciate it.

MS. JENKINS: Thank you. Thank you.

MR. RUBENSTEIN: We're now here with Peter Scher. Peter Scher is the head of the Mid-Atlantic Region of JP Morgan Bank, which is the largest bank by market capitalization in the United States. He's also the head of the corporate responsibility part of JP Morgan. He's also a member of the operating committee of JP Morgan. By background, he has worked on Capitol Hill and worked at the special trade representative offices, and also been a special trade representative –

PETER SCHER: Ambassador.

MR. RUBENSTEIN: Ambassador, confirmed by the Senate. Also, a graduate of American University, American University Law School, and a member of the Board of Trustees of American University.

MR. SCHER: There you go.

MR. RUBENSTEIN: Wow. That's a lot to do. OK. So, JP Morgan Bank. What are you doing to deal with this? Are your employees telecommuting or are they working at the office? What are they doing?

MR. SCHER: So, we have to start with making sure our employees are safe. And you know, we've been –

MR. RUBENSTEIN: How many employees do you have?

MR. SCHER: We have 250,000 employees around the world. And so, we've actually had to start this in Asia several months ago. So, we've gotten a little used to it. But we need to make sure they're safe and they can continue to do their jobs. A lot of the jobs have to be done from within JP Morgan Chase facilities. So, for example, we move \$6 trillion a day. That can't be done from home. So, we're creating backup plans, resilience plans. We're doing split shifts. And it depends on the location. So obviously in – you know, in Beijing and Hong Kong we had to split the shifts, had a lot of people work from home if they could. You know, obviously Italy now where we have people, in Manila most people are working from home. We're splitting shifts in a number of places. But we have to keep the functioning of the bank going for the financial system.

MR. RUBENSTEIN: What was the lesson that JP Morgan took away from the experience in China?

MR. SCHER: Well, we have to get ahead of it. We have to be prepared. So, one of the things we started doing, you know, really three weeks ago was testing people's at-home capabilities. So, we actually had people take a day even before they had to, to make sure they had the technology, they had the Wi-Fi, they had all the systems in place to do that.

MR. RUBENSTEIN: OK. In the United States today are employees working at home, or what are they doing?

MR. SCHER: Depends on where. So, in Seattle, we have people working from home. In San Francisco we're splitting shifts. In New York, just this week the governor asked us to reduce density so we're going to two shifts where you have A teams and B teams. A team will work next week. B team – and then go home. B team will come in the following week. So, it depends on the circumstances. We're trying to follow the lead of the public health officials and the elected officials.

MR. RUBENSTEIN: Well, let's suppose I need to cash a check. I'm not that good at ATMs or something. And I go into a JP Morgan.

MR. SCHER: Right, yes. The branches are still open. And even in Seattle, which is obviously a high hot spot right now. We have 150 branches. We had to close three of them temporarily, but they're back open. So, branches are still open. But we're also encouraging employers to use – this may not be for you – use your iPhone to deposit a check, there are a lot of things people can do digitally right now. But we're keeping branches open.

MR. RUBENSTEIN: But you haven't laid anybody off because of this?

MR. SCHER: No. We will not lay people off because of this. We're actually continuing to pay contractors, even if they can't come in. We need to – we need to keep – sustain the people in our firm.

MR. RUBENSTEIN: OK. So, there was a meeting at the White House the other day with the president of the United States and senior leaders from the financial community. Jamie Dimon<sup>2</sup> could not go. And, by the way, how is Jamie doing?

MR. SCHER: He's doing really well. He came home from the hospital yesterday. And so, we're all really hopefully he's going to make a speedy recovery.

MR. RUBENSTEIN: Well, give him our best please, for what he's done for JP Morgan and the country in many different ways.

MR. SCHER: I will. Thank you for asking.

MR. RUBENSTEIN: So, you had – is it Gordon Smith is was –

MR. SCHER: Gordon. Yeah, Gordon, who's our co-president, and is now co-chief acting CEO.

MR. RUBENSTEIN: All right. Gordon Smith met with the president of the United States, along with other banking leaders and other financial service executives. What did he learn out from that?

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<sup>2</sup> Jamie Dimon is the chairman and CEO of JPMorgan Chase. He had emergency heart surgery in early March 2020.

MR. SCHER: Well, I think the main focus was to reiterate: This is not a financial crisis. This is not like '08-'09. The banks are in very good shape. In fact, we have twice the capital and liquidity we had during that period. And I think one of the messages that Gordon reinforced to the president is we're continuing to lend, and really focusing on consumers and small businesses, that are most vulnerable during this time.

MR. RUBENSTEIN: Well, let's suppose you work right now at a job where you've been laid off because that job no longer exists right now. For example, many organizations are closing their facilities – let's say sports arenas or performing arts organizations. So, they're laying off contract workers who provide food service. Those food service people might have a mortgage with JP Morgan. Are you going to foreclose?

MR. SCHER: Right. No, no. We won't. What we're encouraging our customers to do is call us. We have people available around the clock. We're going to work with them. We're going to forebear on mortgage payments. We're going to suspend late fees. We want to work with them to get – that's what we're there for, to get them through this period.

MR. RUBENSTEIN: So, what is the biggest challenge that JP Morgan now has?

MR. SCHER: I think the biggest challenge is, you know, there's a lot of uncertainty. And as you know better than anyone else, from a market perspective markets hate uncertainty. So, we're – you know, we prepare for this thing. We want to make sure our employees are safe so they can continue to do their jobs. And we're – you know, we're very focused. The operating committee meets twice a day. We're going through last night – we're making sure our Manila call center could stay open given some of the precautions there. So, we're at this every day, and people are very focused. And this is what – we prepare for crises. And we want to be there for our clients struggles.

MR. RUBENSTEIN: Well, you lived through the last crisis, the financial crisis. Is this easier or harder, different?

MR. SCHER: It's different. I mean, you know, the last crisis was a banking crisis, as you know. This is not a banking crisis. We have – we have, you know, incredible amounts of liquidity. We have over a trillion [dollars] in liquidity right now, twice what we had. It's – you know, we've lived through hurricanes, we've lived through government shutdowns. This is obviously an unprecedented health crisis which is going to have major impacts on the economy, but we prepare to be there, to help clients, and communities, and states during these tough times.

MR. RUBENSTEIN: So, what are you personally doing now? Are you telecommuting? Are you – what are you doing?

MR. SCHER: So, I was in New York – I was in New York for a few days. I'm taking it week by week. I was –

MR. RUBENSTEIN: How did you get to New York?

MR. SCHER: I actually drove up. I decided to be safe and drove up. It was a lovely drive, and the roads weren't too crowded, and I actually stay where I can walk to work. So, I'm trying to – I'm trying to be safe and take my own precautions. But we're taking it week by week. I was in New York this week for a few days to work with the management committee. Now we have a very good video conferencing system, so I can do it from – I'm in the office here. And we're available 24/7.

MR. RUBENSTEIN: And JP Morgan is assuming this will go on for another couple weeks, months, two months?

MR. SCHER: I don't – I think we're – I mean, the most important thing to that is we're not assuming, because you can't. We're preparing so if this goes on for a month or two months, I think we're expecting this is not going to be a two-week turnaround, that we're going to be at this for some time.

MR. RUBENSTEIN: Have you had employees who've contracted this yet?

MR. SCHER: We have had one, but they were not in the office and so we were able to isolate that very quickly.

MR. RUBENSTEIN: And so, what is the message you would like to give to people who are JP Morgan customers or people that do business with you?

MR. SCHER: Well, call us. If you – we want to be there to help you. So, let us know what your circumstances are. Let us know – whether you're a – you know, whether you're a client, a customer of one of our branches and have a checking account or have a mortgage, or you're a small or large client that needs to continue to tap the bond markets, then call us and we want to be there to help you navigate through this period of time.

MR. RUBENSTEIN: OK. Well, thank you very much for coming and letting us know what JP Morgan is doing. And, again, please give our best to Jamie.

MR. SCHER: David, thank you.

MR. RUBENSTEIN: Thank you.

MR. RUBENSTEIN: We're here now with Roger Krone, who's the CEO of Leidos. Now, some people may not be familiar with Leidos. Leidos is a successor, in effect, to a company called SAIC. And you are now a publicly traded company. How large is it, in terms of employees?

ROGER KRONE: About 36,000.

MR. RUBENSTEIN: Thirty-six thousand. And in terms of revenues?

MR. KRONE: Oh, 12 billion [dollars].

MR. RUBENSTEIN: Twelve billion [dollars.] And you're headquartered in the Washington area.

MR. KRONE: Yeah, Reston, out by Dulles Airport.

MR. RUBENSTEIN: And remind me, your background is what?

MR. KRONE: I'm an engineer. I'm an aerospace engineer. Forty years in the industry. Worked for a couple other defense contractors.

MR. RUBENSTEIN: You went to school in Texas in undergraduate?

MR. KRONE: Georgia Tech and then a master's at the University of Texas, and then an MBA from some school in Boston.

MR. RUBENSTEIN: Harvard. Harvard Business School, OK. So, what exactly does Leidos do?

MR. KRONE: Yeah. Well, we're in four areas. We're mostly a government technology company. We do defense, intelligence, civil infrastructure like FAA, and then we have a health care business. We do – we don't do – we don't provide health care. We're not a provider. But we do information and facilitation around health and health topics.

MR. RUBENSTEIN: All right. So how many employees do you have in the Washington area?

MR. KRONE: Between Virginia, D.C. and Maryland about 1,300.

MR. RUBENSTEIN: Are they working from home, or are they coming into the office? What are you telling your employees?

MR. KRONE: Yeah. Well, just yesterday we updated our reaction to the coronavirus, and we encouraged even more employees to work at home. On a normal day, we'll have about 20 percent of our workforce will telecommute. And that's across the globe. We're big in Australia, the U.K., and the Middle East. And yesterday I put out a directive that said: Where possible, work at home. We're trying to minimize the human-to-human interaction to reduce the spread.

MR. RUBENSTEIN: Any of your employees contracted this yet?

MR. KRONE: No. We're very fortunate that hasn't happened, but we anticipate that we will have employees that will contract it.

MR. RUBENSTEIN: Obviously the most important thing is not money and finances, it's health. But just for the purposes of illustration, at the peak recently your stock price was at what level?

MR. KRONE: We were about \$125.

MR. RUBENSTEIN: And what is it now?

MR. KRONE: Well, I don't know this morning. Yesterday we were down to about 85, although the market's up about a thousand, so we'll be about 90.

MR. RUBENSTEIN: All right. So, you lost a fair amount of market value, but you assume it will come back?

MR. KRONE: Yeah. It will come back, sure.

MR. RUBENSTEIN: OK. So, what are you personally doing to avoid getting this virus?

MR. KRONE: I'm taking the normal precautions. We've cancelled staff meetings. We're doing staff meetings virtually. We've obviously done hand sanitizer, things like that. I will be working a day or two from home, like I've asked our employees to do. We're doing a lot more virtual than human-to-human. And then, you know, at home and in the community, we're spending more time in the house, and, you know, less interaction.

MR. RUBENSTEIN: You have – a lot of your clients are federal government-related entities. So, are they coming to work, the federal employees that you're often dealing with, or are they working from home now?

MR. KRONE: Well, so far, we've had no facilities that have been shut down. We have – we do a lot of IT. We have, for some of our customers, given them more bandwidth so that they have the option to expand their work-at-home program. But as of this morning, all of our customers are at work and all of those government agencies are open for business.

MR. RUBENSTEIN: OK. So today you're – the impact on your company over the next six months or so, I assume you'll expect some decline in revenues or earnings?

MR. KRONE: You know, it's kind of interesting, we could anticipate that, David, but we haven't seen it yet. In fact, what's been a little unique is what we have done is we've cancelled trade shows and travel and trips. And those are usually what we call indirect expenses. Those are things that, you know, go into overhead and G&A. And like, for me, I was supposed to be at a trade show Monday and Tuesday and at a – actually, the JP Morgan conference on Wednesday. So, I cancelled out of all three of those.

I spent three more days in the office. I did a lot of things that I had been putting off. This week I'm actually a little bit more productive than I would normally be. We're actually seeing that across the enterprise. We're spending less on indirect costs. We're doing more for our customers and more direct charging. We don't expect that we'll – that may be maintained, right? There will be a time when a facility or two will be shut down. But so far, the economic impact to Leidos has been neutral to maybe slightly positive, actually.

MR. RUBENSTEIN: So, have you had to lay people off yet?

MR. KRONE: No.

MR. RUBENSTEIN: And you expect to have to do that or not?

MR. KRONE: We don't expect to do that. And we went through the government shutdown a year ago, you know, we had a 33-day government shutdown. We were able to redeploy during the shutdown to parts of the company where the customer was open. We have an employee fund that we use to help bridge employees who otherwise would be furloughed. You actually can donate paid time off into the fund. And we've done that. We actually have a balance in the fund. So, we're not anticipating any significant layoffs.

MR. RUBENSTEIN: OK. So, it took me a while to remember the four letters, S-A-I-C. When I finally memorized them, you changed the name.

MR. KRONE: Yeah, we did.

MR. RUBENSTEIN: What was wrong with SAIC? I got that name down. But why did you change it? What does Leidos mean?

MR. KRONE: Well, Leidos is cut from the middle of the word "kaleidoscope." It's a – you know, an artificial name that was created so that we could have the copyright and internet domain. The name SAIC actually was given to part of our company that we spun out into a separate agency. So, there's actually a separate company that's also publicly traded that bears the name SAIC.

MR. RUBENSTEIN: So, do you have any recommendations for your employees about what they should do, in light of what's going on?

MR. KRONE: Yeah. I think our recommendations have been pretty clear, which is you should do what you're comfortable with. If you feel you're at risk and you want to work at home, you know, please do that. Take the appropriate precautions. Modify your work schedule. Take care of yourself first. You know, we're a people company more than a product company. And so, the health and wellbeing of our employees is paramount. And, you know, we have a – we have a corona working group that meets. My executive leadership team, we have a phone call every day. Like, I had a question last night. Someone – there was an employee who was concerned about coming in and working in a particular area. And the direction was: If they're not comfortable, well, then they ought to work at home. And we'll take care of the rest.

MR. RUBENSTEIN: So, you – I assume you don't shake anybody's hands anymore?

MR. KRONE: Not many.

MR. RUBENSTEIN: Not many?

MR. KRONE: Not many.

MR. RUBENSTEIN: OK. And I noticed you kind of broke your foot, or something. What happened there?

MR. KRONE: Well, I'm a runner and a repetitive stress injury. But I'm doing fine.

MR. RUBENSTEIN: So, it's not related to the virus.

MR. KRONE: Not related to the virus. I should be back up running again soon.

MR. RUBENSTEIN: So, you would say that this is something you're dealing with. You're managing through it. At this moment, you don't see any deleterious effects on your company long term, is that right?

MR. KRONE: That's correct. Correct. And I would emphasize to you, and to everybody that's out there, is that we're going to be OK. You know, we'll get through this. You know, over the short term, you know, maybe we wish we could do more testing or something, but you know, there are already vaccines in formulary. They'll get them through stage one, stage two trials. There will be a vaccine. We will get through this. We will return to whatever the new normal is.

MR. RUBENSTEIN: I see. Roger, thank you very much for coming in. And good luck on your foot and all the things you're doing.

MR. KRONE: Great. Thanks. Thanks for the opportunity to talk.

MR. RUBENSTEIN: Thank you. I won't shake your hand but thank you very much.

MR. KRONE: You're welcome.

MR. RUBENSTEIN: OK. We're here now with Matt Kelly, who is the CEO of JBG SMITH, which I think is the largest real estate company based in the Washington area. Is that right?

MATT KELLY: One of them, yes.

MR. RUBENSTEIN: You're not the largest? I thought you were the largest.

MR. KELLY: Well, AvalonBay is based here as well, and they're larger than we are. But we're the largest focused primarily on the Washington, D.C. metro area.

MR. RUBENSTEIN: OK. You are a native of St. Louis, graduate of Dartmouth and Harvard Business School. You've been in the private equity world and the investment banking world, and now you're in the real estate world. So, let's talk about real estate for a moment. You were, I think, instrumental in helping to persuade Amazon to come here. You have a relationship with them. Has anything been affected in that relationship because of the coronavirus?

MR. KELLY: No, not thus far. You know, we have a lot of customers, a lot of tenants in our portfolio. And thus far, each business – you know, they're all making different decisions about their own operations. But we've had no real hiccups in any of those operations.

MR. RUBENSTEIN: Now, you're a publicly traded company.

MR. KELLY: We are.

MR. RUBENSTEIN: What's your market value?

MR. KELLY: Well, right now it's a little bit lower than it was a month ago. But plus, or minus \$5-6 billion, depending on which trading day you're counting.

MR. RUBENSTEIN: OK. So if you were going to sell a building two months ago and hadn't yet closed, but you had agreed on price, would you expect that that person would go forward at the same price or would you expect a renegotiation at this point?

MR. KELLY: I think it depends on the asset. We are generally in the office and residential business. We do own one hotel. We are – within the public company, we're not selling any hotel – we're not selling our hotel asset. I think it would be very challenging to maintain pricing on a hotel asset right now, just given the obvious impact this will have on group business and travel generally. And I think it's safe to say that most buyers in the market these days will probably pause to assess how bad is this going to get, and will there be better buying opportunities later?

MR. RUBENSTEIN: How many employees do you have?

MR. KELLY: We have about a thousand employees.

MR. RUBENSTEIN: And are they working from home? Are they working in the office? What are they doing now?

MR. KELLY: So, some of those employees are customer-facing. And those employees are continuing to maintain those roles. The employees in our corporate office are working from home. We do not have any concurrent cases amongst our staff, field or corporate. But we made a decision not to wait until that happens, because we believe that's inevitable. And if we wait until it happens then the horse is out of the barn, and we really haven't done enough to try to slow the spread of this, so that we're not straining the healthcare system.

MR. RUBENSTEIN: So right now, are you operating your buildings any differently than before? Are you give more hand sanitizer to people? What are you doing?

MR. KELLY: We're doing a number of things. We've instituted some new training protocols for our staff to deal with companies that report when they have cases, or when they believe they may have individuals exposed. We've implemented more stringent cleaning measures, disinfectant measures, swapping out HVAC system filters, bringing in extra layers of

environmental cleaning services, in the case of actual confirmed infections, which we have had to deal with on a couple of occasions.

We've encouraged a number of our tenants – we have over 100,000 customers. And so, we've encouraged a number of the tenants in our apartment buildings, if they have a non-emergency maintenance issue, to please wait to have it dealt with so that our staff can deal with other issues. And if they themselves are symptomatic in any way to please deal with issues via email or via phone. And we do have protective equipment for all of our staff members, to the extent they have to go into a space that has been impacted.

MR. RUBENSTEIN: OK. All right. So, the company's named JBG SMITH, not Kelly. Who is J? Who is B? Who is G? And who is Smith?

MR. KELLY: So, J, B, and G were the original founders of the JBG Companies. So, it's Ben Jacobs, Donald Brown, and Joe Gildenhorn. And then Smith is the name of the original Charles E. Smith company that was founded in the mid-1940s. And as some people may know, the two, JBG and Smith, were merged in 2017 in a public transaction that now created this larger entity.

MR. RUBENSTEIN: OK. So, on Amazon, as I mentioned earlier, you were involved in maybe persuading Jeff Bezos and his team to come here. Did you meet with Jeff Bezos in the course of that?

MR. KELLY: So, I actually met with Jeff Bezos at the Economic Club dinner. And it was not a business conversation or a business meeting. It was – it was a short interaction. And, you know, mostly the kind of small talk you would imagine in that sort of setting. I know that he and his senior team were obviously very close to the decision-making, but they were not on the front line. And so, we were dealing with a team of folks that report to the senior team.

MR. RUBENSTEIN: I see. So, the Economic Club of Washington doesn't deserve a finder's fee, is you're saying? Or we do deserve –

MR. KELLY: I think you can claim some credit. I think he had a good experience when he was here, and that's not a bad thing.

MR. RUBENSTEIN: So, are you building buildings for them? Is that what you're doing now?

MR. KELLY: We are. So, we are underway now with the first phase of their first 4 million feet of new buildings. And that first phase is a little over 2 million square feet. Expected to deliver in 2023. And that's multiple buildings that will all come out of the ground all at one time.

MR. RUBENSTEIN: Now, the land on which you're building this was land that, I guess, came from the Smith company initially?

MR. KELLY: That's correct.

MR. RUBENSTEIN: And these were former railroad track lands, is that right more or less, in Crystal City, or?

MR. KELLY: Industrial uses, warehouse uses, low-density uses for a very long time.

MR. RUBENSTEIN: OK. OK. So how many employees will actually come to the Washington area, metropolitan area, as a result of buildings you're building?

MR. KELLY: So, if you do kind of simple math around average space utilization, the first phase ought to be able to accommodate somewhere in the range of 10-12,000 people. And the second phase will be similar in size. And so, it should go a long way towards accommodating the first wave of their significant growth.

MR. RUBENSTEIN: Now, if I was looking for office space now, and I called you up and said I really want to get some space now, would I get a lower price than I would have a month ago?

MR. KELLY: I don't think so. These sorts of episodes tend to have short-term impacts, but not really long-term impacts. And when you're talking about office space, you're generally talking longer-term contracts, longer-term leases. And unless this is a prolonged, many years level of downturn, I wouldn't expect to see an impact.

MR. RUBENSTEIN: I thought you would say, yes, come in and talk to me and we'll probably get you a pretty good deal. You wouldn't say that, though?

MR. KELLY: We can get you a good deal, but I wouldn't say it's cheaper than it would have been a month ago.

MR. RUBENSTEIN: OK. And today I assume you're not going to be selling anything at today's prices, because I assume the price would be lower than it would have been a couple months ago, or they will be maybe in six months from now?

MR. KELLY: I think that remains to be seen. It's still very early. And I think that's a trend we plan to watch. We are in the market now with a handful of assets for sale, which is part of an ongoing recycling program that we have. And we'll have to watch it closely.

MR. RUBENSTEIN: Let me ask you to explain this, because some people may not follow the real estate market. Historically Washington was thought to be a really good office market because you have the federal government here, lots of lawyers, lots of lobbyists and so forth. But lawyers now don't have secretaries so much. And lawyers are having no libraries anymore. So, are you finding that there's a contraction in the space lawyers and other Washington professionals are needing?

MR. KELLY: So that trend has really been unfolding over the last decade. And essentially what did happen over 95 of the Am Law of 100 law firms<sup>3</sup> have already done this, is they did take less space per person. And we've seen that trend really wash through the market. It has happened in

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<sup>3</sup> Am Law 100 is the definitive public ranking of financial performance for the largest law firms in the United States.

most sectors. The federal government is about 50 percent of the way through what we call right sizing. And in many cases, what tenants have done is they've opted to move to a new building because they can be more efficient, they can afford to pay a little more rent and still have the same occupancy cost per person. That's left behind a decent amount of vacancy in some of these 20-30-year-old commodity A buildings. And that has put some strain on the ability to grow rents in that tier of the market.

That's one of the reasons why over the last two years we've substantially exited most of our holdings in that tier of the market. And because we think that's a much more challenged space, and probably will be for several more years.

MR. RUBENSTEIN: So, if I wanted to invest in the real estate market in the Washington area, what should I do? Other than buy your stock, what is the best growth area?

MR. KELLY: I think a lot of the emerging in-fill neighborhoods within the Washington metro area are really exciting and attractive. They're becoming better amenitized, more restaurants, bars, things to do, more housing. National Landing, where we're very concentrated and focused around Amazon's growth, is going to change dramatically in the next few years. And so, a lot of these newly emerging neighborhoods have a lot to offer for people who want to put their business there or want to live there as a renter.

MR. RUBENSTEIN: Now, you have a beard, which makes you a look a little older, and you have some gray hair in the beard, but you're very young. You're in your 40s.

MR. KELLY: Yeah.

MR. RUBENSTEIN: So how did you rise up the rung in such a big company in your 40s? You're smarter than everybody else, harder working, luckier?

MR. KELLY: No, it's probably a combination of a number of different things. And I'm sure luck, luck always has something to do with it. But I'm one of the few people from my business school class who is still working at the same company that I started with after business school. JBG has always been, and now JBG SMITH, has always been a very dynamic and fast-moving, evolving company. And it's always been a great match, I think, for the skills that I bring to the table. And so, for as long as the team needs me and benefits from what I bring, I think it'll continue to be a great place.

MR. RUBENSTEIN: You've been a leader in getting people of lower income to have better housing and so forth. What are you doing in that area right now? What is it called?

MR. KELLY: So, we launched an initiative called the Washington Housing Initiative about two years ago. And along with that, we organized a lending vehicle that allows us to channel Community Reinvestment Act funds from big banks to provide essentially subsidized financing so that nonprofits can better afford to acquire existing apartments and put covenants in place to keep them affordable. And this is important because a lot of the people who fall into that category of what we call workforce renters, middle-income renters, don't qualify for a lot of the

existing assistance programs, but they still can't afford the rent in a lot of these closer-in neighborhoods. And so, we put in place a vehicle to help them do that, so that they can live closer to work and have a better chance of keeping the jobs they have or getting some of the jobs that are available in those locations.

MR. RUBENSTEIN: And you have younger children?

MR. KELLY: I do. I have four.

MR. RUBENSTEIN: Four young – what are their ages?

MR. KELLY: Five, five, seven, and 10.

MR. RUBENSTEIN: So, are they staying at home? Are they going to school?

MR. KELLY: Their school was put on early spring break as of the end of the day today. And so, they will be home with us for the next two weeks.

MR. RUBENSTEIN: Is that a cause of joy for you and your wife?

MR. KELLY: You know, it's like all things. It's a mixed experience. There will be some highs and there will be some lows. We were already planning on spring break, which, you know, we were going to travel internationally which we're now not going to do. And so, we're coming up with a list of daily activities that will keep everyone busy and occupied. It's another reason why we made the decision to ask people to work from home, is because a lot of our colleagues are in the same boat. You know, we have a fairly young team. A lot of them have young kids. And many people don't have the childcare in place to deal with their kids being at home.

MR. RUBENSTEIN: So how do you explain to two 5-year-olds what's going on?

MR. KELLY: We really don't. The 5-year-old is really not that equipped to deal with it.

MR. RUBENSTEIN: What about your other children?

MR. KELLY: Our older kids are more aware of what's going on. And thankfully, you know, children are not as susceptible to this, as they are the flu, for example. So, we're less worried about them from an illness standpoint. But we are encouraging hand hygiene and all of the other things. And we're trying not to scare them, because there's a lot of news out there that is, I think, scary for younger kids who can't fully process, you know, what does this mean?

MR. RUBENSTEIN: But it's OK for young kids to have friends over, at their age?

MR. KELLY: We think so. You know, of course, you feel a little strange, you know, asking, you know, have you just gotten back from Italy, or China, or anywhere like that, where they have a higher caseload. But I think if you're at home with your children and you don't do playdates, then it's going to be even more challenging to keep them entertained.

MR. RUBENSTEIN: So, if you have young children at home you are more predisposed to want to get back to the officer sooner, rather than other people, I assume.

MR. KELLY: I think there's some truth to that. [Laughs.]

MR. RUBENSTEIN: Right.

Matt, thank you very much for coming in and giving us an overview of your company and what you're doing.

MR. KELLY: Thank you. And I appreciate the Economic Club and you for doing this.

MR. RUBENSTEIN: Thank you.

MR. KELLY: Thank you.



**Hon. Sylvia Mathews Burwell, President, American University**

Sylvia M. Burwell is American University's 15th president and the first woman to serve as president. A visionary leader with experience in the public and private sectors, President Burwell brings to American University a commitment to education and research, the ability to manage large and complex organizations, and experience helping to advance solutions to some of the world's most pressing challenges. Burwell joined AU on June 1, 2017, succeeding Neil Kerwin.

Burwell has held two cabinet positions in the United States government. She served as the 22nd secretary of the US Department of Health and Human Services from 2014 to 2017. During her tenure, she managed a trillion-dollar department that includes the National Institutes of Health, Centers for Disease Control and Prevention, Food and Drug Administration, and the Medicaid and Medicare programs; oversaw the successful implementation of the Affordable Care Act; and led the department's responses to the Ebola and Zika outbreaks. Before that, she served as the director of the Office of Management and Budget, working with Congress to negotiate a two-year budget deal following the 2013 government shutdown. In both roles she was known as a leader who worked successfully across the aisle and focused on delivering results for the American people.

Her additional government experience is extensive and includes roles as deputy director of the Office of Management and Budget, deputy chief of staff to the president, chief of staff to the secretary of the Treasury, and special assistant to the director of the National Economic Council.

Burwell has held leadership positions at two of the largest foundations in the world. She served 11 years at the Bill and Melinda Gates Foundation, including roles as the chief operating officer and president of the Global Development Program. She then served as president of the Walmart Foundation and ran its global Women's Economic Empowerment efforts. Her private sector experience includes service on the Board of Directors of MetLife.

She earned a bachelor's degree in Government from Harvard University and a BA in Philosophy, Politics and Economics from the University of Oxford as a Rhodes Scholar.

A second-generation Greek American, Burwell is a native of Hinton, West Virginia. She and her husband Stephen Burwell are the parents of two young children.



**Dr. David Skorton, President and CEO, Association of American Medical Colleges**

David J. Skorton, MD, is president and CEO of the AAMC (Association of American Medical Colleges), a not-for-profit institution that represents the nation's medical schools, teaching hospitals, and academic societies.

Dr. Skorton began his leadership of the AAMC in July 2019 after a distinguished career in government, higher education, and medicine.

Most recently, Dr. Skorton served as the 13th secretary of the Smithsonian Institution, where he oversaw 19 museums, 21 libraries, the National Zoo, numerous research centers, and education programs. Prior to that, he served as president of two universities: Cornell University (2006 to 2015) and the University of Iowa (2003 to 2006), where he also served on the faculty for 26 years and specialized in the treatment of adolescents and adults with congenital heart disease. A pioneer of cardiac imaging and computer processing techniques, he was co-director and co-founder of the University of Iowa Adolescent and Adult Congenital Heart Disease Clinic.

A distinguished professor at Georgetown University, Dr. Skorton is an elected member of the National Academy of Medicine, the American Academy of Arts and Sciences, and the American Philosophical Society, as well as a lifetime member of the Council on Foreign Relations and a fellow of the American Association for the Advancement of Science. He also served on the AAMC Board of Directors from 2010 to 2013 and was the charter president of the Association for the Accreditation of Human Research Protection Programs, Inc., the first group organized specifically to accredit human research protection programs.

Throughout his career, Dr. Skorton has focused on issues of diversity and inclusion. A nationally recognized supporter of the arts and humanities, as well as an accomplished jazz musician and composer, Dr. Skorton believes that many of society's thorniest problems can only be solved by combining the sciences, social sciences, and the arts and humanities.

Dr. Skorton earned his BA from Northwestern University and MD from Northwestern University Feinberg School of Medicine. He completed his medical residency and fellowship in cardiology and was chief medical resident at the University of California, Los Angeles. He is married to Robin Davisson, PhD, an award-winning scientist, who is a professor of molecular physiology at the Cornell University College of Veterinary Medicine and Weill Cornell Medicine, as well as a professor of medicine at Georgetown University and an emerging visual artist.



**Jo Ann Jenkins, CEO, AARP**

As CEO of AARP, Jo Ann Jenkins leads the world’s largest non-profit, nonpartisan membership organization, harnessing the power and passion of almost 2,300 staff members, 60,000 volunteers and numerous strategic partners. Since joining the organization in 2010 and heading it since 2014, she has transformed AARP into a leader in social change, dedicated to empowering people to choose how they live and age. A fearless champion for innovation and impact, Jenkins is often lauded for her ability to create business opportunity and competitive differentiation. She has been described as a visionary and global thought leader, a catalyst for breakthrough results, accelerating progress and contribution while fostering positive relationships.

While AARP has long been recognized for its services, information and advocacy on behalf of people age 50 and over, Jenkins led efforts to redefine AARP’s vision, challenge outdated beliefs and spark new insights that allow people to adapt to the new realities of aging – with relevant solutions to everyday issues such as health, financial resilience, digital and social connectivity, work opportunities and personal fulfillment. Under her leadership, AARP has been recognized as one of the World’s Most Ethical Companies. Her best-selling book, *Disrupt Aging: A Bold New Path to Living Your Best Life at Every Age*, has become a signature rallying cry for revolutionizing society’s views on aging by driving a new social consciousness and sparking innovative solutions for all generations. She also established a new strategic direction and operating structure for AARP Foundation, focusing on change in four critical areas – hunger, income, housing, and isolation. She created Drive to End Hunger, a multi-year, nationwide campaign which has donated tens of millions of meals and provides support to over 100 anti-hunger organizations across the country.

Jo Ann began her career with the U.S. Department of Housing and Urban Development, moving on to progressively more responsible leadership positions in the U.S. Department of Transportation and U.S. Department of Agriculture before serving as Chief Operating Officer of the Library of Congress where, among other things, she led eleven National Book Festivals.

Jo Ann Jenkins holds a variety of board and advisory positions including AARP Board of Directors; General Mills Board of Directors, The Wall Street Journal CEO Council, Kennedy Center National Symphony Orchestra Board of Directors, Stanford School of Medicine Board of

Fellows, AVNET Board of Directors; World Economic Forum Stewardship Board for the Education, Gender, and Work System Initiative; World Economic Forum, Board of Governors for the Health Systems Initiative; Vice-Chair, International Oversight Board, National Academy of Medicine's "Healthy Longevity" initiative. In 2019, she received the Baldrige Leadership Award, and was named by Fortune as "One of the World's 50 Greatest Leaders". She has been recognized with BlackDctor.org "Top Blacks in Healthcare" award (2019); Diversity & Flexibility Alliance Luminary Award (2019); WNET New York Public Media 2018 "Woman of Vision" Award; Washington Business Journal's "Women Who Mean Business" award (2018); Black Enterprise Magazine "Most Powerful Women in Business" (2017); Actor's Fund Medal of Honor (2017); International Association of Gerontology and Geriatrics 2017 Presidential Award; Foreign Policy Global Thinker (2017); Power 100 – Washington's Most Influential People, Washington Life Magazine (2015-2017); "Non-Profit Influencer of the Year" (2015); "Non-Profit Times' Power and Influence Top 50" (2013-2019); Peace Corps Director's Award (2014) and Malcolm Baldrige Fellow (2013).

After earning her Bachelor of Science degree from Spring Hill College in Mobile, AL, she graduated from the Stanford Graduate School of Business Executive Program. Jenkins also holds an Honorary Doctorate of Humane Letters from both Spring Hill College and Washington College.



**Peter Scher, Chairman of the Mid-Atlantic Region & Head of Corporate Responsibility, JP Morgan Chase & Co.**

Peter Scher is Chairman of the Mid-Atlantic region, Global Head of Corporate Responsibility and serves as a member of the firm's Operating Committee.

Scher serves as the firm's senior executive in the Mid-Atlantic region—now representing the third largest economy in the United States.

In addition, Scher oversees a number of global functions, including Government Relations and Public Policy, Philanthropy, Sustainable Finance, Nonprofit Engagement and the JPMorgan Chase Institute. He is Chairman of the JPMorgan Chase Foundation, one of the largest corporate foundations in the United States and has led the development of a number of the firm's flagship programs, including the \$150 million investment in Detroit's revitalization.

Prior to joining JPMorgan Chase in 2008, Scher was the Managing Partner of the Washington, D.C. office of Mayer Brown LLP and earlier served as the Chairman of the firm's Government and Global Trade Practice.

Scher spent nearly a decade in public service. Nominated by President Clinton, he was confirmed by the United States Senate as U.S. Special Trade Ambassador and served as one of the lead U.S. negotiators on China's entry into the World Trade Organization. He previously served as Chief of

Staff for the U.S. Trade Representative and the U.S. Department of Commerce, Staff Director for the Senate Committee on Environment and Public Works and Chief of Staff to former U.S. Senator Max Baucus. He also served as U.S. Representative to the Asia Pacific Economic Cooperation Forum (APEC) Business Advisory Council.

Scher serves on the Board of Trustees for American University and the Board of Directors of the Greater Washington Partnership and the Economic Club of Washington, D.C. He is a member of the Council on Foreign Relations and serves on the Policy Advisory Board of the Biden Institute.

Scher received his B.A. from American University (AU) and his J.D. from AU's Washington College of Law.



**Roger Krone, Chairman and CEO, Leidos**

Roger A. Krone is Chairman and Chief Executive Officer of Leidos. With approximately \$10 billion in annual revenue and 36,000 employees worldwide, Leidos is a recognized global leader in solving important problems in the defense, intelligence, homeland security, civil, and health markets. Before being named CEO in July 2014, Krone held leadership roles at some of the most prominent organizations in aerospace for nearly 40 years.

For Krone, the future of Leidos is one with a laser focus on its customers, shareholders, and employees. In 2016, Krone engineered Leidos' return to growth through major program wins, and mergers and acquisition activity. This included the acquisition of Lockheed Martin's Information Systems & Global Solutions business, among others. Under his strategic vision, the organization remains committed to fostering a culture of innovation and investing in critical internal research and development efforts.

Before joining Leidos, Krone served as president of Network and Space Systems for The Boeing Company, where he provided calculated direction for approximately 15,000 employees in 35 states and 12 countries. He joined McDonnell Douglas in 1992 serving as director of financial planning, vice president and treasurer after a 14-year career at General Dynamics, where he held positions in program management, engineering, and finance.

Krone earned a bachelor's degree in aerospace engineering from the Georgia Institute of Technology, a master's degree in aerospace engineering from the University of Texas at Arlington, and a Master of Business Administration from the Harvard Graduate School of Business. A Six Sigma Green Belt, Krone is both a licensed commercial pilot and a certified public accountant. He is also a Fellow of the American Institute of Aeronautics and Astronautics and a Fellow of the Royal Aeronautical Society in the United Kingdom.

Krone is a member of the Georgia Tech Foundation Board of Trustees, WETA Public Television and Radio in Washington board, the Greater Washington Urban League chapter board, the

Business Roundtable, and the Aircraft Owners and Pilots Association (AOPA) Foundation's Board of Advisors. He serves as the chair of the Professional Services Council (PSC) and is a member of the Executive Committee of the Aerospace Industries Association (AIA).



**Matt Kelly, CEO, JBG SMITH**

Matt Kelly is the CEO of JBG SMITH and a member of the board of trustees. Prior to the formation of JBG SMITH, Matt served as a Managing Partner of the JBG Companies and a member of the firm's Executive Committee and Investment Committee. He previously was co-head of JBG's Investments Group and was primarily responsible for investment strategy and the investment and acquisition activity of the JBG Investment Funds. Prior to joining the JBG Companies in 2004, he was a co-founder of ODAC Inc., a media software company, and worked in private equity and investment banking with Thomas H. Lee Partners in Boston and Goldman Sachs, & Co in New York.

Mr. Kelly currently serves as member of the NAREIT Executive Board, the Real Estate Roundtable and the Urban Land Institute and served as the Host Co-Chair of the ULI 2019 Fall Meeting in Washington, DC. He also serves as an Executive in Residence of the Steers Center at the McDonough School of Business at Georgetown University.

Mr. Kelly serves as a member of the Board of Directors of the Greater Washington Partnership, as a Trustee and member of the Executive Committee of the Federal City Council and as a Trustee and member of Executive Committee of the D.C. Policy Center. He is also a member of the Economic Club of Washington, D.C.

Mr. Kelly serves as a member of the Board of Directors of the Urban Institute, is Chairman of the Board of the Medstar Health Washington Hospital Center and serves on the Board of Trustees for the Halcyon arts and social entrepreneurship incubator.

Mr. Kelly has lectured at Georgetown University, The University of Notre Dame, He holds a B.A. with honors from Dartmouth College and an M.B.A. from Harvard Business School.