My 64 Years at NYU — 1952 to 2016

Martin Lipton

On October 5, 2015, I stepped down as chairman of the Board of Trustees of New York University. My tenure as Chairman began in 1998, but my relationship with NYU goes back much further—to 1952. Over the years, I have been continuously involved with NYU and the NYU community as a student, teacher, active alumnus, trustee, Chairman, and now as Chairman Emeritus. I have participated in the evolution of what was a regional commuter university into what today is recognized both as one of the great national academic institutions and as the leading global university. In return, NYU has played a significant role in my own career. The NYU School of Law introduced me not only to the law itself, but to the three partners with whom I founded the law firm Wachtell, Lipton, Rosen & Katz, which has become one of the most preeminent law firms in the world.

Put simply, my life has been intertwined with NYU for 64 years. This is the story of that very special relationship.

My Years in Law School

In 1952, I graduated from the Wharton School of the University of Pennsylvania with a business degree and decided to go to law school. I applied to, and was accepted by, the NYU School of Law. My father had wanted me to go to the Wharton School and become an investment banker. But when I graduated in 1952, investment banking wasn’t the career opportunity it is today. I thought what I would really like to do is be a lawyer. I did well on the entrance examination and found myself in Washington Square—a few miles north of Wall Street.

In 1952, the law school building, Vanderbilt Hall, had been open for just a year. Vanderbilt Hall was named for Arthur Vanderbilt, then the chief justice of the Supreme Court of New Jersey and the immediate former dean of the law school. It had been Vanderbilt’s vision to establish a leading national law school by building a superb physical facility, attracting an outstanding faculty, and inaugurating the Root-Tilden Scholarship Program to provide full tuition and room and board to two exceptional college graduates from each of the country’s 11 federal judicial circuits. Although Chief Justice Vanderbilt continued to have significant influence on the law school, Russell Niles, who succeeded him as dean in 1948, was the inspiring successor who kept the law school on the path to achieve Vanderbilt’s dream.

As a first-year law student, I had no idea of the impact that NYU would have on my professional and personal life. But I soon found that I had made a good choice in going to law school—studying law was “my thing.” I was at the top of my class. I was invited to join the staff of the NYU Law Review, where I met my future partners Herbert Wachtell, Leonard Rosen, and George Katz, who were law review editors in the year ahead of me. My friendship with Herb got off to a rocky start when he took the first note I wrote for the Law Review and completely rewrote it on his typewriter amidst a constant stream of criticism. Fortunately, I survived the experience—as did our nascent friendship, which is still going strong after six decades.
In the spring of 1954, I was elected editor-in-chief of the Law Review. I was also awarded a Root-Tilden Scholarship. In light of my academic success, Dean Niles urged me to consider a teaching career focusing on corporate law, a subject in which I had developed a particular interest. He suggested that he would like me to ultimately join the faculty, and offered to arrange a fellowship for me to study under Professor Adolf Berle at Columbia Law School after I graduated. Together with Gardiner Means, Berle was the author of the 1932 book The Modern Corporation and Private Property, which is often cited in cases, books, and articles about corporate law.

**Early Legal Career**

Dean Niles advised me that in order to have a well-founded teaching career, particularly in corporate law, I needed a few years of practical experience. As part of my fellowship at Columbia, I assisted Professor Herbert Wechsler, who encouraged me to apply for a clerkship with Judge Edward Weinfeld of the US District Court for the Southern District of New York. I did, and began the clerkship in the summer of 1956.

Judge Weinfeld was a 1921 graduate of NYU’s law school, but I was the first NYU School of Law graduate that he hired as a clerk. My clerkship rekindled his interest in the law school. I was succeeded by another NYU School of Law graduate. Thereafter, for 30 years, Judge Weinfeld hired many of his clerks from the ranks of NYU School of Law graduates. Judge Weinfeld also became a trustee of the Law School in 1967 and Chairman of the Law School Board in 1973. In 1975, Judge Weinfeld was elected to the Board of Trustees of the University. His commitment to and close association with NYU continued for the rest of his life—as did my close association with him until his death in 1988.

At the same time that I was clerking for Judge Weinfeld, Wachtell was serving as an assistant US attorney and we would frequently see each other in the federal courthouse on Foley Square. Also during this period, Rosen, who had entered the army when he graduated from the Law School, was discharged and stopped in to see me at the courthouse. Rosen said he was looking for a job, and I suggested that he talk to Seligson, Morris & Neuberger, the law firm where I had worked as a summer intern before starting my graduate studies at Columbia. Charles Seligson taught at NYU, and I had met him when I took his course on bankruptcy law.

As I neared the end of my clerkship with Judge Weinfeld, Dean Niles again told me that before starting my teaching career, I should obtain practical experience, preferably at a firm that specialized in corporate law. Acting on this advice, I joined the Seligson firm. The Seligson firm was a relatively small but quite successful law firm that specialized in corporate law and creditors’ rights. It represented such major companies as Schenley Industries, Metromedia, and Pepsi Cola, and worked with Lehman Brothers for clients that were involved in proxy fights and corporate control matters. This was just the type of practice that Dean Niles thought would offer the experience necessary as a predicate to teaching corporate law.

A few weeks after starting at the Seligson firm, I attended a reception at the Law School and saw Dean Niles. He asked me what kind of work I was doing and I told him that I was working on an SEC registration statement for a small oil company. A few days later Dean Niles called me to say that Professor Chester Lane, who had been teaching the course on securities
regulation at the Law School, had just died and that he needed someone to teach the class the next day. He told me he had Professor Lane’s class notes and would give them to me to make it easier for me to prepare to teach the class. He ended the conversation by saying, “And don’t worry, Marty, by next week I will have someone who knows how.” I taught the class, but Dean Niles did not replace me, and I spent the next 20 years as a lecturer and adjunct professor at the Law School teaching securities regulation and occasionally corporate law. I found that teaching and practicing law were a very attractive combination and I decided not to become a full-time teacher, but to do both with the major emphasis on the practice of law.

In 1962, Rosen and I became partners in the Seligson firm. In 1964 we asked George Katz to leave the firm he was then with and join us as a partner in the Seligson firm. Thus, we three graduates of the Law School and alumni of the NYU Law Review were reunited as partners in the Seligson firm.

Wachtell, Lipton, Rosen & Katz: A Firm of NYU Graduates

The Seligson firm dissolved in December of 1964, and Rosen, Katz, and I decided to form our own law firm. We had been referring litigation matters to Wachtell, who had formed his own firm after leaving the US Attorney’s Office, and we decided to invite Wachtell and his partner Jerome Kern (a 1960 graduate of the NYU School of Law) to join us. And so, in 1965, we formed Wachtell, Lipton, Rosen, Katz & Kern. Basically, the firm was a group of friends joining together and we did not view it as a business. We shook hands, said that we would practice law together, and agreed to be equal partners. Our basic understanding was simply that we would work hard, do a great job, and clients would seek us out. To this day, that principle guides the firm and the firm does not have a written partnership agreement.

As Wachtell Lipton grew, the firm maintained a close relationship with the NYU School of Law and members of the law school faculty. In 1969, Professor Carr Ferguson, who taught tax law at the law school, joined the firm to head the tax practice. In 1972, Professor Lawrence King joined the firm to assist in the creditors’ rights practice. I continued teaching at the Law School, and Wachtell Lipton recruited a large percentage of its new associates each year from graduates of the Law School.

The firm got one of its first breaks thanks to an NYU connection when Lester Pollack, the general counsel of Loews Corporation and a 1957 NYU School of Law graduate with whom I had worked closely on alumni matters, asked Wachtell Lipton to represent Loews in several acquisition transactions. Loews was headed by Laurence Tisch, an NYU alumnus and trustee. As a result of Loews becoming a client of Wachtell Lipton, Larry Tisch and I became friends; a friendship that continued until his death in 2003.

In 1974, Wachtell Lipton represented Loews in the acquisition of the CNA Insurance Company by means of a contested takeover bid that was frequently in the press. Ira Harris, the prominent Salomon Brothers partner in charge of mergers and acquisitions, was the banker for Loews. Harris and I were often mentioned as the advisors to Loews. Success in this matter captured the attention of Wall Street and the corporate world and major investment banks and companies began to consult me for advice on takeover matters. As a result, Wachtell Lipton became involved in a large number of high-profile takeover battles, which were closely followed
by the media. Frequently, when Wachtell Lipton was referred to in the media or elsewhere, it was noted and discussed that Wachtell Lipton founders and a large number of Wachtell Lipton lawyers were graduates of the NYU School of Law and that I was an adjunct professor teaching securities law at NYU School of Law. Illustrative of the notoriety of the connection between Wachtell Lipton and NYU is a 1976 *New York* magazine article, “Two Tough Lawyers in the Tender-Offer Game,” which contained the following:

Lipton and his law firm of Wachtell, Lipton, Rosen & Katz are newer to the tender game, having taken the plunge in 1973. Beyond its reputation for being overwhelmingly partial to NYU students, Wachtell is also known at top law schools as one of the few firms that pay starting lawyers more than the “going rate” paid by the Wall Street firms. (This year, the rate is $22,500.) Wachtell Lipton is far less dependent than Skadden, Arps is on tender offers for its income. Its general litigation, securities, and antitrust departments are highly respected and kept busy, and Lipton himself is so highly regarded in all areas of securities work that he’s frequently been talked about as a future SEC chairman. Nonetheless, Lipton has been increasingly involved in tender fights and enjoys the distinction of having won the most grueling fight of all—in which Loews finally took over CNA in a battle that lasted nine months and was complicated by six state insurance statutes and a bitter political and publicity fight waged by a CNA management that simply wouldn’t let go.

**My Relationship with NYU and NYC Deepens**

As Wachtell Lipton was building its reputation in the 1970s, I was becoming more and more involved with NYU. In 1967, Professor Robert McKay succeeded Dean Miguel de Capriles, who had succeeded Dean Niles. I worked closely with Dean McKay on Law School strategy and alumni matters. In 1972, I was elected as a trustee of the Law School and as president of the Law School Alumni Association. I served as President until 1975, when I was succeeded by Lester Pollack. I was also appointed to the committee to recommend the appointment of a new dean of the Law School when Dean McKay retired in 1974. Professor Norman Redlich was selected as the next dean. Thereafter, Dean Redlich, Judge Weinfeld, and I worked closely together in connection with law school matters.

In 1975, I was awarded the NYU Law School’s Arthur T. Vanderbilt Medal. The citation reads:

Rarely does one find a human being of such imposing caliber as Martin Lipton. No account of his accomplishments, regardless of length, can do full justice to the vigorous and productive life of this New York University School of Law alumnus.

A distinguished lawyer, teacher, and writer, he has truly earned the coveted title of “authority” in the complex legal field of securities regulations.
As a faculty member of our School of Law, this former Root-Tilden Scholar has been an inspiration to all his students, making them the most fortunate beneficiaries of his vast wisdom and experience.

In spite of his teaching responsibilities and active partnership in the firm of Wachtell, Lipton, Rosen & Katz, he has found the time and energy to distinguish himself as an author on securities subjects. Unusual indeed is the law journal whose pages have not been graced by his incisive prose.

And still, there is more to the rich record of this noble alumnus.

His loyal service to the School of Law is equaled by few other graduates. A trustee of the New York University Law Center, he is also chairman of the advisory board for the School of Law’s Securities Institute. And he contributes his tireless efforts and leadership as a vice president of the Alumni Federation.

In the early 1970s, NYU had financial reverses that resulted in a crisis that I helped resolve and my involvement expanded to encompass not just the law school, but the entire University and its leadership. Between 1973 and 1975, Larry Tisch, Lester Pollack, and I frequently discussed the financial problems of the University, which resulted in it being forced to sell assets, including its University Heights campus. In 1974, the financial situation of New York City worsened and New York City life continued to deteriorate. So, too, the financial condition of NYU deteriorated and the University was forced to pursue further sales of real estate in a severely depressed market. In an attempt to alleviate the continuing University deficits, the NYU administration discussed diverting to the University income that the Law School received from the C.F. Mueller Company, which had been acquired as an investment by Dean Vanderbilt in 1947 and was “owned” by the law school. The purpose of the investment in Mueller was to have the company’s income support the finances of the law school. But since the law school was not a separate entity in 1947, title to Mueller had been taken in the name of the University in a document that described the University ownership as being “for the exclusive benefit of its School of Law.”

Given the financial difficulties of the University and the University’s talking about diverting some of the Law School’s income from Mueller to the University, the Board of the Law School became concerned about preserving the Mueller asset, and I was designated by the Law School Board to treat with the University to obtain direct ownership of Mueller. I twice attempted to work out the transfer with James Hester, the then president of the University, but he rebuffed my efforts. Then, toward the end of 1975, John Sawhill, who had earned his PhD at NYU, replaced Hester as President of the University and I approached President Sawhill with respect to the Mueller situation. In our first discussion he recognized the desirability of a sale of Mueller and a division of the proceeds between the Law School and the University. President Sawhill appointed Larry Tisch to negotiate on behalf of the Board of Trustees of the University. I negotiated with Tisch and ultimately (not without considerable hard negotiation and even the threat of litigation between the University and the law school) we came to an agreement under which Mueller was sold for $115 million and the proceeds were divided—$67.5 million to the Law School and $47.5 million to the University. In addition to the sale, I negotiated an agreement—to this day referred to by the law school as “The Treaty”—on behalf of the Law
School to protect the Law School from being disparproportionately taxed for University overhead and, in order to oversee the Law School part of the University endowment, the right of the Law School to nominate four trustees for election to the University Board. I was designated to be one of those trustees and became a University trustee at the end of 1975.

With the proceeds from the Mueller sale along with management discipline, President Sawhill balanced the University budget and set it on the path of success it has enjoyed for the past 38 years. So, too, enabled by the Mueller money, Dean Redlich embarked on the expansion and enrichment of the Law School programs and facilities that have continued to today.

In 1978, John Schiff, the then chairman of the University board, retired, and I worked with Judge Weinfeld, who had become a trustee of the University in 1975, and President Sawhill to arrange the nomination and election of Larry Tisch as Chairman of the NYU Board of Trustees.

While my involvement with NYU as an alumnus and trustee deepened in the 1970s, I began to phase out my teaching at the Law School. In 1980, James Fogelson, a 1967 graduate of the NYU School of Law and an extremely talented partner at Wachtell Lipton, took over teaching my course. I continued on both the Law School board and University board.

Concurrent with my efforts that culminated in the sale of Mueller and the division of the proceeds between the Law School and the University, Wachtell Lipton worked as special counsel to New York City in connection with its fiscal crisis. I worked with Felix Rohatyn, partner of Lazard Frères (the preeminent investment banker who previously had been instrumental in rescuing the New York Stock Exchange from its financial crisis), to arrange federal financing for the city. The entire Wachtell Lipton firm was pressed into service during the last six weeks of 1975 to complete all the matters necessary to achieve the financing for New York City that ended the fiscal crisis. The solution to the city’s fiscal crisis and resultant improvement in city living conditions contributed significantly to the concurrent improvements in NYU; proof of a symbiotic relationship between a great university and a great city.

In 1979, John Sawhill resigned as president of the University to become deputy secretary of energy. After Sawhill assumed his Department of Energy position, he asked me to advise him with respect to a major energy project that had become stalled. Following receipt of my memorandum with respect to the project, the White House asked me to become special counsel to the Department of Energy, and I took leave from Wachtell Lipton to do so. I continued as a trustee of the Law School and the University. In 1980, the US Synthetic Fuel Corporation was created. Sawhill was named as its president, and for several months I acted as general counsel to the corporation. I left the government and returned to New York City toward the end of 1980.

In 1981, I received the NYU Presidential Citation. It reads:

Your association with the New York University School of Law began in 1952 when you entered the School as a member of the second class of Root-Tilden Scholars. Vanderbilt Hall had only recently been dedicated, and the law school was starting its period of dramatic growth toward the high place that it occupies...
today in the world of legal education. As a lawyer and alumnus, you have been both a symbol of, and a principal reason for, the success of your law school.

Your career at the bar, starting with your service as law clerk to Judge Edward Weinfeld, is a tribute to your keen intelligence, boundless energy, and uncommonly good judgment. The law firm of Wachtell, Lipton, Rosen & Katz, which New York University School of Law can proudly claim as its own (despite the presence of a few outsiders), is a testament to your skill. Few lawyers in this country have ever done so much so quickly—and so well. Beyond that, you have continued to engage in a wide range of charitable and public service activities, including the providing of your legal talents to guide New York City through its fiscal crisis and to help the Federal Department of Energy and the Synthetic Fuels Corporation during unusually critical periods.

Only those who have been familiar with the administration of the School of Law and the University can fully appreciate the extent of your contributions. During the delicate negotiations involving the sale of the C.F. Mueller Company, your skillful hand enabled us to achieve a result that provides a base for the continued growth of the law school and the University. Through your service as a trustee of the Law Center Foundation, and on the board of the University, you have always recognized the University’s stake in the ever-expanding excellence of the School of Law and, in turn, the School’s interest in a strong University.

The Brademas and Oliva Presidencies: The Transformation of NYU Into a World-Class University

In 1981, John Brademas, formerly a member of the US House of Representatives, was elected as the 13th president of the University, and at the initiative of the University Board (substantially reconstituted since the early 1970s), NYU undertook a $1 billion fundraising campaign with the objective of becoming a national university rather than a regional commuter university.

During the 1980s, I worked with Dean Redlich and Judge Weinfeld to further the development of the Law School and with Larry Tisch and President Brademas, who was very ably assisted by Jay Oliva, as provost, and Naomi Levine, as vice president for development, to further the development of the University. Dean Redlich later described my relationship to the Law School in a dedication to me of the 1991 Annual Survey of American Law:

As a member of the Board of . . . the NYU School of Law . . . Martin Lipton has demonstrated another quality that is more akin to the academy than the practicing bar. During my tenure as dean, he constantly prodded the administration of the law school to attract and maintain top-quality scholars and provide financial support for their scholarly endeavors. He values teaching, but he recognizes that a law school’s reputation depends on the scholarly attainments of its faculty. Thus, he helped to initiate the law school’s faculty research program, which provides generous grants and leaves for NYU faculty. The typical alumnus usually complains that a law school pays too much attention to scholarship and not
enough to teaching and to the practical aspects of the law. Martin Lipton is different: Scholarship is perhaps his most important priority.

In 1988, Judge Weinfeld died, and I was elected to succeed him as Chairman of the Law School Board. A few months later, Professor John Sexton became Dean of the Law School. Norman Redlich continued as a professor at the Law School and became of counsel to Wachtell Lipton. With strong support from me and the Law School Board, Dean Sexton initiated a program to make the Law School one of the most highly regarded in the nation. The Law School embarked on a major fundraising campaign, expanded faculty recruitment, expanded facilities, and improved alumni relations and student financial aid. As a result of these efforts, the Law School became one of the five leading law schools in the country, a status that has continued under the brilliant deanship of Sexton’s successors, Dean Richard Revesz and Dean Trevor Morrison. The success of the Law School in the 1970s and 1980s was a major factor in launching the success of the University as a whole, then and today.

In 1991, John Brademas retired as president of NYU. Chairman Tisch appointed me as chair of the Committee on the Future of the Presidency with the understanding that the committee would conduct interviews with the faculty, students, alumni, administrators, and benefactors with respect to recommending to the Board of the University that Jay Oliva, who had been an outstanding provost under Brademas, be elected president. The recommendation was made and acted upon by the board, and Oliva was installed as the 14th president of NYU.

In 1992, I was awarded NYU’s highest honor, the Albert Gallatin Medal. The citation reads in part:

[Lipton’s] dedication to New York University stretches over many years. Since 1972, he has been a trustee of the Law Center Foundation and currently serves as its president. As an adjunct professor, he taught the federal regulation of securities law. He was president and director of the Law Alumni Association. His outstanding record of service to the School of Law resulted in the conferring of the Vanderbilt medal in 1976. A University trustee since 1976, he is a member of the Executive, Development, and Financial Affairs Committees. For his efforts on behalf of the University, he received a Presidential Citation in 1981.

The NYU Medical Center

I worked closely with Oliva and Tisch on the major issues facing the University, including the problems of the Medical School and Tisch Hospital caused by the growth of managed care. By 1994, Tisch and the NYU Board had become seriously concerned about the effect of managed care on the future of the Medical School, Tisch Hospital, and the other parts of the NYU Medical Center. A small committee of University and Medical Center trustees, including Tisch, Oliva, George Heyman (the trustee most focused on the issues), Saul Farber (Dean and Provost of the Medical Center), Thomas Murphy (Chairman of the Medical Center Board), and me was formed. The issues to be considered by the committee were the eventual retirement of Dean Farber, who was then over 75 years old, the necessity to raise $500 million to replace Tisch Hospital and upgrade the facilities of the Medical Center, and the financial risks to academic medical centers caused by managed care. There had been several approaches by other
medical centers to discuss a merger. The committee decided to explore the possibility of a merger and the separation of the hospitals from the Medical School in order to insulate the University from liabilities of the hospitals. The committee was determined to do everything possible to avoid a repeat of the financial crises of the 1970s that had threatened the survival of the University. Toward the end of 1996, it was decided to discuss an agreement with Mount Sinai Hospital and Medical School under which the hospitals and medical schools would be merged. Tisch asked me to lead the negotiation of the deal.

The proposed merger was opposed by the NYU School of Medicine faculty and was not viewed with enthusiasm by key trustees of Mount Sinai. In February of 1997, it was abandoned. In July of 1997, the committee determined that Saul Farber should retire, despite his desire to continue as Dean and Provost, and asked me to arrange his retirement. Saul was a very close friend and family advisor, and the task was difficult.

Then in September 1997, the Mount Sinai merger discussions were revived and I worked with Tisch and the committee to negotiate a merger of the hospitals, but this time it was agreed that the medical schools would remain separate, although the faculties would be affiliated with both hospitals. This merger was consummated in July 1998 (I joined the Board of the new medical center which included both hospitals) with the understanding that the merged hospitals, of which John Rowe, CEO of Mount Sinai, would become CEO, would borrow $1 billion to refinance $500 million of Mount Sinai debt, and would invest $400 million in a new NYU hospital. The merged entity was unable to complete the financing and the merger failed of integration. By 2001, as a practical matter, the hospitals were demerged—although it wasn’t until 2008 that it was possible to complete the legal separation. Thus, the problems of the NYU Medical Center continued unsolved. The Medical Center situation continued to be a major distraction and threat to the well-being of the University.

Tisch retired as chairman of the NYU Board in 1998 and recommended that I be elected as chairman to succeed him. At the meeting, Tisch said, “It’s not that I think I’m too old to continue as Chairman, it’s that I’m afraid Marty is getting too old to succeed me.” In my role as chairman, in 1999, I approached Kenneth Langone, a graduate of NYU’s Stern School of Business, a trustee of the University, and a very successful businessman, about accepting chairmanship of the Medical Center Board and helping to resolve the problems left in the wake of the unsuccessful merger. Langone declined, saying that his principal interest was the Business School, but I importuned him to consider the Medical Center chairmanship. He agreed to visit the Medical Center and meet some of the faculty. After he made a second visit, I called him, hoping his interest might have been piqued, and as soon as I learned he was in his office I said, “I’ll be there in five minutes,” hung up the phone, and walked over to talk to him in person. To my relief and to the enormous benefit of the Medical Center, Langone accepted the chairmanship and said, “Marty, you know I never invest my time without investing my money.” With that, he gave me a $100 million contribution to the Medical Center.

In 2007, Langone and I served on the search committee to identify a new dean of the School of Medicine and CEO of the Medical Center; Dr. Robert Grossman was selected as Dean and CEO. The great success of the Medical Center since 2001 is in large measure due to the energy, dedication, and devotion of Ken Langone and of Bob Grossman. Grossman has worked very well with Langone and also Robert Berne, the University’s Executive Vice President for
Health. Under Grossman’s leadership, NYULMC has become one of the leading academic medical centers in the United States. Among the outstanding achievements since Grossman became Dean and CEO are:

**Awards:**

- For the second consecutive year, in 2014 the University HealthSystem Consortium (UHC) Quality and Safety Accountability Performance Scorecard ranked NYULMC the No. 1 hospital among the nation’s leading academic medical centers. In addition, NYULMC earned the 2014 UHC Quality Leadership Award for demonstrated excellence in high-priority patient-care areas. NYULMC also achieved five stars for overall performance.


- For the third consecutive time, Tisch Hospital and Rusk Institute for Rehabilitation Medicine received Magnet recognition for nursing excellence, a distinction achieved by fewer than 2 percent of hospitals nationwide.

- NYULMC was awarded Gold Seal of Approval by the Joint Commission for a commitment to high-quality care.

**Clinical Excellence Milestones:**

- Epic, a new electronic medical records system, was fully implemented, making NYULMC the first in the New York area to apply the benefits of information technology to patient care institution-wide.

- Efforts to become a true seven-day-a-week hospital have been expanded, increasing the availability of selective elective services on weekends.

- A new Patient-Centered Care Department has been established, bringing together a range of services, including patient advocates, pastoral care, patient and family education, and integrative medicine.

- The NYULMC institution-wide initiative called Value Based Management has been instituted and is successfully addressing the challenge of providing the highest-quality patient care at the most affordable prices.

**Education Milestones:**

- The School of Medicine ranked No. 14 in research on *US News & World Report’s* 2016 rankings of the Best Medical Schools, up from No. 21 last year and up from No. 34 six years prior. The improvement parallels the school’s increase in National Institute of Health (NIH) funding, which rose approximately 40 percent over 2013 (more than doubled in less than 10 years); a remarkable achievement, made even more impressive by the challenging funding environment faced by medical researchers.
The School of Medicine and NYULHC (including Tisch Hospital, Rusk Institute for Rehabilitation Medicine, and Hospital for Joint Diseases) began functioning as an integrated academic medical center, breaking down silos and enhancing synergies between the clinical, research, and educational missions.

The School of Medicine launched the Curriculum for the 21st Century, a patient- and learner-centered innovative curriculum where students see patients beginning on the very first day of medical school and in which the classroom and clinical experiences are combined around disease-based pillars. This represents the first significant change in medical school education in America in 100 years.

The Medical School introduced new five-year dual-degree programs, the MD/Master of Science in Clinical Investigation and the MD/Masters in Bioethics. Additional dual-degree programs introduced include: Master of Public Administration in Health Policy and Management, Master of Public Health in Global Health Leadership, and Master of Business Administration in General Management.

The School of Medicine announced a new three-year accelerated MD degree program, the first by a nationally ranked academic medical center that allows graduates to pursue either primary care or the medical specialty of their choice.

The Medical School opened, in collaboration with the City University of New York, the New York Simulation Center for Health Sciences, the largest and most advanced simulation training center of its kind in the region.

Research Milestones:

NYULMC’s gifted investigators made significant advances in biomedical research across the board. NIH research awards in 2014 totaled $245 million—an increase of approximately 40 percent over the previous year.

The Medical School was awarded a $29.4 million grant from the NIH to establish a Clinical and Translations Science Institute, a partnership between New York University and the New York City Health and Hospitals Corporation.

The School of Medicine established a new state-of-the-art Neuroscience Institute, with the support of the Druckenmiller Foundation.

The Medical School Office of Collaborative Sciences was created to cultivate team science to solve interdisciplinary problems through management of core research facilities.

The School of Medicine received the largest grant in its history, an $84 million award from the NIH to study treatment options for patients with heart disease.

The Medical School became one of 11 founding partners of the New York Genome Center.

The School of Medicine growth rate of NIH funding received over the last four years has been the fastest among all academic medical centers in the United States.
Campus Transformation:

• NYULMC added 2.7 million square feet since 2007. Three new state-of-the-art buildings are under construction on the main campus to accommodate growth, optimize operational efficiencies, and create the highest quality facilities for clinical care, research, and education.

• In October 2012, NYULMC was faced with Hurricane Sandy and its devastation tested NYU’s resolve like no other event in its 172-year history. Just nine weeks after more than 15 million gallons of water flooded the main campus, and after round-the-clock efforts from thousands of people, most of the outpatient and inpatient services were back up and running. Despite this setback, the following has since been accomplished:

  – **Tisch Hospital transformation**: including a new elevator tower and four new elevator cars, lobby additions and renovation, new patient floor lobbies and waiting rooms, a new pharmacy and clinical labs, the new Ronald O. Perelman Emergency Department, and specialized pediatric emergency room; future renovations include all single-bed rooms.

  – **Ronald O. Perelman Center for Emergency Services**: a 22,000-square-foot facility is more than triple the size of the former emergency department. In addition, it includes the KiDS of NYU Pediatric Department, which is a dedicated space designed to meet the specific needs of children and families.

  – **Science Building**: 365,000 square feet, gateway for research and education on campus, wet lab space and core facilities, vivarium will be completed in 2017.

  – **The Kimmel Pavilion**: when the new 830,000-square-foot acute clinical facility opens in 2017, it will house 11 inpatient floors that contain 374 private inpatient rooms, 30 procedure rooms, public space, dining, and a conference center.

  – **Hassenfeld Children’s Hospital**: state-of-the-art inpatient facility offering world-class care for children and their families. Expected to be completed in 2017, the facility will be one-of-a-kind in New York City, offering all private rooms, design choice intended to improve bedside care, infection control, and patient healing.

  – **Construction of a new 78,600-square-foot Energy Building and co-generation plant**: will relieve strain on NYULMC energy infrastructure. Expected to be completed in 2016.

  – **Substantial expansion to off-campus ambulatory sites**: currently more than 80 locations totaling 2 million square feet in the five boroughs, Long Island, Westchester, and beyond, including the Perlmutter Cancer Center; NYU Langone at Trinity Center; 38th Street Ambulatory Care Center; Center for Musculoskeletal Care; Joan H. Tisch Center for Women’s Health; Preston Robert Tisch Center for Men’s Health; Alexandria Center for Life Science (almost 200,000 square feet of research space); NYU Langone Ambulatory Care Center West Side; Great Neck Medical Group; Hudson Valley Cardiology Group; and many more.

  – **Affiliation with Lutheran Medical Center**: now known as NYU Lutheran Medical Center; located in Brooklyn.
Creation of NYU Cobble Hill: a free-standing Emergency Department in the Cobble Hill section of Brooklyn.

Faculty Group Practice:
- Since 2007, the NYULMC faculty group practice has grown the number of physicians from 600 to over 1,500 at more than 100 sites. In 2014, 400 physicians were added.

Philanthropy:
- Fundraising since 2007 was 220 percent greater when compared with the prior seven-year period. $1.8 billion has been raised through nearly 140,000 gifts, with more than $520M toward capital projects, $140M for faculty recruitment and retention, $250M for neuroscience, $255M for children’s services, $195M for cancer, $85M for cardiac and vascular, and $90M for musculoskeletal. In addition, to achieve Dean Grossman’s vision of tuition-free medical education, $79M was raised to support scholarships and financial aid, including 42 endowed scholarships. Also, 40 new endowed professorships were established.

Today, NYU Langone Medical Center is an incredible success. Its success is a major factor in the University’s progress.

The New Millennium

President Oliva, building on the progress made and on the strong foundation created during the Brademas presidency, led the University to a position from which it could achieve greatness. With President Oliva’s impending retirement early in the new millennium, I added Chair of the Committee on the Future of the Presidency to my duties as Chairman of the Board; and after extensive consultation with faculty, alumni, students, deans, staff, and benefactors, in 2001 my recommendation of John Sexton to be president was enthusiastically endorsed by the University Board, and Sexton left the Law School deanship to become the 15th president of NYU, officially effective in 2002.

When I moved from Chairman of the Law School board to Chairman of the University Board in 1998, Sexton and I continued our close relationship. We often talked about the Law School and the University, especially how the University could benefit from many of the strategies we had initiated at the Law School. When Sexton was elected president, our discussions blended into the vision for the University that he announced at his inauguration in 2002. He described a university that would achieve excellence not just on a national but on a global scale.

The Sexton presidency, due to Sexton’s vision and leadership, has been and continues to be an incredible success. As noted by one of the leading experts on higher education, University of California Professor David Kirp, in his renowned 2003 book *Shakespeare, Einstein, and the Bottom Line: The Marketing of Higher Education*: “NYU is the success story in contemporary American higher education.” This achievement is attributable in considerable measure to the Lipton-Sexton partnership that was born in 1988 when I became Chair of the Law School Board and a few months later Sexton became dean of the Law School. We quickly agreed on developing a strategy for excellence and a working relationship designed to enable it to be
accomplished. Our partnership grew stronger and more productive with each passing year. An important auxiliary to the Lipton-Sexton partnership is Debra LaMorte, Senior Vice President for Development and Alumni Relations for the University, who joined our partnership in 1990 when we asked her to take charge of fundraising at the Law School and who transferred to the University in 2002. LaMorte has been instrumental in the University raising an average of $1 million per day every day since the start of the Sexton presidency.

To build on the success of the first six years of the Sexton presidency, in 2008 the Board adopted a framework plan for the development of the academic program and physical facilities looking to the year 2031. With Framework 2031 in mind, in 2009 the Board asked Sexton to extend his term as president to 2016. In a message to the NYU community, I stated:

In making its request to John, the Board focused on the University’s exceptional progress over the past 30 years and specifically on its remarkable advance during his time as president. The Board focused as well on the need to ensure that the University has powerful and imaginative leadership in the coming period, a timeframe that is sure to be challenging for research universities in general and for NYU in particular. With John as its president, the Board is confident that the University is capable of securing and advancing its position among the great universities not only of the United States but also of the world.

In 2012, some members of the NYU faculty organized Faculty Against the Sexton Plan (FASP) to oppose construction of needed classroom, laboratory, dormitory, and other facilities on the University’s Washington Square property. In 2013, FASP organized no confidence votes against Sexton and a majority of the Faculty of Arts and Science faculty who voted cast “no confidence” votes in John. I issued the following statement:

The Board of Trustees unanimously and strongly supports President John Sexton and believes in his strategic direction for the University. In a time of great challenges to higher education, John Sexton has become a nationally recognized innovator while, at the same time, maintaining excellence. It is clear to us that NYU is a great success story. It is also the case that higher education faces pressures that call for leadership that can enact change where needed, and that is why the Board has passed a resolution strongly affirming our support of John and NYU’s current course.

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While we cannot and will not compromise the ultimate authority of the duly constituted Board of Trustees in the governance of the University, we agree with President Sexton that the voice of the faculty in shaping the University must be heard and play a significant role. And we agree that the time has come to consider ways in which that voice may be made even more meaningful. Thus, as President Sexton has urged us to do, we will embark upon a conversation about how to do this. Over the next two months, a committee of the Board consisting of the chair and the six vice chairs will meet with various stakeholders in the NYU community to listen and to seek the best way forward in the evolution of the University’s governance—both University-wide and within schools—enabling
NYU to act decisively in a challenging higher education environment while also taking account of and benefiting from the input and involvement of all its constituencies, particularly the faculty.

In 2014, Sexton announced that he would retire as president at the end of his term in 2016, and a few months thereafter I nominated William Berkley to succeed me as Chairman upon expiration of my final term in 2015. I also appointed Berkley to chair the search committee to recommend the person to succeed Sexton as president. In 2015, the search committee selected Andrew Hamilton, Vice Chancellor of Oxford University, and Hamilton was elected by the Board at its June meeting to become NYU’s 16th President.

During the years since the start of the new millennium, NYU has:

- Doubled the applications for freshman admission
- More than doubled the student financial aid budget
- Increased student diversity
- Expanded the tenured and tenure-track faculty
- Launched new areas of scholarly inquiry
- Brought engineering back to NYU
- Reestablished and then reinvigorated the NYU Langone Medical Center
- Grew its international stature
- Opened new campuses abroad
- Raised more than $6 billion and tripled the NYU endowment to $3.5 billion

Academic Momentum:

- **NYU’s Ranking:** NYU’s ranking on the 2015 *Shanghai Academic Ranking of World Universities* was No. 27, up from No. 32 in 2008 and No. 55 in 2003. NYU’s place in the *Times Higher Education*’s 2015–2016 World University Ranking is now No. 30, up from No. 38 in 2014-2015, No. 44 in 2011–2012, and No. 60 in 2010–2011. In the inaugural 2015 *US News & World Report* ranking of global universities, NYU came in at No. 36.

- **Research:** Research expenditures at Washington Square, the NYU Tandon School of Engineering, and NYU Abu Dhabi increased over the last five years from $121 million to $181 million. Over the same period, if the NYU Langone Medical Center is included, the number rose from $322 million to a total of $467 million.

- **Full-Time Faculty:** The number of full-time faculty at Washington Square over the last decade increased by more than 600, or almost 30 percent.
• Partners Plan: With the financial support of the Trustees, the Partners Plan expanded the Faculty of Arts and Science by 20 percent between 2004 and 2010, the largest such expansion in NYU’s history.

• Faculty Awards: Faculty awards include five Nobel Prizes since 2000 of past and current members of the faculty (four in economics and one in chemistry), four Abel Prizes (considered the Nobel of mathematics), one National Medal of Science, one National Medal of Technology and Innovation, four National Humanities Medals, and six Pulitzers.

• New Fields of Inquiry: From the study of the ancient world to urban informatics to global public health to data science to gaming, NYU has added innovative programs and new research strengths.

• School of Engineering: The merger with Polytechnic Institute was completed in 2014, reestablishing and strengthening engineering, applied science, and technology at NYU.

• Student Applications: For eight years in a row, NYU hit record-setting student applications for admission to our undergraduate schools and colleges. For the Class of 2019, NYU received more than 60,000 applications, the most for any private university.

• Graduate and Professional Schools: The total number of graduate students enrolled at NYU increased from 19,200 in 2004 to 24,300 in 2014. NYU’s professional schools have continued to flourish and build on their already strong and growing reputations.

Student Life and Wellness:

• Counseling Services: In 2013, following a decade of intense investment in student health and counseling services, NYU was awarded the Jed Foundation’s JedCampus Seal for the quality of its mental health and suicide prevention programs.

• Student Diversity: NYU enhanced student diversity. Eighteen percent of the freshmen entering in 2014 were underrepresented students of color, compared to 11 percent of all enrolled and undergraduates in 2002.

• First-Generation Students: In 2014, 19 percent of the freshman class were first-generation college students.

• Community Engagement: In 2014, more than 13,000 students performed more than 1.3 million hours of service to nonprofit organizations—the equivalent of 700 full-time community service jobs.

Focus on Student Financial Aid:

• Scholarships: For the incoming 2015 class, NYU awarded more institutional scholarship aid than ever before—more than $269 million for undergraduates at the New York City campus.
• Freshman Financial Aid: NYU has been able to increase the average financial award for freshmen from covering 34 percent of tuition in 2002 to covering 54 percent of tuition in 2014.

• Pell Grants: NYU is a leader among its peer institutions in the number of Pell Grant-eligible students in attendance, with roughly 20 percent of last year’s incoming class receiving Pell Grants (an indicator of the most economically needy students).

• Student Debt: Over the last few years, average student debt upon graduation for NYU students has declined by more than $10,000 and is lower than the national average for private not-for-profit institutions.

• Momentum Campaign: As part of an effort to raise $1 billion for financial aid, the Momentum Campaign was launched in 2013 and had raised $425 million as of June 2015.

Global Reach:

• Global Sites: NYU has added six new global sites: Accra, Berlin, Buenos Aires, Sydney, Tel Aviv, and Washington, DC.

• Campuses: Degree-granting campuses opened in Abu Dhabi (2010) and Shanghai (2013).

• Students Studying Abroad: In a 2014 report by the Institute of International Education, NYU ranked No. 1 both for the numbers of students studying abroad and the number of international students studying on its campus. Between 2002 and 2012, the number of NYU undergraduates studying abroad for at least a semester nearly doubled.

• Abu Dhabi: The acceptance rate for NYU Abu Dhabi places it among the world’s most selective universities. In its first two graduating classes, five students won Rhodes Scholarships.

Strong Financial Profile and Strategic Investments:

• Growth in Endowment: NYU’s endowment rose from $1 billion in 2002 to $3.5 billion in 2014, bringing the endowment per student from $52,000 to more than $77,000.

• Net Assets: NYU’s net assets more than doubled over the last decade to $3.7 billion in 2013; operating surpluses were achieved in 10 of the last 12 fiscal years.

• Strong Credit Rating: With many higher education institutions experiencing financial challenges since 2008, NYU has maintained strong credit ratings of Aa3 from Moody’s and AA- from Standard & Poor’s.

• Capital Improvements: Since 2002, NYU has invested more than $3 billion in capital improvements for deferred maintenance for academic improvements.

• Greenhouse Gas Reduction: NYU has decreased its greenhouse gas emissions by 38 percent since 2011 through installation of a cogeneration plan and other sustainability measures.
Emphasis on Innovation and Entrepreneurship:

• **Start-Up Companies**: NYU has launched 52 percent more start-up companies per research dollar expended than the national university average.

• **Licensing Revenue**: NYU has generated $1.3 billion in licensing revenue over the last five years—on the order of $300 million in research grants annually—and spawned 55 start-up ventures.

• **Business Incubators**: The NYU Tandon School of Engineering hosts three business incubators that have raised $145 million in equity financing and have “graduated” 51 businesses, in the process creating 1,256 jobs and generating $352 million in economic impact.

• **Entrepreneurship**: NYU has long had an interest in entrepreneurship, with the establishing of the Berkley Center for Entrepreneurship and Innovation at the Stern School of Business in 1982. Building off that legacy, NYU created the Entrepreneurial Institute in 2012 to further nurture the University’s start-up ecosystem and opened the Mark and Debra Leslie Entrepreneurs Lab in 2014, where students and faculty meet to consult and collaborate on start-up companies.

A Proud Heritage

Today, NYU is a great institution. It and its academic leadership are admired throughout the world. It is an institution of which faculty, students, alumni, and trustees are proud. It is an institution that attracts unique financial support. It is an institution that I am proud to be a Trustee of, as are all of my fellow Trustees. It is an institution of which the trustees and leaders of other universities often tell me, “You are at the forefront of research university education, and we are racing to catch up with you.” I am immensely proud of the role I have played in making NYU the institution it is today. I look back on my 64 years with pride and look forward with anticipation to the great new things NYU will accomplish. NYU is a proud heritage for all who have contributed, and for all who will contribute, to its success.

At a dinner in June 2015 commemorating my 17 years of service as chairman of the board, the following tribute was delivered:

Rarely have an institution and an individual been so entwined as New York University and Martin Lipton. For over 60 years—as student, professor, alumnus, advisor, donor, trustee, and chair—Marty has poured his time and talent into this University. He has been a driving force behind the dramatic transformation of NYU into what it is today: a preeminent urban research university with global reach.

The story begins at NYU’s School of Law, where Marty was at the top of his class, a Root-Tilden Scholar, and editor-in-chief of the *NYU Law Review*. With fellow law school alumni, he would go on to found one of the world’s leading law firms, Wachtell, Lipton, Rosen & Katz. For over two decades, he taught at the law
school as an expert on securities regulation and corporate law. In 1972, he became a law school trustee and, a year later, president of the Law Alumni Association.

In the mid-1970s, Marty undertook a difficult and sensitive task—to bring NYU back from the brink of financial crisis. He skillfully negotiated the sale of the C.F. Mueller Company in a way that provided a sound footing for the continued growth of the Law School and the stabilization of the University. During that time, he and his firm were also involved in saving New York from its own dire fiscal straits as they represented the city in transactions that averted bankruptcy.

Marty was asked to join the NYU Board of Trustees in 1976, while continuing to focus on the Law School, working with successive deans to strengthen the school and recruit leading scholars. In 1988, he was elected chair of the Law School’s board and, in a powerful partnership with then Dean John Sexton, propelled the school to the top ranks of legal education, adding the innovation dimension of global law.

Rising to the chairmanship of the NYU board in 1998, Marty was able a few years later to continue his potent collaboration with John Sexton, who became president in 2001. Over the last 13 years, they have worked together to advance this institution to attainments that would scarcely have seemed possible when he started as a law student in 1952.

Marty has had a hand in every major milestone of NYU’s recent history, from putting NYU and NYC on a sound financial footing in the 1970s to helping secure the talents of a succession of presidents who infused the university with energy and leadership throughout the 1980s, ’90s, and into the 21st century.

Fittingly, Marty Lipton has been the recipient of the highest honors the Law School and the University can bestow: the Arthur T. Vanderbilt Medal, the Presidential Citation, and the Albert Gallatin Medal. With his wife, Susan, he has selflessly immersed himself in the life and rhythms of our community. We pay tribute to him this evening as one of the towering figures in NYU’s history.

On October 5, 2015, I passed the baton to my fellow NYU trustee, William Berkley, a 1966 graduate of the Stern School of Business.

In January 2016, Andrew Hamilton, Vice Chancellor of the University of Oxford since 2009 and before that Provost of Yale University, became the 16th president of NYU.

As I look to NYU’s future, I am confident that the leadership that is now in place will sustain the remarkably successful academic trajectory that has brought NYU so far during my more than six decades of association with the University.