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Proposed National Slavery Museum Files Bankruptcy

Despite the endorsement and financial support from celebrity Bill Cosby, the proposed National Slavery Museum in Virginia has filed for bankruptcy protection. The United States National Slavery Museum was supposed to have opened four years ago on 38 acres along the Rappahannock River in Fredericksburg, Virginia. Then without warning, the museum filed for Chapter 11 bankruptcy September 21, leaving donors and supporters of the project to wonder what went wrong.

The ambitious project was the brainchild Virginia's first black governor, Lawrence Wilder, who proposed the idea 10 years ago. It was well received and drew support from various quarters, including famous comedy star, Bill Cosby who donated \$1.2 million of his personal money into the project. Yet the museum was unable to pay taxes on its donated land to the city of Fredericksburg.

Ex-governor Wilder, who is now serving as a professor in Virginia Commonwealth University's Center for Public Affairs, would only say that the bad economy was to blame for the bankruptcy, adding that he "would not be making any statement at this time". Although Wilder singled out the economy as the cause of the bankruptcy, he insisted that the museum would be built on schedule.

The museum is to be housed on a 100,000-square-foot property that includes a 450-seat theater, full-scale replica slave ship and hundreds of donated relics such as the leg irons the ancestors of many black Americans wore on the slave ships in the long, hazardous journey across the Atlantic from Africa.

Fredericksburg city treasurer Jim Hanley explained that after a period of time of non-payment of taxes, the city took steps to sell off the property to pay the taxes, but the museum filed for bankruptcy. According to the museum's 2007 tax return, its donations came up to \$577,173 and with other income, its total revenue was \$581,740 that year. Its expenses totaled \$527,050 that included \$124,449 worth of "exhibition expenses", advertising and marketing expenses of \$27,700, and a "fundraising event expense" of \$34,458. This resulted in a surplus of \$54,690 for that year. But four years later came the bankruptcy filing.

According to bankruptcy documents, the museum has estimated liabilities of between \$1 million and \$10 million, with creditors' unsecured claims totaling \$3,233,784. Its biggest creditor is Lexington Design & Fabrication in Los Angeles, the maker of many of the museum's high-tech exhibits who is owed \$1.6 million. But the company wrote down the debt to close to \$200,000.

Fredericksburg city treasurer Hanley does not expect the project to come to fruition and believes the land will be sold and the city will get its tax money, though he acknowledged that people would "still be delighted" if Wilder could get the project back on its feet.