



Report to Council and Members

May 2013

Reports of labor's demise might be premature, but the news is not good: The percentage of people in the American workforce represented by unions is at an historic low. Decades of attacks by powerful corporate interests and conservative politicians seem to have paid off, and the labor movement is struggling for survival.

Fortunately, the Writers Guild of America, East is doing well. Our members' earnings are strong, and the union's finances are solid. Almost all high-quality, high-budget scripted programs on broadcast and cable television are written under Writers Guild contracts, as are most larger-budget feature films in the U.S. The anti-union wolf is not at the door.

Still, we are part of a broader labor movement that is in real trouble, and even in our own industries, there are fundamental shifts in how projects are developed, funded, produced and distributed. That is why we continue to devote energy and resources to organizing, to training members in new ways to work, to building our creative community, to enhancing work opportunities and to thinking about new ways to represent members in an increasingly contingent job market.

News negotiations

We negotiated new three-year contracts with CBS News and ABC News this past winter. For the first time in memory, we were able to win real pay gains at CBS without any

concessions. In addition to the hikes of 2 percent per year to salary minimums, we won increased company contributions to our pension fund, which are required in order to maintain the excellent benefit it provides. Members will vote whether to defer 0.5 percent of their pay increase in the third year to bolster pension contributions. Overrides will be increased for temps so they don't wind up paying the extra pension contributions out of their own pockets. This agreement also increases the Acting Editor fee in the contract by about 12 percent, and it boosts the contract writer-producer rate by \$5,000 per year. These are solid gains that will benefit hundreds of Guild members across the country. And we have delivered these things on time, whereas in the past, contracts were often wrapped up months – or years – after expiration, with wages frozen in place in the meantime.

These were what are referred to as “cut-through” negotiations, in which the parties bargain only over economic gains. If we had rejected that approach in favor of wrestling over a long list of issues, CBS would have done the same. The company's managers are always eager to extract monetary and other give-backs to help them meet their budgets, or in some cases to limit the influence of the Guild over their operations. The hard truth is that unions in broadcast news have not fared well in this traditional form of give-and-take in recent years; they have been pressed to give up things that members wanted to keep. We were very pleased to have been able to break that cycle this time. Of course, there are items we want to win back, and improvements in specific provisions would be well-received. But our priorities were to put more money in members' pockets, to preserve the pension benefit and to hold the line against further incursions. Members ratified the agreement by a five to one margin.

We won similar terms at ABC News – that is, 2 percent annual pay increases, plus a 1.5 percent increase in company contributions to the Guild pension plan and a member vote on

whether to defer another 0.5 percent from wage increases in the third year. Because ABC will be relocating its radio operations, it might change work flow in that area; we won a pledge of no staff layoffs resulting from those changes, and severance pay for any per diem who loses at least a third of his/her shifts as a result. Minimums for staff writer-producers at WABC-TV will increase, and temp producers have won the right to negotiate producing fees. The company will fill two openings on *Good Morning America* with full-time staffers. Unfortunately, the corridor for payment of night shift differential changed from midnight to 6:00 a.m. to midnight to 5:00 a.m., and the meal penalty was reduced from \$40 to \$35—although we successfully resisted the company’s proposal to replace the one-hour paid lunch period with an unpaid half-hour. Assignment Editors who are working on assignment out of town within the continental United States will now be paid time-and-a-half for each day of such work. Temporary employees will be able to participate in the company's Commuter Tax Benefit Program. This agreement was ratified with a 95 percent “yes” vote.

In September 2012 we negotiated a new agreement with 1010 WINS, winning 2% increases in each of three years. The night shift differential window was narrowed by an hour and a new provision was negotiated governing Service Aides. The parties established a workload committee to bring member concerns to management.

We are still negotiating with WNYW and WWOR.

Budget, operations

By crafting realistic operating budgets and paying close attention to expenditures, we have been able to stabilize – in fact, improve - the WGAE’s finances. In the fiscal year ending March 31, 2013, we generated an operating surplus of several hundred thousand dollars while at

the same time offering an unprecedented number of events and programs at which members could learn, network and socialize. We also conducted vigorous organizing campaigns in nonfiction basic cable television, digital media, independent film, digital news and other areas; we negotiated a number of major collective bargaining agreements; and we aggressively enforced members' rights. The WGAE has smart, dedicated staffers who do their jobs efficiently and with passion.

Screenwriter initiative

It has never been easy to build a career writing feature films, but screenwriter members report increased pressure from studios and producers to write for free in order to get a job, to keep a job or to stay in the running for jobs in the future. These demands are improper and actionable. Our figures indicate that many members are very much able to get paid for their film work, but it is clear that the types of movies being made, the budgets, and the deal structures are changing, and often not to the benefit of the writer.

For the past several years, the WGAE and its screen members have engaged in a project of conversation and analysis, both to get a deeper understanding of the dynamics of the industry and the ways its transformation will affect writers; and to determine how the union and its members can remain central to the business and craft of moviemaking.

We assembled a working group of screenwriters, many of whom are members of the WGAE Council, to discuss the immediate manifestations of the problem (e.g., sweepstakes pitching and free rewrites), longer term trends (e.g., day-and-date releases, subscription video on demand) and strategies for protecting writers' interests. In addition to the working group's roundtable discussions, we presented a very interesting panel with James Schamus and John

Sloss, who talked about the dollars and cents of feature film production, distribution and marketing; alternative financing and distribution models; and the increasingly entrepreneurial role of writers in feature film. A few months later *Blue Bloods* showrunner Kevin Wade discussed the transition from film to television. Interviewed by Norman Steinberg, Kevin described the important differences in work demands between the large screen and the small, and in storytelling structure and style.

We continue to expand our work in the (perhaps) reinvigorated world of indie film. We held a reception for New York writers whose films were presented at the Sundance Film Festival, and we put together an independent film caucus to broaden the dialogue and to ensure that the Guild remain relevant to projects made outside the majors and mini-majors. We also presented a workshop on raising funds through Kickstarter. We partnered with the online Black List project, which promises to expand opportunities for screenwriters.

We conducted two surveys of screenwriter members, one to examine members' views of the broader changes in the industry and in their careers, and the other – in conjunction with the Writers Guild of America, West – a more detailed examination of exactly what writers encounter when they pitch producers and get hired to work on features.

Finally, WGAE President Michael Winship and I attended the second World Conference of Screenwriters in Barcelona in November, followed by the annual conference of the International Affiliation of Writers Guilds. It is always interesting to learn about the problems and opportunities encountered by film and television writers working in the very different economic, political and creative environments of Europe, Africa, New Zealand and elsewhere.

Nonfiction basic cable television

For a number of years, the WGAE has been working with writers and producers to improve conditions in nonfiction basic cable television. Although nonfiction shows constitute the majority of programming shown on cable television, this is a part of the industry that historically has been non-union. We have won four representation elections at the National Labor Relations Board and are waiting for an NLRB ruling in a fifth, and we have communicated with hundreds of men and women about working conditions and the difficulties of sustaining meaningful careers without employer-paid benefits.

In the summer of 2012, we negotiated first-ever agreements with two major producers of nonfiction basic cable programming, Lion Television, Inc. and Optomen Productions, Inc., whose employees voted for WGAE representation in 2011. We hope these agreements demonstrate that people who join with the WGAE get not just a community of creative professionals, but tangible improvements in their working conditions as well. Nonfiction TV writers and producers told the WGAE that their top priority was employer-paid health benefits, and both Lion and Optomen agreed to offer group health insurance to Guild-represented employees and to pay 90 percent of the premium cost. In addition to these company-paid health benefits, the collective bargaining agreements provide paid time off, grievance and arbitration provisions, compensation minimums and other gains.

We are still negotiating with ITV Studios, which employs several dozen people in New York and other cities. Although ITV has agreed to provide employer-subsidized health benefits, we think the members of the bargaining unit deserve more than what is on the table, so negotiations continue.

In July 2012, the WGAE and American Rights at Work co-sponsored a panel discussion in Washington, D.C., about the challenges faced by contingent employees, including nonfiction TV writers and producers. Senator Al Franken (who is a proud WGAE member) and I were joined by ARAW/Jobs With Justice Executive Director Sarita Gupta and Guild member Lee Ellenberg of *The Late Show with David Letterman*. The event was attended by several dozen policymakers and staffers from Capitol Hill.

Television

It has become increasingly clear that WGAE members need a more stable base of job opportunities in television. Although comedy/variety employment remains strong, daytime programs have disappeared in recent years, and work on network and high-budget scripted cable programs has been sporadic. In many ways, television employment for writers in New York resembles the patterns endured by talent and crew in the years before the state's production tax credit was increased to 30 percent of below-the-line costs: Jobs are available when several series and features are in town, but when those wrap, work becomes scarce. It is difficult to build and sustain a career in TV writing when employment is so sporadic. The challenges faced by women and people of color are particularly acute. We are meeting with state officials to discuss this pressing issue.

Digital media

Digital media promise to transform the way programs are financed, created, distributed and consumed. The business and creative models have not been set; matters of style and structure, of monetization and gatekeeping, of ownership and career development, are all in flux.

The Writers Guild of America, East has decided to become active in this space now to ensure that writers' voices are heard as these critical decisions are being made.

Our Digital Media Education Program is in its third year, funded in part by the Consortium for Worker Education. The courses have included a five-day seminar on digital journalism; a full-day hands-on class on Toon Boom software to create storyboards for animation projects; a three-day intensive course in Final Cut Pro X; a five-day intensive class on Avid; a panel discussion of writing for video games; another Kickstarter workshop; a panel on transmedia projects; and upcoming panels on the future of broadcast news and on Indie GoGo fundraising. Hundreds of members have participated in these classes, which are an integral part of the WGAE's efforts to ensure that writers participate in the development of digital media and can build substantial careers as budgets continue to increase.

Sesame Street

In April 2013 we negotiated a new three-year contract covering writers at Sesame Workshop. In addition to pension contribution increases, we won pay increases of 2% in the first year and 3% in the second and third years. This is a very strong shop of active, experienced members. They ratified the agreement unanimously.

Lowell Peterson
Executive Director