WGA Candidates Issue "Strike Threat" For 2017: Cable Parity, New Media, Packaging & Paper Teams Among Hot-Button Issues

by <u>David Robb</u> September 1, 2015 12:53pm



When the <u>WGA</u>'s current contract expires in May 2017, it will have been almost 10 years since writers last struck the film and TV industry. Negotiations for a new contract won't start for another 18 months, but the topic is taking center stage in the the guild's ongoing officer and board elections as those elected will represent film and TV writers in the upcoming negotiations with producers. Gearing up for tough talks, WGA candidates are already talking about the need for a "viable strike threat."

Incumbent board candidate Patric Veronne, who as president led the guild's last strike, wrote in his campaign statement that the guild should start preparing now for another walkout in 2017. "Leverage in collective bargaining," he wrote, "is most effectively built

through the careful development of a viable strike threat, applied by a thoughtful and strategic board of directors. Thus, this should be the focus of, and the most important work to be performed by, the board you select in this election."

Wrote presidential candidate <u>Joan Meyerson</u>: "Unity in our goals is the single most important thing we can do to ensure our future. The more unified we are, the more powerful we become, and the more management will take us seriously. They will fear a strike more than we do."

Vice presidential candidate David Goodman, who said that "Our greatest recent success is the 2007-2008 strike" – which won jurisdiction over shows made for new media like Netflix and Amazon – urged members not to forget "how effective we can be when we're united behind common goals, and, because we won, how important the threat of a strike is in negotiations."

None of the candidates appears to be itching for a strike, but many said the guild must be ready should it come to that. "I believe in taking a strong and pragmatic approach that utilizes the strike vote judiciously and only under certain circumstances," wrote Aaron Mendelsohn, who's running unopposed for secretary-treasurer, "like when our sacred cows are threatened (health and pension, residuals, etc.), or if we need to stake a fair claim in a new delivery system or work area, or if rollbacks remain on the table."

Among the hot-button issues the candidates want the next round of contract talks to address: cable parity, agency packaging, new media/streaming residuals, "paper teams," free rewrites, free pre-writes, sweepstakes pitching and "bake-offs," late payments, creative rights, one-step deals, diversity, the erosion of the "quote" system, the guild's ailing health plan, and the steady decline in pay and jobs for feature film writers. These and other writers' complaints will be aired Wednesday at the WGA West's Candidates Night Dinner, to be held at the guild's headquarters beginning at 6 PM.

Achieving cable parity was cited as a top priority by many of the candidates. In its infancy, the cable industry got a big break from the WGA – as well as SAG and the DGA – to help get it started. Minimum pay for writers was deeply discounted, and remains so to this day compared to the minimum pay writers get on network shows – anywhere from 30%-40% less. Scale for writing the story and teleplay for a one-hour primetime network show, for example, is currently \$37,368, while the minimum pay for writing the story and teleplay for a high-budget, one-hour basic cable show is \$27,078.

"It's time to start preparing for another MBA (minimum basic agreement) negotiation," Meyerson wrote. "We need a new contract in which basic cable rates are brought into parity with network minimums and residuals." Added board candidate Cole Haddon. "Cable parity must be a top priority in 2017's MBA negotiations. Cable networks' 30-year argument that they require discounted MBA minimums just doesn't hold up when you consider that many basic cable series now have budgets equal to or greater than network series and that basic cable has become the most profitable sector of scripted television. The era of cable writers living as second-class citizens within their own Guild must end."

Decrying "the lack of basic cable parity," board candidate Aaron Fullerton noted that "the words 'cable' and 'network' have lost meaning to most TV viewers, and yet the current structure for episodic fees draws a distinct line between them. When writers on basic cable and The CW are making less for writing an episode than their network counterparts, too much is being dictated by antiquated notions, especially when a basic cable show like *The Walking Dead* is bringing in higher ratings than almost everything on the networks."

Presidential candidate <u>Howard Rodman</u> cited a long list of issues he plans to address if elected, including <u>putting an end to "paper teams,"</u> where two writers are forced to work together for half the pay. For this "privilege of lying to the world," he said, "you get your salary cut in half."

Rodman said he'd also tackle Sweepstakes pitching, where many writers are called in to pitch on the same idea, which he said "more resembles R&D than it does any rational hiring practice." He said he'd also fight against "the seemingly endless number of free pre-writes necessary to get the job; the seemingly endless number of free re-writes necessary once you have the job; two seasons being called one season (with an 'A' and 'B') so that nobody gets a bump; one draft deals, where you do the same work for roughly two-thirds the pay; the wholesale erosion of the quote system, and ultra-tight budgets presented as take-it-or-leave-it."

All of these, he wrote, "are designed to perform just three simple functions: to sell an arbitrary piece of cost containment as natural or inevitable, while ignoring how profitable the business has become; to offload risk from the companies to us, and in the end, to transfer money from our pockets to those of others. Our friends, colleagues, agents, managers will often urge us to accept these practices as 'the way it is.' Our guild should not, and under my leadership, won't."

Incumbent board candidate <u>Billy Ray</u>, who has co-chaired two WGA negotiating committees, said that writers are "under siege" in the current marketplace. "We're being asked to do more for less," he wrote. "Our middle class is being squeezed nearly to the point of nonexistence. We're subjected to things like pre-writes and paper-teaming and late pay. In 2014, weeks before what was supposed to be a non-confrontational negotiation, the AMPTP proposed a deal to us that included \$60 million in cuts to our Health Plan. The subtext of all of this is always the same: writers don't actually matter."

Longtime former board member Dan Wilcox said that's he's "ticked off at shows (mostly cable) that create 'paper teams,' i.e., insist that two writers – who may never have met before – pretend to be a team so they can both be hired at half price. The practice is unconscionable."

"There are still practices out there that burn my tail," he wrote. "I'm more and more afraid that separated rights for TV pilots are for all practical purposes dead... And I'm fed up with the misuse of the Term Writer position on TV staffs, which lets shows require writers to do Story Editor work for about half the salary."

Meyerson said she's running for president "to help every one of us get through the problems we face daily – free re-writes, late payments, health and pension issues."

Board candidate Meredith Stiehm took on the issue of packaging, which she called "a raw deal for writers." She knows this, she said, from personal experience. "When I created *Cold Case*, my agents packaged it. It was my first show, and I was a rube – when they told me I would benefit too, since they wouldn't take their 10% from my salary, I bought it. I just didn't do the math. It wasn't until year seven of my show when I was tasked with slashing the budget that I finally noticed that my agency was making \$75,000 per episode – more than I was. I was stunned. And even worse, they had a percentage of the profits. When I suggested to the studio that we slash that episodic expense, they would not hear of it. Again I was stunned, and confused. I have since come to understand how the studios and agencies collude to keep packaging as a norm, securing money for them that belongs in our pockets. We writers should never have opened this door; we now need to close it. We do the work, not our agencies. We should get the profits." Incumbent board candidate Carleton Eastlake wrote that "Deep concerns about agents' conflicts of interest in taking packaging fees has underscored the need for a strong guild to represent writers' interests against our own agents as well as the studios. Late pay abuses, one-step deals, free rewrite issues, forced paper-teams, and long holding periods all still require further work. We should continue to push hard to bring basic cable rates to parity with broadcast. An open Internet may give writers a chance to establish again the types of writer-owned production companies that flourished before the networks were allowed to monopolize production – but only if we continue to defend against the major media companies' attempts to take exclusive control of the Internet."

Vice presidential candidate Carl Gottlieb said he will "fight for changes in contact language, for diversity employment, and improved deal structuring. This will require us to review and moderate agent and manager conflicts of interest, 'packaging,' and every other condition that adversely affects writers' employment and compensation. One-step deals, sweepstake pitching, infinite rewrites, paper teams, and slow or no-pay must stop."

Goodman noted that the guild only negotiates for minimums, but said that "a productive goal for the guild would be to fight to get overscale pay part of our MBA negotiations. It would help to look after the financial well-being of our members, as we would be fighting for increases that accurately reflect what we're paid as writers, even if we're called producers, as well as getting pension and health contributions on that pay. We also need to continue to fight for better residuals on streaming, or in the years to come we won't see the benefits of the new media world."

Stating that "We are loaded for bear to revisit first-run streaming in our next negotiation," board candidate Mara Brock Akil said that the key to the next negotiation will be to understanding the failures of past negotiations, and to target future revenue streams now instead of waiting until they are already making the studios richer than they already are. "The studios are making a lot of money from the content we create," she wrote. "We have since learned that the studios have earned record-breaking profits off of first-run streaming – a negotiating issue we gave up in our last strike. It seemed like a reasonable trade-off to get writers off the picket lines and back to work. If we knew that the studios would make that much money from first-run streaming we would have held out... but we didn't; just like we didn't see the impact of giving away most of our DVD rights or before that our copyright. I don't propose to know the next big 'sea change' that will affect how our content is being distributed and monetized, but I would like to have a union that invests in keeping in step with industry and technology changes, so that we can better strategize on where the industry will profit from technological advances, so that we know how to properly negotiate and protect our value."

Board candidate Andrea Berloff said that "bringing new media residuals into line so that they reflect the exploding growth in that sector" is one of her goals. "We need to continue to press for the elimination of paper teaming for staff writers, as well as the enforcement of our new options and exclusivity rules. Most importantly, however, we need to work to alleviate the ever increasing downward pressure on mid-level TV writers. Like mid-level feature writers, these professionals seem to be feeling the squeeze most acutely."

About the 2017 contract negotiations, board candidate Ari Rubin wrote: "Looking at trends already developing, we must: guarantee the security of our pension & health plans; better define the percentage of writing versus producing income for TV staff, so that more will be contributed to your pension; continue to improve online minimums; and resist offsets in eroding over-scale income."

CBS News writer Courtney Ellinger, a candidate for the board, has made organizing new-media companies one of her main goals. Ellinger, who helped organize the CBS web writers in Los Angeles, said that "Our guild is at a pivotal moment in time. The industry is changing rapidly. We must be forward-thinking and proactive in order to survive and thrive." To do that, she wrote, the guild must organize. "If our guild doesn't grow, doesn't adjust, and doesn't expand the membership base, we risk becoming irrelevant. I believe the more areas of coverage the guild develops, the more job opportunities there will be for all of us."

Nearly all the candidates addressed the industry's lack of diversity, but none made any concrete proposals about how the upcoming contract talks could be used to improve it. Comedy writer Luvh Rakhe, who noted that he had "directly experienced the stigma and stagnation that are often part of being a 'diverse' writer," said that the work he's done as co-creator of the Writers Access Project, which was designed to combat those problems, "has resulted in concrete jobs for members."

Zak Penn, who co-wrote Steven Spielberg's upcoming *Ready Player One*, joked that he's elected, he'll "huff glue" and "take the naked run down Wilshire Boulevard." Because the board needs more "white men in their forties, as we are sorely underrepresented." He then urged members to vote for Berloff. But if elected, he said that "issues like bake-offs, unpaid steps, and the slaughtering of the first draft should be resolvable by meaningful discussion. I can speak to our overlords in a language they understand ("entitled jackass") and therefore believe I can help mitigate some problems."